

The Conformity Tax: How Avoiding Difficult Conversations Erodes Both Innovation and Belonging



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Picture your last innovation meeting. A few colleagues in the meeting room, all ready to share their ideas, but when someone floats an idea that challenges current strategy, silence invites itself. Then the subject changes, the meeting moves on, with everyone believing consensus has been reached.

But unfortunately, it hasn't. Another instalment of what I call the conformity tax has just been paid.

Despite years of investment in employee voice initiatives and participation frameworks, many organisations still struggle with something fundamental: teams remain cautious, harmony trumps honesty, and creativity stalls in the face of unspoken issues. According to a [2019 European Company Survey](#), only around one fifth of EU workplaces have beneficial bundles of practices in place that are associated with both high performance and quality of working life.

The problem is not a lack of dialogue structures. It is the absence of conversational courage, the psychological capability that makes genuine participation possible. This conformity tax saps innovation capacity, weakens employee voice, and corrodes the sense of belonging that innovations in the workplace aim to achieve.

When silence becomes the norm

[Research](#) by Milliken, Morrison and Hewlin (2003) shows that the existence of participation mechanisms does not guarantee honest dialogue. Their exploratory study found that employees identified specific topics they avoid communicating upward, including issues about senior management performance, suggestions about strategy, and concerns about organisational policies.

Many workplaces create forums for ideas whilst maintaining unspoken boundaries. Leadership behaviour, unrealistic targets, strategic contradictions: these topics are perceived as too risky to raise and over time, silence becomes the adaptive response. Consider the fairly well-known [downfall in innovation](#) that occurred at Nokia between 2005 and 2010. The middle managers and engineers knew the Symbian operating system was falling behind Apple's iOS, yet few raised these concerns forcefully at senior levels. One middle manager recalled: "*I thought I should point it out, but the thought of challenging the top management made my heart race, and then I just kept quiet.*" By the time Nokia's leadership fully confronted the challenge, competitors had captured the market. The conformity tax, in Nokia's case, was measured in billions of euros and tens of thousands of jobs.

This pattern is not confined to one company. What psychologist Irving Janis termed "groupthink" describes how the desire for consensus overrides realistic appraisal of alternatives. Group members self-censor, avoid raising controversial issues, and mistake silence for agreement. According to

research by Amy Edmondson of Harvard Business School, this happens even in teams that appear cohesive and well-functioning.

Psychological safety can be defined as "*a shared belief held by members of a team that the team is safe for interpersonal risk taking.*" When teams experience psychological safety they are more likely to learn from failure, experiment and innovate. (See [previous article](#) for a further insight).

Yet psychological safety alone is not enough!

In some organisations, psychological safety means comfort and sometimes it means avoiding embarrassment or negative reactions. This type of safety produces politeness, not progress. In my experience working with senior teams in the UK, I have noticed that the politest organisations are often the slowest to adapt. Their well-mannered cultures shield them from uncomfortable truths until those truths become crises.

To unlock genuine innovation, teams need an environment where difficult conversations are expected and used as fuel for improvement. This requires pairing psychological safety with what I call conversational courage: the shared capacity to bring up sensitive topics, challenge assumptions and confront uncomfortable realities in ways that strengthen trust, especially if it's uncomfortable.

Yet here lies a nuance that my experience teaches. Conversational courage is not a call for constant challenge or endless debate; some decisions require swift execution, not discussion. Crisis response demands clarity and alignment, not deliberation.

Teams that practice conversational courage develop the judgement to distinguish between decisions that benefit from diverse input and those that require decisive action. They understand that silence is sometimes strategic rather than fearful, and that dissent without constructive intent creates noise rather than insight. Most organisations, however, err too far towards harmony rather than honesty. They mistake conformity for efficiency when it is actually a drag on adaptation.

Building conversational courage in practice

Organisations that reduce the conformity tax develop conversational courage as an everyday capability. This is not a fixed trait but a culture that must be nurtured through practice and leadership.

According to [research on high performing teams](#), we can see they set the tone by inviting challenges and responding constructively when it occurs.

In practice it means that when someone challenges a decision in a meeting, the first response cannot be defensiveness. It must be curiosity. Leaders might say: "*Tell me more about that concern*" or "*What alternatives do you see?*" When teams raise concerns about strategic contradictions, these contradictions must be explored publicly, not dismissed. When feedback reveals uncomfortable truths about leadership behaviour, the response cannot be delegated to HR. Leaders must address it directly, acknowledging what is valid and explaining their thinking on contested points.

At a global media agency, I worked with, the CEO began quarterly forums where any employee could question strategy. The first session was polite and superficial. In the second, someone challenged the company's investment priorities. The CEO's response was crucial. Rather than defending the decision, he said: "*That is a fair challenge. Let me explain the reasoning, and then I want to hear where you think we have got it wrong.*" The quality of dialogue transformed. Within a year, two strategic pivots emerged directly from these sessions, improving both market position and employee engagement.

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Teams can embed practices that normalise tough conversations: structured reflection at the end of projects, feedback routines that focus on learning rather than judgement, discussions that explicitly surface diverging views.

Crucially, leaders must pay attention to how dissent is responded to. If challenging views are met with defensiveness or dismissal, people will quickly revert to conformity. If dissent is acknowledged, explored and integrated where appropriate, it signals that the organisation values truth over comfort.

When conversational courage becomes part of organisational life, the benefits extend well beyond wellbeing. Innovation improves because more perspectives are voiced and tested. Diversity of thought becomes an asset rather than a source of conflict. As workplaces face the challenges of green and digital transitions, the capacity to adapt rapidly becomes crucial. Organisations that engage honestly with difficult issues are better equipped to navigate uncertainty and complexity.

Conclusion

The conformity tax will not appear on your balance sheet. You will not find it in engagement surveys or innovation metrics. Yet it is there, compounding silently, in every meeting where truth is swallowed, every strategic contradiction left unspoken, every challenge that dies in a glance.

Organisations that recognise this hidden cost and invest in conversational courage are better equipped to achieve sustained innovation, stronger performance and genuine belonging. But this work cannot be delegated, systematised or outsourced to HR. It is revealed daily in how leaders respond when challenged, whether they acknowledge what is uncomfortable, and if they signal that truth is more valuable than agreement.

The future belongs to organisations led by those willing to pay the price of honesty rather than the compounding cost of conformity.

The question is not whether your people have important truths to tell you. The question is whether you have created the conditions where they will.

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