

Deal With Gossip

By Carol Patton

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There was once a chief operating officer whose executive assistant didn't like several other senior execs in the organization. So she began spreading malicious rumors about them to employees. Soon, people began falsely assuming that her thoughts were actually based on the COO's opinion of his co-workers.

The gossip quickly spread throughout the corporate ranks. It jeopardized relationships and launched a series of confrontations. The truth was revealed, tears flowed and in the end, employees offered her their forgiveness and support. Now the executive assistant - even though she still dislikes those senior execs - shares an honest and open relationship with them.

While that happened more than a decade ago in a company that will remain unnamed, at its administrators' requests, workplace gossip is even more prevalent today than it was then. Some HR execs compare it to a disease that spreads uncontrollably, destroying everything in its path. Others

label it as a betrayal to workers, saying it undermines trust in relationships and can rock almost any organizational culture to its very core.

The consequences of this kind of betrayal are too costly for employers to ignore. Many are reluctantly owning up to gossip's existence and trying to stop it before it starts. By helping employees understand its destructive nature, providing them with clear and timely communications and creating a safe atmosphere in which they can express honest fears and concerns, the healing can begin.

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Toxic Results

Jim Nunan has dealt with workplace gossip as vice president of human resources for five different corporations, all of which he has chosen not to identify.

“I've seen people quit, whole

departments come apart with rivalry and employees become angry and suspicious,” says Nunan, now senior vice president of human resources for Nonstop Solutions in San Francisco. The company, which employs 200 workers, minimizes the cost of product flow between the time goods are manufactured and placed in consumers' hands.

One of the most dramatic examples he offers occurred in the late 1980s. At the time, his company's merger created three regional offices, each with its own culture, product and senior executive staff, members of which would frequently malign co-workers behind their backs.

Eventually, managers started buying into the gossip and began spreading it to supervisors and front-line workers. Valued employees began quitting one after the other, and the company quickly earned the reputation among its workforce as being disjointed, disorganized and confused.

Fed up with the situation, Nunan called in HR consultant

Arky Ciancutti, a specialist in building back trust in organizations.

“It was the only time I’ve ever been able to talk the CEO into doing a two-day training course for the entire company,” he says, although the 12 execs participated in a condensed version of the course. During the several-hour session, Ciancutti explained the damage that occurs when company leaders lack integrity by gossiping and encouraged them to speak candidly and constructively to each other.

Although one exec ended up quitting shortly after the session, the approach proved successful. According to Nunan, everyone learned communication skills that kept issues out in the open and, in years ahead, still used them to fix problems instead of blaming each other.

Nunan hopes employees at his current job will all be required to participate in this workshop every year. He says many HR execs lack the “intestinal fortitude” to push programs like this because senior execs often think they’re a waste of time and criticize HR for having its head in the clouds.

Still, HR has to be very tough at

the senior level. If corporate execs are hurting the company, says Nunan, HR needs to provide clear examples of their behavior to the CEO, who can then push the executive team into modeling appropriate behavior.

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In each of his corporate HR jobs, he says, employees have often come to him with rumors about other workers. His usual response is to teach them how to give constructive feedback, then encourage them to talk to the source of their frustration.

“If employees don’t know the truth, they’ll create their own truth and oftentimes, it’s a heck of a lot worse than reality,” Nunan says. “While it’s almost innate in every human being to complain to people of like minds, it’s very destructive.”

Spotting Trouble

Gossip generally flourishes in workplace cultures that are reluctant to address it head-on or believe a corporate policy prohibiting it takes care of the matter. Oftentimes, the atmosphere produces frustrated employees who can’t reach

closure on an important job-related issue.

“If you leave the water cooler and hear about a problem you can’t solve or don’t hear employees talking about steps for the solution, then people feel there’s a negative consequence to reporting problems,” says Ciancutti, co-author of *Built on Trust: Gaining Competitive Advantage in Any Organization*, and founder of the Learning Center in Mendocino, Calif., which creates team-building techniques. He adds that employees lose their connection with each other and consider co-workers obstacles rather than helpers.

Another warning sign is when management fails to make credible promises. Those employees who perceive such misleading leadership as unjust usually don’t stick around. Sadly, these are often the company’s top producers.

Some employers simply ignore “toxic trashing” or label workers as constant complainers or troublemakers.

Although they want to solve the problem, he says, managers often avoid digging down deep to its root because they don’t want to deal with the pain or

frustration experienced by employees.

Under these circumstances, the organization's leaders need to explore their willingness to change the company culture and make promises to employees they'll keep, such as eliminating soft commitments.

Ciancutti says change will only occur under the following conditions: when employees realize that they're only hurting themselves; when the consequences are painful; when they recognize their participation in the problem and when they recognize that they can control their own behavior.

But what about rampant gossip not based on perceived employee performance? Ciancutti says this kind of gossip is a step beyond tolerance and is an indicator of a very bored workforce. Even so, it's still dangerous and can create a very negative workplace. Employers need to intervene immediately and exercise their right to provide consequences for that behavior.

"Establish a culture based on closure and commitment and have lots of cross-functional contact," says Ciancutti, who is also a physician. "Part of the

360 feedback should always be based on cultural considerations that have to do with closure, commitment and credible promises."

Connecting Workers

Employee communication also plays a big role in breaking down stereotypes and false perceptions. By viewing communication tools as strategic levers, accurate information can flow on operational, strategic and personal performance levels, says Joe Colosimo, senior VP at Organizational Resources Counselors Inc., an international HR consulting company with offices in New York and Pittsburgh.

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"The larger the company, the more likely [it is that] the arteries of communication get clogged with information that may be totally wrong, maybe even politically motivated," he says. "There has to be an active, robust behavior pattern of communications, especially at the senior level."

Colosimo says senior execs need to look inward to

examine their personal work styles and how they are perceived by employees. Even CEOs must do their part and hold other top execs accountable for effectively communicating with staff.

During the last decade, much insecurity has crept into employee-employer relationships due to downsizing, merger mania, the speed at which businesses are changing and even the ways in which e-mail is handled. These forces have inflamed employees' feelings about each other and how their company treats them.

Sometimes, e-mail is used to convey negative personal feedback. Unlike verbal comments that are usually forgotten in time, employees save damaging e-mails and repeatedly show them to others, which destroys trust and fuels rumor mills.

"The issue of building trust in the workplace in a tight labor market through an effective, strategic communication process may be the single biggest lever in the portfolio of HR activities," says Colosimo, former senior VP of HR for Westinghouse Corp. and UtiliCorp. United. "Make sure that strategic communication

and senior management are in front of employees throughout the process. They're absolutely vital ingredients to keeping gossip at a minimum."

Some companies take it a step further. Consider the Donnelly Corp., a global automotive supplier that supports multiple facilities in Holland, Mich. The manufacturer helps its 2,600 domestic employees stay connected to the organization through its equity structure, which comprises six different committees.

Each committee tackles work issues related to one specific manufacturing plant. While members meet monthly, they also address employee questions daily and are able to stop rumors from growing.

"Rumors are constant," admits Mollie Dalman, chair of the Donnelly Committee that handles corporate-wide work issues. "It doesn't take very long for people to get the story straight. We've never had anything get out of control."

Damage Control

At U.S. Vision, a manufacturing company based in Glendora, N.J., HR addresses gossip via 15-minute sessions with employees, information letters and voice mails, says Mark Cichonski, the company's

director of technology who also handles HR functions such as training and change management activities.

"We do damage control as soon as we hear about potential problems"

He recalls two recent rumors that required the company to take action. Last May, the local newspaper ran a story about the optical market and used old, stock photos of the manufacturer's facility. He says the copy combined with the photos gave the false impression that the industry and company were in serious financial trouble.

Rumors started flying about the plant closing and employee layoffs coming. To squelch them, he says, all 500 employees were invited to a series of scheduled group sessions - within one week of the story's publication - in which the industry's and company's statuses were explained to employees.

Cichonski says meetings of this nature can alleviate employees' fears by providing them with small sound bytes of information so as not to overload them with too many details but to focus instead on how potential changes

specifically impact them. The meetings were also only 15 minutes long so they would not turn into gripe sessions.

"Employees don't want to hear a bunch of business mumbo-jumbo," says Cichonski. "But I was surprised at how savvy our manufacturing workers were regarding the level of information they had from the Internet."

In September, he says, another organization offered to buy the company, but U.S. Vision rejected its offer. Nevertheless, employees caught wind of the potential sale and rumors began circulating once again.

Around that same time, the bid was going to be mentioned in an upcoming industry publication. Before the story was published, the company's president sent a detailed voice mail about the rejected sale to about 60 company managers throughout the country, then asked them to share the information with their staff.

"We do damage control as soon as we hear about [potential problems]," Cichonski says. "We're also honest [about] the fact that we don't have all the answers, so our people realize that management is human, too."

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