

KNOWLEDGE TRANSFER AND RUMOUR – HAVE WE MISSED SOMETHING?

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Abstract

Knowledge Management places informal social networks in a positive light. Established ties between people enable communication and knowledge transfer to take place. Key Knowledge Management concepts such as Communities of Practice and Social Network Analysis reinforce further the value placed in the social networks. Yet disciplines such as psychology and sociology have been examining rumour and gossip within the 'grapevine' since World War Two. This work has often stressed the negative consequences of rumour and gossip. Contrasting knowledge transfer and rumour provides the basis for a healthy dialogue between the two areas of study.

Keywords: Rumour, knowledge transfer, informal networks.

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Knowledge Transfer and Rumour – *Have we missed something?*

Abstract: Knowledge Management places informal social networks in a positive light. Established ties between people enable communication and knowledge transfer to take place. Key Knowledge Management concepts such as Communities of Practice and Social Network Analysis reinforce further the value placed in the social networks. Yet disciplines such as psychology and sociology have been examining rumour and gossip within the 'grapevine' since World War Two. This work has often stressed the negative consequences of rumour and gossip. Contrasting knowledge transfer and rumour provides the basis for a healthy dialogue between the two areas of study.

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Suggested Track: D - Knowledge Sharing

1. Introduction

Knowledge Management to date has placed a predominantly singular perspective on knowledge transfer in organisations. Informal social networks have been presented as positive highways for knowledge growth, and have also been the building blocks upon which communities of practice have been built. Davenport and Prusak (2000:38) asserted that workplace gossip was actually “the knowledge network’ updating itself “. Snowden (p c 2002:250-251) recognised that “good or evil” informal communities existed (e.g. the latter of the self-serving of the “old boys” variety) but they find it harder to survive in a less rule based and informal organisation.

Rumor and gossip are social phenomenon but have received little attention within the orbit of knowledge management literature. This would seem surprising given notions of an informal grapevine, rumour and gossip with their characteristics of natural networks of communication in competition with formal organisational mechanisms, are natural candidates for analysis. With an established history of scholarly discussion, rumour control, especially, placed against the practice of knowledge transfer brings into play a healthy dialogue, which utilises the historical output of the former with the enthusiasm for the still developing latter.

This paper is largely exploratory and represents the efforts of two academics from the psychology and knowledge management disciplines. We will approach the topic :-

- outlining rumour research in the social sciences
- repeating the same for the broad management spectrum,
- providing a concise summary of knowledge transfer from the knowledge management discipline
- engaging in a dialogue between the two
- suggesting future research

2. Rumour Research in the Social Sciences

Research into rumour, gossip and the informal grapevine naturally has sought to define each of the three concepts. To date there are no universal definitions. Gossip has been generally (though not exclusively) associated with negative (i.e. slanderous) comments about an individual – whether in the workplace or without. Some authors, however, have taken a more neutralist stance – “informal and evaluative talk in an organization, usually among no more than a few individuals, about another member of that organization, usually among no more than a few individuals, about another member of that organization who is not present” (Kurland and Pelled 2000:429). Rumour, according to the major psychological work on the topic is “a specific (or topical) proposition for belief, passed along from person to person, usually by word of mouth without secure standards of evidence being present” (quoted in Bordia and Di Fonzo 2002:50). For the purposes of this paper, we will use this definition. Implicit in this discussion is that it does not include the personalized criticisms normally associated with gossip. However, we have found authors may use the term ‘gossip’ without referring to any personal criticisms. As such they are included.

Research into rumor had their beginnings in the 1930s and during the Second World War. This was largely within the discipline of psychology. Seeking to analyse and thereby combat rumors destructive to the Allied war effort Gordon Allport and Leo Postman began a research that resulted in the publication of *The Psychology of Rumour* in 1947. The work still has an effect today in civil control. For example, the UK Civil Contingencies Secretariat includes it as one of the sources of guidance for communicating risk. The Secretariat was established by the "... enhance the resilience of the UK. Resilience is defined as the ability to handle disruptive challenges that can lead to or result in crisis." (. For more information see <http://www.ukresilience.info/role.htm> [20 February 2004].).

Though it has its roots largely in the largest global struggle of the 20th century, the study of rumour has also a lighter side. Rosnow (1991:484) refers to the rumour circulating in 1969 that Paul McCartney had been killed in an automobile accident and had been replaced by a double in *The Beatles*. To take another example, from Australasia, Australian Prime Minister Harold Holt disappeared while swimming in the Australian surf in 1967. Rumours spread across the country concerning what had happened to the 59 year old politician. They ranged from suicide (depression caused by Australia's involvement in the Vietnamese War) through to the fantastic – he had swum out to rendezvous with a Chinese submarine (more information can be found on (<http://www.theage.com.au/articles/2003/08/25/1061663731746.html?from=storyrhs> [February 20th 2004].

Allport and Postman's work has provided the reference framework for subsequent scholarly research. Their classic formula for rumour activity –

$$R = i*a$$

Where R (rumour activity) is dependent on the level of ambiguity and the importance (of the rumour content)

It figures highly any review of rumour research. Rosnow (1991) while recognising Allport and Postman's argument, identified strong common themes and variables in rumour literature-

- Levels of contextual uncertainty (i.e. ambiguity)affects levels of rumour
- Thematic importance of rumours
- Personal anxiety
- Credulity

The level of uncertainty in a situation has been postulated as affecting the incidence of rumours. The higher the uncertainty, the more likelihood of rumour. Individuals seek to give cognitive meaning to a situation through rumour activity. Similar theories have suggested higher levels of personal anxiety affect rumour activity as does the importance of the rumour and its type (i.e. dread rumours will have a different effect than wish rumours). Credulity focused on trust in the rumour. This was often driven by the subject's wishful notions.

Rosnow's analysis led him to the conclusion that there was a great deal of contradictory views and findings and that the "data base continues to be more wanting than daunting" (Rosnow 1991:494) and echoed Buckner's earlier conclusion that "important studies came to apparently contradictory conclusions" (Buckner 1965:54).

It is also apparent that such studies focused on the individual in a study of what could also be seen to be a social phenomenon. An emphasis on serial transmission, distortion of the rumour content and relative effects of the two broad rumour types – dread and wish – omitted the social context in which rumours existed. Empirical studies furthermore do have lacked a firm basis in the workplace organisational context. Some scholars, in addition to the themes outlined above, have provided some views that can provide a link to knowledge management paradigm. As early as 1935 Prasad argued that the 'group interest' was one of the five conditions for the generation and transmission of rumors (Prasad: 1935: 5). Thus, a social context is established while Bordia and Di Fonzo (p. 56) in their analysis of rumor transmission and distortion literature contended that there are group level 'blind-spots' and a lack of redundancies- i.e. reinforcement through confirmation from a social group. Walker and Blaine in an experiment within a US college community again stressed the social aspects – "...passing dread rumours may satisfy the needs of individuals in a community to exercise secondary control" and pointed to other studies to reinforce the social aspect – "individuals may establish the social support needed to cope with the stress that dread rumors arouse" (Walker and Blaine 1991: 296). Rumors arose, in this view, not because an original story gets distorted as it passes from person to person, but because people combine their individual explanations to form an overall story" Chaffee, S. H., & Berger, C. R. (1987). Shibutani (1966) added to the sociological perspective when he sees rumours being where groups trying to construct an explanation for events they cannot otherwise explain

The anonymity (no one knows where they begin, known one generally wants to be known as a rumourmonger) has often been seen to be guaranteed by the word of mouth medium. Communicating rumours using a medium that could help identify the source was not considered likely. It might be thought that technological developments such as emails (with signatures) and information systems with logins and an audit trail of transactions might have supported continuation of this perspective. However, new forms of technology have been utilised in rumour activity. Though studies on the area is sparse, there is evidence that rumour transmission has been successfully adapted to the virtual age. Professional Pilot's Rumour Network <http://www.pprune.org/> uses a website with anonymous forums while the use of internet email has become a prime medium for rumour transmission (Frost: 2000).

3. Rumour in the Management and Business Arena

In one area of the business environment, rumour has had a recognized, high profile and accepted role – the stock market. Newspapers such as *The Times* publish a rumour of the day. Van Bommel (2003) commented that rumour in the stock market can be viewed as a form of strategy. He named three types of strategies– spreading 'honest' rumours ones, bluffing rumours and spreading false rumours. While the role of

rumourmongers- defined as “skillful amateur analysts, investors with access to serendipitous information such as suppliers or clients, or individuals with access to inside information such as a suppliers or clients, or individuals with access to inside information” (Van Bommel 2003:1499) – was a key element in his study.

3.1 Rumour and Negativity

Most studies on the rumour in the organisation have treated it as negative or destructive – demanding management prevention (e.g. Akande & Odewale:1994, Di Fonzo Bordia Rosnow: 1994:55), Baker and Jones (1996) applied a model based upon dysfunctional families to explain how destructive gossip and rumour affected an organization. Zaremba, did not explicitly define distortion of information as rumours, saw them as a threat and even went so far as to promote the screening of employees and that “if there is a garrulous employee in an important position, the grapevine will become unnecessarily and destructively active” (Zaremba 1988: 42). Thus rumour is largely viewed as a destructive force. It is often seen as virulent during times of uncertainty and anxiety. Downsizing and restructuring are especially highlighted. Applebaum et al (2003) provide an additional dimension - those staff who survive restructuring, face anxiety, along with things such as loss of motivation and risk taking. Interestingly, the literature focuses on staff rumours rather than management – seemingly negating the existence of such activity by managers (Hence, it may have a ‘class’ status!).

3.2 The Grapevine

Intrinsic to analysis of rumour in the organization is the concept of the grapevine. ‘Grapevine’ was first coined to describe the telegraph lines run out during the American Civil War. Using this analogy ostensibly shows a focus on serial transmission rather than social networks (many links) but some leave the definition unaddressed. The Civil War analogy also places the grapevine in a negative perspective – the telegraph lines were notorious for providing garbled and distorted transmissions (Akande and Odewale 1994:28). Either from the provision of a definition or through insinuation, the literature sees the grapevine as an informal communication channel, which is utilised to communicate rumour and gossip. The grapevine has been seen to be mostly something one cannot eliminate but management that which have tried to control or utilise to some advantage. It has been considered a fast means of transmitting information (Akande and Odewale 1994:28, Zaremba 1988: 40), sometimes faster than formal channels. Belief that rumour is only transmitted by face to face word of mouth without any technological intermediary, as indicated earlier, is open to further research (Michelson and Mouly: 2002 p 62). Crampton et al (1998) also found that levels of management attributed different levels of importance to the grapevine. Lower levels appeared to be more aware of grapevine activity than their middle or higher level counterparts and also wanted to pursue controlling the grapevine rather than influencing it (Crampton et al 1998: 573, 575).

4. Knowledge Transfer

Knowledge transfer, often synonymous with knowledge sharing, can be defined as ‘knowledge is moved from the individual to the group’ (Standards Australia 2003: 4) Knowledge transfer can be examined in terms of within and external to organizations (the latter involving, for example, industry groups).

Informal social networks, as against codified knowledge in the form of procedures, databases etc, are often the prime avenue people obtain knowledge to help them solve a problem etc.

Knowledge Management has placed great significance on informal social networks and the capacity of human beings to transfer knowledge. Snowden (c2000: 239) has stressed the need for organisations to understand dependence on informal networks. This perspective has been shared by other scholars (Cross et al: 2001,) and the need to analyse social networks is found in practitioner standards (e.g. Standards Australia 2003).

Examination of the networks to assist with improving knowledge transfer finds a useful tool Social Network Analysis (SNA). At its most fundamental, this is “Uncovering the patterning of people’s interaction” (for more information see http://www.sfu.ca/~insna/INSNA/na_inf.html [February 27 2004]). A study carried out on a group of managers provides an expanded version – “a rich and systematic means of assessing informal networks by mapping and analyzing relationships among people, teams, departments or even entire organisations” (Cross et al 2001: 103).

Trust has been seen as a fundamental precondition for knowledge transfer to take place (Snowden ibid p 239). Analysis generally focuses on the connections that exist within organisations. This can lead down to identifying the individuals themselves. For example, one social network analysis identified a network disproportionately reliant on one particular executive (Cross et al 2001:104-106) was identified as being overly reliant. Studies have found that the relative strength of the ties in social networks will influence the transfer of the most useful knowledge (Levin et al 2002, Hansen 1999, Reagans and McEvily 2003). Weak ties and strong ties between members of social networks are often examined as variables in any study of knowledge transfer. They can also be analysed with the additional variable of trust (Levin et al 2002).

Thus, informal network communication has been placed in a very positive light in the area of knowledge transfer. The possibility of distortion (a common theme in rumour research) has not been considered. Neither has the leveling and sharpening characteristics dealt with in rumour research. The element of trust between social networks has been especially highlighted. Knowledge transfer has been placed in a positive light.

5. Limits of Rumour Research and Knowledge Transfer

If one examines both rumour research and knowledge transfer there are a number of areas one can explore in order to satisfy mutually related questions. With a scarcity of study carried out in the broad area must one rely upon some of the fundamental premises already outlined. This will be that rumour activity depends upon the importance, anxiety and ambiguity in a situation.

5.1 Rumour Activity and Knowledge Transfer in Varying Situations

A major part of the rumour literature to date places the study within the context of individuals and social environments being subjected to extreme degrees of stress. Allport

and Postman's seminal work might be accused of setting the subsequent preoccupation with events that are often catastrophic. A world war combines the extreme anxiety of enduring deprivation, injury and death to individuals themselves or loved ones. Prasad, though writing earlier, focussed on the aftermath of an earthquake for his material. Shibutani (1966) uses a discussion framework based upon events such as the assassination of John F. Kennedy and various geopolitical situations.

Not only are such studies outside the environment, which is the key focus of the knowledge transfer - the organization. They are a measurement of rumour activity in extraordinary times. There seems to be no comparative study of the phenomenon during varying levels of anxiety.

When analysis of the organization has been carried out it has again been within the context of severe anxiety provoking stimulus – downsizing etc. Again, lacking an analysis of how such threatening events affect the normal volume and type of rumour that travels through the grapevine. While the grapevine appears to be universally accepted as medium one could never eliminate, there has seemed to have been little analysis on the shape it has taken during times of high anxiety. To what extent has it increased to possibly include individuals who never participated before? Similarly, if one accepts the serial transmission mode as the accepted mode of communication, would those individuals designated as 'transmitters' in the rumour process still have the same roles under different conditions?

If one takes the sociological view that rumour is a social process, which "is not so much the dissemination of a designated message as forming the definition of a situation" (Shibutani 1966: 9), Some of the same questions may be asked. To what extent has such interaction changed during different circumstances? Have the members of the social group changed when a situation has become abnormal?

Knowledge transfer places major importance on the element of trust within a naturally forming social network.

Question – does the content of rumours contribute toward knowledge sharing?

One can see a conflicting evaluation between literature that analyses of rumour and that which looks at informal networks allowing knowledge transfer. The former is largely negative. Rumour research, largely borne out of the need to manage a crisis – from the Second World War (its beginnings) to work redundancies in a company. There seems to have been no clear indication as to whether members of organisations might have defined rumours as 'knowledge' and if this was especially so during times most associated with rumour activity. If so, – seeing the characteristic of rumours (without formal endorsement from an organisation) as being a weakness. Informal social networks which allow knowledge transfer are, in knowledge management terms, a valuable asset. The knowledge they have transferred, like rumour, is not officially endorsed by an organisation. There is a need to untangle rumour and knowledge (if indeed they can be).

Question –What role does trust have rumour transmission?

Rumour transmission appears to be something still generally focusing on the anonymity of transmission – the ‘you did not hear it from me, but’ approach. The literature does not appear to consider whom is conveying the rumour to be of significance. Mishra is an exception and identifies ‘Bridgers ‘ (i.e. ‘Key Communicators’). Such persons are considered to make the grapevine a success because they both receive and pass on information (Mishra 1990: 221). Such persons may be the Knowledge Management’s ‘boundary spanner’, providing a key role in a social network. If the view that rumour activity is a social activity where a group is attempting to construct meaning to a situation then the ties between those group members may provide a different dynamic from the norm in usual circumstances.

The following table summarises the respective characteristics of rumour and knowledge transfer.

| Rumour | Knowledge Transfer through Informal Networks |
|---|---|
| By general definition, something which is not officially endorsed. | May not be officially endorsed but can also be an on demand version of that codified in explicit knowledge. |
| Activity is dependent on levels of uncertainty/anxiety | Understood to be taking place continually but no theory or empirical studies of intensity. |
| Has a question of distortion. | Knowledge considered to be enhanced by addition and refinements |
| Unknown levels of familiarity with transmitters of rumour. | Requires levels of trust in a social network |
| Thematic importance of rumour influences transmission (importance/relevance) to community. | Basis of knowledge transfer is to share knowledge (i.e. relevant information in context). |
| Rumours circulate but there is little analysis of transmission type (uni-directional, bi-directional) | Knowledge transfer involves networks of people with the Social Network Analysis (SNA) tool used. |
| Largely transitory (no contribution to placing a subsequent rumour in context). | Continual building of knowledge (i.e. knowledge spiral) |
| Management try to combat them. | Organisations practicing knowledge management will actively utilise them. |

Table 1 – comparison of rumour and knowledge transfer

6. Implications for Further Research

The authors propose to conduct future empirical research within an organization focusing on the following questions (based upon those raised earlier)

To what extent do members of an informal social network differentiate between rumour and knowledge?

What constitutes knowledge and rumour to the members of an organization might change according to the situational context.

What is the shape of informal social networks during times of high rumour activity?

While one may accept that informal social networks form the basis for knowledge transfer, the conditions that typically are seen to cause increased rumour activity may affect the shape of informal social networks. For example, do the established networks expand, contract or both (expand and then contract)? Trust is a major factor in the success of knowledge transfer. A changed situation involving high levels of rumour activity may cause more reliance on weaker ties in a network.

Does Communication take Place Faster in an informal social network during periods when high rumour activity is expected?

Research into rumour indicates a fast communication rate for a rumour. Sometimes faster than formal channels. Whether the view that knowledge and rumour are distinctly different or they are synonymous, faster communication during these times would indicate some synergy between the two.

7. Conclusion

A preliminary examination of rumour and knowledge transfer raises more questions than answers. The study of rumour in organisations is lacking both an agreed common theoretical framework and empirical studies. This has attracted scholars to embark on extended research programmes (Michelson and Mouly 2000). The intersection of knowledge transfer and rumour, though still lacks a rigorous examination. Though Tan and Young (2003) mention both the grapevine and rumour in a paper on knowledge mapping, it is a very brief mention and insinuates the grapevine and rumour are synonymous (Tan and Young et al 2003: 2). Engaging in empirical research on rumour and knowledge transfer offers an opportunity to dovetail several seemingly incomplete threads.

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