

Chairperson approaches for creating Psychological Safety

Practical Processes and Implementation Guide

This document provides examples of actionable approaches and processes a Chairperson can implement, **should they wish to**, to create psychological safety for executives to share critical information - including when that means bypassing the CEO. The approaches are organised into six categories, each with specific implementation guidance.

1. Structural Mechanisms

These are formal governance structures that legitimise information flow outside the CEO's control.

Approach	Process	Implementation
Establish Independent Reporting Channels	Create formal whistleblower programmes and 'dotted line' reporting relationships to board committees (especially Audit, Risk, Remuneration). Executives should have pre-agreed routes to the board that don't require CEO permission.	Document in governance charter. Communicate to all executives. Review annually.
Create the 'Triangle of Influence'	Formalise a triangle between Audit Committee Chair, CFO, and Head of Internal Audit. These three work together on control and assurance with direct board access.	Establish regular trilateral meetings. Ensure CFO and Internal Audit have unfiltered board access for risk matters.
The Triangle vs The Line	A dysfunctional reporting line is vertical: Executive to CEO to Chair. This chokes information.	The Chair must create a Triangle: Executive has line to CEO AND dotted line to Chair. If vertical line fails, diagonal remains open.
Establish Internal Ethics Committees/Advisory Boards	Create 'subterranean structures' - independent oversight bodies that review high-stakes projects and risks. These committees dig deep into specific issues like risk, compliance, or culture.	Charter an ethics committee with independent members. Give it authority to review and flag concerns directly to board.
Implement ' Andon Cord ' Authority	Grant every executive explicit authority to 'stop the line' and escalate directly to the board if they identify critical risks. Make clear this is not insubordination but governance protocol. Any Toyota worker can pull a cord to stop the entire production line if they see a defect. Instead of punishment, they're rewarded for preventing larger failure.	The Chair must install a metaphorical Andon Cord for executives. Define in policy what triggers warrant direct board escalation. Remove punishment for using this mechanism.
Outsource Whistleblower Systems	For large/complex organisations, consider outsourcing whistleblowing to independent law firms. This provides safer, more confidential channels across languages and jurisdictions.	Conduct analysis of multi-jurisdiction needs. Create auditable link proving safe channels exist.
Use Independent Consultants as Conduits	Appoint independent consultants (board evaluators, culture auditors) who report directly to the board. Executives can share information through this 'buffer' channel.	Commission annual independent reviews. Ensure consultants interview executives confidentially.
Leverage Company Secretary as 'Fulcrum'	Position the Company Secretary as a facilitator between board and management who can raise issues (like probity concerns) that aren't being discussed.	Ensure Company Secretary has dotted line to Chair. Empower them to flag compliance gaps.

Mandate Regular Audits of Critical Systems	Require independent audits that force information to flow to the board routinely - not requiring executives to initiate crisis meetings.	Schedule conformity assessments. Ensure board sees audit reports directly, not CEO summaries.
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2. Cultural Approaches

These reshape the organisational mindset around truth-telling and accountability.

Approach	Process	Implementation
Reframe Accountability from Punishment to Transparency	Establish that accountability is a 'transparent cadence of commitments' and 'visible loops' - not punitive force. Reporting disconnects is a requirement, not betrayal.	Communicate explicitly that the board audits 'both outcomes and systemic drivers behind them.'
Combat the 'Mushroom Theory'	Actively reject the practice of keeping directors 'in the dark.' Insist on transparency rather than passively consuming curated presentations. Directors are treated like mushrooms: kept in the dark and fed fertiliser (what management wants). To be effective, a director must refuse to be a mushroom and push for the light of transparency and comprehensive understanding.	Demand raw data, unedited surveys, and analysis of shortcomings - not just highlights.
Redefine Loyalty to the Institution	Establish that true loyalty means telling truth to people above you. Duty of care is to the company's long-term sustainability, not the CEO's ego or tenure.	Make explicit in board papers and communications. Reinforce in executive interactions.
Normalise Bad News as 'Gems'	Treat problems as valuable because once visible they can be fixed. When someone brings bad news, respond with curiosity not punishment.	When executives raise problems, publicly thank them. Ask 'How can we help?' not 'Why did this happen?'
Adopt 'Bad News by Rocket, Good News by Rickshaw'	Make clear the 'sin' is concealment, not the problem itself. Good news can wait for board meetings; bad news must come immediately.	State this principle explicitly. When bad news arrives quickly, acknowledge and reward the behaviour.
Define Silence as a Warning Sign	Treat absence of bad news with suspicion. 'No calls on whistleblower hotline' is not good news - it means people are afraid.	If dashboards show all green, probe deeper. Ask 'What would make someone afraid to raise this?'
Establish 'Constructive Courage' over Politeness	Kill the 'nice' culture where politeness trumps truth. Make clear that avoiding difficult conversations makes you less valuable.	Reward those who challenge status quo. Make clear silence about critical risks is a firing offence.
Distinguish Safety from Comfort	Clarify psychological safety is not about being comfortable - it's about being safe to speak truth. Discomfort (like stress testing) is necessary for survival.	Use language like: 'Unpopular ideas are okay. Silence about risks is the actual danger.'
Prioritise Mission Over Ego	Establish that loyalty belongs to the mission, not individuals. If ego is bigger than mission, you don't belong here.	Embed in values. When decisions arise, ask 'What does the mission require?' not 'What does leadership prefer?'
Distinguish Secrecy from Deception	Clarify that some confidentiality is normal, but hiding critical information that amounts to deception must be reported.	Define the ethical boundary explicitly. Make revealing deception a requirement of integrity.
The Yellow Card System	A Latin American mining company gave executives physical yellow cards they could produce to safely call out unproductive behaviour or silence.	The Chair can metaphorically hand this card to executives, granting permission to call a foul if the CEO filters critical data.

3. Relational Approaches

These build the trust and personal connections that make truth-telling safe.

Approach	Process	Implementation
Build the 'Trifecta of Trust'	Cultivate three traits with executives: (1) Relationships - know them personally; (2) Expertise - understand the business enough to understand warnings; (3) Consistency - walk the talk.	Schedule informal one-on-ones. Demonstrate understanding of operational realities. Follow through on commitments.
Normalise Direct Engagement ('Walk Arounds')	Visit the 'shop floor' and C-suite routinely without the CEO present. Make contact feel normal rather than subversive.	Schedule quarterly facility visits. Have breakfast with branch staff. Talk to checkout operators.
Create 'Dinner Before the Meeting' Rituals	Meet directors and key executives informally before board meetings. Smaller, intimate settings allow 'real issues' to surface with candour.	Establish pre-board dinner tradition. Keep management team presence limited at some dinners.
Build Relationships through Whakawhanaungatanga	Spend time getting to know people outside formal structures. When people know and trust each other, they share 'raw stuff.'	Create opportunities for personal connection. Ask about families, interests, challenges.
Engage Whole Senior Leadership Team	Board should interact with the whole SLT (not just CEO) once or twice a year. If board only receives CEO's view, decisions are not fully informed.	Schedule annual SLT-Board sessions. Have functional leaders present directly to board.
Set 'No Eggshells' Standard	Establish upfront with key executives that you need them to be 'super resilient' - you cannot walk on eggshells. Direct truth won't damage the relationship.	Have explicit conversation with new executives about communication expectations.
Use 'Accusation Audits' to Lower Defences	When approaching executives (or they approach you), call out their fears directly: 'You probably think going around the CEO looks like betrayal.' This disarms and builds trust.	In sensitive conversations, name the fear before it blocks communication.
Apply 'Tactical Empathy'	Validate executives' positions by saying things like 'It sounds like you're torn between loyalty to the CEO and the health of the company.' This makes them more willing to share truth.	Practice reflective statements. Show you understand their dilemma before asking for information.
Demonstrate Receptiveness to Feedback	When challenged or criticised, accept feedback and change your approach. This demonstrates it's safe to speak up even against the leader.	When receiving critical feedback, thank the person and act on it visibly.
Leverage 'Cassandras' in Middle Management	Recognise that middle managers in sales/operations know about threats first because 'winds of the real world blow in their faces.' Ensure board has direct sight to them.	Create forums for middle management to present to board. Bypass CEO 'filtering' of information.

4. Meeting Processes and Questioning Techniques

Specific techniques for board meetings and executive interactions that surface truth.

Approach	Process	Implementation
Implement the 'Check-In' Ritual	Instead of 'How are things going?' (which invites 'Fine'), ask: 'On a scale of 1-10, how confident are you in X project?' Then ask: 'What's the gap between the 7 and the 10?'	Use in committee meetings. Train directors on this questioning technique.
Ask the 'Clean Question' at Meeting End	At end of meetings, ask presenting executives: 'Was there anything you wanted to say that you didn't have a chance to say?' This grants permission to bypass CEO narrative.	Make this a standard closing question. Create space for the answer.
Move from 'Gotcha' to 'Help Me Understand'	Frame questions as inquiry not prosecution. 'Help me understand' rather than 'Please explain why this failed.' The former opens communication; the latter shuts it down.	Train directors on questioning style. Model the behaviour yourself.
Institutionalise 'In-Camera' Sessions	Normalise sessions where management (including CEO) leaves the room. This prevents CEO viewing exclusion as hostile while giving others a safe forum.	Make in-camera time a standing agenda item. Communicate that this is routine governance.
Create 'Brain Trust' Protocol	Establish specific meeting formats where power is temporarily suspended to solve problems. Frank feedback is the rule, not exception.	Define ground rules: focus on issue not person. Even senior leaders may need to not attend certain sessions.
Implement A.G.R.E.E. Framework for Conflict	Acknowledge conflict exists; set Ground rules to focus on issue not person; understand Reality of the executive bringing info; Explore options; Execute agreed path forward.	Use when executives bypass CEO with disagreement. De-escalates political risk.
Demand Inputs, Not Just Outputs	Don't accept CEO's summary of results. Insist on agreeing on inputs and assumptions that went into the 'black box.' This gives technical executives a safe forum to discuss risks.	When presented with forecasts, ask about assumptions, methodology, and what could change the picture.
Demand 'Air-to-Ground' Coverage	Don't rely solely on CEO narrative. Have ability to drill down five or six levels deep into organisation to verify facts - like audit committee checking transaction details.	Request access to underlying data. Visit operations. Talk directly to functional teams.
Use Data to Depersonalise Bypasses	Mandate reports include diverse data points from different parts of business. This makes it 'business against problem' not 'executive against CEO.'	Require cross-functional data in board papers. Executive becomes messenger of data, not source of conflict.

5. Behavioural Signals

How the Chair demonstrates through action that truth-telling is valued and protected.

Approach	Process	Implementation
React to Bad News with Curiosity (The 'Clapping Moment')	When someone finally admits a problem, don't punish them. Say 'You're not the problem. The problem is the problem. How can we help?' This transforms the room.	When first 'red' issue surfaces, publicly thank the person. Ask the room for solutions.
Publicly Protect Those Who Speak Up	If a CEO tries to shut down a dissenting executive, intervene: 'I want to hear this perspective.' This signals boardroom is a safe space.	Watch for suppression behaviours. Actively invite contrary views.
Remove Toxic Blockers	If a CEO (or executive) is a 'toxic high performer' - delivers results but destroys culture or obfuscates - act decisively. This signals truth is valued over revenue.	When toxicity is validated, act regardless of results. Validate executives' concerns by showing speaking up is 'worth it.'

Demonstrate Emotional Stability ('The Kelp Exercise')	When receiving bad news, stay centred like kelp in waves - battered but rooted. Executives can signal 'You got to do kelp right now' meaning stay calm and listen.	Practice receiving bad news without knee-jerk reaction. Create code words for when calm is needed.
Avoid Being 'Drinking the Kool-Aid'	If other directors feel Chair is too aligned with CEO, create visible distance/tension to signal independence. This makes others feel safer challenging CEO narrative.	Periodically demonstrate independent challenge to CEO in meetings. Avoid appearance of lockstep alignment.
Dig into Why Executives Leave	Rigorously investigate departure of senior leaders. Interview departing executives directly, bypassing CEO's narrative.	For top-10/15 departures, Chair conducts exit interview. Ask 'why' questions directly.
Reward Unsanitised Feedback	When executive takes risk to bypass CEO with critical info, reward that vulnerability immediately. If whistleblower is punished, feedback loop breaks.	Make visible recognition of truth-telling. Protect those who surface uncomfortable information.
Commission Independent Investigations on Weak Signals	When departing employee mentions issue but doesn't want to pursue, don't let it die. Instruct independent investigation. This signals board prioritises truth over hierarchy.	Act on weak signals. Others will feel safe to come forward when they see board takes action.

6. Governance Principles

Foundational principles that guide the Chair's role in enabling information flow.

Approach	Process	Implementation
'Noses In, Fingers Out'	Board must be close enough to 'smell the smoke' (detect issues) but not meddle in daily operations. If Chair crosses line, they undermine CEO and reduce safety.	Define clear boundary between oversight and interference. Be curious not directive.
Active Oversight Not Passive Sitting	Board's role is not to meet quarterly and listen. It's to actively 'set direction' and have oversight on crisis playbooks and resource allocation.	Engage directly with crisis management plans. Identify crisis leaders directly.
Establish 'War Room' Mentality During Peacetime	Create culture where focus is on issue rather than rank - like crisis mode, but before crisis hits.	In discussions, prioritise problem-solving over protocol. Flatten hierarchy in key discussions.
Define Decision Rights Clearly	Eliminate 'execution kryptonite' (ambiguity) by making explicit who decides what and when. Ambiguity protects bad behaviour; clarity exposes it.	Document decision rights. Establish 'transparent cadence of commitments.'
Shift from Annual Objectives to Continuous Reviews	Replace annual reviews with 'continuous key result reviews' where board audits outcomes AND systemic drivers. This makes reporting critical info part of routine rhythm.	Establish quarterly or monthly performance rhythms connecting individual contributions to strategic goals.
Monitor Who CEO Surrounds Themselves With	Scrutinise if CEO creates echo chamber of 'vain and light persons' (sycophants). If executives see board as independent and strong-minded, they're more likely to share info.	Ensure board composition is truly independent. Push back on CEO influence over appointments.
Allow Directors Unsupervised Access	Directors can reach out to any person in company at any time to ask anything - without supervision or 'chaperones.'	Communicate this explicitly to organisation. Make clear this is board protocol.
Establish the 'Collaboration Contract' with CEO	Define explicitly what trust means between Chair and CEO upfront. This psychological contract sets stage for transparent communication and information flow.	Have direct conversation with CEO about expectations, communication, and handling of difficult information.

Quick Reference Summary

Before a Crisis - Do Now:

- Normalise board access to executives without CEO present
- Establish independent reporting channels and 'triangle of influence'
- Define decision rights and eliminate ambiguity
- Build personal relationships with key executives
- Create routine forums for middle management to present to board

In Meetings:

- Use 1-10 scale questions to surface gaps
- Ask 'Was there anything you wanted to say?' at meeting end
- Frame questions as 'Help me understand' not 'Explain why you failed'
- Maintain in-camera sessions as routine
- Demand inputs/assumptions, not just outputs

When Bad News Arrives:

- React with curiosity not punishment
- Say 'You're not the problem. The problem is the problem'
- Publicly protect the messenger
- Reward the behaviour of truth-telling immediately
- Stay centred - do 'kelp'

"The Kelp Exercise" is a technique used by Maggie Wilderotter, a seasoned Chair, to signal emotional stability when receiving bad news.

The Analogy:

Kelp grows at the break line of ocean waves - it gets battered all day long by the surf, yet it stays centred and upright because it has deep roots anchoring it to the ocean floor.

How It Works:

Wilderotter teaches this concept to her executives and uses "Kelp" as a code word.

If an executive has bad news to deliver, they can say:

"You got to do kelp right now."

This signals to the Chair: stay centred, stay calm, listen without a knee-jerk reaction. Don't panic. Don't shoot the messenger. Just absorb it like kelp absorbs the waves - battered but rooted.

Why It Matters:

Executives will only bypass the CEO with critical information if they know the Chairperson won't:

- Panic
- React emotionally
- Immediately assign blame
- Make the situation worse

The Kelp Exercise creates a safe space for delivering difficult truths because the executive knows they can invoke the code word and the Chair will receive the news with stability rather than volatility.

Practical Application:

A Chair might say to their executive team: "When you need to tell me something hard, just say 'kelp' and I'll know to stay grounded and just listen."

It's a simple tool that removes the fear of the leader's reaction - which is often what stops people from speaking up in the first place.

Ongoing Vigilance:

- Treat silence/all-green dashboards with suspicion
- Investigate senior departures directly
- Monitor if CEO surrounds themselves with sycophants
- Act on weak signals - don't let issues die
- Remove toxic blockers regardless of their results