— A BOOK FOR NONPROFITS —

Candid

The Power of Psychologically Safe Feedback

— BY —

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PULSE FOR GOOD

Candid: The Power of Psychologically Safe Feedback
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CHAPTER

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Four Stages of Psychological Safety

"When failure isn't feared, people are free to state their mind."

In a TED talk by Tom Wujec titled Build a Tower, Build a Team37, he explains the marshmallow challenge. It's a common teambuilding challenge used by many organizations where each team is given marshmallows, tape, and spaghetti sticks to build the tallest tower possible.

What's interesting is that kindergarten students consistently outperform MBA graduates in this challenge. Why? The children aren't afraid to experiment and fail. Without fear of judgment or repercussions, they quickly try new ideas, learn from mistakes, and iterate rapidly, while the adults spend more time talking and planning.

Why? When it comes to this challenge, children often have more psychological safety than the adults. They aren't afraid of any consequences should they fail the challenge. They don't have inner struggles telling them, "If I fail this, people will laugh at me," or "If I don't do well, I might not be considered for a promotion." They simply throw themselves into the activity and fail until they find a solution.

When failure isn't feared, people are free to state their mind. Or in our case, when fear isn't present, people are more likely to offer feedback. In fact, we can't get true feedback unless there is at least some element of psychological safety from those we serve. This has been proven time and time again.

For example, Google conducted a study called "Project Aristotle" to figure out what makes an effective team.[38] Guess what they found? Psychological safety is the answer. It didn't matter who was on the team, how long they had worked together, or their past experiences. Out of one-hundred and eighty teams studied, those that thrived had an environment of high

psychological safety. When people felt comfortable speaking up, ideas flowed, but if they didn't, the team always hit roadblocks. Which led Google to build teams with this element in mind moving forward.

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WHAT IS PSYCHOLOGICAL SAFETY?

Psychological safety is essentially the belief that you can speak your mind (whether it's sharing ideas, asking questions, or admitting mistakes) without fearing negative consequences.

Think about it like this: in a setting where you know you can be honest, you're more likely to speak up and offer genuine feedback. But it takes time to feel comfortable enough to do that. Early on, whether it's a new job, joining a group, or seeing a new doctor, you might stick to safer topics. Over time, as trust builds, you become more willing to share deeper thoughts, even the controversial ones, because you know you will be heard and not judged harshly.

Nembhard and Edmondson's research shows how trust and respect play a major role in building this type of environment in healthcare teams. In the Journal of Organizational Behavior, they wrote, "The more members feel they work in a team characterized by interpersonal trust and respect, the more enthusiastic and devoted they are to participating in quality improvement efforts, which often require the interpersonally risky act of collaborative learning."[39] It's in these safe spaces we finally feel that we can advocate for ourselves and others.

Sadly, people often don't realize how important psychological safety is until they encounter a lack of it. Those negative experiences, being judged, ignored, or dismissed, make us realize just how valuable it is to feel safe enough to speak up. But we, and the nonprofits who serve others, often don't experience the same psychologically unsafe scenarios those we serve

do. So, the question becomes, how can we be sure we have created psychological safety for those we serve? We've found the answer in Timothy Clark's book The Four Stages of Psychological

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SAFETY: DEFINING THE PATH TO INCLUSION AND INNOVATION.40

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TIMOTHY CLARK'S FOUR STAGES OF PSYCHOLOGICAL SAFETY

Clark delves into how creating a safe and trusting environment allows teams to thrive. His framework breaks down psychological safety into four stages, each of which helps guide leaders in fostering environments where people feel included, safe to learn, able to contribute, and confident in challenging the status quo.

Let's review each of them and how they relate to the underprivileged communities we serve.

1. Inclusion

Inclusion, the first step in making individuals feel like they belong. It's the barrier you overcome when you feel comfortable enough to join a group without feeling awkward. You know you've reached inclusion safety when things become more relaxed, people start sharing jokes, you feel comfortable being yourself, and there's a shared feeling of belonging. It's that shift from being the "new person" to feeling integrated within the group.

When serving underprivileged communities, fostering inclusion safety creates a sense of belonging. When individuals feel that they are genuinely included, not just as beneficiaries but as active participants in the process, they are more likely to engage, share their insights, and advocate for themselves. For example, when someone experiencing homelessness feels truly

included in a discussion about their housing options, they are more likely to voice their real needs and preferences.

The opposite of this level is tokenism, where organizations use the theatre of involvement to meet their ends but don't genuinely include the people affected in the process. It's important to note that including people does not mean giving them complete power over a project. We've seen enough survey comments asking for drugs, hot tubs, and other illicit activities that its clear involvement requires a genuine partnership. However, when that partnership is achieved, you not only provide inclusion safety, but can more easily jump to learner and beyond.

2. Learner

Learner safety is the second stage of psychological safety, and it revolves around the ability to make mistakes and learn without fear of severe negative consequences, like losing your job or facing heavy criticism. This is where people feel free to explore, experiment, and grow. The key to this stage is knowing that errors are part of the process and won't lead to punishment, as long as they're addressed responsibly.

A great example of this in action comes from Blake. He was assigned to edit the website of his new employer, and as he did, a prompt came up that he didn't read well. He hit "okay" and accidentally deleted the entire website! He quickly worked to fix his mistake, but the website was down for a few hours as a result.

Once fixed, he fought his nerves and went to tell his boss what happened and how he fixed it. In truth, he wasn't entirely sure how he might react, and he feared for his job.

His boss, however, listened to what happened, then calmly asked how they could prevent the mistake from happening in the future. It was clear to Blake by his boss's reaction, he

wouldn't be fired for the mistake. That moment helped Blake trust that he could share mistakes without fearing for his job, which is the foundation of learner psychological safety.

When serving underprivileged communities, fostering learner safety means creating an environment where individuals feel they can share their experiences, ask questions, and make mistakes without fear of judgment or losing access to critical services. The goal is to make people feel supported, not penalized, as they navigate complex systems like healthcare, housing, or education. Especially because in these communities, individuals may already carry a sense of vulnerability, and the fear of making the wrong move can be paralyzing.

3. Contributor

Contributor safety is when you feel like your voice, ideas, and opinions are valued as much as anyone else's. After experiencing inclusion and learner safety, you gain the confidence to share your insights and make real contributions to the team. At this stage, you know your input matters.

However, it's possible to get stuck between the learner and contributor stages. In certain environments, individuals are never fully empowered to move beyond being an "expert beginner." They are given the chance to learn but are rarely asked for their opinions or ideas. In such cases, organizations might view people as cogs in a mechanism, valuable only for their technical skills but not for their perspectives. This is often the case when leadership centralizes decision-making and discourages individual initiative. Jim Collins refers to this in Good to Great[41], where he talks about the "hero with a thousand followers." When all decisions flow from one person at the top, others become stuck in lower levels of engagement, never stepping into their potential as contributors.

> *Psychological safety is the foundation. Without it, the rest is just paperwork.*

For underprivileged communities, contributor safety is a critical step toward empowerment. It's not enough for individuals to feel included or to know they can make mistakes; they need to feel that their experiences and insights are genuinely valued. When someone from a marginalized background feels safe enough to offer their perspective, it's a significant sign that they've moved from being a passive recipient of services to an active participant in shaping outcomes. These voices bring invaluable lived experiences to the table and help nonprofits build more effective, equitable solutions.

4. Challenger

The Challenger stage represents the pinnacle of psychological safety, where individuals feel confident enough to challenge others, even those higher up in the hierarchy. It's the power to say, "Hey CEO, you are wrong and here is why." At this level, you're able to push back on decisions, offer alternative perspectives, and disagree—even if there is a power disparity at play—because you know it won't jeopardize you.

Reaching this stage is incredibly difficult because it means going against the flow and risking conflict, especially when challenging those in power. Unfortunately, this is also where psychological safety can easily break down, as many organizations don't create environments where it's safe to push back on authority. Leaders often prefer compliance and silence over dissent—which stifles innovation and growth. In teams that really nurture this kind of environment, disagreements aren't seen as disruptions; they are seen as opportunities to grow. There's space for respectful pushback, and that helps the team find better solutions together.

Now, imagine what this looks like when serving underprivileged communities. Reaching the Challenger stage here means not just accepting the services or support provided but being

able to question them. This could look like someone experiencing homelessness feeling comfortable enough to tell their caseworker that the system isn't working for them or that they disagree with a certain policy. For many, this feels nearly impossible because they fear that if they speak up, they might lose access to the services they rely on. If a nonprofit can achieve Challenger safety, they empower people to challenge the systems meant to support them, so they can shape their own future rather than passively accept whatever's given.

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BETWEEN RESPECT AND PERMISSION

Along with the above four stages of psychological safety, Tim Clark also makes the case that true psychological safety exists in the sweet spot where both respect and permission are present. For example, if an individual is given a lot of respect but very little permission to act, it can feel like a parent-child dynamic. This is someone who really values your input but doesn't let you make decisions. Sure, they care about you, but they're not giving you the freedom to do anything with that trust. It's like saying, "I know you're great, but just follow my lead." It leaves you feeling stuck.

On the flip side, when someone is given permission to act but isn't respected, it can feel like they're being taken advantage of. You're allowed to contribute, but there's no respect behind it, which leads to feeling undervalued and used. This often happens when people are stuck between the learner and contributor stages. They are being given tasks but not the respect that validates their worth.

In nonprofits, an imbalance between respect and permission could look like a caseworker who genuinely respects the individual's needs and challenges, but often, the interaction becomes one-sided, where the caseworker assumes the authority to make decisions for the individual,

rather than with them. The client might feel they have to go along with whatever housing options are suggested, even if it doesn't align with their personal goals or experiences because they need a solution. In this scenario, respect is present, but the permission for the individual to advocate for themselves is missing.

For people experiencing homelessness, this imbalance shows up in different ways. On paper, they might have "permission" to make choices, but they often feel like their lives are under a microscope. Their decisions are recorded, monitored, and sometimes used as stories to raise funds for the organization. In this case, they may feel exploited, like they're being allowed to act, but only as a means to an end, rather than being respected as individuals with valid perspectives.

When creating psychologically safe environments, we need to consistently keep this line of thinking at the forefront of our services. Are we offering permission but not showing our respect? Or are we offering respect but not giving permission? Leaning one way or the other will hinder our progress to creating a psychologically safe environment.

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PSYCHOLOGICAL SAFETY IS THE GOAL, BUT NOT ALWAYS ACHIEVABLE

In some instances, you may never get those you help to the later stages of psychological safety. You should try, but you may not be able to due to scaling problems or the trauma experienced by the populations you support. And that's okay. The goal isn't necessarily to bring every person you serve to the highest level of psychological safety, but you can still find ways to create meaningful shortcuts.

What's more, not everyone will progress through the stages of psychological safety at the same pace. The gap between feeling included and becoming a challenger varies widely from

person to person. For those facing serious hardships, they might never feel completely safe or ready to challenge authority directly. That's why it's critical to offer alternative avenues like anonymous feedback to ensure their voice is still heard, even if they're not ready to step into the later stages of psychological safety.

Remember Marc's daughter who suffers from Spinal Muscular Atrophy (SMA)? When navigating patient advocacy, they found that caregivers—especially doctors—often had a hard time when their expertise was questioned. In these roles, there is often an unstated expectation to remember

that they are the "expert" and you should "follow [their] lead." It's not malicious, but it can create an atmosphere where the patient or their family might not feel safe contributing to the decision-making process.

This same dynamic plays out in organizations too. You might think you're open to being challenged by the people you serve, but how often do they feel comfortable enough to challenge you? It's unlikely, especially in hierarchical settings. As an executive or leader, you might want people to feel safe enough to give you feedback, but creating that level of trust takes time, effort, and training.

Even in situations with high levels of psychological safety, understanding the needs of the people you serve requires constant reflection. Ask yourself, "Have we earned enough trust to ask these people to contribute honestly?" Creating psychological safety isn't a one-and-done deal. It's a continued effort your nonprofit organization should consistently assess.

Homework

Now we've discussed what psychological safety looks like and how it's relevant to getting feedback from those we serve. Here are a few ways to analyze the psychological safety you have created (or might need to create) in your feedback loops:

- Reflect on the four stages of psychological safety. Where do you think your nonprofit

currently stands with those you serve? Are there any stages where you feel stuck or

hesitant?

- Ask yourself: What questions would the people you serve be comfortable answering?

What questions would they not feel comfortable answering? Reflect on how to create a

safe space for them to express difficult concerns.

- Evaluate your interactions with the people you serve. Are you giving them enough

respect and permission to act? Write down one way you can create more balance between

these two in your daily work with your community.

We might not always be able to achieve the highest level of psychological safety, but the more safety we create, the better feedback we receive. Next, let's dive into the power of fear-free feedback and how it helps your nonprofit organization move in the right direction.

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FROM THE BACK COVER

Transform how you listen. Change lives at scale.

Feedback is often the most untapped resource in a nonprofit — the one that holds the power to drive real impact. Too many organizations end up collecting surface-level feedback or missing the mark when it comes to truly understanding the needs of those they serve. *Candid* is your guide to building a feedback system that gives you the insights you actually need.

The team at Pulse For Good has collected more than 375,000 anonymous feedback responses across hundreds of locations since 2015, transforming the way nonprofits connect with the people at the heart of their work. Their mission is simple but powerful: to give leaders the data they need to make the best possible choices.

Through this book, you'll discover practical, actionable strategies to gather honest input, close the feedback loop, and build trust both within your organization and with your community. Written for nonprofits of all sizes, *Candid* shows how to turn feedback into real impact at scale.

With candid feedback, you can create lasting impact for those you serve.

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