



2026

Psychological Safety Study

The Growing Work-Life
Imbalance Crisis in
Today's Workforce

Contents

Why psychological safety matters	3
Key findings:	4
- Top global workplace concerns impacting psychological safety	4
- Regional variations in employee workplace concerns	5
How safe is your workplace? A self-assessment for executives	6
The role of inclusive leadership in creating psychological safety	7
The business case for psychological safety	8
Final thoughts	9
Next steps	10
Appendix	11



*The global workforce is sending a clear signal. Psychological safety and wellbeing aren't soft metrics; they shape whether people can perform, innovate, and stay. Across markets and industries, the organizations that succeed are led by people who understand a simple reality: **human conditions drive business outcomes.***

Alan King, Senior Vice President, TELUS Health Employer Solutions, and President and Chief Executive Officer, Workplace Options



When challenges with work-life balance arise, employee engagement decreases

Why psychological safety matters

The most serious risk inside organizations isn't loud conflict, but rather quiet compliance. How many employees sit in meetings with insights they never share, concerns they never raise and mistakes they're too afraid to admit? Because many people fear retribution for speaking up, they often remain silent. As a result, the best ideas are hidden, limiting innovation and organizational performance.

The Center for Organizational Effectiveness (COE)¹ data reveals that issues with work-life balance have become the number-one workplace concern globally, impacting workplace environments and employee experiences across organizations. When challenges with work-life balance arise, employee engagement decreases and overall performance at work is negatively impacted. The COE Key Trends report identifies similar employee engagement challenges impacting psychological safety.

Insights from the Harvard Business Impact research² indicate that psychological safety is a key factor in team success. Organizations that invest in employee wellbeing, including fostering psychologically safe environments, see significantly higher engagement, stronger retention and better overall performance. Psychological safety enables teams to build resilience and accelerate innovation; it is an essential element of a high-performance culture.

Trust bolsters psychological safety. Employees don't just rely on their leaders for compensation, but also for meaningful work that includes stability, clarity and care. Leadership confidence is earned by demonstrating competence and benevolence. This shows in how feedback is received, how mistakes are handled and whether people feel safe to be honest.

The 2026 COE Psychological Safety Study offers a rare, unfiltered view inside global workplaces. Drawing on clinical insights from workplace wellbeing professionals **across 47 global markets**, it reveals the concerns shaping the employee experience worldwide.

For CPOs, CHROs and senior leaders, the findings from the study reinforce three critical truths:



1 - Psychological safety is the foundation of resilient, high-performing teams.



2 - Inclusive leadership is the lever that sustains it.

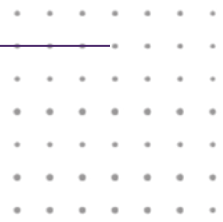


3 - Unmanaged psychosocial risk is poised to become the next defining workplace challenge.

Sources

1. Center for Organizational Effectiveness; 2026 Key Trends <https://www.workplaceoptions.com/uk/wp-content/uploads/sites/21/2026/02/COE-2026-Trends-and-Predictions.pdf>

2. Harvard Business Impact: Why Psychological Safety Is the Hidden Engine Behind Innovation and Transformation <https://www.harvardbusiness.org/insight/why-psychological-safety-is-the-hidden-engine-behind-innovation-and-transformation/>

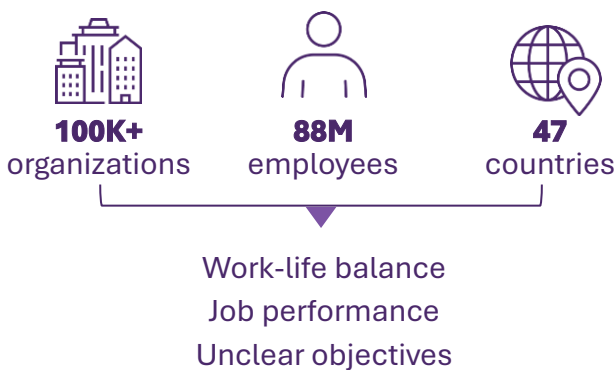


Key findings:

Top global workplace concerns impacting psychological safety

The top global concerns impacting psychological safety are work-life balance, job performance and unclear objectives.* The leading concern – maintaining work-life balance – points to employees experiencing elevated stress when job demands increase without corresponding resources to manage the added workload.

This can lead to a risk of burnout as employees struggle to "switch off" when they are not present at work. At the same time, pressure and expectations around job performance can discourage open communication, leading to increased anxiety and uncertainty. Adding to this uncertainty in workplaces is the lack of clarity around work objectives.



*For a complete list of employee concerns by country and glossary of terms, please see the appendix section of this report.



Across regions and industries, the data is consistent. When people feel unsupported performance declines, retention weakens and trust breaks down. Psychological safety isn't a culture initiative. It's a business imperative. Leaders who treat it that way build organizations that endure.



Alan King, Senior Vice President, TELUS Health Employer Solutions, and President and Chief Executive Officer, Workplace Options



Regional variations in employee workplace concerns

Regional differences reveal local variations that are shaping employee experiences and resulting in different workplace concerns.

Americas:

Work-life balance emerges as the leading challenge for U.S. employees in 2026, surpassing workplace trauma from the previous year. Canada shows no shifts; **work-life balance** continues to be the leading concern. For employees in Mexico and Brazil, **job performance** is a top concern, while in Colombia, **daily work activities** are the primary challenge. **Unclear objectives** are the leading concern in Chile.

Europe, Middle East, and Africa:

France, Switzerland, Poland and Slovakia cite a **lack of professional development** as the top challenge. However, in Luxembourg, a **lack of autonomy** is the leading concern, while in Turkey, Egypt and the United Arab Emirates, **job performance** is the main challenge. **Unclear objectives** are the main issue for employees in Italy and South Africa.

Asia-Pacific

Regional concerns continue to vary in the Asia-Pacific region. India's leading concern shifted from conflict with managers to **work-life balance**. In Singapore, workplace bullying was previously the top issue, but it now has become **work-life balance**. Employees in Taiwan, Province of China report a **lack of recognition** as their top concern, while **physical working conditions** are the most cited challenge for employees in South Korea. Employees in China rank **unclear objectives** as the main issue. In both Vietnam and the Philippines, **job performance** is the primary concern. Australia and New Zealand mirror the global trend with **work-life balance** cited as the main concern for employees.

How safe is your workplace?

Identifying workplace gaps is a critical first step in safeguarding employee wellbeing and organizational performance. Executives often underestimate the business risks and financial costs of psychosocial stressors that damage psychological safety.

A self-assessment for executives

The four pillars of psychological safety are **inclusion safety**, **learner safety**, **contributor safety** and **challenger safety**³. However, hidden workplace issues can interfere with that safety:



If leaders have questions about the presence of these issues within their organizations, psychosocial risks may be hindering engagement. Without intervention, productivity and retention may deteriorate.

Workplace norms and culture: A ruthlessly competitive work environment may discourage vulnerability and honesty needed to surface mistakes, confront challenges and pursue meaningful improvement. If employees see colleagues being ignored or penalized for sharing concerns, they may choose to stay silent.

Leadership style: Authoritative or micromanaging leaders may unintentionally suppress employee voice. Inconsistent leadership behaviors create uncertainty about whether it is safe to speak up.

Power dynamics and hierarchies: Command-and-control cultural norms can limit constructive feedback and challenges to authority that fuel innovation. Employees may feel intimidated by leadership and refrain from expressing dissenting opinions.

Barriers to inclusion: When diverse perspectives aren't encouraged, employees may feel their voices don't matter. Underrepresented groups may feel less safe speaking up due to bias against them or past experiences of exclusion.

Competing priorities in high pressure environments: When priorities are unclear, this creates additional job stress and strain that may impact productivity and employee engagement.

Source

3. The 4 Stages of Psychological Safety by Timothy Clark
<https://wind4change.com/4-stages-psychological-safety-timothy-clark-inclusion-learner-contributor-challenger/>

Leaders play a pivotal role in shaping culture and engagement.

The role of

All leaders – from HR to executives, from managers to CEOs – share responsibility for promoting workforce wellbeing.



inclusive leadership

in creating psychological safety



One way they accomplish that goal is through inclusive leadership, a framework that puts people first to achieve success through strong relationships built on trust and respect. Inclusive leadership skills include clear and authentic communication, open collaboration, a growth mindset, cultural intelligence, reliability, self-awareness and personal capability – all of which help support employees in consistently exceeding expectations. When inclusive leaders prioritize collaboration and teamwork, employees feel empowered to contribute their best.

Executives who model inclusive behaviors foster trust by ensuring employee voices are heard and by turning psychological safety into a competitive advantage. In organizations where psychological safety is the standard, employee engagement is likely to be high because leadership inspires trust and workers are supported with resources to enhance their wellbeing.

When leaders do not acknowledge or support the emotional needs of employees, the result is often reduced trust and psychological insecurity, causing employees to disengage and withhold their concerns and ideas.



This study reinforces a critical truth:
Organizations that prioritize psychological safety
and inclusive leadership see:

- **Higher retention and engagement⁴:** Employees in psychologically safe workplaces report higher job satisfaction, greater confidence in leadership and greater mental health.
- **Improved organizational performance⁴:** Companies that embed inclusive leadership see more effective teams, better decision-making and stronger customer satisfaction.
- **Resilient leadership in an era of change⁵:** Leaders who foster psychological safety and demonstrate inclusivity help their teams adapt, innovate and thrive amid uncertainty.

The **business case** for psychological safety

“

Across the globe, workplaces are being required to ensure that their people are both protected and supported. Organizations and their decision-makers need to ensure they develop and maintain wellbeing architectures (policies, procedures and programs) which they can tangibly prove are creating psychologically safe environments.

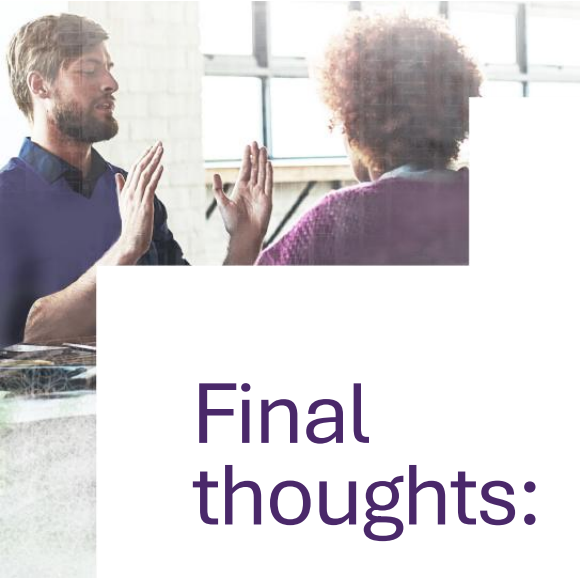
Oliver Brecht, Vice President,
Center for Organizational Effectiveness

Sources

4. Building a Psychologically Safe Workplace: A Key Step in Reducing Employee Stress
<https://blog.ifebp.org/building-a-psychologically-safe-workplace-a-key-step-in-reducing-employee-stress-2/>

5. Inclusive Leadership: A Catalyst for Organizational Growth and Performance
<https://www.scirp.org/journal/paperinformation?paperid=146427>





Final thoughts:

a call to action for business leaders

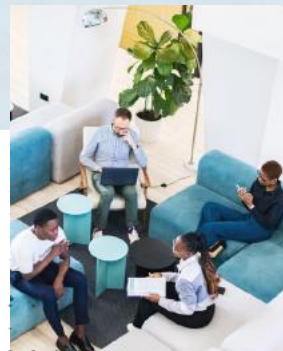
The global data reveals that issues with work-life balance are widespread and fast becoming a growing concern impacting employees globally. More than any other workplace concern, work-life pressures are emerging as the greatest risk to psychological safety. Given that psychological safety is a foundational pillar for building resilient, high-performing workforces, reducing these psychosocial risks in the workplace must be treated as an organizational priority.

Business leaders have a duty of care to respond proactively and act decisively to address employee concerns. This begins with implementing inclusive leadership practices and strengthening psychosocial risk management frameworks to mitigate risks and create psychologically safe workplaces. Investing in psychological safety ensures that workplaces are equipped to navigate change and drive long-term organizational success.



Psychological safety doesn't exist in isolation. It's built on the daily realities of how people experience work. When work-life pressures grow, the foundations of workplaces weaken. Leaders who act now to create psychologically safe and inclusive environments will define the next era of organizational success.

Donald Thompson,
Managing Director, Center for Organizational Effectiveness, Workplace Options;
Author, *The Employee Engagement Handbook*



Next steps

Connect with the Center for Organizational Effectiveness

To discuss how your organization can leverage insights from this study to create a more engaged, psychologically safe workforce, contact the Center for Organizational Effectiveness (COE) for a customized strategy session.

The COE is a global consulting and thought leadership hub dedicated to helping organizations build thriving workplaces and resilient teams on a global scale and with local impact. COE experts can work with your organization to integrate workforce wellbeing, inclusive leadership and organizational resilience strategies into actionable business plans.



COE's global areas of expertise

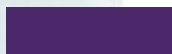
Psychological safety | 

Psychosocial risk and safety | 

Stress and burnout | 

Culture and performance | 

Supporting organizations through change | 



For more information, visit consulting.workplaceoptions.com or speak to your account representative.

Appendix

Workplace concerns
Glossary of terms

Top workplace concerns by country

- Argentina – Hungary
- India – Portugal
- Qatar - Vietnam



Workplace concerns

Glossary of terms

Company mission/role clarity: Unclear responsibilities or conflicting role descriptions that lead to employees feeling unsure of what success looks like and how their efforts contribute to organizational success.

Concerns with daily work activities: Challenges related to routine tasks and workload management, including inefficiencies, unclear processes, or excessive administrative demands.

Conflicting tasks: Competing priorities or contradictory demands that make it difficult for employees to effectively manage workload and meet expectations.

Conflict with colleague(s): Inadequate support, unresolved conflict or breakdowns in collaboration and trust.

Conflict with manager: A breakdown in trust between employees and managers when inadequate feedback and inconsistent leadership styles exist.

Ethical issues in company: Misalignment between personal values and the organization's practices, culture or decision-making processes.

Job performance: Anxiety about meeting performance expectations related to unclear goals or shifting organizational priorities.

Lack of autonomy: Limited employee control over work methods, task prioritization, scheduling or decision-making authority.

Lack of professional development: Limited access to learning opportunities, career progression pathways or skill-building resources.

Lack of recognition: When employees do not feel included in the decision-making processes, supported in their growth or recognized for their achievements and contributions.

Physical working conditions: Physical workplace environments that create discomfort, fatigue or increased stress levels.

Termination/redundancy/restructuring: Concerns related to job security arising from organizational changes such as layoffs, restructuring and/or downsizing.

Unclear objectives: Lack of clarity around priorities, expectations, or organizational direction.

Work-life balance: An equilibrium between job demands and personal responsibilities, while a work-life imbalance deals with work arrangements that interfere with rest, recovery or personal and family life.

Workload: Work demands that are excessive, insufficient or poorly balanced, such as unrealistic performance expectations.

Workplace bullying: Repeated, unreasonable behavior (such as intimidation, exclusion, verbal abuse or other actions that undermine dignity and psychological wellbeing) directed towards an employee or group that creates a risk to health and safety.

Workplace trauma: Exposure to distressing or psychologically harmful events within the workplace, including critical incidents, harassment, violence or high-stress environments, potentially leading to lasting emotional or psychological impact.

Top Workplace Concerns 2025

Top Workplace Concerns 2026

	Top Workplace Concerns 2025	Top Workplace Concerns 2026
Argentina	Newly included market	Work-life balance Job performance Conflict with colleague(s)
Australia	Job performance Work-life balance Workload	Work-life balance Concerns with daily work activities Job performance
Belgium	Conflicting tasks Work-life balance Conflict with manager	Unclear objectives Work-life balance Conflict with manager
Brazil	Newly included market	Job performance Work-life balance Conflict with colleague(s)
Canada	Work-life balance Job performance Conflict with manager	Work-life balance Job performance Conflict with manager
Chile	Newly included market	Unclear objectives Job performance Work-life balance
China	Conflicting tasks Lack of recognition Job performance	Unclear objectives Conflict with manager Work-life balance
Colombia	Newly included market	Concerns with daily work activities Job performance Lack of professional development
Costa Rica	Job performance Company mission/role clarity Work-life balance	Job performance Concerns with daily work activities Work-life balance
Czech Republic	Newly included market	Work-life balance Job performance Unclear objectives
Egypt	Newly included market	Conflict with manager Conflict with colleague(s) Job performance
France	Lack of professional development Lack of recognition Job performance	Lack of professional development Concerns with daily work activities Conflict with manager
Germany	Work-life balance Company mission/role clarity Job performance	Work-life balance Conflict with colleague(s) Company mission/role clarity
Greece	Newly included market	Conflict with manager Job performance Lack of recognition
Hong Kong	Newly included market	Work-life balance Unclear objectives Conflict with manager
Hungary	Newly included market	Job performance Conflicting tasks Lack of recognition

Top Workplace Concerns 2025

Top Workplace Concerns 2026

	Top Workplace Concerns 2025	Top Workplace Concerns 2026
India	Conflict with manager Lack of professional development Company mission/role clarity & Job performance	Work-life balance Lack of professional development Conflicting tasks
Indonesia	Concerns with daily work activities Job performance Work-life balance	Unclear objectives Conflict with manager Ethical issues in company
Ireland	Lack of recognition Lack of autonomy Work-life balance	Job performance Lack of autonomy Work-life balance
Italy	Lack of professional development Ethical issue in company Unclear objectives	Unclear objectives Work-life balance Lack of professional development
Japan	Workload Physical working conditions Job performance	Concerns with daily work activities Job performance Conflict with manager
South Kenya	Newly included market	Job performance Work-life balance Conflict with colleague(s)
Luxembourg	Newly included market	Lack of autonomy Conflict with manager Job performance
Malaysia	Newly included market	Conflict with colleague(s) Conflict with manager Concerns with daily work activities
Mexico	Job performance Work-life balance Unclear objectives, Conflict with manager	Job performance Work-life balance Unclear objectives
Netherlands	Newly included market	Concerns with daily work activities Work-life balance Termination/Redundancy/Restructuring
New Zealand	Newly included market	Work-life balance Termination/Redundancy/Restructuring Concerns with daily work activities
Peru	Newly included market	Work-life balance Job performance Conflicting tasks
Philippines	Newly included market	Job performance Work-life balance Conflicting tasks
Poland	Newly included market	Lack of professional development Company mission/role clarity Lack of recognition
Portugal	Lack of autonomy Work-life balance Job performance	Job performance Work-life balance Concerns with daily work activities

Top Workplace Concerns 2025

Top Workplace Concerns 2026

	Top Workplace Concerns 2025	Top Workplace Concerns 2026
Qatar	Newly included market	Conflict with colleague(s) Conflict with manager Concerns with daily work activities
Romania	Newly included market	Lack of recognition Job performance Conflict with colleague(s)
Saudi Arabia	Newly included market	Work-life balance Concerns with daily work activities Job performance
Singapore	Workplace bullying Conflict with manager Conflict with colleague(s)	Work-life balance Unclear objectives Conflict with manager
Slovakia	Newly included market	Lack of professional development Lack of recognition Conflict with colleague(s)
South Africa	Newly included market	Unclear objectives Work-life balance Lack of professional development
South Korea	Newly included market	Physical working conditions Work-life balance Concerns with daily work activities
Spain	Newly included market	Concerns with daily work activities Job performance Lack of professional development
Sweden	Newly included market	Concerns with daily work activities Job performance Work-life balance
Switzerland	Newly included market	Lack of professional development Job performance Lack of autonomy
Taiwan, Province of China	Newly included market	Lack of recognition Work-life balance Job performance
Turkey	Newly included market	Job performance Concerns with daily work activities Work-life balance
United Arab Emirates	Lack of recognition Ethical issue in company Conflict with manager	Job performance Unclear objectives Work-life balance
United Kingdom	Work-life balance Job performance Unclear objectives	Work-life balance Job performance Concerns with daily work activities
United States	Workplace trauma Work-life balance Conflict with manager	Work-life balance Workplace trauma Conflict with manager
Vietnam	Newly included market	Job performance Conflict with colleague(s) Work-life balance