BAO QUYNH TRUONG - 274285

SUPERVISOR: GRO ELLEN MATHISEN

University of Stavanger

Ensuring psychological safety to create effective continuous feedback culture.

A case study of Yara International.

U S

Universitetet
i Stavanger

FACULTY OF SOCIAL SCIENCES,

NORWEGIAN SCHOOL OF HOTEL MANAGEMENT

MASTER'S THESIS

STUDY PROGRAM:	THESIS IS WRITTEN IN THE FOLLOWING SPECIALIZATION/SUBJECT:
Master's degree in Service Leadership in International Business	International HR Perspectives
	THE ASSIGNMENT IS NOT CONFIDENTIAL

TITLE:

Ensuring psychological safety to create effective continuous feedback culture – A case study of Yara International.

AUTHOR:		SUPERVISOR:
Student number:	Name:	GRO ELLEN MATHISEN
274285	**BAO QUYNH TRUONG (4220)**	

Abstract

The purpose of this thesis is to investigate how psychological safety can be fostered in order to create an effective continuous feedback culture. The thesis looks at the performance management process, the psychological safety and continuous feedback in light of literature and theories. The research is a qualitative study, with an explorative research design. Yara International was used as a case study of how continuous feedback is being implemented and how to promote it through ensuring psychological safety. The results from semi-structured interviews represented in three groups of participants employed at Yara, who experience the implementation of continuous feedback: HR specialist, manager, and employee, were compared to seek an answer to the research question.

The results show that there are multiple reasons for Yara to change from the traditional management process using performance rating into continuous feedback which eliminated the "scoring" system. Upon this, the context, quality and frequency of continuous feedback; the importance of goal setting; learning behaviors and learning platforms; managers as a role model and offering supportive attitudes; and promoting peer feedback are strategies that might help ensure a psychologically safe environment for effective continuous feedback culture. In addition, culture differences, communication and growth mindset should also be considered because of their affection on the application and reflection of individuals in fostering psychological safety. To optimize the use of psychological safety, training should be focused on raising employees' awareness, providing basic knowledge, up-to-date skills and competences, and enhance communication and empathy skills.

Key words: performance management, psychological safety, continuous feedback, goal setting

Table of Contents

Preface

This thesis is the final part of my study at Norwegian Hotel Management School at the University of Stavanger. The extent of this research is 30 credits, and is the result of a 2-year master program: Service Leadership in International Business.

First, I would like to thank my supervisor Professor Gro Ellen Mathisen, for the support and guidance throughout the process of completing the thesis. I am grateful for those in-person meetings and communication via email that she was always available and willing to help when I needed..

Next, I want to thank Cesilie Sengebusch, who raised the idea for my research and helped me to recruit interviewees internally at Yara International. I also want to thank those interviewees for taking part in my work. Without you, I could have not finished this thesis, for that I am very grateful.

I would like to thank the Norwegian Hotel Management School - University of Stavanger for their assistance which has had an impact on my education. They provided access to essential information, as well as providing me with a complete and relevant masters degree. I got all the necessary information along the way, and there was never any doubt on what to do.

I would also like to thank my friends and family for all the support given to me over these two years. Especially, I want to thank my friend, William Østgaard. Even though we chose 2 different topics for our thesis, he was always at school with me, discussing and keeping track of each other's progress which gave me more motivation on completing the research. Lastly, I would like to thank my "in-law" partner - Ingve Grannes for always being there,

helping and guiding me so that I have got a good point of view on how to write my final master thesis.

Now, I hope you have an interesting read.

Statement

Declaration of authorship

I, Bao Quynh Truong, hereby declare that I am the sole author of my master thesis and that no other sources or learning aids, other than those listed, have been used. I also declare that I have acknowledged the work of others by providing detailed references of said work. I further declare that I have not submitted this thesis at any other institution in order to obtain a degree previously.

Date

14 May 2024

Signature

Bao Quynh Truong

1. Introduction and research question

In these fast-changing economies, the role of human resources (HR) is even more important and more complex. One of the dimensions that have been studied to enhance the practices within HR is about performance management in terms of performance feedback. According to Landy & Farr (1980), the traditional performance management process is usually understood as employees set their goal at the beginning of the year, which will be contributed throughout the year to reach these goals and the performance will be rated and rewarded at the end of the year. However, this approach has its own disadvantages as performance management is "not only about ratings. It's about ensuring that people know where they are going" (Amstrong & Baron, 2005). There are also changing circumstances during the performance period; missing directions when performing the task., etc while there are only once or twice feedback given throughout the year (Bauer et al., 2023).

Noticing the weaknesses of the traditional performance process, a new process has been introduced in many organizations known as continuous feedback process (Bauer et al., 2023). The continuous feedback replaced performance rating by a more frequent qualitative feedback delivery (Bauer et al., 2023). Hence, there are rising questions about psychological safety and how to promote continuous feedback by ensuring a psychologically safe environment. Therefore, this thesis seeks to answer the question:

"How to ensure psychological safety to create an effective continuous feedback delivery culture?"

This thesis will use an international company named Yara International ASA (Yara) which has its head office in Oslo as an example in this study. Yara has more than 17,500

employees and presents in more than 60 countries, providing crop nutrition and industrial nitrogen solutions (Yara International, 2024). Yara has changed their traditional performance rating process into a continuous feedback program for just over a year, from Q1 2023. At the early stage of implementing a new program, they are facing challenges to create a psychologically safe environment for the organization that helps individuals be able to share more feedback, and reach the purpose of this new program. The challenges together with the potential solutions for this area make it a relevant and interesting research problem.

To help find an answer to the research question mentioned above, the following supportive questions have been created. These questions seek to give a deeper insight into the research question.

- What strategies can be implemented to create a psychological safe environment for continuous feedback culture?

This question was chosen to emphasize the strategies and plans that have been introduced in Yara in regard to psychological safety for continuous feedback culture. Not only do the strategies from HR perspectives matter, but the thoughts from managers and employees, those who directly apply and practice the program also play an important role in creating an effective psychologically safe environment.

- How does psychological safety influence employees' reception and application of continuous performance feedback?

This question was chosen to provide insight into how psychological safety influences individuals' perception and application of continuous performance feedback. Besides, it will

also provide different dimensions that might affect psychological safety that need to be considered when designing the program.

- How can managers and employees be trained to ensure psychological safety while delivering continuous performance feedback?

The question was designed to understand which training is in need. There might be different training purposes between managers and employees. Therefore, this question will help to see what different levels of an organization perceive psychological safety and continuous feedback through their choice of training.

This introduction part is followed by a literature review which presents and defines relevant theories to the research question. Following the theoretical part, the methodology chapter explains the research design, data sample, and data collection. A results and discussion chapter consists of findings and a discussion of the supportive and research questions. Conclusion is provided respectively to conclude the findings and answer the research question. Lastly, a presentation of potential future research will be given.

2. Literature review

2.1. Performance management

2.1.1. Performance management

When mentioning performance management, a variety of terms have been listed such as pay-for-performance, performance-based budgeting, planning or training and development, etc,. with the aim of measuring and managing employees' performance (Armstrong & Baron, 2005). However, performance management is more than a list of singular activities but an integrated process from setting expectations, measuring & reviewing results and reward performance (Hartog et al., 2004). This process is aimed at enhancing a target individual or group performance in order to ultimately affect organizational success (Mondy & Noe, 2005).

In addition, there are different models of performance management that have been studied. Not only pointing out the management process towards an effective individual or team in order to achieve higher levels of success, but performance management is also known as the natural process focusing on individual and organizational shared goals and the importance of learning and development (Armstrong & Baron, 2005). According to Lockett (1992), performance management is about "the development of individuals with competence and commitment, working towards the achievement of shared meaningful objectives within an organization that supports and encourages their achievement".

2.1.2. Performance appraisal & performance feedback

Performance management is an integrated process and needs constant attention (Fletcher, 1976); therefore, in order to evaluate employee performance, performance appraisal

is being used to measure the performance outcomes (Hartog et al., 2004). It is a discrete, formal, organizationally sanctioned event, usually not occurring more than once or twice a year in order to instill in employees the desire for continuous improvement (Latham et al., 2005). This term pointed out the responsibility of intermediate supervisors in such employee performance results by giving them a "score" to indicate the level of performance throughout a year (Whiting et al., 2008). As such, rating is the most ubiquitous method of performance appraisal (Landy & Farr, 1980) where quantitative rating metrics are often used to assess the level of employees' performance and evaluate them regarding reward systems, training needs (Bauer et al., 2023, p.776).

Performance management also involves giving feedback which indicates where employees stand (Bauer et al., 2023, p.776). To be more detailed, performance feedback is a formal channel that managers, coworkers or customers use to communicate with employees to exchange information of how they are doing and what they are lacking, and what should be improved regarding performance. According to Hattie & Timperley (2007), feedback is "'consequence' of performance" which aims at fostering employees' motivation and ensuring right behaviors towards organizational goals. It is noted that feedback is usually given annually, semi-annually or quarterly, usually altogether with annual performance review (Bauer et al., 2023, p.777).

2.1.3. Performance management evaluation

According to Amstrong & Baron (2005), performance management is a continuous process in which future focus is more important than the past. Also, performance management should not only be a process of rating or annual review, but an integrated process that also focuses on the social and motivational aspects (Fletcher, 2001). However, there are many

arguments around the use of the performance review, feedback, its effectiveness, and the impact of it towards equal opportunities (Arvey & Murphy, 1998).

Bauer et al. (2023) pointed out the infrequency in giving feedback affecting the performance review (p.777). For example, each employee sets their performance goals from the beginning of the year which might shift because of changing circumstances; however, these goals were only be check-ins quarterly and evaluated once or twice a year which make it heterogeneity, meaning the goals now are inconsistent with the changes of real work (Bauer et al., 2023, 777).

This traditional process of performance management also causes some fairness and accuracy questions alongside employees and also managers might feel forced as a waste of time (Bauer et al., 2023, p777). Research has shown that the trend has been designed by eliminating the rating employee systems since it brings no more than the numbers which might have caught biased rating or misunderstanding reasons behind those rates (Fletcher, 2001). To improve the situation, a suggestion of a continuous feedback delivery system has been introduced (Bauer et al., 2023, p.775).

2.2. Continuous feedback delivery system

As mentioned, traditional performance management using appraisal to measure employees performance results and together with infrequent feedback processes caused ineffective outcomes. Therefore, it is asked for new development and performance creativity (Wiese & Buckley, 1998). In many organizations, a new trend was implemented which used continuous feedback delivery systems to fulfill the weaknesses of the traditional performance process (Bauer et al., 2023, p. 775). In other words, organizations have started to shift from traditional performance management systems to ongoing evaluation and continuous feedback

delivery culture. Not only annual review where feedback was given to evaluate the past work, but more frequent feedback delivery or informal feedback sessions focusing on the future work also being used to give employees a better view of their job towards the goals setting (Bauer et al., 2023, p. 776).

Additionally, DeNisi & Kluger (2000) stated that feedback is a primary tool which helps reach the expected results and those activities happening under the performance management system umbrella. It is also a way to foster employees' motivation and development (Fletcher, 2001). Therefore, experts argued that having an effective feedback culture is consistently critical to performance management systems (Johnson et al., 2020a). With continuous feedback culture, employees have chances to assess ongoing information about their goals and directions for future work. Furthermore, it is a way for both managers and employees to keep track of the performance and make in-time decisions if there are any changing circumstances during the year which happened only once or twice with the traditional model (Bauer et al., 2023, p.813).

Another positive point of the new model is that it helps to negate the concept of biasness and accuracy (Pulakos et al., 2019) which was a drawback of traditional performance management when using "numbers" to rate an employee (Latham et al., 2005). Moreover, according to Buchner (2007), with this new concept of performance management, a shift has started from management responsibility to employee-centric where employees can be responsible for their performance. They can set their goals, expectancy, ask for check-ins, evaluation or supervision from managers as long as the performance results align with the organizational goals, alongside with employees' commitment, participation, attainment and motivation (Pulakos, 2004).

2.3. Goal setting theory

Locked & Latham (2002) stated that there was a high connection between goal and performance. Additionally, according to Bauer et al (2023), one of the best methods to increase performance and a useful management tool is goal setting (p.801). Therefore, in order to measure employee performance, a solid understanding of goal-setting theory should be performed. Goal setting is defined as the process of managers setting goals at the beginning of a performance period, working towards that goal and assessing the results at the end of the period (Bauer et al., 2023, p.801). Usually these goals are translated from organizational to department goals which will be then in turn converted to individual-level, which make the goals of all levels fully aligned (Bauer et al., 2023, p.802).

2.3.1. SMART goals

When setting a goal, there are five (5) elements that should be considered which are specific, measurable, aggressive, realistic and time-bound (Bauer et al., 2023, p.802). To be more detailed, a goal should be a quantifiable goal that is hard enough to give the employee motivation to work on but also needs to be achievable; besides, a goal should align with organizational strategy and employee performance, and has its time limitation to assess the final result (Lunenburg, 2011).

Locke & Latham (2006) also stated that the goal is primary standard self-satisfaction performance and a "discrepancy-creating process" for future valued outcomes. In addition, they also mentioned that high, difficult goals that require one to attain brings more motivation, resulting in higher performance than a low, easy goal. (Locked & Latham, 2002). As a result, employees will have a feeling of success when they achieve a meaningful and important goal which allows them to grow and learn from challenges (Locke & Latham, 2006).

2.3.2. Self-efficacy

According to Locke & Latham (2006), one of the mediating variables that helps increase motivation, and enhance goal commitment is self-efficacy. This is an internal belief that one has capabilities and competencies in organizing and executing the actions to meet their goals (Bandura, 1997, p.3). If employees have high self-efficacies, they will tend to set higher personal goals under the belief that they are attainable (Bandura, 1997, p.38). Therefore, a key to successful goal setting is to build and reinforce employees' self-efficacy. When an individual has a specific goal that they believe they can achieve, in conjunction with ongoing feedback from their line manager, they are tempted to increase motivation which results in higher performance (Locke & Latham, 2002).

Further, there are some ways that managers can use to raise their followers' self-efficacy (Bandura,1997; White & Locke, 2000) which are:

(a) providing necessary *training and coaching* for employees so that they have sufficient knowledge and skills to attain the goals;

(b) persuasive communication which enhances employees' confidence in attaining the goals and performance progress;

(c) be a role model whom others can look up to and admire.

2.3.3. Feedback as a moderator

According to Latham et al. (2005), since feedback itself is only information, it will have more effect on behavior if it contains goal-setting. In order words, specific high goals must be

set beforehand which affects individuals choice, effort and persistence; and therefore, increase the performance (Latham et al., 2005).

Feedback is a method to indicate people' progress; and commitment to their goals. By having feedback, individuals can commit to the importance of the goals, and understand task complexity where they experience having control over the workload, knowledge or constraint situations (Locked & Latham, 2006). People can also adjust their level or direction of the job they are performing or their performance strategies so that their performance matches more to the goals (Locked & Latham, 2002). Therefore, it is said that feedback plays an important role in affecting the relationship between goals and performance; in other words, feedback is the key moderator of goal-setting (Locked & Latham, 2006).

To sum up traditional performance management processes, the goal is set from the beginning of the year and assessed at the end of the year, where there can be a change in circumstances; or the goals might not be relevant anymore. Besides, feedback was given annually which cannot elaborate the progress of performance on time. Hence, feedback is an important activity that needs to be used to enhance employees' performance. And when goals might be changed or irrelevant after a period of time, it is good for individuals to ask for more frequent qualitative feedback to keep the goals up-to-date and perform better.

2.4. Social exchange theory

2.4.1. Social exchange definition and its aspects

Studying psychological safety, it is worth discussing social exchange theory as it is one of the most "influential conceptual paradigms" for indicating working behavior (Cropanzano & Mitchell, 2005). Emerson (1976) defined social exchange as a series of interactions that

develop the obligations. These interactions are usually known as interdependent and relying on another person's actions potentially generating a high-quality relationship (Blau, 2017). In other words, social exchange is understood as a given-something in return process (Cropanzano & Mitchell, 2005). The process starts when someone makes a "move" and if other parties repay then a new round of exchange is established, in which according to Molm (1994), social exchange results in risk reduction and greater cooperations.

According to Thomas & Iding (2012), there are four dimensions of social exchange theory that need to be emphasized, which are precursors, pragmatic, control of exchange and technological innovation. Precursors are understood as a psychological set of prior thinking about upcoming events which a person holds towards the others who participate in the exchange. Research showed that with such a predisposition, people tend to enter the conversation, negotiation or debate better than those who do not have a prior impression (Thomas & Iding, 2012). This step influences the way of exchange progress; for example, it affects what people speak about, which topics should be avoided or how to deal with unexpected topics (Thomas & Iding, 2012).

Besides, pragmatic is known as the context of communication in which gestures, voice, facial expressions, etc. that occur during the conversations are attended. With a pragmatic aspect, cultural difference and emotional presence need to be considered. For example, the greeting signs of someone coming from Europe might be different from the ones from Middle-East areas or a police officer is trained to notice slight signs such as nervousness which could lead to violent acts later on (Thomas & Iding, 2012).

Control of exchange helps describe the limitations on the place of exchange, which means even in formal or informal conversations, there are some rules and permission on what

to say and what to do. It is held by participants to make sure that the exchange occurs effectively and avoid conflict (Thomas & Iding, 2012). Lastly, the aspect of technological innovation also affects the social exchange circumstances. This can be understood as the different means of information exchange, such as message, email, social media (Thomas & Iding, 2012). This aspect is influenced by personal characteristics and in a way, it creates a better interpersonal relationship (Reid & Reid, 2004).

2.4.2. Social exchange relationship

According to Cropanzano & Mitchell (2005), social exchange relationships occur in work settings as interpersonal workplace connections in which employers "take care of employees" and lead to positive results. These interpersonal relationships refer to managers, employees, customers and other stakeholders, and result in effective working behavior and employee attitudes (Cropanzano & Mitchell, 2005).

In order to better practice social exchange in a workplace, four ways are suggested by Thomas & Iding (2012):

- Estimating the needs: people are more likely to be better prepared to fulfill the *needs* of the others*,* in order to satisfy the conversations, negotiations or arguments.

- Identifying issues and beliefs: *issues* identification refers to the decision points where you consider what to say or what to do and the convictions towards it known as *beliefs*.

- "Read" the minds of themselves and others': it is also important to think about the conversations, each step of conducting the dialogue where one thinks about their minds and the others' minds as well.

- Assessing strategies: this term refers to the intentions to react that people have during the conversation, which means through social interaction during social-exchange, one tends to recognize and evaluate others' exchange strategies to satisfy their needs.

Studying the basis of social exchange theory, there are four aspects that need to be considered when interacting with others: precursors, pragmatic, control of exchange and technological innovation. And in order to improve the social exchange relationship, there are four elements that are important which are estimating the needs, identifying issues and beliefs, "reading" the minds of themselves and others', and assessing strategies (Thomas & Iding, 2012). According to Gong et al. (2012), information sharing through exchange would help enhance the workplace relationship, which results in a higher level of psychological safety and influences employees' work performance. Therefore, it is worth understanding the meaning and the role of social exchange theory in this study and thus, better creating a psychologically safe environment for delivering continuous feedback.

2.5. Psychological climate

2.5.1. Definition

According to James & Jones (1974), psychological climate refers to the individuals' perceptions of their working environment regarding proximal organizational structures, processes and events. This allows individuals to interpret events, predict possible outcomes and

evaluate appropriate actions based on their knowledge (James & Jones, 1979). Therefore, it is said that psychological climate is a property of individuals and as such individuals are the appropriate level of theory, measure and analysis (Parker et al., 2003).

Brown & Leigh (1996) stated that psychological climate is rather an individual level than an organizational level perspective, which measured psychologically meaningful perceptions to the individual rather than concrete organizational factors. James and his colleagues also suggested that psychological climate plays a mediator role in accordance with attitudinal and behavioral responses, even on an organizational level (James & Jones, 1974; James et al., 1978). Thus, it is important to study the psychological climate to further understand the importance of individuals' values alongside the organizational environment. Additionally, how people reflect their own perception towards the working environment would help enable the practice of psychological safety, creating a better environment for performance behaviors to be developed.

2.5.2. Psychological climate, organizational climate and organizational culture

In this section, a clear understanding of these terms to generate the meaning of psychological climate is needed. Whereas psychological climate is aimed at individual-level, organizational climate and organizational culture is group-based focus (Parker et al., 2003). According to James & Jones (1974), organizational climate is explained when employees share their perceptions about the impact of their work environment on a higher level constructs of the psychological climate such as team, collective, etc,.

On the other hand, Thomas & Iding (2012) defined culture as *"a collection of beliefs, activities, and kinds of objects shared or held-in-common by members of a group"*. These beliefs can be understood as normative beliefs or behavioral beliefs in an organization where

behaviors are expected to be considered by the members of the system and interacted among them (Cooke & Szumal, 1993). Therefore, it is important to ensure the difference between these terms and the purpose of this thesis is aimed at studying how we ensure individual perception in regards to feedback, in order to foster the organizational culture.

2.5.3. Dimensions of psychological climate

There are four (4) dimensions indicated by James et al., 2008:

    (a) requirements of clarity, harmony and role stress, work-load;

    (b) requirements of challenges, independence and autonomy;

    (c) leadership facilitation, support and recognition;

    (d) work-group cooperation and friendly social relations.

In general, these 4 dimensions reflect both mental and physical capacities and resources available at work, which create a workplace that is individual-centric. Besides, it also helps employees to explore how surroundings affect them. In other words, psychological climate flourishes a significant sense of individual well-being and whether surroundings affect them beneficial or detrimental (James et al., 2008).

Parker et al. (2003) has found that there is a significant relationship between psychological climate and employees' work attitude that fully mediates individual motivation and performance. But how can organizations create an environment for individuals to build a good climate? This will be discussed in the next part.

2.6. Psychological safety in delivering performance feedback

In the business sector, organizations are continuously requiring their employees to contribute to business processes and practices through behaviors which shed light on organizational development. They want to enable learning to occur by asking employees to voice up ideas, be innovative in doing things or be able to collaborate with others, etc,. (Edmonson, 1999). Those activities will benefit the organization; however, they also create certain risks for employees' psychological climate (Newman et al., 2017). For example, providing new ideas might go against others' opinions; creating new ways of doing things might be unsuccessful; or sharing the feedback but be afraid of the negative behaviors towards them. According to Detert & Burris (2007), such psychological unsafety would lead to the result that employees are against contributing to learning processes and deny both individual and organizational learning. Therefore, psychological safety is a need in organizations to help employees overcome these threats (Edmonson, 1999), and motivate them which might result in higher performance, innovation and creativity (Newman et al., 2017).

2.6.1. Psychological safety definition

The seminal work of psychological safety appeared in 1965 by Bennis & Schein to which extent individuals feel safe and confident in managing the organizational change. There are many studies that have defined and researched psychological safety throughout the century (Newman et al., 2017). Kahn (1990) defined psychological safety on an individual-level in which an individual "feeling able to show and employ one's self without fear of negative consequences to self-image, status, or career" (p.708). Most recent and most used definition of psychological safety was established by Edmonson (1999). She defined psychological safety as

the team-level climate where "shared belief held by members of a team that the team is safe for interpersonal risk taking" (p. 350).

In other words, psychological safety is an element of team climate where individuals in a team feel safe, willing to ask for help and speak up. Psychological safety reflects one's perception of the environment in which they are working, rather than a specific task or job (Frazier et al., 2016) and it is more potent and meaningful at a team-level (Newman et al., 2017). Although Edmonson and Kahn defined psychological safety on different levels, they are somehow supported and seen as complementary viewpoints to each other, rather than competing with others (Frazier et al., 2016).

One usually mixes up the meaning of psychological safety and trust together. Even though these two constructs are similar in a way, they are still different. Edmonson et al. (2004) stated that trust is about an individual's willingness to be vulnerable to others to which extent they are willing to *give the other person* the benefit of the doubt. On the other hand, psychological safety is more likely capturing the belief of how *others will respond* when they are put on the line; for example, asking for feedback, proposing new ideas or reporting a mistake. Despite the negative consequences, psychological safety embraces an environment without fear, making individuals of the team feel secure and do not hesitate to change their behaviors (Edmonson et al., 2004).

2.6.2. Psychological safety outcomes

Edmonson (1999) and Kahn (1990)' psychological safety researches are used to map out the outcomes of fostering psychological safety within the group-level and individual-level respectively. According to the theoretical framework of Edmonson (1999), psychological safety shapes a cognitive environment for learning and change to take place which is linked to several

behavioral outcomes. From this perspective, communication, and information sharings outcomes were mentioned. This emphasized a positive relationship between psychological safety and information sharing in which collaboration and feedback-seeking are allowed and encouraged by the group members (Frazier et al., 2016). It enables more error reports to occur or more interpersonal communication to take place (Leroy et al., 2012). And a higher level of knowledge sharing is acknowledged (Siemsen et al., 2009).

Another outcome drawn from Edmonson (1999)'s research is that psychological safety assists the voice behavior to occur. As mentioned above, individuals usually assess interpersonal risk to decide whether they should speak up or keep silent. Hence, when a psychologically safe environment is created, employees will be more likely to feel safe to speak up, bring more opinions to the table and challenge the way they are doing (Frazier et al., 2016). Brinsfield (2013) suggested that with a psychological safe environment, there is a reduction of silent voice behaviors. By feeling safe in the relationship, they are more comfortable discussing the disagreements, giving more insightful feedback or even being honest about the errors with their managers (Tynan, 2005).

Learning behavior is also an important outcome from psychological safety (Edmonson, 1999). With a safe psychological environment, it is easier to overcome anxiety and the fear of failure (Schein & Schein, 2017). From this, they are more comfortable to ask for help and learn from others where more opportunities will be taken. Additionally, this establishes a team where people focus on learning and development, rather than worrying about how others will react towards them. As shown in the figure, team learning directly leads to organizational performance.
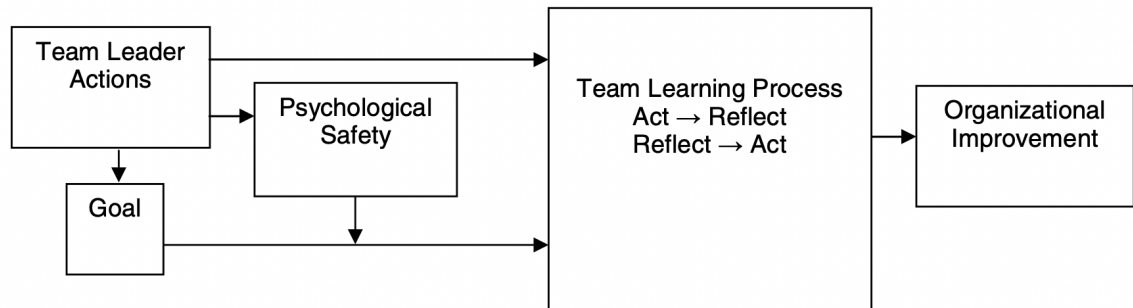
Figure 2.1: Model of team learning process (Edmonson, 2002)

Another outcome that is worth mentioning is employee attitude. There are studies showing that it is a positive link between psychological safety and employees' work attitude (Thomas & Iding, 2012). As mentioned, social-exchange theory has drawn an understanding of what aspects of conversation are considered, and what strategies people use to assess an effective dialogue, which in turn increase the working behaviors and workplace social exchange relationship. This knowledge has been relied on to explain employees' work attitudes in terms of psychological and supportive behavioral mindset (Chen et al., 2014). Besides, these working attitudes can be listed as organizational commitment, work engagement or even teamwork attitude (Newman et al., 2016).

Lastly, team performance, innovation and creativity are also influenced by psychological safety (Newman et al., 2017). According to Bendoly (2014), when a systematic understanding is established and the climate is continuously improved in teams, it will help influence psychological safety which in turn, affects the project performance. Additionally, when a team's goals and processes are aligned with organizational goals, through psychological safety, team performance would be enhanced (Chandrasekaran & Misha, 2012). Moreover, an employee is encouraged to take on interpersonal risks, be free to perform, and be themselves. It helps them to be more open to new ideas, dare to try new things and dare to fail (Madjar &

Ortiz-Walters, 2009). In other words, there is a positive relationship between creative thinking and risk-taking (Palanski et al., 2011).

In general, it is worth creating a psychologically safe environment for exchange within the workplace, where individuals can showcase their value and their perception towards the working environment. But how does psychological safety affect the continuous feedback culture especially and what can organizations do to enhance a more psychologically safe environment? These questions will be discussed in the next section.

2.6.3. The importance of psychological safety in delivering continuous feedback

Aforementioned, continuous feedback culture is a recent model that is used in many organizations to enhance performance management processes. This plays a central role in supporting learning behaviors which in turn improve performance (DeNisi & Kluger, 2000). It is therefore important to study how to create a psychological safe environment in fostering a feedback culture where individuals can learn, develop and achieve their goals.

According to Smeets et al. (2021), learning behaviors mediates psychological safety and performance. Therefore, individuals actively engaging themselves is really important, which means through feedback, individuals have the opportunities to refine their understanding and contribute more to mapping out the co-constructed ideas (Johnson et al., 2020b). It is also said that with psychological safety, individuals are more comfortable expressing their reactions, reflecting a better interaction, co-creating helpful insights and strategies which in turn produce higher learning behaviors (Johnson et al., 2020b).

According to Latham et al. (2005), feedback without goal-setting is only information itself and has little or no effect on behavioral development. In order to develop behaviors, goals

should be set as they affect the effort, choice and persistence of individuals who commit to it (Latham et al., 2005). The growth mindset plays an important role in shaping the feedback culture, where individuals focus on the future, and the way to achieve their goals (Johnson et al., 2020b), instead of looking back to the errors or regretting what they could have not done in the past.

It is noted that there are differences between feedback-seeking and feedback-sharing mindsets. According to Johnson et al. (2020b), there is still a norm in which one-way communication plays a dominant role, known as feedback-seeking where information is shared mostly from the managers to their subordinates. Managers are more likely to defend or inaction against the feedback given to them (Coutifaris & Grant, 2021).

On the other hand, managers can promote psychological safety through feedback-sharing (Coutifaris & Grant, 2021). To be more detailed, not only is feedback given from managers to employees, but it also goes another way. They are asked to openly discuss criticisms and suggestions about their performance alongside sharing their opinions with fellow team members (Coutifaris & Grant, 2021). Therefore, feedback-sharing is what this research is aimed to study.

2.6.4. Fostering psychological safety in the delivery of continuous feedback

Understanding the role of psychological safety in delivering continuous feedback, the question now is how we can foster it to make the feedback culture more effective. There are a few suggestions for fostering psychological safety in improving feedback culture. Talking about feedback itself, Smeets et al. (2021) suggested that providing feedback should be timely, which includes good guidance and elaborate feedback at a high level. Furthermore, feedback should be easy to access, involved personally (Smeets et al., 2021).

Setting the scene of the conversation, the context of the feedback should be considered (Johnson et al., 2020b). It consists of voice, tone and attitude when sharing ideas to others. Besides, purposes, plans or strategies should also be provided through the conversation. Latham et al. (2005) mentioned that when people know what is going on, what the organization, the team expect from them, and what goals they need to achieve or what the future holds, they can and will do much for you. It was also noted that these directions, inspiration should be repeated and comforted daily, in variable forms, instead of talking about it quarterly, annually (Latham et al., 2005).

Additionally, *supportive work behaviors* help influence the psychological safe environment (Newman et al., 2017). According to Johnson et al. (2020b), employees should be seen as "an ally" which elaborate the action of involvement, respect for individual autonomy and willingness to help and support other people (Brown & Ostrove, 2013). Hence, it helps narrow down the power gap between managers and employees, which in turn gains confidence in sharing their thoughts, more honesty and dare to challenge learning activities (Johnson et al., 2020b). Besides, the feedback and information sharing also needs to be selective which means people should have a feedback-sharing attitude, "created with them" not "directed to them" and not to "overwhelm the person" (Latham et al., 2005).

According to Cannon & Edmonson (2005), psychological safety is not something implemented through top-down command but it is established through the behaviors of the managers, supervisors or unit leaders. Therefore, in order to succeed in building relationships, *role models* are essential to mention as a way to foster an effective feedback culture. This suggested that managers play an important role in fostering psychological safety for the team. They can exhibit this by being tolerant towards errors, failure, showcasing their openness and physical presence where they not only take action, support their subordinates, but also actively

listen to them and seriously receive feedback, evaluate and change if needed (Smeets et al., 2021).

Next, it is crucial to ensure psychological safety by *offering a continuing improvement orientation* (Johnson et al., 2020b). This can be done through communication, knowledge sharing and behavioral focus. There are a few ways to ensure a growth mindset in the team. According to Johnson et al. (2020b), it can be done by normalizing the mistakes of the team members, minimizing the gap between the reality and expectation and working closely with the team members to understand and maximize their potential. Besides, managers can also follow their subordinates' plans, strategies and learning journey, give them timely feedback, comments to develop their skills, and assist their ongoing development (Johnson et al., 2020b). By promoting the continuous development mindset, it affects the team performance (Edmonson, 1999) where team members are more comfortable to be innovative and creative.

Lastly, *training* plays as one of the most important ways to promote psychological safety for feedback culture to take place. In order to understand and deliver more effective feedback, training should be introduced for all levels of employment. According to Latham et al. (2005), training for managers might focus on how to give/receive effective feedback from the scene to context; which performance criteria should be evaluated or relevant job behaviors to observe and so on. At the same time, they need to make sure that feedback is focused on behavior rather than the person itself; be selective and managers need to distinguish between honesty and hurtfulness when sharing feedback (Latham et al., 2005).

3. Research design and methodology

In this section, methodological approaches used in this master's thesis will be explained which includes research design, approach, data sample and quality. Besides, this section also aims at highlighting the decisions while collecting necessary data and the limitations of this study.

3.1. Research design

From the research question and sub-questions presented above, the design of this thesis is chosen. There are many studies on psychological safety and performance management; however, as continuous feedback delivery is a later trend, there is a lack of theories regarding psychological safety towards it. According to Swedberg (2020), one of the standard styles of exploratory study is aimed at finding something new, pouring into the area that is currently little known (p.38). Besides, when it is not much known about the phenomenon and the topic is complex which can lead to different outcomes, the exploratory research design is deemed to use (Bougie & Sekaran, 2016). Therefore, with the lack of theories drawing the connection between psychological safety and continuous feedback delivery, an exploratory design was optimally chosen to use in this thesis.

3.1.1. Philosophy of science

According to Laudan (1977), all scientific theory whether implicit or explicit is based on philosophical underpinning. This lays the groundwork for scientists' ontological, epistemological, and methodological frameworks (Babbage & Ronan, 2000). In other words, philosophical worldview helps set the belief that governs the researcher's actions as how they conduct the research. There are four major worldviews: post positivism, constructivism, pragmatism and transformative (Hall, 2013). According to Hall (2013), while post positivism

is the basis for quantitative research, pragmatism and transformative are seen to be compatible with mixed methods, constructivism is closely identified with qualitative research. A constructivism is known as theory generation which marks "what "knowing" is and what "comes to know" (Fosnot, 2013). With the aim of studying in-depth the understanding, how people perceive psychological safety and continuous feedback in a critical realistic way, constructivism is used as the basis for conducting this thesis.

3.1.2. Qualitative method

When discussing the research methods, quantitative and qualitative methods are usually distinguished in literature and theories. According to Gelo et al. (2008), quantitative methods require numbers and quantity units in order to conduct data analysis which will then generalize the results. As psychological research is being seen as "science", quantitative approaches play a mainstream role in which theory is tested based on experimental and correlational techniques (Gelo et al., 2008).

In contrast, using a qualitative method is a way to understand a small group of participants' references or worldview rather than trying to test hypotheses on a large scale of samples (which is done in a quantitative approach) (Gelo et al., 2008). According to Willig (2022), qualitative research questions tend to be process-oriented which helps answer the *how* question (p.31). Besides, the research method is "the way to the goal" (Kvale, 1996, cited in Willig, 2022); in other words, the choice of research method is usually informed in the research question. This aligns with the thesis research question "How to ensure psychological safety to create an effective continuous feedback delivery culture?". Therefore, with the aim to understand the context of the phenomenon, the culture and behavior from the perspectives of the group being studied, qualitative methods have been used in this thesis.

In addition, this thesis will perform a thematic analysis. Being seen as the foundation method for qualitative study, thematic analysis is a technique for identifying, evaluating, and reporting patterns (themes) in data (Braun & Clarke, 2006). According to Braun & Clarke (2006), thematic analysis is popular for its flexibility, which provides freedom in selecting a theoretical framework that allows the researcher to apply any theory depending on the section or topic. As a result, thematic analysis' flexibility enables deeper, more detailed, and more sophisticated data descriptions (Braun & Clarke, 2006).

Using qualitative research for this thesis, there is a need for introducing a pack of literature reviews that relates to psychological safety and its connection to continuous feedback. Therefore, thematic analysis would be a good fit in order to provide richer and more valuable details for this research.

3.2. Method

3.2.1. Setting

According to Cooper & Meltzoff (2017), when selecting a sample, a clear definition of the target population should be given. Not only the definition of the target population, but also qualitative samples need clarification on different factors such as contexts, respondents, who to be included and excluded (Leech, 2002). In other words, researchers chose the sample that helps them obtain a comprehensive view of the study and answer the purpose of the research.

In this thesis, the author aims to study a specific company about their performance management process and the program designed towards psychological safety of feedback culture; hence, a case study - studying a specific unit of anaylsis, involving "in-depth, intensive and sharply focused exploration" (Willig, 2022, p.41) - is used. One of the main techniques

used in case study is qualitative and consists of observations, interviews and analysis of the primary and secondary data (Willig, 2022, p.41) which aligns to the purpose of this thesis.

To be more detailed, the chosen company for this thesis is Yara International AS which has its head office in Oslo. They provide production and marketing of crop nutrition products and industrial nitrogen solutions with around 17,500 employees and are operating in more than 60 countries around the world (Yara International, 2024). Besides, the company has transformed its traditional performance management system into a continuous feedback delivery culture called People Connect, where qualitative performance feedback is more focused and eliminated the performance rating systems from Q1 2023. Therefore, Yara International is a good sample that helps the author to study and find out the answer to the thesis research question.

3.2.2. Participants

It is essential for the thesis to identify which informants and respondents possess relevant knowledge of the phenomenon being studied (Willig, 2022, p.42). Aforementioned, at Yara, the new performance management process has been used for a short period of time; therefore it is found that employees that experienced the change are relevant to the thesis sample.

Noticing that the psychological safety perspectives maybe different from different levels of employment such as HR specialists who work closely with the implementation; managers positions and employees who seek to share feedback but also receive feedback from others. Small n-groups which are known to have a small number of respondents from several groups with different backgrounds were used to conduct the research. This helps the author gain

a comprehensive insight into the research problem and a better understanding of the three follow-up sub-questions.

The data were collected from three sample groups that have experienced the change from traditional performance management to a continuous feedback delivery culture at Yara. The groups will be then coded as A-B-C and all respondents are numbered 1-5 with the purpose of anonymity, while the personal data will be kept anonymous and stored separately in line with the thesis data protection agreement. Three groups are:

- Group A: consists of respondents from those who work as an HR specialist at Yara International. They are the ones who work closely with the performance management system, have relevant knowledge about the program, the change, strategies and also seek to improve the psychological safety for the program to be runned smoothly.

- Group B: consists of respondents from those who have manager positions at Yara. They also need to be the ones who experience the performance management system, especially in delivering feedback to others or accepting feedback from their colleagues.

- Group C: consists of respondents from those who have experienced performance management at Yara but do not hold a managing position. They seek to receive feedback or share feedback with others, and possibly want to have a psychologically safe environment to ask for feedback and deliver feedback.

Table 3.1. Overview of small-n groups:

Group	Number of respondents/informants	Position
A	2	HR specialist
B	3	Manager
C	2	Employee

3.2.3. Procedures

Semi-structured interviews

For the purpose of this thesis, the researcher believes that a semi-structured interview would be the best choice to collect data. A semi-structured interview is known as a formal interview with features of informal conversation which helps the interviewer understand more about the topic by asking open-ended questions, but also the interviewer can take control over the conversation to have necessary information (Willig, 2016, p.33). The author prepared an *interview guide* consisting of all sub-questions and follow-up ones which helped the interviewer not lose sight of the original thesis question while allowing interviewees to share their insights,

the emphasis on narrative and experience about the topic. The researcher believes that with a semi-structured interview, she can catch more reliable data for later stage uses.

Interviews (primary data)

To begin with, all respondents were internally recruited via HR specialists working at Yara. Through the email, the researcher provided all information about the thesis proposal, the reason for conducting the interviews and explained the process and features that are relevant to them. The respondents were asked to sign the *information letter* of agreement on the data protection rules (see Appendix 7.1, 7.2, 7.3).

About the interview guide, it was prepared separately for all three groups. These contain several similar questions and some different questions in order to fit the group perspectives and therefore, the author can have a better understanding of the situations *see Appendix 7.4). To be sure about the reliability and validity of the results, the interview guide was not sent to the respondents beforehand to prevent the preparations of provided information.

The plan for interview guide and data protection were also sent and approved by the Norwegian Agency for Shared Services in Education and Research - Sikt. When all agreements about time, location, techniques and data protection were decided, the interviews were conducted and most of them lasted around 45 minutes and were audio recorded as agreed. Although they were semi-structured interviews, the interview guide played a roadmap role where the conversations could go beyond the questions and created a natural flow to study the subjects as it is an exploratory study. During the interview, notes were also taken beside the voice recording. The participants were offered to read the notes to ensure they were not misquoted.

Secondary data

Besides using semi-structured interviews as the primary data, this thesis also used data collection available from Yara to support the findings. This data includes results from internal surveys called Yara Voice which is a survey conducted anonymously within Yara to collect employees' voice yearly. From this survey, the result of employees' voice or possibility to speak up will be used to discuss the psychological safe environment at Yara. Besides, the comparison of registered development plans before and after introducing People Connect at Yara will be used to analyze the effect of building a continuous feedback culture at an early stage.

3.3. Data quality and ethics

As all the participants signed the information letter beforehand, it is also to ensure the ethical considerations of this research. According to the letter, participants were informed about the research procedure and in addition, gave their consent to the thesis which happened before data was collected. Besides, it was also stated that participants have the right to withdraw from the project at any time without being asked for reasons. In accordance with ethics of the research, the researcher had informed the full aim of the research and how the data was used for.

Aforementioned, the research was approved by Sikt with the agreement on data protection. All data from participants was anonymized and replaced their identities with a code. Additionally, personal data was also stored separately and only accessible by the author and her supervisor, which will be then deleted after the researching period.

4. Results

After conducting interviews, this section will be used to discuss the findings which shed light to answer the sub-questions mentioned in section 1. According to informant A1, there are some reasons that "open the door" for the continuous feedback culture to take place. Before introducing People Connect, there was a transactional performance process in Yara. Goals were set from the beginning of the year, and followed up annually which will be "scored" at the end of the year. One challenge of this process was that not all people care about feedback given together with the ratings, they were more focused on the numbers and the bonus rewards that they would get. However, there was a budget for bonuses. Therefore, in order to meet this budget, they needed to adjust the rating, so that not everyone was highly rated. As a result, this could cause biases and inaccuracy in rating.

Another challenge that was mentioned by A1 is that a few years ago, there was a high fee for training programs and therefore, performance rating was used to evaluate and choose who to join the training. Last but not least, throughout the pandemic - COVID-19 spread out, there was a change in expectation. The shift has started to move away from performance rating and focus more on what we can achieve together. For those reasons, People Connect was launched in March 2023 and is therefore raising discussions around what and how to achieve the purpose of this program within Yara.

In this part, the result is set up to follow the three sub-questions and aim to answer them, which in turn help answer the research question. The three sub-questions are:

- What strategies can be implemented to create a psychological safe environment for continuous feedback culture?

- How does psychological safety influence employees' reception and application of continuous performance feedback?

- How can managers and employees be trained to ensure psychological safety while delivering continuous performance feedback?

4.1. What strategies can be implemented to create a psychological safe environment for feedback culture?

In order to ensure a psychological safe environment for feedback culture, there are some strategies/suggestions that have been discussed, which are put into three main categories: context of the conversation, learning possibility, supportive working team.

4.1.1. Delivering effective continuous feedback

After conducting interviews, almost all informants agreed that strategies and purpose of the feedback should be considered beforehand. Informants A1 and C1 said that the quality of feedback is really important. The intentions towards feedback are varied from employees; therefore the approaches that people use to deliver feedback also need to be considered. Further, informant A2 said that if the feedback is delivered but not in good quality or does not reflect exactly what the feedback-giver thinks, it is easy to go backwards, which might affect the performance.

Informants A2 and B3 noticed that there is a need for structuring feedback, and SBI structure might be used to make the feedback more effective which refers to situation - behavior - impact. According to Kirkland & Manoogian (1998), SBI method means one structures feedback based on the situation, put where and when it occurred into consideration, and

therefore has right behaviors toward the situation through observation and avoids assumptions, which in turn give impacts to the feedback. Besides, informants A2 and B3 also shared that quality feedback requires timeliness and fact base. If feedback is not delivered timely, it would probably lose the meaning and its impacts.

One other important aspect that helps ensure psychological safety is openness. Informant B2 mentioned that continuous feedback is not fully implemented internally. There are still norms that people give more feedback than receive which could be a result of not feeling safe to speak. Additionally, informant C1 emphasized that some managers lack training of accountability and self-awareness or informant B1 shared that it is easier to say "You did well" than giving/receiving negative feedback. Therefore, honesty and openness are somewhat all informants agreed that it is important for feedback culture. Additionally, according to informant B1, it is better to practice feedback at a team-level where people work closely together and create a better network and therefore, they will be more open to share and speak up more. Last but not least, informant B3 mentioned that openness and honesty can be practiced through listening, understanding, being empathy and genuine to the ones that you are sharing feedback with.

Another approach that can be considered is providing a channel for feedback. For example, Yara Voice - an engagement survey is a tool that Yara uses to collect feedback from employees regardless of abilities speak up. It is conducted anonymously, which allows people to be more open, be honest and dare to speak up. Here is an example of Yara Voice result of 2023:
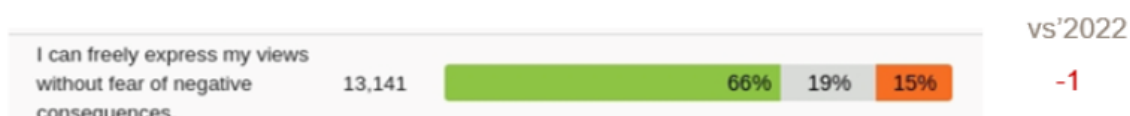
Figure 4.1. Yara Voice result of 2023 relating abilities to express one's views (Yara, 2023a)

Besides, different channels for sharing feedback should be considered to make it more flexible. For instance, informant B3 mentioned that he preferred having feedback that was written down via official system or via email beside face-to-face feedback.

In general, the context of the conversation is important and it somehow affects the attitude of the feedback-receivers. Not only does the scene where feedback is given matters, but also the way of sharing feedback among team members also plays an important role. Therefore, setting the strategies and plans for feedback, structuring it effectively and sharing with openness and honesty are elements that need to be considered, which in turn, promote a better psychological safety for feedback-sharers.

4.1.2. Learning behaviors

As mentioned, there is a need for learning opportunities within the workplace. This prepares a solid knowledge for both managers and employees for practicing feedback. According to informants A1 and C2, raising awareness among the team members should be done first. As the performance management process has changed, giving employees a new picture of what has changed, what it means by delivering continuous feedback or what they can do to adapt the new system are practical to be informed beforehand.

Informant B2 shared that to fulfill employees' understanding about feedback culture, facilities and tools need to be consistent. For example, a definition of continuous feedback should be provided and used throughout the process. This should be clear and reflect what the

process is about, which makes it easier for other regions to design learning materials and adapt to the main concept.

4.1.3. Learning platforms

Within Yara, employees are offered a variety of learning platforms. Informant A2 shared that within Yara, there are few ways that employees can use to improve their knowledge. It includes workshops, 1-on-1 sections and a digital learning platform. To be more detailed, there are workshops arranged for everyone in Yara, offering the knowledge about continuous feedback, psychological safety which prepare them for the continuous feedback culture. For example, "What is People Connect?", "How to have qualitative conversation?", "How to address uncomfortable feedback?", etc., are topics of workshops organized in Yara.

Besides, informant A2 also mentioned that 1-on-1 sections have been arranged between manager and employee formally through the system and informally on a daily basis. Through these conversations, employees have the chance to share about the current situation, what they want to learn, what they can do better to achieve the goals or else that helps optimize the working environment and share their insights to ensure the relationship between them.

Additionally, most of the respondents agreed that within Yara, the digital learning platform is well designed and offers employees a good learning experience. Specifically, there are study paths about People Connect and psychological safety developed on this platform. From this opportunity, employees can arrange their learning plan and preferable courses that they want to explore. Most interviewees agreed that this digital platform offers good opportunities for them to fulfill their knowledge, and the study path somehow provides a solid understanding for them towards the continuous feedback. Therefore, they feel ready to practice the new launching program.

As an HR specialist, informant A1 shared that there are few ways that help managers in creating a psychologically safe environment for sharing feedback. Alongside with learning possibility, designing engagement surveys as mentioned above, managers behaviors guidance can be implemented, in which behavioral principles are set up for managers to follow. They, therefore, help educate managers on how to share feedback effectively.

Informant A2 also shared that this study platform offers the HR department the possibility to track the study progress. From this, they can figure out what is lacking, what is needed for upgrading skills and competences, and in turn create better learning materials. According to informant B1, learning behaviors are increasing if individuals get appropriate learning offers. Lastly, informant A1 also mentioned that in order to prepare employees to take on the new program, the skills and competency needed to be up to date and continuously evaluate to adapt to the changes of technology.

4.1.4. Be a role model and offer a supportive attitude

According to informant A2, a supportive working team helps create an environment where people are motivated, feel safe to be themselves and optimize their performance. There are few ways that are mentioned by the interviewees to create a supportive environment which make individuals feel safe psychologically.

First and foremost, role model was mentioned by most of the interviewees as a strategy that managers can bring to the team. Informant B2 shared that it is important to be a role model as a manager, which means it is necessary to have a "not judge but describe" strategy. Informant C2 mentioned that role models can be done through managers who promote more feedback, be honest and create an atmosphere for safely practicing feedback. It is important that managers openly receive feedback from their peers and employees, carefully evaluate it, and check from

other stakeholders to have a bigger view of the situation. This could be done by having enough training and practice enough.

Additionally, informant B1 shared that in order to foster a psychological safe environment for feedback, managers should be trained and practice good management using the ask - listen and follow process. To be more detailed, it is explained that managers should ask their subordinates to see whether they need any help. At the next step, they should listen to their employees, check input and come back with results, which means it is important for managers to share feedback and carefully help their team members solve the problem. As informant B3 shared that when a team member seeks for feedback but he does not get the answer or not a sufficient answer, it negatively affects his psychological safety; as a result, that team member will not be comfortable to ask or share feedback to that manager, which in turn might lead to a worse performance.

4.1.5. Goal orientation

Not only does the role model strategy matter, but goal orientation also plays an important part in ensuring the feedback culture. Informant B2 believes that managers should invest time to make sure the team understands about the role and clarify their expectations towards the team and the work they perform. Goals should also be set, focused on organizational needs and career development. According to informant C2, these goals should be based on facts, not feelings. Informant B3 also agreed that feedback should be fact based, reflecting managers' solutions for specific cases, focusing on the future, what and how to handle the situations without attacking the person's feelings. Besides, according to informant C1, a clear goal helps employees know where they are going and what they need to do to achieve it. As a result, this

helps bring an inclusion and belonging feelings to employees, because employees are working towards the organizational goals.

In addition, all informants agreed that these goals should be checked-in frequently, in which the frequency of feedback is dependent on the person. For instance, informant B2 shared that a goal should be looked at often to evaluate the progress and the way of working towards it, for example, every 6 weeks. Especially, for early career, these check-ins need to be more frequent. As mentioned, feedback should be given on time and managers should invest time in sharing feedback to follow up the goals, performance and take in-time action if needed.

4.1.6. Peers feedback

Not only can a supportive working team strategy be conducted by employees and managers, but it also can exist between employees and their peers or other stakeholders. Informant A2 shared that upward feedback is usually hard to share, and depending on the person, it is a one-way communication from manager to employee. Therefore, informant A2 believes that when asking for feedback, peers are the ones that work closely together, they can see things from their perspectives; hence, they can give sufficient feedback to their co-workers. This approach can be enhanced also by assessing necessary training and practicing.

4.2. How does psychological safety influence employees' reception and application of continuous performance feedback?

The second sub-question was designed to study how psychological safety influences individuals' reception and application of continuous feedback, especially with employees' perspectives. This section will discuss three aspects to answer the sub-question, which are working culture, communication and growth mindset.

4.2.1. Working culture

Most of the respondents mentioned that working culture influences individuals' reception and application of continuous performance feedback in different ways. Informant A2 shared that employees from the Africa region speak up more than those who are from Asia. They are more comfortable to share ideas, give feedback and speak up more while Asian employees are more compliant. Sharing the same thoughts, informant C1 observes that team members residing in Norway or Nordic areas usually share more feedback to others, compared to those working in Asia.

Besides, informant B3 shared that one of the consequences of culture is that managers are afraid to receive feedback from employees, in which they prefer a more top-down command working style. He believed that this is because they have not got enough relevant training. In order to apply continuous performance feedback effectively, informant B3 suggested that strategy should be organized regionally and design the plan that adapts people internally. By that, informant B3 advised that the global team of the Yara needs to inform every region a uniform way of doing things, giving a clear definition of the framework, and guidelines for practice, which should not be many adaptations and let the regions set up their own strategies.

4.2.2. Communication

According to informant A1, psychological safety affects the application of continuous feedback by reducing the power distance within the organization. Informant A1 mentioned that managers usually have power affecting employees' salary, vacation, bonus, etc., and this power enlarged the relationship between them. Therefore, it is a journey to create psychological safety and strengthen manager-employee relationships.

Another thought about communication was mentioned by informant A2. Informant A2 said that as the culture consequence, the communication flow usually goes from manager to employee, as a result, it is really hard for upward feedback to take place. Hence, when psychological safety is enhanced, two-way communication is conducted by everyone, employees are more likely to open and speak up more. Additionally, informant C1 shared that a feeling of being included and belonged plays an important role in practicing continuous feedback. According to informant C1, a person who feels included in the conversation, to the team, they are more engaged, comfortable to the team and willing to share feedback on a higher level.

Lastly, informant A2 also saw that usually, without psychological safety, managers are usually the ones that speak the most during the meeting where other employees are listening and do not have opportunities to speak up. Therefore, informant A2 suggested that a ratio of 80-20 should be considered which means the amount of speaking should be 80% of hearing and 20% of speaking at the manager position. By this, other employees would have a chance to speak up and share their thoughts which they believe their insights will be heard and considered.

4.2.3. Growth mindset

One of the most important aspects that makes psychological safety influence continuous feedback culture is the growth mindset. As mentioned above, a clear goal sets a direction for growing and affects one's performance. Informant C1 noticed that when a person knows where he is going and what he needs to do to get there, together with courageous conversation, effective ongoing feedback, he is more comfortable and better performs the task, which in turn results in a high level of performance.

Besides, when talking about the reasons for the changing the performance management process to People Connect program, informant A1 shared that with the traditional process using performance rating, goals are set from the beginning of the year and the result is used to evaluate the performance that employees have done in the past year. From this perspective, informant A1 showed that with the traditional framework, the development of employees was not focused, but the "rating numbers" were. On the other hand, People Connect is designed towards employees' development. By this growth mindset, learning possibility is centralized within Yara, so that skills and competence are up to date and follow the development of the organization.

The secondary result taken from Yara's dashboard showing the positive change in development goals registered in the system compared to the previous year:
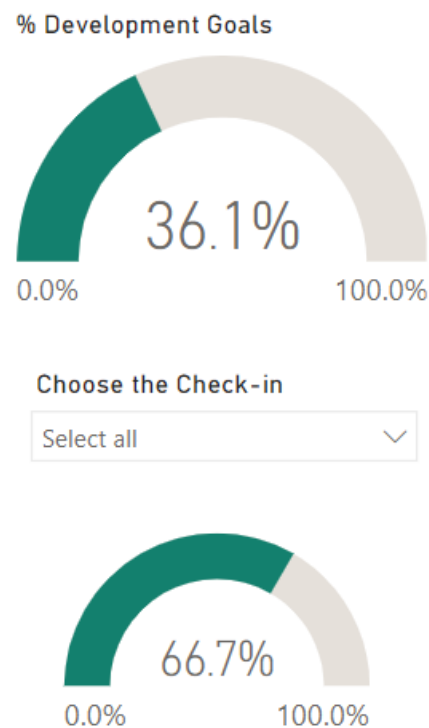
% Development Goals

36.1%

0.0%   100.0%

Choose the Check-in

Select all

66.7%

0.0%   100.0%

Figure 4.2. Percentage of development goals registered in the system 2023 (Yara, 2023b).

4.3. How can managers and employees be trained to ensure psychological safety while delivering continuous performance feedback?

Discussing the outcomes of psychological safety and strategies that can be used to create a psychologically safe environment for individuals within an organization, all informants mentioned training as one the most important ways that help achieve the outcomes aforementioned. Additionally, it is also important that necessary training is provided. According to informant B2 and C2, basic knowledge should be provided at the beginning of launching a new program. They said that training courses such as "What is continuous feedback?", "What are the differences between continuous feedback and traditional rating scale and why is there a change?" are essential for employees to understand about the program and therefore, feel more comfortable when using it.

Additionally, more specific topics around continuous feedback should also be trained. Informant A1 has recognized many cases that people hold themselves back or not share their disagreement because they do not know how to express uncomfortable feedback. Therefore, informant A1 agreed that it is practical to give employees understanding on how to have effective qualitative feedback and how to address uncomfortable conversation. Moreover, informant A2 commented that training should emphasize that feedback should not be a top-down command, but it should have a sharing mindset where employees feel safe to share their upward feedback or to their peers.

Training is highly needed for managers, said informant B1. Sharing the same idea with informant B1, informant A2 and B3 brought the empathy training to the table. Informant B3 said that not only does a manager listen and understand their employees, but also he should be empathy and genuine at the same time. In addition, employees will feel more comfortable and

free to develop when their managers care about the progress by checking input and coming back with effective feedback.

Moreover, according to almost all the informants, communication training is also important in creating psychological safety. As informants A2 and B1 shared that communication should be two-way and communication training is needed for good management. In order to create a safe environment, informants B1 and C2 said that training on listening skills and how to motivate others through feedback are necessary. Upon this, informant B1 shared that courageous conversation would help create an including and belonging feelings for others. On the other hand, informant C1 stated that training should be focused on a deeper level of accountability and self-awareness rather than communication and empathy.

Finally, informant A2 shared some tools that can be used in training. Aforementioned, courses and workshops using scenerial base are the most popular. Besides, simple exercises can be designed for different levels of employment to practice continuous feedback such as how to ask/give/receive/listen feedback, SBI model, etc., And finally, a personal diversity tool is also good for individuals to practice communication.

4.4. *Summary of results*

The table 4.1. below demonstrates the summary of results that bridge to the following discussion:

Sub-question	Strategies	Informant

1. What strategies can be implemented to create a psychological safe environment for feedback culture?	Delivering effective continuous feedback	All
	Learning behaviors	A1, B2, C2
	Learning platforms	A1, A2,
	Be a role model and offer a supportive attitude	A2, B1, B2, B3, C2
	Goal orientation	all
	Peers feedback	A2
2. How does psychological safety influence employees' reception and application of continuous performance feedback?	Working culture	A2, B3, C1
	Communication	All
	Growth mindset	A1, C1
3. How can managers and employees be trained to ensure psychological safety while delivering continuous performance feedback?	Basic knowledge	All
	Training for managers	A2, B1, B3
	Communication and empathy	A1, A2, B1, B2, B3, C2

5. Discussion

5.1. The reasons for continuous feedback implementation

Studying the theories and looking into the results, there are some discussions that can be made in regard to performance management, psychological safety and continuous feedback culture. To begin with, as HR specialists of Yara, informants A1 and A2 pointed out the reasons for establishing the People Connect program. They agreed that the traditional performance management process has its own advantages and disadvantages. Performance rating plays an important role in evaluating employees' performance and being a basis for rewards and bonuses. On the contrary, performance rating scores cause inaccuracy and biases towards employees which may affect their performance and motivation. As a result, traditional performance management focused more on what employees have done rather than put employees' development into consideration. Therefore, they believed that People Connect using a qualitative continuous feedback system will help fix these drawbacks. This strategy of group A aligns with the theory aforementioned which Bauer et al. (2023) showing that continuous feedback is a good way to cover drawbacks from traditional feedback mechanisms and enhance employees' motivation to achieve optimal performance.

With the people Connect program, a growth mindset plays an important role in the continuous feedback culture. This puts employees' development into more focused where goals are kept track together with ongoing feedback and check-ins possibilities. As shown in figure 4.2, the percentage of development goals registered in the system was increased by 25%, marking it 36.1% since launching the program. The requests for check-in also stated at 67%. It can be understood that the People Connect with the right application given, individuals in Yara

started having awareness towards the new performance system and focus more on their development goals.

5.2. Goal setting

Psychological safety was mainly discussed in order to promote the continuous feedback culture for such a global organization like Yara. There are strategies shared by respondents that not only help answer the research question, but also align with the theories discussed above. To begin with, a majority of respondents said that goal setting plays an important role in motivating employees' performance. For instance, informants C1 shared that in order to give employees a feeling of being included and belonging to the organization, a clear goal should be set. When employees know what is expected from them, what to do and how to get there, they are prompted to perform better. From the results, goals being discussed regularly, evaluated progress, focused on organizational needs and employees' development are strategies that should be concerned.

This is somewhat missing in the traditional performance appraisal theory in regard to the frequency of sharing feedback, in which feedback was given once or twice a year and made it hard for organizations to keep track of the goal achievements or change circumstances during the performance periods (Latham et al., 2005).

5.3. Social exchange and the quality of continuous feedback

As discussed in the theoretical part, social exchange is important in maintaining working relationships and results in higher psychological safety within an organization. Sharing the same idea with the social exchange relationship definition, managers-employees relationship is put into concern at Yara. Not only is it a one-way communication from manager to employees,

but the other way of sharing feedback is also promoted as shared by respondent A1. According to informant A1, if one does not openly share about their difficulties, ask or propose their questions, it is hard for others to provide sufficient advice.

Besides, the context and quality of feedback are mentioned as one the most important elements for continuous feedback to take place. As shared by informant A2 and B3, continuous feedback should cover the "needs" of the receiver, identify the issues, focus on the behavior and bring some impacts while sharing feedback. In other words, SBI was mentioned by these two respondents as an effective framework for sharing continuous feedback, in which an employee who gets frequent feedback with certain efficiency would feel more safe psychological and in turn affects his performance (Kirkland & Manoogian, 1998). Together with the social exchange theory, it is clear to say that continuous feedback is essential for the team; however, it needs to be shared with both good quantity and quality in order to meet the sharing purpose.

5.4. Ensuring psychological safety to deliver effective continuous feedback

Another strategy used in Yara that helps promote the psychological safety for continuous feedback is offering learning possibilities. Through this strategy, individuals of all levels can get the practical knowledge that prepared them to practice feedback effectively. To optimize the strategy, learning platforms should be varied to create an effective learning experience. These knowledge, skills and competences should be up-to-date and come along with the implementation of technology. This aligns with Edmonson (2002)'s team learning process in which psychological safety mediates the relationship between goals, learning and performance. Additionally, it is understood from the results that employees engage themselves

more by having necessary knowledge and skills. These knowledge allow them to be more confident, dare to face failure and feel free to be creative in performing their work.

Next, all respondents shared that managers take main responsibilities in creating a supportive psychological climate, in which employees feel safe and supported. This strategy is a way to dive into managers' behaviors. By being a role model, investing enough time in following the development of the team, and performing good management would help enhance the continuous feedback delivery culture. However, through all the interviews, "manager" is used as the main character in fostering the psychological safety and what they can do to practice continuous feedback better, without focusing on the upward relationship; while Latham et al. (2005) shared that in order to ensure psychologically safe environment, the sense of "created with them" attitude should occur rather than "directed to them". Therefore, a more focus from employees' perspectives should be created and both managers and employees should be well prepared and trained in order to practice the People Connect program better.

Upon this topic, training was mentioned from both the theoretical part and the interviews as one of the most critical ways to enhance psychological safety. However, there are some differences that mark the potential further research for researchers. From the theories, training plays as a way to ensure psychological safety. Having necessary training would help prepare individuals to understand and practice the continuous feedback. Studying theories related to training, there are researches on the importance of psychological safety and how training impacts the psychological climate which is a key for effective continuous feedback. Nevertheless, there is a lack of research on how exactly organizations can translate these theories into practice. Whereas, all respondents from Yara agreed that training plays an important role in building a psychologically safe environment accompanied with what skills, competencies and what topics should be used in providing training for different levels of the

organization. For example, basic knowledge is provided via training in Yara, such as "what is psychological safety", "what is continuous feedback", "how can we practice continuous feedback effectively" or "how to conduct upward feedback without fear", etc,.

In addition, both theories aforementioned and results showed that good communication also helps maintain psychological safety for continuous feedback to occur. At the early stage of applying continuous feedback programs, it is still demonstrated that there are problems in communication between managers and employees. For example, managers have a top-down mindset and do not take upward communication from employees into consideration; they are not ready to accept the feedback from their subordinates or do not create the climate for others to interact with them. On the other hand, employees do not feel comfortable enough to share their ideas to their boss, and lack training on how to express their thoughts. Therefore, it was discussed by almost all respondents that in order to increase the communication skills which helps enhance the psychological safe environment, necessary training upon communication and empathy should be provided. However, there was a specific idea from informant C1 that a focus on safe-awareness and accountability is more important than communication and empathy training. This might open a new topic for further discussion.

Most of the informants mentioned cultural differences as one of the most important elements that needed to be considered when creating a psychologically safe environment. For example, informant B2 said that one way to make employees understand and practice continuous feedback is raising awareness among them, having a clear uniform of what it is and how to do it, and also having regional privacies which reflect the specific regional culture and therefore, optimized its advantages. However, none of the papers covered in the theory sections puts little to no focus on culture, indicating that this could be a key difference between continuous feedback and traditional feedback. Therefore, this area could be relevant for further

studies and should be considered when implementing continuous feedback systems within an organization.

With the purpose of studying the perspectives from three different levels in Yara which are HR specialists, managers and employees, it is noticed awareness about continuous feedback has been raised in Yara. All respondents from group B and C shared that they know about the program and started to optimize the use of it. They agreed that having a psychologically safe environment would help employees feel safe to adapt to new cultures, enhance communication, and also grow themselves to achieve the goals. However, as seen in figure 4.1, even though the qualitative feedback has been launched for almost one year, the percentage of employees that feel free to express their views without fear of negative consequences decreased compared to the previous year. Therefore, it is noted by group B and C that it would take some time for everyone to have a sense of psychological safety within the organization and promote the advantages of continuous feedback.
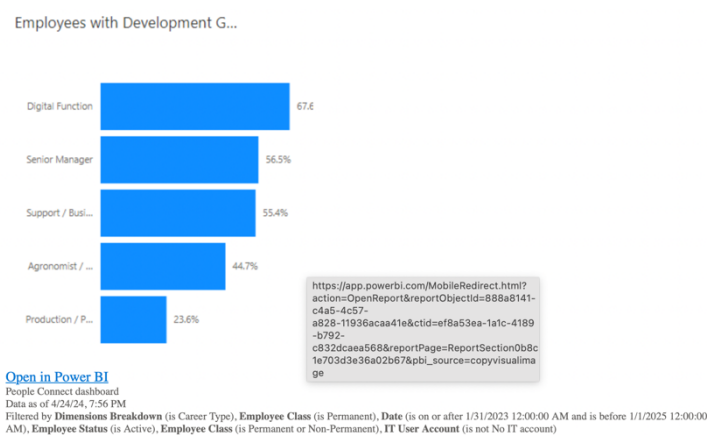

Figure 5.1. Development goals registered in the system based on job type (Yara, 2024b).

Last but not least, as seen in figure 5.1, the knowledge of continuous feedback is highly introduced with those who work in the office, especially a statistically bump in digital and supported functions while there is still lack of attention from those who work on production or

agronomist teams. Therefore, it is suggested by the HR specialists of Yara that there should be initiative studies on how we can create a valuable experience for plant workers as well. And this is also limited to relevant research upon this topic.

6. Conclusion

This thesis was aimed to explore the efficient strategies for ensuring psychological safety in order to deliver continuous feedback effectively. The findings show that there are changing traditional performance management programs to continuous feedback culture which helps cover the drawbacks that occur with traditional processes. By conducting a qualitative study using semi-structured interview and analyzing a case study, the thesis has been provided with different perspectives and possible strategies, which in turn answer the research question: ***"How to ensure psychological safety to create an effective continuous feedback delivery culture?"***

Psychological safety plays an important role in promoting the application of continuous feedback culture. In order to ensure a psychologically safe environment, there are main strategies that should be considered: the context and quality of continuous feedback; the frequency of feedback; the importance of goal setting; learning behaviors and learning platforms; managers as a role model and offering supportive attitudes; and promoting peer feedback. Besides, there are dimensions that should also be concerned which might affect the application and reflection of individuals in fostering the psychological safety which are culture differences, communication and growth mindset. In addition, to build a psychologically safe environment, necessary training should be provided: basic knowledge, up-to-date skills and competences, communication, and empathy.

However, in order to match the theories and reality together, the abductive reasoning should be tested further. The empirical material in this thesis is collected from the knowledge and experience of the sample group, therefore these findings might not reflect the reality of others. Moreover, this thesis has used a case study to study about the topic which helps understand the transformation of this specific organization, therefore it might not reflect the reality of other organizations. Hence, the theory of creating psychological safety in building the continuous feedback culture will thus need more research before one can conclude with an answer.

6.1. Critique of the study

First, there are theories that have been used to help discuss the research question. The paper has described the performance management process of both traditional and continuous feedback programs. Alongside these theories, psychological safety knowledge was discussed together with its outcomes and how to ensure it in order to better practice continuous feedback. However, there is still much more relevant literature to this topic that can be used to deepen understanding about the study.

Besides, continuous feedback is somehow a transformation of traditional performance management processes; therefore, the research related to this specific area is still little, which makes it hard to find related studies.

This research used qualitative study with results from interviews to answer the research question. Semi-structured open-ended questions allows both interviewers and interviews to have a deeper discussion about the topic and strategies that are in use. However, it has its own drawbacks as the numbers of participants are limited, which is not enough to represent all the

individuals of the organization, especially those who do not share the same working culture or working environment.

6.2. Future research

First, as mentioned above, continuous feedback is somehow a new trend and is lacking research among the topics, especially connecting psychological safety and continuous feedback together. Besides, after conducting this research, there are different results across departments, geography and culture in regard to psychological safety and continuous feedback delivery. Therefore, there are rooms for researchers to study about those elements that relate to psychological safety and promote continuous feedback culture.

About strategies applying to enhance the psychologically safe environment, many ideas have been discussed across theoretical parts and from the case study. However, how it is translated into practice and its affection on continuous feedback could be studied further. In addition, a deeper study about psychological safety and the perception toward continuous feedback from employees' perspectives should be conducted, alongside with other stakeholders'.

One of the most important ideas that might be considered for further research is about plant workers. As from the results, there are reception and application of continuous feedback for those who work in the office. However, a plant worker who works on plant and shift based has not got the necessary concern. Therefore, not only study about psychological safety in the normal workplace, but informants from the case study also mentioned that plant workers and strategies towards their psychologically safe environment and contribution to continuous feedback culture should be noticed.

7. References

Armstrong, M., & Baron, A. (2005). *Managing performance: performance management in action*. CIPD.

Arvey, R., & Murphy, K. (1998). Performance evaluation in work settings. *Annual Review of Psychology*, *49*(1), 141–168. https://doi.org/10.1146/annurev.psych.49.1.141

Babbage, D., & Ronan, K., (2000). Philosophical worldview and personality factors in traditional and social scientists: studying the world in our own image. *Personality and Individual Differences*, *28*(2), 405–420. https://doi.org/10.1016/S0191-8869(99)00117-8

Bandura, A. (1997). *Self-efficacy : the exercise of control* (pp. IX, 604). Freeman.

Bauer, T., Erdogan, B., Caughlin, D., & Truxillo, D. (2023). *Human resource management: People, data, and analytics*. Sage Publications.

Bendoly, E. (2014). System dynamics understanding in projects: Information sharing, psychological safety, and performance effects. *Production and Operations Management*, *23*(8), 1352–1369. https://doi.org/10.1111/poms.12024

Bennis, W. G., & Schein, E. H. (1965). *Personal and organizational change through group methods : the laboratory approach* (pp. X, 376). Wiley.

Blau, P. (2017). *Exchange and power in social life*. Routledge.

Bougie, R., & Sekaran, U. (2016). *Research methods for business: A skill building approach*. John Wiley & Sons. https://doi.org/10.1016/0024-6301(93)90168-F

Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology*, *3*(2), 77–101. https://doi-org.ezproxy.uis.no/10.1191/1478088706qp063oa

Brown, S. P., & Leigh, T. W. (1996). A new look at psychological climate and its relationship to job involvement, effort, and performance.*Journal of Applied Psychology, 81*(4), 358–368. https://doi.org/10.1037/0021-9010.81.4.358

Buchner, T. W. (2007). Performance management theory: A look from the performer's perspective with implications for HRD. *Human Resource Development International*, *10*(1), 59-73. https://doi.org/10.1080/13678860601170294

Cannon, M. D., & Edmondson, A. C. (2005). Failing to learn and learning to fail (intelligently): How great organizations put failure to work to innovate and improve. *Long Range Planning, 38*(3 SPEC. ISS.), 299–319. https://doi.org/10.1016/j.lrp.2005.04.005

Chandrasekaran, A., & Mishra, A. (2012). Task design, team context, and psychological safety: An empirical analysis of R&D projects in high technology organizations. *Production and Operations Management*, *21*(6), 977–996. https://doi.org/10.1111/j.1937-5956.2012.01329.x

Chen, C., Liao, J., & Wen, P. (2014). Why does formal mentoring matter? The mediating role of psychological safety and the moderating role of power distance orientation in the

Chinese context. *The International Journal of Human Resource Management*, *25*(8), 1112-1130. https://doi.org/10.1080/09585192.2013.816861

Cooke, R. A., & Szumal, J. L. (1993). Measuring normative beliefs and shared behavioral expectations in organizations: The reliability and validity of the Organizational Culture Inventory. *Psychological reports*, *72*(3_suppl), 1299-1330. https://doi.org/10.2466/pr0.1993.72.3c.1299

Cooper, H., & Meltzoff, J. (2017). *Critical thinking about research: Psychology and related fields*. American Psychological Association.

Coutifaris, C. G. V., & Grant, A. M. (2022). Taking Your Team Behind the Curtain: The Effects of Leader Feedback-Sharing and Feedback-Seeking on Team Psychological Safety. *Organization Science (Providence, R.I.)*, *33*(4), 1574–1598. https://doi.org/10.1287/orsc.2021.1498

Cropanzano, R., & Mitchell, M. S. (2005). Social exchange theory: An interdisciplinary review. *Journal of management*, *31*(6), 874-900. https://doi.org/10.1177/0149206305279602

Den Hartog, D. N., Boselie, P., & Paauwe, J. (2004). Performance management: A model and research agenda. *Applied psychology*, *53*(4), 556-569. Retrieved on 31/01/2024 from https://doi.org/10.1111/j.1464-0597.2004.00188.x

DeNisi, A. S., & Kluger, A. N. (2000). Feedback effectiveness: Can 360-degree appraisals be improved?. *Academy of Management Perspectives*, *14*(1), 129-139. https://doi.org/10.5465/AME.2000.2909845

Detert, J. R., & Burris, E. R. (2007). Leadership behavior and employee voice: Is the door really open?. *Academy of management journal*, *50*(4), 869-884. https://doi.org/10.5465/amj.2007.26279183

Edmondson, A. C. (1999). Psychological Safety and Learning Behavior in Work Teams. *Administrative Science Quarterly*, *44*(2), 350–383. https://doi.org/10.2307/2666999

Edmondson, A. C. (2002). *Managing the risk of learning: Psychological safety in work teams* (pp. 255-275). Cambridge, MA: Division of Research, Harvard Business School. https://www.hbs.edu/ris/Publication%20Files/02-062_0b5726a8-443d-4629-9e75-736679b870fc.pdf

Edmondson, A. C. (2018). *The fearless organization: Creating psychological safety in the workplace for learning, innovation, and growth*. John Wiley & Sons.

Edmondson, A. C., Kramer, R. M., & Cook, K. S. (2004). Psychological safety, trust, and learning in organizations: A group-level lens. *Trust and distrust in organizations: Dilemmas and approaches*, *12*(2004), 239-272.

Emerson, R. M. (1976). Social exchange theory. *Annual Review of Sociology, 2*, 335–362.

Fletcher, C., & Williams, R. (1976). The influence of performance feedback in appraisal interviews. *Journal of Occupational Psychology*, *49*(2), 75–83. https://doi.org/10.1111/j.2044-8325.1976.tb00332.x

Fletcher, C. (2001). Performance appraisal and management: The developing research

agenda. *Journal of Occupational and organizational Psychology*, *74*(4), 473-487.

Retrieved on 02/02/2024 from https://doi.org/10.1348/096317901167488

Fosnot, C. T. (2013). *Constructivism: Theory, perspectives, and practice*. Teachers College

Press.

Frazier, M. L., Fainshmidt, S., Klinger, R. L., Pezeshkan, A., & Vracheva, V. (2017).

Psychological Safety: A Meta-Analytic Review and Extension. *Personnel

Psychology*, *70*(1), 113–165. https://doi.org/10.1111/peps.12183

Gelo, O., Braakmann, D., & Benetka, G. (2008). Quantitative and qualitative research:

Beyond the debate. *Integrative psychological and behavioral science*, *42*, 266-290.

https://doi.org/10.1007/s12124-008-9078-3

Gong, Y., Cheung, S. Y., Wang, M., & Huang, J. C. (2012). Unfolding the proactive process

for creativity: Integration of the employee proactivity, information exchange, and

psychological safety perspectives. *Journal of management*, *38*(5), 1611-1633.

https://doi.org/10.1177/0149206310380250

Hall, R. (2013). Mixed methods: In search of a paradigm. *Conducting research in a changing

and challenging world*, 71-78.

Hattie, J., & Timperley, H. (2007). The power of feedback. *Review of educational research*,

77(1), 81-112. Retrieved on 03/02/2024 from

https://doi.org/10.3102/003465430298487

James, L. R., Choi, C. C., Ko, C.-H. E., McNeil, P. K., Minton, M. K., Wright, M. A., & Kim, K. (2008). Organizational and psychological climate: A review of theory and research. *European Journal of Work and Organizational Psychology*, *17*(1), 5–32. https://doi.org/10.1080/13594320701662550

James, L. R., Hater, J. J., Gent, M. J., & Bruni, J. R. (1978). Psychological climate: Implications from cognitive social learning theory and interactional psychology. *Personnel Psychology*, *31*(4), 783–813. https://doi.org/10.1111/j.1744-6570.1978.tb02124.x

James, L. R., & Jones, A. P. (1974). Organizational climate: A review of theory and research. *Psychological bulletin*, *81*(12), 1096. https://doi.org/10.1037/h0037511

Johnson, C. E., Weerasuria, M. P., & Keating, J. L. (2020a). Effect of face-to-face verbal feedback compared with no or alternative feedback on the objective workplace task performance of health professionals: a systematic review and meta-analysis. *BMJ Open*, *10*(3), e030672–e030672. https://doi.org/10.1136/bmjopen-2019-030672

Johnson, C. E., Keating, J. L., & Molloy, E. K. (2020b). Psychological safety in feedback: What does it look like and how can educators work with learners to foster it? *Medical Education*, *54*(6), 559–570. https://doi.org/10.1111/medu.14154

Kirkland, K., & Manoogian, S. (1998). *Ongoing feedback: How to get it, how to use it*. Center for Creative leadership.

Kvale, S. (1996). The 1,000-page question. *Qualitative inquiry*, *2*(3), 275-284. In Willig, C. (2022). *Introducing qualitative research in psychology* (Fourth edition.). Open University Press.

Landy, F. J., & Farr, J. L. (1980). Performance rating. *Psychological Bulletin, 87*(1), 72-107. https://doi.org/10.1037/0033-2909.87.1.72

Latham, G. P., Almost, J., Mann, S., & Moore, C. (2005). New developments in performance management. *Organizational dynamics*, *34*(1), 77-87. Retrieved on 01/02/2024 from http://doi.org/10.1016/j.orgdyn.2004.11.001

Laudan, L. (1978). *Progress and its problems: Towards a theory of scientific growth* (Vol. 282). Univ of California Press.

Leech, B. (2002). Asking questions: Techniques for semistructured interviews. *PS: Political Science & Politics, 35*(4), 665-668. https://doi.org/10.1017/S1049096502001129

Leroy, H., Dierynck, B., Anseel, F., Simons, T., Halbesleben, J. R. B., McCaughey, D., Savage, G. T., & Sels, L. (2012). Behavioral integrity for safety, priority of safety, psychological safety, and patient safety: A team-level study. *Journal of Applied Psychology, 97*(6), 1273–1281. https://doi.org/10.1037/a0030076

Locke, E. A. & Latham, G. P. (2002). Building a practically useful theory of goal setting and task motivation: a 35-year odyssey. *American Psychologist*, 57:705 – 717. https://doi.org/10.1037/0003-066X.57.9.705

Lockett, J. (1992). Effective performance management: A strategic guide to getting the best from people. Cited in Armstrong, M., & Baron, A. (2005). *Managing performance: performance management in action*. CIPD publishing.

Lunenburg, F. C. (2011). Goal-setting theory of motivation. *International journal of management, business, and administration*, *15*(1), 1-6. http://www.nationalforum.com/Electronic%20Journal%20Volumes/Lunenburg,%20F red%20C.%20Goal-Setting%20Theoryof%20Motivation%20IJMBA%20V15%20N1%202011.pdf

Madjar, N., & Ortiz-Walters, R. (2009). Trust in supervisors and trust in customers: Their independent, relative, and joint effects on employee performance and creativity. *Human Performance*, *22*(2), 128-142. https://doi.org/10.1080/08959280902743501

Newman, A., Donohue, R., & Eva, N. (2017). Psychological safety: A systematic review of the literature. *Human resource management review*, *27*(3), 521-535. https://doi.org/10.1016/j.hrmr.2017.01.001

Palanski, M. E., Cullen, K. L., Gentry, W. A., & Nichols, C. M. (2015). Virtuous Leadership: Exploring the Effects of Leader Courage and Behavioral Integrity on Leader Performance and Image. *Journal of Business Ethics*, *132*(2), 297–310. https://doi.org/10.1007/s10551-014-2317-2

Parker, C. P., Baltes, B. B., Young, S. A., Huff, J. W., Altmann, R. A., LaCost, H. A., & Roberts, J. E. (2003). Relationships between psychological climate perceptions and work outcomes: a meta-analytic review. *Journal of Organizational Behavior*, *24*(4), 389–416. https://doi.org/10.1002/job.198

Pulakos, E. D., Mueller-Hanson, R., & Arad, S. (2019). The evolution of performance

    management: Searching for value. *Annual Review of Organizational Psychology and*

    Organizational Behavior, *6*, 249-271. https://doi.org/10.1146/annurev-orgpsych-

    012218-015009

Reid, D., & Reid, F. (2004). Insights into the social and psychological effects of SMS Text

    Messaging. Plymouth, England: University of Plymouth Working Paper.

Schein, E. H., & Schein, Peter. (2017). *Organizational culture and leadership* (5th edition.).

    Wiley.

Siemsen, E., Roth, A. V., Balasubramanian, S., & Anand, G. (2009). The influence of

    psychological safety and confidence in knowledge on employee knowledge sharing.

    Manufacturing & service operations management, *11*(3), 429-447.

    https://doi.org/10.1287/msom.1080.0233

Smeets, L., Gijselaers, W. H., Meuwissen, R. H. G., & Grohnert, T. (2021). Beyond

    psychological safety – the role of direct supervisor behavior in fostering learning from

    errors at the workplace. *Vocations and Learning*, *14*(3), 533–558.

    https://doi.org/10.1007/s12186-021-09272-6

Swedberg, R. (2020). Exploratory research. *The production of knowledge: Enhancing*

    progress in social science, 17-41. https://doi.org/10.1017/9781108762519.002

Thomas, R. M., & Iding, M. K. (2012). *Explaining conversations : a developmental social-*

    exchange theory. Jason Aronson.

    https://ebookcentral.proquest.com/lib/uisbib/reader.action?docID=928523

Tynan, R. (2005). The effects of threat sensitivity and face giving on dyadic psychological safety and upward communication 1. *Journal of Applied Social Psychology*, *35*(2), 223-247. https://doi.org/10.1111/j.1559-1816.2005.tb02119.x

White, S. S., & Locke, E. A. (2000). Problems with the pygmalion effect and some proposed solutions. *The Leadership Quarterly*, *11*(3), 389–415. https://doi.org/10.1016/S1048-9843(00)00046-1

Whiting, S. W., Podsakoff, P. M., & Pierce, J. R. (2008). Effects of task performance, helping, voice, and organizational loyalty on performance appraisalratings. *Journal of Applied Psychology*, *93*(1), 125–139. https://doi.org/10.1037/0021-9010.93.1.125

Wiese, D.S. and Buckley, M.R. (1998), "The evolution of the performance appraisal process", *Journal of Management History (Archive)*, Vol. 4 No. 3, pp. 233-249. https://doi.org/10.1108/13552529810231003

Willig, C. (2022). *Introducing qualitative research in psychology* (Fourth edition.). Open University Press.

Yara International (2023a). *Yara Voice result*. Internal Yara report: unpublished.

Yara International (2023b). *People Connect dashboard: % development goals*. Internal Yara report: unpublished.

Yara International (2024a). Yara at a glance. Retrieved on 23/02/2024 from https://www.yara.com/this-is-yara/yara-at-a-glance/

Yara International (2024b). *People Connect dashboard*: employees with development goals.

Internal Yara report: unpublished.

Yin, R. K. (2009). *Case study research: Design and methods* (Vol. 5). Sage.

8. Appendix

8.1. Information letter for HR specialists

Are you interested in taking part in the research project

"Ensuring the psychological safety environment to build an effective feedback culture"?

Purpose of the project

You are invited to participate in master thesis research where the main purpose is to gain an understanding on what corporations can do to ensure a psychological safety environment for employees when using a continuous feedback program. The research question used for this research is "*How to ensure psychological safety to deliver effective continuous performance feedback?*". Further, the interview will use three sub-questions to analyse the research question:

- What strategies can be implemented to create a psychological safe environment for feedback culture?

- How does psychological safety influence employees' reception and application of continuous performance feedback?

- How can managers and employees be trained to ensure psychological safety while delivering continuous performance feedback?

Which institution is responsible for the research project?

The University of Stavanger is responsible for the project (data controller).

Why are you being asked to participate?

You are asked to participate as an HR specialist who works closely with the performance management process – People Connect which can give opinions on how you ensure the psychological safety in giving feedback and your perspectives or ideas in accordance with the program.

What does participation involve for you?

If you choose to take part in the project, this will involve that we will conduct a semi-structured interview. It will take approx. 45 minutes. The survey includes questions about the performance management process Yara is using – People Connect and further information such as plan, activities, or strategies of fostering a psychological safety environment for both feedback givers and receivers, especially with HR perspectives. Your answers will be voice recorded electronically.

Participation   is   voluntary

Participation in the project is voluntary. If you chose to participate, you can withdraw your consent at any time without giving a reason. All information about you will then be made anonymous. There will be no negative consequences for you if you chose not to participate or later decide to withdraw.

Your personal privacy – how we will store and use your personal data

We will only use your personal data for the purpose(s) specified here and we will process your personal data in accordance with data protection legislation (the GDPR).

There are only two (2) people that have access to the data – me as the researcher and my thesis supervisor.

I will replace your name and contact details with a code. The list of names, contact details and respective codes will be stored separately from the rest of the collected data.

The thesis will also be shared with Yara International and the HR team in order to conduct the People Connect program. However, all personal data will be anonymized and only the background information (manager, employee or HR specialist) will be shared.

What will happen to your personal data at the end of the research project?

The planned end date of the project is 30th August 2024. The recordings will be deleted after this time and the collected data will be anonymized.

The research might be published after the end date. However, only anonymized data will be saved for publications, all recordings and personal data will be deleted as stated above.

Your rights

So long as you can be identified in the collected data, you have the right to:

- access the personal data that is being processed about you.

- request that your personal data is deleted.

- request that incorrect personal data about you is corrected/rectified.

- receive a copy of your personal data (data portability), and

- send a complaint to the Norwegian Data Protection Authority regarding the processing of your personal data

What gives us the right to process your personal data?

We will process your personal data based on your consent.

Based on an agreement with the University of Stavanger, The Data Protection Services of Sikt – Norwegian Agency for Shared Services in Education and Research has assessed that the processing of personal data in this project meets requirements in data protection legislation.

Where can I find out more?

If you have questions about the project, or want to exercise your rights, contact:

· Researcher: Bao Quynh Truong via email: quynhtruong.9814@gmail.com

· Supervisor: Gro Ellen Mathisen via email: gro.e.mathisen@uis.no

· Our Data Protection Officer: Rolf Jegervatn via email: personvernombud@uis.no

If you have questions about how data protection has been assessed in this project by Sikt, contact: email: (personverntjenester@sikt.no) or by telephone: +47 73 98 40 40.

Yours sincerely,

Bao Quynh Truong

Researcher/Student

Consent form

I have received and understood information about the project *"Ensuring the psychological safety environment to build an effective feedback culture"* and have been given the opportunity to ask questions. I give consent:

       ¨ to participate in an interview

I give consent for my personal data to be processed until the end of the project.

(Signed by participant, date)

8.2. Information letter for managers

Are you interested in taking part in the research project

"Ensuring the psychological safety environment to build an effective feedback culture"?

Purpose of the project

You are invited to participate in master thesis research where the main purpose is to gain an understanding on what corporations can do to ensure a psychological safety environment for employees when using a continuous feedback program. The research question used for this research is "*How to ensure psychological safety to deliver effective continuous performance feedback?*". Further, the interview will use three sub-questions to analyse the research question:

- What strategies can be implemented to create a psychological safe environment for feedback culture?

- How does psychological safety influence employees' reception and application of continuous performance feedback?

- How can managers and employees be trained to ensure psychological safety while delivering continuous performance feedback?

Which institution is responsible for the research project?

The University of Stavanger is responsible for the project (data controller).

Why are you being asked to participate?

You are asked to participate as a manager who works closely with the performance management process – People Connect which can give opinions on how you ensure the psychological safety in giving/receiving feedback to your subordinates.

What does participation involve for you?

If you choose to take part in the project, this will involve that we will conduct a semi-structured interview. It will take approx. 45 minutes. The survey includes questions about the performance management process Yara is using – People Connect and further information such as plan, activities or strategies of fostering a psychological safety environment for both feedback givers and receivers. Your answers will be voice recorded electronically.

Participation   is   voluntary
Participation in the project is voluntary. If you chose to participate, you can withdraw your consent at any time without giving a reason. All information about you will then be made anonymous. There will be no negative consequences for you if you choose not to participate or later decide to withdraw.

Your personal privacy – how we will store and use your personal data

We will only use your personal data for the purpose(s) specified here and we will process your personal data in accordance with data protection legislation (the GDPR).

- There are only two (2) people that have access to the data – me as the researcher and my thesis supervisor.

● I will replace your name and contact details with a code. The list of names, contact details and respective codes will be stored separately from the rest of the collected data.

The thesis will also be shared with Yara International and your HR team in order to conduct the People Connect program. However, all personal data will be anonymized and only the background information (manager, employee or HR specialist) will be shared.

What will happen to your personal data at the end of the research project?

The planned end date of the project is 30th August 2024. The recordings will be deleted after this time and the collected data will be anonymized.

The research might be published after the end date. However, only anonymized data will be saved for publications, all recordings and personal data will be deleted as stated above.

Your rights

So long as you can be identified in the collected data, you have the right to:

- access the personal data that is being processed about you

- request that your personal data is deleted

- request that incorrect personal data about you is corrected/rectified

- receive a copy of your personal data (data portability), and

- send a complaint to the Norwegian Data Protection Authority regarding the processing of your personal data.

What gives us the right to process your personal data?

We will process your personal data based on your consent.

Based on an agreement with the University of Stavanger, The Data Protection Services of Sikt – Norwegian Agency for Shared Services in Education and Research has assessed that the processing of personal data in this project meets requirements in data protection legislation.

Where can I find out more?

If you have questions about the project, or want to exercise your rights, contact:

· Researcher: Bao Quynh Truong via email: quynhtruong.9814@gmail.com

· Supervisor: Gro Ellen Mathisen via email: gro.e.mathisen@uis.no

· Our Data Protection Officer: Rolf Jegervatn via email: personvernombud@uis.no

If you have questions about how data protection has been assessed in this project by Sikt, contact: email: (personverntjenester@sikt.no) or by telephone: +47 73 98 40 40.

Yours sincerely,

Bao Quynh Truong

Researcher/Student

Consent form

I have received and understood information about the project *"Ensuring the psychological safety environment to build an effective feedback culture"* and have been given the opportunity to ask questions. I give consent:

      ¨ to participate in an interview

I give consent for my personal data to be processed until the end of the project.

(Signed by participant, date)

8.3. Information letter for employees

Are you interested in taking part in the research project

"Ensuring the psychological safety environment to build an effective feedback culture"?

Purpose of the project

You are invited to participate in master thesis research where the main purpose is to gain an understanding on what corporations can do to ensure a psychological safety environment for employees when using a continuous feedback program. The research question used for this research is "*How to ensure psychological safety to deliver effective continuous performance feedback?*". Further, the interview will use three sub-questions to analyse the research question:

- What strategies can be implemented to create a psychological safe environment for feedback culture?

- How does psychological safety influence employees' reception and application of continuous performance feedback?

- How can managers and employees be trained to ensure psychological safety while delivering continuous performance feedback?

Which institution is responsible for the research project?

The University of Stavanger is responsible for the project (data controller).

Why are you being asked to participate?

You are asked to participate as an employee who works closely with the performance management process – People Connect which can give opinions on how you ensure the psychological safety in asking/sharing feedback from your managers.

What does participation involve for you?

If you choose to take part in the project, this will involve that we will conduct a semi-structured interview. It will take approx. 45 minutes. The survey includes questions about the performance management process Yara is using – People Connect and further information such as what can help foster a psychological safety environment for feedback delivery. Your answers will be voice recorded electronically.

Participation   **is**   **voluntary**

Participation in the project is voluntary. If you chose to participate, you can withdraw your consent at any time without giving a reason. All information about you will then be made anonymous. There will be no negative consequences for you if you choose not to participate or later decide to withdraw.

Your personal privacy – how we will store and use your personal data

We will only use your personal data for the purpose(s) specified here and we will process your personal data in accordance with data protection legislation (the GDPR).

- There are only two (2) people that have access to the data – me as the researcher and my thesis supervisor.

- I will replace your name and contact details with a code. The list of names, contact details and respective codes will be stored separately from the rest of the collected data.

The thesis will also be shared with Yara International and the HR team in order to conduct the People Connect program. However, all personal data will be anonymized and only the background information (manager, employee or HR specialist) will be shared.

What will happen to your personal data at the end of the research project?

The planned end date of the project is 30th August 2024. The recordings will be deleted after this time and the collected data will be anonymized.

The research might be published after the end date. However, only anonymized data will be saved for publications, all recordings and personal data will be deleted as stated above.

Your rights

So long as you can be identified in the collected data, you have the right to:

- access the personal data that is being processed about you

- request that your personal data is deleted

- request that incorrect personal data about you is corrected/rectified

- receive a copy of your personal data (data portability), and

- send a complaint to the Norwegian Data Protection Authority regarding the processing of your personal data.

What gives us the right to process your personal data?

We will process your personal data based on your consent.

Based on an agreement with the University of Stavanger, The Data Protection Services of Sikt – Norwegian Agency for Shared Services in Education and Research has assessed that the processing of personal data in this project meets requirements in data protection legislation.

Where can I find out more?

If you have questions about the project, or want to exercise your rights, contact:

- · Researcher: Bao Quynh Truong via email: quynhtruong.9814@gmail.com

- · Supervisor: Gro Ellen Mathisen via email: gro.e.mathisen@uis.no

- · Our Data Protection Officer: Rolf Jegervatn via email: personvernombud@uis.no

If you have questions about how data protection has been assessed in this project by Sikt, contact: email: (personverntjenester@sikt.no) or by telephone: +47 73 98 40 40.

Yours sincerely,

Bao Quynh Truong

Researcher/Student

Consent form

I have received and understood information about the project *"Ensuring the psychological safety environment to build an effective feedback culture"* and have been given the opportunity to ask questions. I give consent:

¨ to participate in an interview

I give consent for my personal data to be processed until the end of the project.

(Signed by participant, date)

8.4. Interview guide

This interview is conducted with the aim of seeking the answer for the master thesis question: *"How to ensure psychological safety to deliver effective continuous performance feedback?"*. First, a psychological safety definition should be given. In this research, psychological safety is understood as a shared belief of a collective where individuals feel "safe" for interpersonal risk taking (Edmonson, 1999). When individuals have psychological safety, they are more likely to speak up, be more creative, innovative or engage more to the organization, and they also dare to report and learn from mistakes (Coutifaris & Grant, 2022). Therefore, with the aim of studying how we can foster a psychological safe environment to deliver effective continuous feedback culture from three different perspectives: HR specialist, manager position and employee, three (3) sub-questions will be asked in this interview.

Sub-questions:

1. What strategies can be implemented to create a psychological safe environment for feedback culture?

- What are your current methods to create a safe environment for feedback?

- How can the strategies be changed to ensure a psychological safe environment?

- Can you describe an experience where you approached a sensitive feedback situation? What strategies did you employ?

2. How does psychological safety influence employees' reception and application of continuous performance feedback?

- Can you share an example where psychological safety affected how an employee receives feedback?

- How have employees applied feedback differently in a psychological safe environment?

- What changes have you noticed in an employee's performance after using People Connect model?

- How does feeling safe affect a person's willingness to accept helpful criticism?

3. How can managers and employees be trained to ensure psychological safety while delivering continuous performance feedback?

- What kind of training do you think is necessary for a manager or employee to create a safe environment when giving feedback?

- Are there any skills that managers or employees should develop to effectively impart feedback, while maintaining a psychological safe environment?

- How do you think training in communication and empathy helps in enhancing psychological safety during feedback sessions?

References

Coutifaris, C. G. V., & Grant, A. M. (2022). Taking Your Team Behind the Curtain: The

Effects of Leader Feedback-Sharing and Feedback-Seeking on Team Psychological

Safety. *Organization Science (Providence, R.I.)*, *33*(4), 1574–1598.

https://doi.org/10.1287/orsc.2021.1498

Edmondson A. C. (1999). Psychological safety and learning behavior in work teams.

Administrative Science Quarterly, 44, 350-383. https://doi.org/10.2307/2666999