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6-8-2015

## Managers' Perspectives on the Effects of Online Grapevine Communication: A Qualitative Inquiry

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### Recommended APA Citation

Baerjee, P., & Singh, S. (2015). Managers' Perspectives on the Effects of Online Grapevine Communication: A Qualitative Inquiry. *The Qualitative Report*, 20(6), 765-779. <https://doi.org/10.46743/2160-3715/2015.2153>

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### Abstract

The purpose of this study was to understand how modern-day managers perceived their subordinates were reacting to the phenomenon of online grapevine communication in the workplace. A qualitative inductive inquiry drawing upon techniques of grounded theory was conducted to collect and analyze feedback provided by 15 top-level corporate managers from 10 organizations in India. Managers cited several evidences of employees engaging in online grapevine communication and discussed reasons behind such behavior. Some of the key factors behind such behavior of employees were level of internet familiarity, anonymity of the rumor mongers, quicker and wider reach and opportunity for cyber loafing. A theory of antecedents of online grapevine communication and management reaction to this phenomenon gradually emerged from our data.

### Keywords

Decision Making, Web 2.0, Social Networking, Internet, Chatting, Gossip, Grapevine, Information, Leadership, Grounded Theory

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## Managers' Perspectives on the Effects of Online Grapevine Communication: A Qualitative Inquiry

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In 2009, a video was uploaded in the video sharing website YouTube ([www.youtube.com](http://www.youtube.com)) by Domino's Pizza employee Kristy Hammonds which featured a colleague doing unappetizing things to food he was preparing for delivery (Clifford, 2009). The nationwide profits were reduced as the video went viral. By the time the company was able to pull out the video from YouTube, it had been viewed by a million viewers and Domino's brand name had come under the criticism of millions of shocked customers. The rise of online social media such as YouTube, Facebook and Twitter has resulted in several damaging consequences for organizations and their brand names. To remain competitive and sustainable, organizations are under increased pressure for change and transformation. The pressure has been accentuated further by the so-called drivers of the *New Economy* (Magretta, 1999), that is., through the advent of information technology networks (Moon & Bonny, 2001).

However, these initiatives have also resulted in misuse and malpractices from employees (Conner, 1998) and have sometimes even resulted in corporate whistle-blowing as seen in case of Domino's (Stacey, 1996). In organizations acting as social systems, this increased chaos and complexity leads to high failure rate of executives and leaders in organisations (Kets de Vries, 2001). Many leaders fear informal communication propagated by insiders to be a major hindrance to corporate communication considering the distortion that rises from rumours. Informal communication, also known as grapevine communication, is not always exact but has the potential to cut formal lines and information spread through such channels are received faster (Imundo, 1991). It requires a highly anticipative leader to cultivate informal communication to use it in a way to benefit organization (Imundo, 1991).

In today's world, globalization of organizations has resulted in people working in geographically dispersed units which have further added a *distance* component to corporate communication. Today, the medium of communication has changed drastically in an

organization. The internet has transcended the traditional method of written and verbal communication (Goroshko & Samoilenko, 2011). Organizations have presence in the online social media world through customized pages on social networking sites like Facebook, Twitter etc. apart from company-owned websites and blogs. The huge bulk of uncensored message posting has increased concerns of many companies and they have begun taking some active measures to address these issues (Blake, 2008; Goroshko & Samoilenko, 2011). Rumour, when online, spreads more quickly and can gain believability not only between users but at times they may even be disseminated by other mass media sources such as television and print media (Kimmel, 2004). The damage can be serious and can rapidly affect a company's reputation. So, it is important for managers to handle the spread of rumours before it gains the momentum. In the online environment of today's corporate world, the challenge becomes even more daunting, since any potentially disturbing information can be communicated in a matter of a click of a mouse (Baltatzis et al., 2008).

Management decision makers often have to develop policies and strategies keeping in mind the long-term big picture. More often than not, managers tend to reveal only a part of their long-term strategy to their employees in order to help them keep focused on short term goals. Hence what goes on behind the doors of a top-level management meeting has to be kept confidential and maintained at a high level of secrecy. Such a stance may often create lack of trust in the minds of employees regarding the credibility of the information that is communicated to them (Reina & Reina, 2009). It is then that employees resort to grapevine for additional source of information. With the rising popularity of online informal communication, several instances such as the Domino's incident have been noted where informal online media were used to divulge confidential and sensitive managerial level information among employees (Solove, 2007).

In this study, an attempt has been made to understand how modern day managers are taking care of online grapevine during their decision making process. The researchers wished to understand the major sources of online grapevine as perceived by management decision-makers and how the top management were accounting for any anomaly in the information system rising from online grapevine. The findings from this study can be helpful in understanding the complex dynamics of cyber-communication which has become commonplace in today's workforce. India is a country with a relatively low internet penetration. In fact as per the Internet World Stats report (2014), total number of internet users in India is a mere 19.7%. However, there has been a steady increase in internet penetration in recent years, indicating that in near future, a huge section of India's population will have access to the World Wide Web (Internet World Stats report 2014). Therefore, it becomes important to understand the impact of online communication channels on how the employees at Indian organizations are already using such technologies. The study can provide important insights to managers of developing nations to understand how managers in a similar economy are dealing with one of the major detrimental effects of such technology – online grapevine, an area which has been scarcely addressed in extant literature.

## **Background of Research**

### **Grapevine Communication**

Organizational communication can be formal and informal. Formal communication in an organization includes reports, staff meetings, memos, notice boards, newsletters, office notices, etc. Whereas, informal communication is the outlet for people's imagination and is open to interpretation. Informal communication is also known as grapevine communication (Baird, 1977) and this phenomenon has received much attention in organizational

communication literature (Daniels, Spiker, & Papa, 1997). Grapevines are of two types: gossip and rumours (Trice & Beyer, 1993). But for the sake of capturing a holistic essence of the term, the present study focuses on informal communication without any demarcation between rumours and gossip. Grapevine communication is an integral part of an organization. If one channel is blocked, it establishes a new one on its own.

Grapevine communication has often been associated with the advantages it carries, like, a mechanism to deal with stressful situations (Crampton, Hodge, & Mishra, 1998), better understanding of matter which are not clear in formal discussions (Noon & Delbridge, 1993), ability to propagate positive information through which work is accomplished (Conrad & Poole, 1997; Levin & Arluke, 1987) and for the role it plays to help in developing a meaningful interpersonal relationship among employees (Duck, 1993).

### **Grapevine through the Internet**

Regardless of the fact that development of the internet has revolutionized the workplace, the negative impact of such technologies on employee procrastination behaviour during official work hours has been widely accepted by managers (Thatcher, Wretschko, & Fridjhon, 2007; Young & Case, 2004). Modern day employees seem to be unable to refrain from being online for a long time, as if they have become addicted to internet (Young & Case). Several incidents of *cyber loafing*, the act of spending idle time over chatting or social networking, have been witnessed in recent times (Blanchard & Henle, 2008; Lim, 2002). Liberman and associates (2011) report how managerial support has been found to correlate with employee cyberloafing activities.

Another phenomenon that has received huge attention from management practitioners is the aspect of cyber-slacking which is the unethical practice of using organizational resources (internet connection, Wi-Fi networks, etc.) to engage in personal web usage while pretending to be doing organizational duties (Lavoie & Pychyl, 2001). More often than not, such misuse of the internet can trigger online office grapevine. Therefore, the role of a manager in maintaining confidentiality of higher level decisions has become ever more challenging. A simple click of the mouse can trigger an outbreak of innocent rumours which can spread quickly to unintended recipients. Research which could throw some light on how modern managers were tackling such issues was lacking in existing literature. Hence the researchers decided to undertake this exploratory study.

### **Effective Leadership to Curb Online Grapevine**

Decision making is an important hallmark of leadership (Mumford et al., 2007). The leader's decision affects organizations in various ways. A leader is responsible for staffing, training, motivating and activating subordinates (Mintzberg, 1973). Their influence can initiate change in workforce restructuring and even in the organizational strategy and can have profound effect on people (Frohman, 2006). A leader is expected to be informed about every aspects of a decision to be taken. In recent times, information has been argued to be one of the factors of production which is no less important as compared to other resources like land, labour or capital (Nwalo, 2009). Information resource can be formal as well as informal. The assessment of information requires a leader to determine structural aspect of information flow as well as the procedural aspect (Coombs, 2005). For resolution of crisis situations, the type and quantity of information gathered becomes important which requires access to multiple data source (Fearn-Banks, 1996).

Many leaders are apprehensive of the grapevine communication considering the distortion that arises from rumours. Grapevines are not always exact but have the potential to

cut formal lines and are received faster (Imundo, 1991; Otike, 2011). But an effective leader can cultivate informal communication to use it in a way to benefit organization (Imundo, 1991). As has been reported by Habel and colleagues (2010), virtual communities have huge potential for *word of mouse* publicity. Therefore, online grapevine can act as a positive catalyst for spreading corporate philosophy.

Numerous factors may provide impetus to development of online grapevine. If the management does not give an account for any change to the employees, they may create a plausible reason of their own using their own imagination (Imundo, 1991). Furthermore, the involvement in grapevine communication is discretionary in nature (Stohl, 1995). Thus, online grapevine communication is like an addiction which slowly creeps through the employees and makes them prone to such behavior unless there is any managerial control (Lieberman et al. 2011). It is therefore, necessary to understand how the managers are handling such instances in their workplaces and what protocols are being installed by them to monitor the flow of online grapevine content.

### Research Question

The medium of communication has changed drastically in an organization. Internet has transcended the traditional method of written and verbal communication. Organization do have page on social networking sites like Facebook, Twitter and they also have websites and blogs. The medium through which an employee communicates both formally and informally within an organization has become online now-a-days. Social networking sites allow an individual to create his or her profile and allow all other members to make discretionary connection among each other. So, an employee can communicate faster and to a wider range of people within a span of few minutes. The accuracy rate of 75-95% of grapevine communication makes it all the more important to study (Daft & Steers, 1986). Traditionally grapevine is contextualized within physical presence of two or more people. Also, globalization of organization and people working in different unit adds a *distance* component within the employees.

A variety of content can be generated by members of online resources such as Twitter, MySpace, and YouTube. Likewise, the number of lawsuits is growing at a fast pace making it nearly impossible to completely track (Azriel, 2011). The post can contain harmful messages with an intention to threaten, harass, or defame a victim and the audience is potentially large. Although the literature on face-to-face grapevine is extensive, one underdeveloped area of research is online grapevine communication, which has started to take deep roots since the internet and social multimedia have become a part and parcel of our everyday lives. The present study attempts to understand the online grapevine communication and its impact on decision making or can online grapevine communication be predicted or prevented beforehand. What can managers do to prevent online rumours? What gives impetus to online grapevine communication?

### Research Method

The trigger for this study came from the personal experience of the second author during his stint with a corporate firm in South-Western India. The second author witnessed a high level of cyber-slacking and cyber-loafing in the division of the firm in which he was working. The assistant manager at the firm was unable to curb his sub-ordinates' intention to indulge in such activities. Thereafter, the authors decided to conduct one study to check how managers in general were tackling such issues in their firms. Since no study has been done on the effect of online grapevine communication on decision making process, an exploratory,

inductive research was done to look into generative and insightful events. A grounded theory approach was adopted because the area is underdeveloped and not much literature is available. In grounded theory the analysis of data leads to understanding of a phenomenon or event under study (Glaser, 1998). In grounded theory the researcher systematically gathers and analyse relevant data to formulate a theory about a phenomenon and the aim is to building theory and not testing a theory (Strauss & Corbin, 1998).

### **Preconception Bias**

Since the use of grounded theory has started the debate about reviewing literature before the study has been a subject to debate. The argument is to keep the researcher open to concepts and the relationships between the concepts as it emerges from the data. The researchers should avoid derailments in the form of assumptions. But avoiding literature is sufficient till the data is collected and theory is developed after which researcher can use literature to relate the work with the field (Glaser & Strauss, 1967). But for this study the literature was not avoided intentionally, rather no direct literature is available. So for a better understanding of research question a preliminary literature review was done of the related fields.

### **Data Collection**

The primary data source for the study was semi structured open-ended interviews which gave a flexible style of questioning and discussions were directed toward understanding the informant's points of view. The data came from open-ended semi-structured interviews with 15 representatives at managerial decision making position and represented the primary and only source of data for this study. The sampling procedure adopted is theoretical sampling and the core criteria to select a respondent were two fold in nature. First, the respondent should be a corporate or institute manager responsible for decision making process of a department or assignment at hand. Second, these managers relied on e-communication to an extent. The respondents included sales manager, project implementers and team leaders. The interview lasted for 40-60 minutes in length and were recorded using a portable audio recorder, and later transcribed verbatim by the first and second authors. Both the authors collected data from five respondents separately. The authors coded their responses independently, and then the inter-coder reliability was calculated using percent agreement method (Lombard et al., 2002). Before the informants were interviewed they were briefed about the study. The interviews were conducted at the respective offices of the informants. All the interviews were recorded with informant's permission and were then transcribed by the author. At the end of the interview the author briefed about the understanding of the phenomenon. The interviews were conducted on a one-on-one basis and personal notes were taken simultaneously. After every interview, detailed notes were prepared within 24 hours of the interviews. Strict confidentiality was maintained at all stages of the data collection process to maintain anonymity of the respondents.

### **Data Analysis**

The data analysis happened simultaneously with data collection. Using the constant comparative method, the codes were generated by the researchers. Then the categories were integrated and theory was delimited. The analysis started with identifying open codes which are abstract representation of the phenomenon under study (Glaser, 1998, p. 135) for example in this study few of the informants reported that online rumours reach millions of people;

even unintended ones. So the open category for such kind of experiences was termed as *wider reach* with the properties like connecting with huge number of people, intended or unintended. The categories were identified by comparing incidents often recurring in the data and any pattern that emerged was taken note of. With the emergence of concepts, comparisons with other incidents were done for verification (Strauss & Corbin, 1998, pp. 78-85). The categories do not represent story of only one informant, rather stories of many informants. Theoretical memos were maintained about categories and its relationship with other categories.

Not involving a second coder may affect the reliability of the coding (Miles & Huberman, 1994). Hence the first and second authors separately coded 6 and 9 responses respectively. To ensure that the codes were generated after some agreement, the first and second authors later matched their interpretations. It was found that the coders agreed on 81 % of the codes, which signifies an inter-coder agreement of 0.81 (Lombard et al., 2002). The codes on which the researchers disagreed were excluded from further analysis to reduce coder bias. After the categories were identified, reassembling of these categories was done to form proposition about the relationship between these categories which is also called axial coding (Glaser & Strauss, 1967). And finally the core category was developed reflecting the main theme of the study. To maintain ethical standards of interviewing, the anonymity of the respondents was maintained during the entirety of the interview stages and thereafter. No additional statement of any third party stakeholder was deemed necessary since the respondents gave their consent that their responses/ quotes may be included in the manuscript.

## Results

The theory that emerged from the study is depicted in Figure 1. The figure is comprised of boxes and arrows. The boxes characterize the concepts, and the arrow shows the relationship between the concepts. The relationships are not purely co relational. The next few sections of this paper will discuss a group of related concepts and relationships from the theory: reasons for spread of rumours and use of internet to communicate gossips, along with highlights on personal attributes which make employees prone to such activities and management responses to such behavior. Throughout the presentation of findings, all quotes (presented in italics) are statements made by participants in this study. The first section presents the open codes identified through the analysis process, and quotes that illustrate the open codes.

### Open Code- Spread of Rumours

**Free time.** The time employee spends without work predicted the time they will spend using internet and social networking sites. People become addicts and go back to web pages and blogs frequently. As few of the respondents noted:

*Response: Officers here do not like employees who are more qualified than them so they don't give them assignments...there is one person in [dept.] who keep coming to me and say sir "I don't have work"...Now these people with lots of free time will spend time on using internet...and you never know can get involved in gossips...*

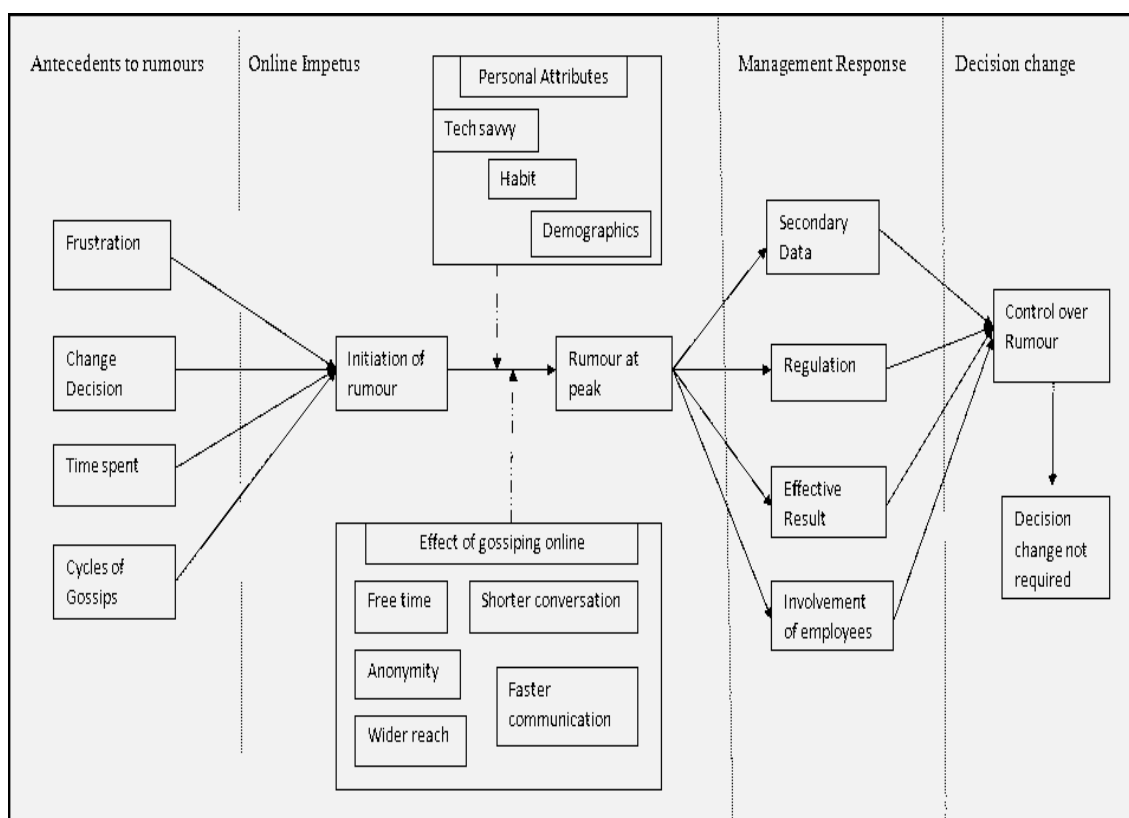
*Response: Yes...people use it (internet based application) during their free time. Gtalk has become a favorite pastime for our employees...We have*



*blocked Youtube and most of the social networking sites...still employees find their ways to use online tools for gossip and chatting...*

This is something that managers need to pay attention to. The responses stated above indicate that if the managers involved their employees in productive work, then they might have refrained from participating in online grapevine too often.

**Figure 1.** Theoretical Coding: The Path of Online Grapevine Communication



**Wider reach.** The rumor spread can encompass a large number of people if done through online. The spread of rumors online and offline can be best understood by the prevalent models in literature (Doerr et al., 2009). The first model is the push model where only the node that has the information interacts with neighbors and passes on the information. Where as in the push pull model, uninformed nodes seek the information and become a node himself and pass on the information. Gossips through social networking site can be captured by push-pull model and hence the reach of the gossip is to a wider range of people. If records are to be believed one hundred sixty million users send upward of 90 million messages per day (Savage, 2011). As few of the informants stated:

*Response: ...internet based grapevine is more strong because I can see and I can reiterate, go back and read the comments...there are 100 people commenting on your post...where as oral communication are colored...at least second level is definitely colored...social media has a wider reach...can reach millions of people in few minutes.. communication can reach unintended person... and is recorded conversation with a timestamp...*

**Onsite online.** Free time employees have during their time in the office, the more time they spend online. A survey by network security company Palo Alto Networks in Santa Clara, California, which included 1,600 companies, found that there is 300 percent increase in social networking and browser-based file sharing on corporate networks in 2011 compared to 2010 (Zielinski, 2011). Employees are not always using social networking sites and blogs, but they spend a considerable amount of their time on these sites.

*Here...here...50% of their times...reason...no work...I work in [...] where the total workforce is around 750k employees and they are spread across the country...where the communication through internet happens quite faster...we are actually online during our entire office period...i think people generally spend 2 hours on these stuffs...*

In concurrence with the findings of the Palo Alto survey, the responses from this study also indicated that having additional free time can motivate employees to indulge in online gossips and rumor spreading. Even if they are not actively participating in such interactions, they tend to maintain idle presence at online chat platforms. This indicates that there is no way to predict when and to what extent employees participate in online grapevine communication.

**Cycle of gossip.** The gossip seems to be cyclical in nature. There are peak times when people engage in homogeneous gossip. As one of the informant reported the rumors are high when the transfer orders are expected.

*There are lots of restrictions. As far as official communication are concerned formal information...GC pertains other aspects of office administration like employee welfare...transfer order...between March to June we will talk lot about who goes where but official communications are not leaked...*

### Use of Internet to Communicate Gossip

**Faster (one click) communication.** The spread of communication is remarkably faster on social networking sites. Social networks can form in various contexts, and can be between friends, between friends of friends or even between strangers. The *six degree of separation* holds very true for social network sites.

*About 5 years back it used to be in paper copy...it was cumbersome...the moment the budget is presented in parliament, within minutes it is made available on govt. website...it increases clarity reduces confusion and helps to implement changes immediately...mode of communication has completely changed. Use of internet has improved communication within organization...Rules are communicated immediately...information reaches to the last end of organization quicker...*

**Shorter conversation yet greater impact.** Even a short tweet can convey the message. One need not have to spend two hours gossiping and chit chatting about something. A small message appears on the web page publically viewable to anyone. The contacts are asymmetric and any user can reply or re-tweet. So the impact factor is not dependent on the effort put in by the rumour monger.

*Online gossiping is short...you cannot write long threads...you know for example you have restriction on the word count of the post on Facebook, in way it restricts the quantity of the conversation...but the impact of these few words can be huge...people need not have to explain what they mean to say...different people can have their own interpretations...One can spend an hour gossiping during office hour but could get noticed by others or may be by supervisor himself...or people may not get enough time to sit and chat...a small line can convey that message online...*

**Anonymity.** Employees can maintain anonymity while using social networking sites.

*You know...I don't need to reveal my identity if I wish to. Just create a fake ID on Facebook and write without bothering about who will come to know or what action can be taken...*

**Unintended recipients.** Internet complicates privacy issues because information becomes public which was never initially intended quite easily. As a result thousands or even millions of online viewers can see and use the information never intended for a large audience. The ability of an individual to unintentionally come in contact with some news is quite high in social networking sites. Chat rooms are characterized by multiplicity of conversational threads (e.g., Cherny, 1999), which means a single chat room can be used for multiple and different posts and anyone can enter that conversation.

**Documented conversation.** The rumours when online become documented and are accessible by others as and when they want. Micro-blogs permanently exist and are searchable hence are archival in this sense. Repeated encounters are the most important feature of online gossips.

### Personal Attributes

**Demographics.** Contrary to what may be generally believed, participants in this study were less likely to expect young people to be involved in online gossip. The argument is not that they use the internet less frequently; rather, they are online for more hours but are perceived to be less involved in cyber loafing activities.

*Younger employees do not have the tendency to...see they are also part of informal communication group but their communication is with respect to you know...nothing bad about decisions rather like...say...he joined company along with me but he is getting accommodation which I am deprived of...so those kind of discrimination are discussed.*

**Individual habit.** There is one group of informants who believed that irrespective of the mode of communication, people who are habituated of gossiping will gossip.

*Partly yes, partly because you recruit people without judging attitude...Social media or any internet based application has not changed the nature of grapevine communication between two people...it is related to individual person behavior...It is more about habit of a person...*

Research has provided support that personality attributes of individuals such as extraversion, neuroticism, openness to experience, agreeableness and conscientiousness can all be correlated with cyber-slacking behavior (Lavoie & Pychyl 2001; Lim 2002). The above response supports the extant findings to the extent that the individual nature of employees is highlighted as a major factor behind participation in online grapevine.

**Tech savvy.** The infrastructure does not matter much. Organizations can block the sites or allow access to only a few sites, but online gossip does not require a PC or laptop, they just require the internet which is now always available in one's mobile phone. Media affordances (Clark & Brennan, 1991) have been found to mediate its effects on work and social relationships. Employees carrying cell phone can do it at ease.

*People do not essentially need laptops or PCs...for internet...a small pocket device mobile can do wonder...Internet has transcended the necessity of computers...now you have smart phones....you can communicate without having computers...Telephone can also be used for gossiping...mode of communication differs from people to people...some use mail, some use SMS...*

**Frustration.** Encountering a problem at work at times serve as an impetus to contact others (Bellotti & Bly, 1996) and gossip about the unhappy experience.

## Management Responses

**No blind reliance on grapevine communication.** It has been argued at times that grapevine communications are not always true. Allport and Postman (1947) actually went on to state that though grapevine communication resembles the truth at the initial stage of its transmission, with time the message is bound to be twisted and misinterpreted.

*Not actually...but even when encountered I would go by statistic...there are certain things...you should allow time to educate people, the moment you find a hurdle...there will be badmouthing but resentment will not happen...Trusting grapevine can be dicey...*

However, there is no way to know to what extent the communication is off its actual meaning. Davis (1969) has reported that nearly 80% of message transmitted through grapevine is correct, which makes the filtering of such messages even more tricky for managers.

**Involvement of employees.** If employees are involved in a decision making process, they welcome and accept management's stance towards restricting online gossip.

*...see there are two ways of implementing decision...one is the big bang...from tomorrow itself everything will change...knowing the academic and general administration which consist of people who are resistant to change...we decided to implement consolidate implement consolidate implement consolidate...which is stair case model...*

**Result driven decision.** If management can show that change brought in is for good reasons, the rumors start losing their impact.

*What we plan to do now is that...every month we plan to send out a communication (mailing monthly report)...we do not want to be hard on what has been done...we will tell them...you are the person, we are learning from you, you tell which report you want to see...*

**Regulation check.** At times companies monitor use of the internet and message posting or may even file lawsuits in the worst types of situations, and these measures can check online grapevine communication.

*Officers express emotions, happiness or their anger, disagreement...they come out and discuss...a few incidents were reported BUT govt. issues circulars to dept official time and again to mention that any policy decisions taken should not be discussed publicly in social networking sites...technology has grown...by regulations alone we cannot prevent GC...but it certainly helps to put disciplinary platforms...*

### Selective Coding

The open codes were then categorized on the basis of emerging patterns. Figure 1 depicts the findings of the study. The findings of this study suggest that a rumor starts with individual level frustration when a decision made by management leads to a change which the employee finds a threat. Apart from that, if people do not have enough of work and are free, they tend to engage themselves in gossiping. Once a position is held by an individual, a desire to control develops in an individual and any event which can judge his ability can make him unhappy and involved in gossip. The gossiping is not consistent throughout the year; rather, annual events like transfer periods or appraisal can provide momentum to gossip and rumours. The initiation of rumour can be synergetic by use of online media and social networking sites. Addiction to social networking sites, technology savvy individuals and those who are habituated of gossiping are more prone to spreading rumours as compared to those who are not.

The rumor can go viral because of certain unique features of online grapevine communication. First and foremost, a small micro bog can do have a large impact; creating an impression does not require long conversations. One also is not required to reveal his or her identity; an anonymous account can be opened and gossip and rumors can be spread without any threat from the employers or fear of job loss or face loss. In offline conversation, as gossip spreads the information may get diluted, but in online gossip whoever reads the post sees the same message over and over again. The gossip messages are documented and hence become archival in nature as can be used as and when needed. The communication is faster and can reach unintended recipients.

### Discussion

The potential damage to the organization is very high hence managers need to check and control online users. Potent new-media and social network platforms such as blogs, tweets, text messages, online petitions, and Facebook protest sites can become a threat to corporate reputation. Gossiping is an integral part of any business and social entity, hence people will still be influenced by rumours; but to protect your company from an attack on its reputation through online gossip, leaders and managers need to deploy tactics which can reduce the damage. The first step is to involve at least immediate stakeholders in decision

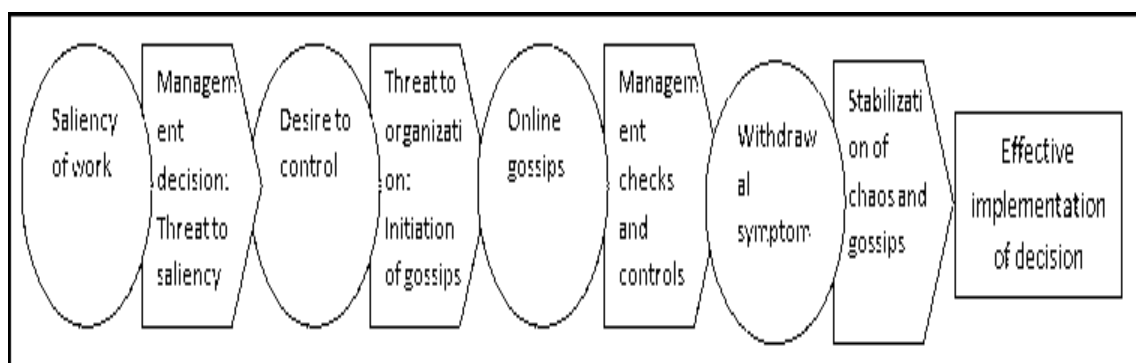
making. Involvement in decision making can make them liable for successful implementation of the decision taken.

In case online rumour has already found some space, managers need to check the authenticity of the rumour. The source of the rumour and the reason for the gossip need to be evaluated. If required, managers need to check secondary sources or refer to statistical results. If the gossip is based on factual information, little can be done by the managers to hide such information. Hence they should keep regulations in place to check the inclination to post rumors. This can prevent employees and rumour mongers from creating obvious consequences detrimental to the firm's image. For example, the effectiveness of a decision can be conveyed in a monthly report, or result driven change can stop or minimize the gossip.

When gossip about an institution begins to spread, there is no advance notice or time to reflect. Corporate leaders must learn how to respond effectively to these assaults. Many companies are slow moving and consensus driven. By the time management comes up with an agreed upon defence, the damage from the attack continues to spread. Therefore, companies need to train managers about how to use new-media tool kits.

To summarize, an individual's job has great saliency in his or her life, and thus one's work often dominates an individual's cognition and behaviour. If a management decision is perceived as posing a threat to an individual's work, hence his importance, he feels unhappy and develops a desire to control and under unfavourable circumstances gets involved in gossip. The gossips when online can go viral which then poses a serious threat to the company's reputation. Management can check and have regulations against rumour-mongering and can punish such behaviours. Effective and results-driven decisions can stabilize the chaos between employees (see Figure 2).

**Figure 2.** The Interplay of Employee Activities and Management Perspective during Grapevine Communication



It should be noted that typed messages are different than spoken discourse in a variety of ways (Cherny, 1999); for example voicetone and facial expressions can play a role in the way people perceive the authenticity of rumour. Future research could be conducted to explore how online gossip conveys emotions in terms of words used. In addition, the results of this study could be examined using secondary sources and through quantitative research, as well. Despite its limitations, this study contributes to the research related to social construct theory and offers original research findings on mass social behaviour online and its impact on managers of an organization.

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### Article Citation

Banerjee, P., & Singh, S. (2015). Managers' perspective on the effects of online grapevine communication: A qualitative inquiry. *The Qualitative Report*, 20(6), 765-779. Retrieved from <http://www.nova.edu/ssss/QR/QR20/6/singh3.pdf>

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