Identifying a toxic workplace

How workplace culture affects psychological safety

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HEALTH AND SAFETY

A toxic workplace culture will affect an organisation throughout – from employee morale and performance to workplace health and safety.

Overuse of the term has left its meaning somewhat diminished, so what really makes a work environment toxic?

What is a toxic workplace?

According to AIM WA Chief Learning and Development Officer Drew Mayhills FAIM, a toxic workplace is defined by consistent negativity.

"A toxic workplace can be characterised by an entrenched culture of negativity – negative behaviours, negative attitudes and actions that are pervasive and ultimately detrimental to the wellbeing of the people who work there," he said.

"This looks like consistent negative communication, high turnover rates, a lack of engagement and enthusiasm, and a gossip culture."

According to Mental Health Consultant and Author Kerry Howard, there are six behaviours distinguishing a toxic culture.

"When we break down the six behaviours of a toxic culture, we see the following: passive hostility, shaming, indifference, team sabotage, negativity and exploitation," she said.

"All of these behaviours can create a toxic workplace culture where people are unhappy, stressed and often become sick.

"It's important to recognise these behaviours and work to address them to create a healthy and positive work environment."

What is psychological safety?

Naturally being immersed in a negative environment regularly will impact the psychological wellbeing of employees.

Therefore, a toxic culture will directly impact the psychological safety of a workplace.

"Psychological safety is the ability to feel like you are able to be human at work," Ms Howard said.

"When people on a team possess psychological safety, they feel able to raise concerns, admit mistakes, ask for help, suggest ideas and challenge ways of working.

"They are comfortable to question the ideas of others on the team, including the leadership."

In the context of certain industries, a lack of psychological safety can present serious risks to physical safety.

"Particularly in high-risk environments, a team member's capacity to ask a difficult question or share an alternative view with the team without fear of reprisal can, potentially, impact the safety of themselves and others," Mr Mayhills said.

"It is demonstrably true that psychological safety has saved people's lives at work."

Affecting the bottom line

When a toxic culture breeds a psychologically unsafe workplace, organisations will see the impact in both quantitative and qualitative metrics.

Ms Howard said toxic culture harmed employers in ways they often did not notice.

"The main impacts will be in the productivity of their staff and the cost of staff turnover, which is often a metric that is not actively monitored in most businesses," she said, adding that it takes a business seeing these effects to start to be proactive.

"Until they begin to see how much profit is lost to staff recruitment versus retention, as well as absenteeism and workers' compensation premiums, we are not likely to see active attempts to improve culture."

Mr Mayhills said the effects of a toxic culture would go beyond the organisation itself.

"Left unaddressed, toxic workplaces often suffer reputational damage and they become renowned in their industry as an uncaring workplace," he said.

"The potential legal implications here are significant. We have seen a recent increase in cases where employers have been fined hundreds of thousands of dollars for failing to demonstrate a psychologically safe work environment."

In addition to affecting productivity and output, Mr Mayhills said fear of communication would negatively impact creativity.

"There's an innovation loss when workplaces fail to prioritise psychological safety. Those team members lose their willingness to raise their hands and suggest new ideas," he said.

"A great piece of advice I received this year was to keep a weekly tally of how many creative or innovative ideas your team suggests. If, at the end of the week, you have received no ideas, your team may be already self-censoring.

"Innovation simply won't happen without psychological safety."

Responding to a toxic workplace

At the individual level, confronting a toxic culture can be an overwhelming challenge.

According to Ms Howard, when employees face workplace toxicity, there are three typical methods of response, including active rejection, passive rejection and escapism.

"Active rejection encompasses those who take action against the toxicity of the workplace and see quitting as a last resort," she said.

"Passive rejecters are those who tend to hide their dissatisfaction from the perpetrators – usually the leadership – while sharing their dissatisfaction with their peers.

"They stay because they believe it is 'better the devil you know, than the devil you don't'.

"Escapees are the ones who decide it is easier to get out as quickly as possible and, in some cases, they leave the professional field."

When negativity is so ingrained within an organisation's culture, it can be difficult to make any change as an individual.

"It is an unfortunate reality that if the levels of toxicity are high enough, there is little which can be done by a single individual to change it," Ms Howard said.

"The driver really needs to come from the leadership, recognising that the toxicity is having a deleterious impact on the business productivity and effectiveness, and choosing to take the time to address the issue."

Addressing toxicity from the top down

Psychological safety cannot exist in a toxic environment, meaning change begins with acknowledgement from leadership.

"Organisations need to identify the primary toxic behaviours and address the challenging behaviours clearly and consistently," she said.

When toxicity has been addressed, organisations can endeavour towards psychological safety.

However, understanding psychological safety is about understanding two factors: contextuality and dynamism.

"It is important to realise that the psychological safety of any team in every workplace is constantly in flux – it is a dynamic and multi-dimensional concept," Mr Mayhill said.

"A team's psychological safety will ebb and flow as the context of the work shifts. What matters is that when team members have concerns or have identified opportunities to improve, they feel safe to speak up."

External influence

Influence from an external force can benefit companies in identifying toxic patterns and improving psychological safety, with independent reviews and educational programs able to assist businesses in understanding how to cultivate a psychologically safe environment.

According to Mr Mayhills, there is a distinct advantage to employing external facilitators to unpack a team's current levels of psychological safety.

"It can be challenging for teams to get started with this work and uniquely challenging for an internal manager or leader to drive these kinds of initiatives – there are complex social, cultural and political factors at play," he said.

An external facilitator who has been trained to administer relevant diagnostic assessments provides neutrality and objectivity to the process.

"What we recommend is that organisations engage with a facilitator who is familiar with the psychological safety literature, who has qualifications and certifications in this environment such that they can extract some data, and confidently facilitate a conversation with the team to unpack the stories behind that data," Mr Mayhills said.

"Those first conversations can be intimidating. On the other side of that discomfort, however, there are opportunities for the team to form stronger bonds. The process of sharing, listening, being in dialogue together – this serves to accelerate team cohesion and effectiveness."

"The benefits to the people in the team and the organisation alike are significant."

Head in the right direction

Psychological safety is not an end goal with a simple solution, but a process.

"It's something workplaces must continually strive towards," Mr Mayhills said.

"This requires an ongoing commitment from leaders and a willingness to sustain a continuous conversation."

"While a course or an initial engagement will start that conversation, it is how the insights from those conversations are systematised and integrated into the workplace, and then made sustainable – that really makes a difference."

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About Drew Mayhills FAIM

Drew is the Chief Learning and Development Officer at AIM WA, providing strategic and operational direction for the Institute. He oversees the design, development, delivery and review of organisational learning and development services. You can connect with Drew on LinkedIn

About Kerry Howard

Kerry is the author of *How to Heal a Workplace: Tackle Trauma, Foster Psychological Safety and Boost Happiness at Work*, an in-demand strategic mental health advisor, a motivational speaker, an executive coach, a trainer and a facilitator who helps senior leaders and their teams to improve workplace culture, build mental health literacy and boost productivity by creating happy, healthy workplaces. You can connect with Kerry on LinkedIn

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