

THE WORKPLACE OPTIONS PSYCHOLOGICAL SAFETY STUDY (2025) – EXECUTIVE SUMMARY AND OVERVIEW

The Leadership Blueprint for Building Engaged, Resilient Workforces



WORKPLACE **OPTIONS**
CONSULTING GROUP

Contents

- 01 — **Why Psychological Safety Matters**
 - The Cost of Silence in the Workplace
 - Trust as a Competitive Advantage

- 02 — **Key Findings: The Global Psychological Safety Landscape**
 - Five Workplace Challenges Impacting Psychological Safety
 - Country-Specific Trends

- 03 — **A Self-Assessment for Executives: How Safe is Your Workplace?**
 - Identifying Workplace Blind Spots

- 04 — **The Business Case for Psychological Safety and Inclusive Leadership**
 - Financial and Operational Benefits
 - Leadership's Role in Culture and Engagement

- 05 — **Looking Ahead: Psychosocial Risk as the Next Workplace Challenge**
 - Global Trends and Future Implications

- 06 — **Final Thoughts: A Call to Action for Business Leaders**
 - Building a Resilient Workforce

- 07 — **Next Steps: Connect with the WPO Center for Organizational Effectiveness**
 - Strategy, Consultation, and Resources

- 08 — **Appendix**
 - Workplace Factors Preventing Psychological Safety

WHY PSYCHOLOGICAL SAFETY MATTERS

The Leadership Imperative: Why Psychological Safety Matters Now

How many of your employees hesitate before speaking up in a meeting?

It's a question every leader should ask—but few do.

New research shows that **over half of employees worldwide fear the consequences of speaking up at work**—whether it's challenging an idea, admitting a mistake, or asking for help. This silence comes at a **steep cost**. When employees don't feel psychologically safe, engagement plummets, innovation stalls, and turnover spikes.

Yet, **organizations that cultivate psychological safety experience up to 50% higher engagement, stronger retention, and better business outcomes.**

At a time when **trust in institutions is at an all-time low, business remains the most trusted sector globally**, according to the 2024 Edelman Trust Barometer. Employees are looking to their employers for **stability, direction, and support**. But trust isn't built through policies or mission statements—it's established **in the everyday interactions between leaders and their people.**

*The 2024 Workplace Options Psychological Safety Study offers an **unfiltered, data-driven perspective** on what's really happening inside organizations. Based on **clinical insights from workplace well-being professionals across 18 countries**, the study provides a **unique global lens on workforce challenges**—from leadership blind spots to cultural barriers that hinder engagement.*

For **Chief People Officers (CPOs), Chief Human Resources Officers (CHROs), and other senior business leaders**, this report serves as both a **wake-up call and a roadmap for action**. The findings confirm that **psychological safety is the bedrock of high-performing teams, inclusive leadership is the key to unlocking it, and psychosocial risk will soon be the next major workplace challenge that leaders must prepare for.**



KEY FINDINGS: THE GLOBAL PSYCHOLOGICAL SAFETY LANDSCAPE

The study's 18-country analysis reveals both universal themes and country-specific challenges that impact workforce well-being.

1

The Five Global Challenges Impacting Psychological Safety

Across industries and regions, five key factors consistently undermine psychological safety:

- **Work-Life Balance Struggles** - Employees report increasing difficulty managing job demands alongside personal responsibilities, leading to stress, burnout, and disengagement.
- **Job Performance Anxiety** - Employees in multiple regions express uncertainty about meeting expectations, often due to unclear goals, overwhelming workloads, or shifting organizational priorities.
- **Managerial Conflict** - A breakdown in trust between employees and managers continues to be a major issue, with concerns around lack of recognition, inadequate feedback, and inconsistent leadership styles.
- **Lack of Inclusion and Belonging** - Employees who do not feel included in decision-making or supported in their growth are more likely to disengage or leave.
- **Cultural and Ethical Misalignment** - Employees who perceive misalignment between their values and the company's ethics or leadership approach experience higher stress and lower commitment.

2

Country-Specific Insights: Where Psychological Safety Is Strongest and Weakest

- **Australia, Canada, and the U.K.** - Report the highest dissatisfaction with lack of recognition and work-life balance, suggesting a growing disconnect between employee contributions and employer acknowledgment.
- **India and Germany** - Highlight managerial conflict as a leading concern, underscoring the need for stronger leadership coaching and feedback mechanisms.
- **China and Mexico** - Place job performance anxiety at the top of workplace concerns, linking productivity expectations and psychological distress.
- **Newly Included Markets (Belgium, Costa Rica, Indonesia, Ireland, Italy, Portugal, Singapore, UAE and U.S.)** - Exhibit similar global trends while introducing cultural nuances such as workplace trauma (U.S.), ethical climate concerns (UAE), and leadership inconsistencies (Latin America).

A SELF-ASSESSMENT FOR EXECUTIVES: HOW SAFE IS YOUR WORKPLACE?

How can leaders measure the strength of psychological safety in their organizations?

Here's a quick **executive-level diagnostic**:

- Do employees openly and constructively question/challenge leadership decisions?
- Do team members openly admit mistakes/ask for help proactively, or do you find out about them reactively after mistakes have impacted work/clients?
- Do employees regularly contribute new ideas—or stay silent in meetings?
- Are employees openly recognized for their contributions and provided feedback to support their performance/development?
- What evidence is there that your managers create trust and transparency amongst their employees?

If **any of these questions raise concerns**, then psychological safety may not be as strong as you think. The data suggests that even high-performing organizations have **blind spots**, and without intervention, engagement and retention will decline.





As Alan King,
President and CEO of Workplace Options, puts it:

“Organizations that invest in psychological safety not only strengthen their culture but build a foundation for sustainable business success. It is the key to unlocking engagement, innovation, and long-term workforce resilience.”



Donald Thompson,
CEO of The Diversity Movement, adds:

“Psychological safety doesn’t just happen—it’s cultivated by leaders who create an environment where people feel empowered to bring their full selves to work. Inclusion isn’t a checkbox; it’s a leadership strategy that fuels performance.”

THE BUSINESS CASE FOR PSYCHOLOGICAL SAFETY AND INCLUSIVE LEADERSHIP

This study reinforces a critical truth: **Organizations that prioritize psychological safety and inclusive leadership see stronger performance, greater employee engagement, and reduced turnover.**

- **Higher Retention and Engagement** - Employees in psychologically safe workplaces are more committed, motivated, and productive.
- **Improved Organizational Performance** - Companies that embed inclusive leadership see higher team effectiveness, better decision-making, and stronger customer satisfaction.
- **Resilient Leadership in an Era of Change** - Leaders who foster psychological safety and demonstrate inclusivity help their teams adapt, innovate, and thrive amid uncertainty.



Oliver Brecht, Vice President and General Manager at Workplace Options, explains:

“Globally, we are seeing increasing focus on psychosocial risk as an essential factor in workplace well-being. As awareness grows, organizations that proactively address these challenges will be ahead of the curve—not just in compliance, but in building environments where employees can truly thrive.”

LOOKING AHEAD: PSYCHOSOCIAL RISK AS THE NEXT WORKPLACE CHALLENGE

While psychological safety and inclusive leadership remain central to workforce success, another issue is rapidly gaining **global attention—psychosocial risk**.

Many countries, including Australia and parts of Europe, have already introduced **regulatory frameworks requiring companies to address psychosocial risks**—which include workplace stressors such as excessive workloads, poor role clarity, and conflict with leadership. While the U.S. has not yet introduced formal guidelines, **this is likely to become one of the most important workplace issues of 2025 and beyond**.

FINAL THOUGHTS: A CALL TO ACTION FOR BUSINESS LEADERS

The WPO Psychological Safety Study makes one thing clear: **employee engagement is built on trust, and trust is built on psychological safety.** Organizations that fail to act on these insights risk falling behind in an economy where talent, innovation, and adaptability define success.



JB Gruet,
Chief Revenue Officer at
Workplace Options,
sums it up:

“The future of work belongs to organizations that prioritize the human experience. Leaders who embrace psychological safety as a business strategy will attract top talent, drive engagement, and build workplaces that thrive in the face of change.”





NEXT STEPS: CONNECT WITH THE WPO CENTER FOR ORGANIZATIONAL EFFECTIVENESS

To discuss how your organization can leverage these insights to create a more engaged, psychologically safe workforce, **contact the Workplace Options Center for Organizational Effectiveness** for a customized strategy session.

The WPO Center for Organizational Effectiveness provides **data-driven consultation, leadership training, and global benchmarking on psychological safety and psychosocial risk management**. Our experts work with companies worldwide to integrate **workforce well-being, inclusive leadership, and organizational resilience strategies into actionable business plans**.

For more information, visit **WPO Center for Organizational Effectiveness** <https://consulting.workplaceoptions.com/> or reach out to your WPO contact directly.

Country	Top Workplace Concerns - 2024 Psych Safety Study I	Top Workplace Concerns - 2025 Psych Safety Study II
 Australia	<ol style="list-style-type: none"> 1. Lack of recognition 2. Work-life balance 3. Job performance 	<ol style="list-style-type: none"> 1. Job performance 2. Work-life balance 3. Workload
 Belgium	<p>Newly Included Market</p>	<ol style="list-style-type: none"> 1. Conflicting tasks 2. Work-life balance 3. Conflict with manager
 Canada	<ol style="list-style-type: none"> 1. Concerns with daily work activities 2. Job performance 3. Conflict of values/ethical climate in the company 	<ol style="list-style-type: none"> 1. Work-life balance 2. Job performance 3. Conflict with manager
 China	<ol style="list-style-type: none"> 1. Concerns with daily work activities 2. Lack of recognition 3. Lack of professional development 	<ol style="list-style-type: none"> 1. Conflicting Tasks 2. Lack of recognition 3. Job performance
 Costa Rica	<p>Newly Included Market</p>	<ol style="list-style-type: none"> 1. Job performance 2. Company mission/role clarity 3. Work-life balance
 France	<ol style="list-style-type: none"> 1. Lack of professional development 2. Job performance 3. Concerns with daily work activities 	<ol style="list-style-type: none"> 1. Lack of professional development 2. Lack of recognition 3. Job performance
 Germany	<ol style="list-style-type: none"> 1. Work-life balance 2. Job performance 3. Conflict with manager 	<ol style="list-style-type: none"> 1. Work-life balance 2. Company mission/role clarity 3. Job performance
 India	<ol style="list-style-type: none"> 1. Conflict with manager 2. Job performance 3. Work-life balance 	<ol style="list-style-type: none"> 1. Conflict with manager 2. Lack of professional development 3. Company mission/role clarity & Job performance
 Indonesia	<p>Newly Included Market</p>	<ol style="list-style-type: none"> 1. Concerns with daily work activities 2. Job performance 3. Work-life balance

Country	Top Workplace Concerns - 2024 Psych Safety Study I	Top Workplace Concerns - 2025 Psych Safety Study II
 Ireland	Newly Included Market	<ol style="list-style-type: none"> 1. Lack of recognition 2. Lack of autonomy 3. Work-life balance
 Italy	Newly Included Market	<ol style="list-style-type: none"> 1. Lack of professional development 2. Ethical issue in company 3. Unclear objectives
 Japan	Newly Included Market	<ol style="list-style-type: none"> 1. Workload 2. Physical working conditions 3. Job performance
 Mexico	<ol style="list-style-type: none"> 1. Job performance 2. Concerns with daily work activities 3. Lack of recognition 	<ol style="list-style-type: none"> 1. Job performance 2. Work-life balance 3. Unclear objectives, Conflict with manager
 Portugal	Newly Included Market	<ol style="list-style-type: none"> 1. Lack of autonomy 2. Work-life balance 3. Job performance
 Singapore	Newly Included Market	<ol style="list-style-type: none"> 1. Workplace bullying 2. Conflict with manager 3. Conflict with colleague(s)
 UAE	Newly Included Market	<ol style="list-style-type: none"> 1. Lack of recognition 2. Ethical issue in company 3. Conflict with manager
 United Kingdom	<ol style="list-style-type: none"> 1. Lack of recognition 2. Work-life balance 3. Concerns with daily work activities 	<ol style="list-style-type: none"> 1. Work-life balance 2. Job performance 3. Unclear objectives
 United States	<ol style="list-style-type: none"> 1. Work-life balance 2. Job performance 3. Conflict with manager 	<ol style="list-style-type: none"> 1. Workplace trauma 2. Work-life balance 3. Conflict with manager



WORKPLACE **OPTIONS**
CONSULTING GROUP



Contact us to learn how we can help
your organization thrive...

consulting.workplaceoptions.com
+1800.699.8011

WPOGlobalConsulting@workplaceoptions.com

Head office: 2912 Highwoods Blvd
Raleigh, North Carolina, 27604