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**How HR Can Activate Psychological Safety and Collective Leadership:  
A Micro-Foundations Approach to Turning Systems into Behaviour**

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## How HR Can Activate Psychological Safety and Collective Leadership: A Micro-Foundations Approach to Turning Systems into Behaviour

### 1. Executive Summary

In many organizations, performance management systems and development frameworks are in place, yet employee behaviour on the ground does not change as HR leaders expect. This "design–implementation gap" lies not in the systems themselves, but in the absence of micro-level processes that translate formal HR practices into everyday conversations and collaborative action.

Psychological safety (PS) and collective leadership (CL) are proposed as critical micro-foundations that mediate between HR initiatives and concrete behaviours. Unlike shared or distributed leadership, CL operates effectively within existing hierarchies by enabling mutual influence among team members. When PS is high, key behaviours such as support, coordination, information sharing, and situational leadership emerge more readily, improving collaboration, learning, and decision-making quality.

The article presents a framework linking HR systems, line managers' sensemaking, PS, CL, and key outcomes. It argues for a shift from HRM that focuses primarily on system design, to HRM that deliberately designs the patterns of interaction and the climate in which those systems are enacted.

### 2. Introduction

Contemporary human resource management (HRM) faces a stubborn challenge: implementing systems and policies does not guarantee intended results. Many organizations have robust formal systems, but see only limited changes in employee behaviour or team performance. This "systems on paper, but little movement on the ground" problem is often viewed as a gap between intended and experienced HR practices (Wright & Nishii, 2013).

The processes connecting HRM to outcomes remain largely a "black box". Attention has focused mainly on the design of HR systems, while the micro-level psychological and social processes of interpretation and enactment have been less visible (Nishii et al., 2008).

Specifically, psychological safety (PS)—the shared belief that it is safe to speak up and take interpersonal risks—and collective leadership (CL), where multiple members step into leadership functions as needed, are central to translating HR systems from "formal mechanisms on paper" into "real behaviours in the workplace."

The purpose of this article is to reframe PS and CL as micro-foundations through which HRM generates outcomes. We discuss how HR leaders and line managers can design systems, development, and team processes with these micro-foundations in mind. We focus on how

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6 small, everyday behaviours—like open dialogue, mutual support, and ongoing learning—  
7 accumulate into higher engagement and stronger performance.

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9 As a short review, the following sections explain why PS and CL matter for HRM, introduce  
10 a framework positioning them as micro-foundations linking HR systems and outcomes, and  
11 outline practical implications for aligning HR initiatives with team realities.

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13 This article adds value by reframing psychological safety and collective leadership not as  
14 cultural ideals, but as practical micro-foundations that directly shape how HR systems are  
15 enacted.  
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### 18 19 3. Why Psychological Safety and Collective Leadership Matter for HRM

20 Recent leadership research has shifted from a single individual directing the team to  
21 approaches where leadership functions are shared or distributed among members. Shared and  
22 distributed leadership have attracted attention as models that allow multiple individuals to  
23 exercise influence, well-suited to knowledge-intensive work.

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25 However, shared and distributed leadership have proven difficult to implement because they  
26 often presuppose a structural redistribution of authority and responsibility. In most  
27 organizations, structural redistribution is rarely feasible due to legal, operational, and safety  
28 requirements that define clear roles and reporting lines. This creates a tension in hierarchical  
29 contexts where authority remains with the manager while shared decisions are expected,  
30 making shared leadership challenging. This structural constraint cannot be overcome by  
31 simply enhancing psychological safety.

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33 Collective leadership (CL) offers an alternative. CL focuses not on redistributing formal  
34 authority, but on the mutual influence processes through which members step into leadership  
35 functions as needed. The question shifts from "who is the leader?" to "how do necessary  
36 leadership behaviours emerge from whoever is best positioned to act in the moment?".

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38 This mutual-influence model is practical: it can be implemented at the behavioural level  
39 without altering existing hierarchies or accountability structures. Evidence shows that in  
40 teams with strong PS, members more readily support one another, share information openly,  
41 and take initiative, fitting CL dynamics.

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43 Thus, while shared or distributed leadership often requires structural change, CL can be  
44 embedded as a behavioural micro-foundation within existing HR systems. PS facilitates  
45 mutual influence, which gives rise to CL behaviours, and these, in turn, generate richer  
46 collaboration and learning. This loop is the engine through which HRM progresses from  
47 systems to behaviours to outcomes.  
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### 49 50 4. A Micro-Foundations Framework for Making HRM Work

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6 Putting HR systems in place alone does not produce the desired behaviours or team outcomes.  
7 The linear "systems → outcomes" model rarely holds in reality. How HR systems are  
8 interpreted, surface in daily behaviour, and ultimately shape outcomes depends on a layered  
9 set of micro-level processes—the "black box" of HRM (Wright & Nishii, 2013; Nishii et al.,  
10 2008).

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13 In this article, we treat these dynamics as the micro-foundations that translate HR initiatives  
14 into behaviour and performance.

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16 The first point of translation is the line manager. Systems gain meaning not from policy  
17 documents, but from everyday conversations—in one-to-one meetings, assignments, and  
18 informal interactions. How managers talk about systems and the stance they signal shape  
19 employees' sense of the system's purpose. When managers communicate consistently and  
20 embody the system's intent, employees interpret practices as supporting learning and growth.  
21 Inconsistent or arbitrary application leads to interpretations of systems as tools of control,  
22 breeding cynicism.

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24 Yet, even a constructive framing by the manager does not guarantee sustained behaviour  
25 change. Without a psychologically safe (PS) environment—where members can voice  
26 concerns, share uncertainty, and learn together—the effects of HR initiatives are often short-  
27 lived. PS defines whether individuals feel they can speak up without fear of interpersonal costs.  
28 Many behaviours HRM relies on—open goal-setting, accepting feedback, engaging in  
29 development—are enabled by the sense that "it is safe to be candid here". When PS is low,  
30 employees prioritize keeping the peace over engaging in learning, even if systems are formally  
31 present.

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33 As PS strengthens, members become more responsive and willing to step into leadership  
34 functions as situations demand, which is the core of collective leadership (CL). Under this  
35 behavioural conception, leadership functions (supporting, coordinating, informing) can be  
36 flexibly distributed without altering formal roles. When such behaviours emerge naturally, the  
37 team's quality of collaboration, learning, and decision-making increases, reinforcing PS in a  
38 positive cycle (Carmeli & Gittell, 2009).

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40 As illustrated in Figure 1, the process is not a straight line. Systems shape the meaning-making  
41 of line managers, which influences PS. PS enables CL behaviours, and these drive  
42 collaboration, learning, and decision quality, leading to performance outcomes. The process  
43 is cyclical: successful experiences strengthen managers' confidence, elevate team safety, and  
44 further activate CL. The micro-foundations framework underscores the need to design HR  
45 systems, managerial capabilities, and team processes as components of a unified cycle linking  
46 systems, the social environment, and everyday behaviour.  
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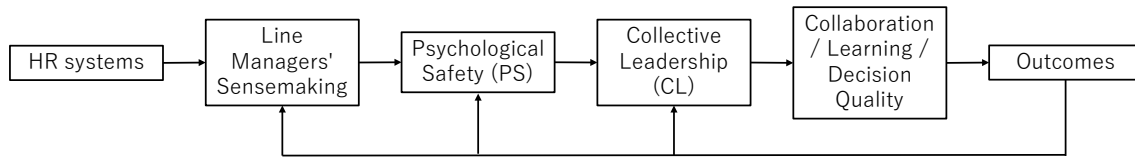


Figure 1: A Micro-Foundations Framework for Translating HRM into Outcomes

## 5. Practical Implications for HR Leaders and Practitioners

Each recommendation in this section is framed as a concrete, observable action that HR leaders and line managers can implement within the same week.

PS and CL function as micro-foundations that infuse existing HR systems with behavioural energy. This section considers how HR departments, line managers, and teams can activate them through design choices and everyday practices.

### For HR Functions: Designing Behaviours

The required shift is from "designing systems" to "designing the behaviours that bring systems to life". A central priority is rethinking line manager development. PS is created through the accumulation of small, day-to-day managerial behaviours. Behaviours such as inquiry, attentive listening, acknowledgement, and openness must be defined not as abstract 'skills' but as observable actions embedded in development and evaluation.

- Standardize interaction protocols: For example, in performance conversations, standardize practices like stating the purpose, listening without interruption, and distinguishing between facts and interpretations.
- Develop manager response to errors: Leadership programmes should incorporate practice in responding to mistakes by exploring process factors rather than blaming individuals, and handling dissent by asking clarifying questions. This is a redefinition of the managerial skillset needed to enact HR systems.

HR can also shape the "role architecture" that enables CL. CL relies on situations where members can naturally step into leadership functions (supporting, coordinating).

- Create multiple leadership seats: Intentionally create opportunities by establishing sub-leaders or functional leads in projects, rotating facilitation roles in meetings, or assigning task ownership on a weekly cycle.

Finally, HR should institutionalize reflection routines.

- Implement After-Action Reviews (AARs): Use short AARs or lightweight reflection sheets to prompt teams to share what went well, what was difficult, and what should be adjusted next time. These must be framed as containers for learning and experimentation, not as evaluative or punitive tools.

### For Line Managers: Activating PS and CL Daily

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6 Managers can foster PS and CL immediately in everyday interactions, without major  
7 initiatives.

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9 - Enhance clarity and reassurance: When assigning work, managers should explain why the  
10 task matters and how it contributes to broader outcomes.  
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12 - Welcome dissent: Explicitly welcome dissent or concerns in meetings and reinforce this by  
13 responding to disagreement by focusing on facts and issues, not emotion.  
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15 - Strengthen a learning culture: When errors occur, ask, "What happened here?" and explore  
16 assumptions/processes, rather than identifying "who is to blame".  
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18 - Encourage quiet members: Use gentle invitations such as "How do you see this?" or "Is there  
19 anything from your experience we should consider?".

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21 Managers also trigger CL.

- 22  
23 - Widen delegation: Consciously widen the scope of shared information and delegated  
24 decisions.  
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26 - Entrust expertise: When a member has particular expertise, entrust them to lead the  
27 discussion or coordinate stakeholders, allowing situational leadership to emerge.  
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29 - Normalize shared leadership: Rotate roles like meeting facilitator or liaison for other  
30 departments to normalize leadership as an everyday, shared experience.  
31  
32 - Reinforce CL: Shift the success narrative from the manager's achievement to specific  
33 contributions by different members.

34 For Teams: Instituting Simple Routines

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36 - Weekly reflection: Institute a ten-minute weekly reflection session focused on "What went  
37 well," "What was challenging," and "What should we adjust next week" to cultivate collective  
38 sensemaking.  
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40 - Norms for information sharing: Agree on simple rules for what information should be shared,  
41 when, and with whom.  
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43 - Behavioural variety: Rotate roles such as meeting facilitation or reporting responsibilities.  
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45 - Team compact: Document basic norms—such as "do not interrupt"—as a team compact and  
46 display it to anchor PS and CL.  
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## 49 6. Mini-Cases

50 PS and CL act as micro-foundations for translating formal systems into behaviour across  
51 diverse industries.

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53 Healthcare: In an intensive care unit, the lead physician consistently welcomed comments  
54 from nurses and residents, stating that "even small doubts are worth voicing". As psychological  
55 safety grew, abnormal values were raised earlier, and junior doctors suggested treatment plan  
56 re-examinations without hesitation. This led to sooner reassessments and improved accuracy  
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6 in managing deteriorating patients.

7 Aviation: Despite a strong hierarchy, a captain in commercial aviation began pre-flight  
8 briefings by saying, "If anyone notices something unusual, I want you to speak up  
9 immediately". The crew agreed on simple rules for sharing critical information. First officers  
10 and cabin crew more naturally reported concerning weather or unusual cabin conditions. The  
11 formal hierarchy remained, but situational judgement and intervention from all crew  
12 members increased—an example of CL emerging without structural change.

13 IT Project Team: Facing frustration from frequent specification changes, a project lead  
14 introduced a weekly ten-minute "quick reflection" meeting framed explicitly to share both  
15 successes and difficulties. As PS grew, younger engineers flagged risks earlier, and others  
16 quickly proposed alternative solutions. The number of rework cycles dropped, and the project  
17 timeline visibly shortened.

18 In these cases, substantial redesign of systems was not required. The key change was the  
19 quality of the conversational space—through higher PS—and the emergence of CL. Outcomes  
20 depend less on the elegance of formal systems and more on the design of everyday interactions.  
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## 24 7. Quick Check

25  Translation vs. Structure: Are you framing implementation problems as issues of  
26 "translation" (line managers' sensegiving, conversations, team climate) rather than structure  
27 alone?

28  PS as Necessary Space: Are you treating psychological safety (PS) as the necessary space  
29 that makes key behaviours (goal dialogue, learning, feedback) possible?

30  CL vs. Shared/Distributed: Do you clearly distinguish Collective Leadership (CL) as  
31 mutual influence that works within existing hierarchies, not requiring a formal redistribution  
32 of authority?

33  The Cycle: Do you think about HRM through the cycle: "HR systems → line managers'  
34 meaning-making → PS → CL → behaviour → outcomes"?

35  Behaviour Designer: Is the HR function acting not only as a "system designer" but also as  
36 a "behaviour designer" (shaping protocols, role architectures, reflection routines)?

37  Managerial Activation: Are line managers activating PS and CL through everyday dialogue,  
38 explanation, and role assignment?

39  Team Routines: As a team, do you have working routines for information sharing, reflection,  
40 and role rotation to sustain the space for open interaction?  
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## 43 8. Conclusion

44 This article has argued that for HRM to work in practice, focusing on the technical quality of  
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6 systems is insufficient. The micro-level psychological and relational processes that translate  
7 systems into everyday communication and collaborative behaviour are equally critical.

8 Psychological safety (PS) and collective leadership (CL) are central behavioural micro-  
9 foundations that connect HR initiatives to concrete acts of speaking up, supporting,  
10 coordinating, and learning. Unlike shared/distributed leadership, CL operates effectively  
11 within existing hierarchies. High PS makes members more willing to back one another and  
12 step into situational leadership roles. In such contexts, the intended "systems → behaviour →  
13 outcomes" cycle can begin to turn.  
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16 For HR leaders and line managers, the implication is that system design, manager  
17 development, and team processes must be aligned around a single design logic that  
18 deliberately cultivates PS and CL. This work includes improving the quality of everyday  
19 conversations, redesigning roles to share leadership, and embedding routines for reflection.  
20 The cumulative effect of these behavioural design choices enables HRM to move from policies  
21 on paper to lived practices that contribute meaningfully to organizational outcomes.  
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