

"A man is
great by
deeds, not by
birth"
-Chanakya

Welcome to IIMK



INDIAN INSTITUTE OF MANAGEMENT KOZHIKODE



Working Paper

IIMK/WPS/194/HLA/2016/05

March 2016

Can Organizational Grapevine be Beneficial? An Exploratory Study in Indian Context

Deepa Sethi¹
Manisha Seth²

¹ Associate Professor, Humanities & Liberal Arts in Management, Indian Institute of Management Kozhikode, Kerala, India

² Associate Professor, Human Resource & Organizational Behaviour, Jaipuria Institute of Management Lucknow, Uttar Pradesh, India

ABSTRACT

While exploring the existence of grapevine in organizations, the present work proposes specific recommendations for using the grapevine for the good of the organization. The proposed recommendations are based on the review of existing literature about the very premise of grapevine, and a survey conducted to explore the perception of managers regarding grapevine communication and its effectiveness. The findings of the paper implicitly point out towards the flexibility of grapevine and indicate that it is personal and can spread information more rapidly than the formal communication channels, which are highly documented. The study also provides recommendations to managers on the effective use of grapevine for organizational benefit.

Keywords: *Grapevine, communication, constructive use, flexible, recommendations*

INTRODUCTION

Grapevine, according to the dictionary, is “the informal transmission of information, gossip or rumor from person to person”. Grapevine also connotes “an informal person-to-person means of circulating information or gossip.”

“Informal communication is called ‘grapevine’. This type of communication arises on account of informal relationship between persons concerned. Informal communication grows spontaneously from personal and group interest. Informal communication is characterized and may be conveyed by a simple glance, nod, smile, gesture and even mere silence. Informal channel is the most effective one and transmits information with considerable speed” (Rayadu, 1998).

Keith Davis (1969) opined that the grapevine moves upwards, downward, and diagonally, within and without chains of command, between workers and managers, and even with and without a company. Donald S. Simmons (1985) identified that the network helps employees understand the world around them and thus provides liberation from emotional stress and added that all informal information is undocumented. Keith Davis (1979) highlighted in his study “Organizational Grapevine is an expression of healthy human motivation to communicate” and “if employees are so uninterested in their work that they do not engage in shoptalk about it, they are probably maladjusted”. In view of the fact that it has no structure and is not under absolute power of management, it moves through the organization in all directions. “The term grapevine can be traced to Civil War days when vine like telegraph wires were strung from tree to tree across battlefields and used by Army Intelligence” (Kreitner, 1983).

Hicks, Herbert; Ray (1975) mentioned that the messages that came over these lines were often so baffling or imprecise that soon any rumor was said to come from the grapevine. Generally, grapevines flow around water coolers, down corridors, through lunch rooms, and wherever people come together in groups. Even though the lines of communication seem to be messy and can be easily disturbed, they transmit information rapidly and in several cases, speedily and with a more powerful influence than is allowed by the formal system.

The grapevine is an outcome of social contacts and is therefore unpredictable, dynamic, and varied as the people. Mishra, J. (1990) talked about grapevine being an expression of people's natural motivation to communicate; and stated that it is how they use their freedom of speech. He called it a natural, typical activity. He added that "it starts early in the morning in the car pools; and once everyone has arrived at work, grapevine activity takes place nearly all day long down hallways, around corners, in meetings, and by the coffee machine". Breaks and lunch hour is the peak time of the day during which management has little or no control over the matters of conversation. The work day has finished in the late hours of afternoon but the grapevine has not. He further stated that after a short time interval, some employees meet again for some leisure and at that time the grapevine ripens again and remains active. The cycle repeats itself on the following day. The multiple origins of the grapevine and the fact that its participants come from informal social groups within the organization indicate how it is not similar to formal management communication.

This study delves into the perception of managers about grapevine communication and its effectiveness. It is an attempt to sensitize the corporate world on how to make a judicious use of grapevine for organizational benefit.

REVIEW OF LITERATURE

Several researchers have studied grapevine from different perspectives ranging from its structure, its participants, its advantages and disadvantages, its use and misuse among other perspectives.

In a classic study of the grapevine in 1953, Keith Davis stated "the grapevine is a natural part of a company's total communication system...it is a significant force within the work group, helping to build teamwork motivate people, and create corporate identity" (Davis, K, 1953). This was followed by an extension of the research by Harold Sutton and Lyman Porter in 1968. Furthermore, a study of 67 managers indicated, that although they are aware of grapevine information, only ten percent of managers stated that they actively tried to control the grapevine (Davis, K, 1953).

David, K opined that forms of exchange like grapevine are regarded as an inevitable part of organizational life (1969). Researchers agree that the grapevine is an

inevitable part of organizational life; informal networks are a natural consequence of people interacting (Davis, 1969, Baskin & Aronoff, 1989). The fact that grapevine is prevalent in most of the organizations is further strengthened with studies which document the extent of grapevine use. De Mare, in his study detected three levels of communication within organizations: the informal grapevine, the formal organizational communication patterns, and the opinion leader level. He further maintained that 70 percent of all organizational communication occurs at the grapevine level (1989).

Researchers have tried to discover factors related with the occurrence of the grapevine. For example, Allport and Portman (1947) identified two conditions that control the prevalence of the grapevine – importance of the communication subject to the speaker and listener and the ambiguousness of the situation associated with the communication. The grapevine is inclined to become dynamic when the issues are perceived to be vital and the situations are indistinct. Additional studies indicate that employees rely on the grapevine when they feel threatened, insecure, are under stress, when there is pending change, and when employees feel that communication from management is limited (Brownell, 1990).

In the words of Therrien (2004), “Much of what winds up on the office grapevine is actually based on intuition, guesses and interpretations of body language. People are often more interested in the fact that your door and blinds are closed than in what you are actually discussing.”

Smith (1996) observed that the amount of time that people spend on the vine can be astounding. Companies that have gone through reorganizations or downsizings found that people spend 65 percent to 70 percent of their time dealing with the office grapevine during the crisis.

In addition to its prevalence, researchers have also studied the speed and accuracy of the grapevine. Generally speaking, studies indicate that informal networks transmit messages faster than formal ones (Davis, 1979). This means that information reaches its destination before formal communication networks begin to communicate with employees. The characteristic of accuracy has also been researched. Studies by Baron & Greenberg (1990); Walton (1961) and Simmons attest that most information

transmitted by the grapevine is accurate. Estimates of accuracy rates range from 75 to 90 percent. Although the grapevine is precisely correct as much as 90 percent of the time, it is the 10 percent or more that is imprecise that can cause organizations troubles.

Grapevine communication often travels faster than formal channels. It is equally active both in management and among the workers and exists in organizations for a number of reasons. Keith observed that the grapevine is the informal passing of information through the organization. It does not necessarily follow the formal structure of the organization and can bypass individuals without restraint. It can be more direct and faster than the formal channels of information since the information is not being screened or controlled.

The grapevine is supple and personal. It is also capable of making its way even through the severest security because it crosses organizational lines and deals directly with people in the picture. Superiors who do not pay attention to the grapevine have half less reliable information than those who do. Khandwalla (1977) states that grapevine exists because of excessive structuring of formal workflows and the excessive channeling of information flows. Koenig (1985) added in this context that “It is fed by personal apprehension, wish fulfillment, retaliation, and gossip”. Research has proved that most grapevine information is either true or has within it the essence of truth.

Almost all the information within the grapevine is undocumented and hence open to change and distortion, unlike formal communication which is documented. Simmons said that “the informal organization is less permanent and less stable (than the formal organization) because its leaders and patterns of action change readily” (Simmons, Donald S., 1985).

With regard to the managers’ familiarity with grapevine activity and attempt to influence the way it operates in their company, specialists are in agreement that the grapevine is an inexorable part of the organization. There is general consensus in the literature that management should, however, not try to control or restrict the grapevine (Davis, 1953 & Zaremba, 1989).

It is also suggested that since employees are more likely to believe grapevine information than formal communications, any attempt to restrict grapevine activity seems to foster employee beliefs that management cannot be trusted (Davis, 1953). Experts also indicate that because the grapevine serves several useful functions, it would be counterproductive to try and destroy the system (Brody, 1989). Therefore, while many assert that the grapevine should not be controlled by management, Zaremba (1989) proposes that organizations adopt a proactive policy toward managing the grapevine in order to decrease many problems, which may result from inaccurate information.

What is important to understand is that the grapevine exists, Delaney (2009) says that the grapevine exists, always has and always will, and one can't stop it. So managers should accept the fact and decide how they can use it to their own benefit. "Try as you might, you really cannot keep employees from gathering around the water cooler – virtual or real – to chat about what they know and what they think they know."

According to a Society for Human Resource Management (SHRM) study, 54% of HR professionals report that gossip and rumors have increased at their workplaces since the recession began, and 23% say they've had to address more frequent "eavesdropping incidents." The possible solutions can be adopting open-door policy, stopping the leaks, and giving the grapevine nothing to feed upon (HR Specialist, 2009).

Researchers also opine that the grapevine frequently functions in a favorable way. "The grapevine can help improve organizational efficiency in a number of ways. For example, grapevine information can reduce anxiety and help make sense of limited information. It also can help identify pending problems, can function as an early warning signal for organizational change, and is a vehicle for creating a common organizational culture" (Brody, 1989). In addition, the grapevine fulfills a social function. Informal communication and socialization can help make work groups develop more cohesion and provide desired opportunities for human contact (Baron & Greenberg, 1990).

Grapevine can also be used to augment power and encourage self progression. Brass (1985) rightly pointed out that a person's position in an informal communication network is correlated with achievement and demonstration of power. Case studies reveal that employees often use the grapevine in an attempt to outmaneuver others, both inside and outside the organization (Brody, 1985). Lastly, informal communication networks are often an indication of organizational health and morale. Patterns of voluntary turnover have been found to be linked to the amount of informal communication. A greater degree of informal communication is found to be correlated with higher turnover and a high level of grapevine activity is correlated with higher levels of stress, threat, and insecurity (Brownell, 1990).

Grapevine should be articulate in revealing to management those issues that generate from the grass roots. In the words of Donald Thompson (1976), “its usefulness is seldom acknowledged, its voice often muffled, its insights ignored.”

Sharma, J (1979) rightly pointed out, “In many cases lower and middle managers are already active participants. They hold strategic positions in the communication channel because they filter and block two-way communication between higher management and operating employees”.

“Managers who use the organizational grapevine are often well placed to measure the early effects of new policies and procedures by gauging employees’ reactions to them” (Mishra, J, 1990). Sharma, J (1979) further added, “In many cases lower and middle managers are already active participants. They hold strategic positions in the communication channel because they filter and block two-way communication between higher management and operating employees”.

Vanessa Arnold (1983) asserts that managers interested in creating effective organizational communication will use information from the grapevine to improve communication throughout the firm.

Thus, the grapevine has to perform several functions in the organization. It carries information inapt for formal media. Due to the fear of legal consequences, many people would hardly use printed media to share opinions on the capability, ethics, or behavior of others. Simultaneously, they will freely discuss these informally

on the grapevine. Likewise, the grapevine will carry good or bad news affecting the organization far more quickly than formal media can. The grapevine can also serve as a medium for translating what top management says into meaningful terms.

Research Methodology

To ascertain the perception of employees regarding Grapevine communication and its importance, the primary data were collected from 150 managers working in different organizations using a questionnaire. A sample of 150 managers was selected through non-probabilistic convenience sampling. Convenience sampling technique is apt for the exploratory research for generating ideas (Malhotra, 2005). The survey aimed to find out information about perceptions of managers regarding Grapevine communication. The structure for the questionnaire and numerous items were adopted from a review of literature as well as on the existing trends in organizational communication. Participants responded to the statements using a 5-point Likert scale, which ranged from not important (1) to very important (5).

Data Analysis & Findings

According to the chosen methodological research approach, statistical package SPSS version 18 was used. Factor analysis has been employed particularly for the statistical analysis.

Factor analysis is a data reduction statistical technique that allows simplifying the correlation relationships between numbers of variables. Various steps were performed to identify the factors related with the perception of managers towards Grapevine communication.

Step1:

Correlation Matrix – Ho: Correlation matrix is an identity matrix (The variables are uncorrelated). However we see that the matrix is not an identity matrix hence the variables are correlated.

Step2:

To measure the sampling adequacy, Kaiser-Meyer-Olkin Measure of Sampling Adequacy (MSA) was applied. The measure was found to be **0.893 or 89.3%**, significant at .01 level. It indicates that sample is good enough for sampling (table 1).

Table 1. Results of Sampling Adequacy Test and Validity of Factor Analysis Data

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.893
Bartlett's Test of Sphericity	Approx. Chi-Square	1056.513
	df	105
	Sig.	.000

Step 3:

The overall significance of correlation matrices was tested with the Bartlett Test of Sphericity providing enough support for the validity of the factor analysis of the data set (table 1).

Factor analysis was initiated as a data reduction statistical technique, using SPSS to reduce the variables into smaller number of manageable variables by exploring common dimensions available among the variables and eliminating or suppressing the variables which do not have any significant contribution. After the standards indicated that the data are suitable for factor analysis, Principal Components Analysis was employed for extracting the data, which allowed determining the factor underlying the relationship between a numbers of variables. The factor analysis was performed on the 14 items.

Communalities – show the degree of correlation. We see the variables that are highly correlated to other variables (table 2).

Table 2. Extracted Communalities for Factors of Grapevine**Communalities**

	Initial	Extraction
Value_Comm_Means	1.000	.650
Satisfaction_Important_Desire	1.000	.615
Information_Relatively_recent	1.000	.489
Element_truth	1.000	.447
Rapid_Supplemental_Information	1.000	.523
NewEmployee_Socialization_Environment	1.000	.615
Managed_Active_communication_open	1.000	.533
Nurtured_vs_Purned	1.000	.533
Essential_Facts_Communication_Channel	1.000	.465
Speed_Communication	1.000	.635
Timeliness_final_decision	1.000	.655
Timeliness_Chance_participation	1.000	.712
Personal_touch_Interaction	1.000	.476
Timeliness_Index_organizational	1.000	.462

Extraction Method: Principal Component Analysis.

Total Variance Explained – As per the table it is seen that with the given condition of extracting components with Eigen value greater than 1, two components have been extracted. The total variance explained by the components is 55.80% (table 3). The varimax rotated factor analysis results for factors of Grapevine can be understood with the help of the computed data (table 3).

**Table 3. Factor wise Results of Varimax Rotation
Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.603	47.166	47.166	6.603	47.166	47.166	4.617	32.979	32.979
2	1.209	8.633	55.799	1.209	8.633	55.799	3.195	22.820	55.799
3	.882	6.298	62.097						
4	.766	5.473	67.570						
5	.736	5.254	72.824						
6	.642	4.583	77.406						
7	.577	4.124	81.531						
8	.537	3.833	85.364						
9	.464	3.316	88.680						
10	.419	2.990	91.670						
11	.384	2.743	94.413						
12	.313	2.237	96.650						
13	.260	1.857	98.508						
14	.209	1.492	100.000						

Extraction Method: Principal Component Analysis.

Rotation is necessary when extraction technique suggests that there are two or more factors. The rotation of factors is designed to give an idea of how the factors initially extracted differ from each other and to provide a clear picture of which item loads on which factor (table 4).

Table 4: Rotated Component Matrix (a)

	Component	
	1	2
Value_Comm_Means	.728	.347
Satisfaction_Important_Desire	.698	.357
Information_Relatively_recent	.694	.086
Element_truth	.653	.146
Rapid_Supplemental_Information	.639	.339
NewEmployee_Socialization_Environment	.713	.327
Managed_Active_communication_open	.613	.397
Nurtured_vs_Purned	.658	.315
Essential_Facts_Communication_Channel	.314	.605
Speed_Communication	.186	.775
Timeliness_final_decision	.304	.750
Timeliness_Chance_participation	.178	.825
Personal_touch_Interaction	.671	.159
Timeliness_Index_organizational	.509	.451

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a Rotation converged in 3 iterations.

Factors explained

Two factors have been extracted through the factor analyses which are representing the critical factors of grapevine communication from the employees' perspective (table 5 & 6).

Table 5. Factor wise Sum of Squared Loadings for Grapevine

Factors	Items	Sum of Squared Loadings
1	Grapevine is a valuable means of communication in an organization.	0.728
	Grapevine satisfies an important need of those employees desiring greater communication.	0.698
	Information passed through the grapevine is likely to be relatively recent.	0.694
	The grapevine generally has some element of truth to it.	0.653
	Grapevine provides rapid and supplemental information.	0.639
	Grapevine helps the new employee become socialized into his work environment.	0.713
	If managed properly an active grapevine can help keep lines of communication open.	0.613
	Grapevine should be nurtured not pruned.	0.658
	The Grapevine gives personal touch to the message as it facilitates face to face interaction among co-workers.	0.671
	The Grapevine timeliness serves as an index of organizational health, morale and productivity.	0.509
2	The essential facts can be transmitted throughout the organization in a timely fashion through grapevine if formal channel of communication are limited and controlled.	0.605
	The speed of communication is much faster in case of grapevine which can be for the organizational advantage	0.775
	The Grapevine timeliness gives employees an opportunity to provide input to senior management before final decisions are made.	0.750
	The Grapevine timeliness gives employees a chance to participate in the organizational decisions.	0.825

**Table 6. Factor wise Sum of Squared Loadings for Grapevine
Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
Value_Comm_Means	151	1	5	3.13	1.394
Satisfaction_Important_Desire	151	1	5	3.01	1.252
Information_Relatively_recent	151	1	5	2.52	1.101
Element_truth	151	1	5	2.58	.948
Rapid_Supplemental_Information	150	1	5	2.60	1.159
NewEmployee_Socialization_Environment	151	1	5	2.87	1.305
Managed_Active_communication_open	151	1	5	2.34	1.138
Nurtured_vs_Purned	151	1	5	2.99	1.137
Essential_Facts_Communication_Channel	151	1	5	2.96	1.248
Speed_Communication	151	1	5	2.70	1.159
Timeliness_final_decision	151	1	5	2.79	1.218
Timeliness_Chance_participation	151	1	5	3.17	1.208
Personal_touch_Interaction	151	1	5	2.47	1.165
Timeliness_Index_organizational	151	1	5	3.01	1.219
Valid N (listwise)	150				

The factors are discussed below:

Factor 1: Effective Channel of Communication

It is the most vital factor which explains 47.17 percent of the variation and this factor has ten significant components like: Grapevine is a valuable means of communication in an organization (.0.728), Grapevine satisfies an important need of those employees desiring greater communication (0.698), Information passed through the grapevine is likely to be relatively recent (0.694), The grapevine generally has some element of truth to it (0.653), Grapevine provides rapid and supplemental

information (0.639), Grapevine helps the new employee become socialized into his work environment (0.713), If managed properly an active grapevine can help keep lines of communication open (0.613), Grapevine should be nurtured not pruned (0.658), the grapevine gives personal touch to the message as it facilitates face to face interaction among co-workers (0.671) and the grapevine timeliness serves as an index of organizational health, morale and productivity (.0509)

These components having positive correlations emerge as significant variables of index of organizational health.

Factor 2: Grapevine Promptness

This factor is extracted as the second most important factor which accounts for 8.63 percent variation. There are total four loads to this factor of grapevine communication. Here we have variables like: the essential facts can be transmitted throughout the organization in a timely fashion through grapevine if formal channel of communication are limited and controlled (0.605), the speed of communication is much faster in case of grapevine which can be for the organizational advantage (0.775), the grapevine timeliness gives employees an opportunity to provide input to senior management before final decisions are made (0.750); and the grapevine timeliness gives employees a chance to participate in the organizational decisions (0.825).

In order to ascertain whether there is any significant difference in the perception of grapevine in terms of various age groups with respect to two factors: Effective Channel of Communication, and Grapevine Promptness, one way ANOVA test was employed. Tables 7 & 8 above indicate that there is a significant difference in the perception of different age groups in terms of Grapevine Promptness as the level of significance is ($p = .001$), which is below 0.05. However, this difference is insignificant for the first factor: Effective Channel of Communication.

Table 7. ANOVA test for Index of Organizational Health for various age groups

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	6.918	3	2.306	2.369	.073
Within Groups	142.082	146	.973		
Total	149.000	149			

Table 8. ANOVA test for Grapevine Timeliness for various age groups

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	15.414	3	5.138	5.616	.001
Within Groups	133.586	146	.915		
Total	149.000	149			

Tables 9 & 10 show the output of ANOVA analysis for different types of organizations for the two factors in order to find out whether there is a statistically significant difference among manufacturing, services, Government and NGO group means. The tables indicate that there is an insignificant difference in terms of both the factors of grapevine.

Table 9. ANOVA test for Index of Organizational Health for types of organisations

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.088	5	.418	.409	.842
Within Groups	146.912	144	1.020		
Total	149.000	149			

Table 10. ANOVA test for Grapevine Timeliness for types of organisations

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	4.951	5	.990	.990	.426
Within Groups	144.049	144	1.000		
Total	149.000	149			

A one-way ANOVA was also calculated on participants' ratings of number of permanent employees working in the organization for the two factors: Effective Channel of Communication and Grapevine Promptness. Table 11 and 12 indicate that there a statistically significant difference in the organizations varying in terms of number of permanent employees for the two factors as the level of significance is below.05.

Table 11. ANOVA test for Index of Organizational Health for Number of permanent employees

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	16.328	5	3.266	3.544	.005
Within Groups	132.672	144	.921		
Total	149.000	149			

Table 12. ANOVA test for Grapevine Timeliness for Number of permanent employees

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	13.367	5	2.673	2.838	.018
Within Groups	135.633	144	.942		
Total	149.000	149			

Discussion

These findings are in keeping of the advantages of grapevine mentioned by Kumar (2012) and Miller (2012), who found that informal communication like grapevine can send messages which cannot be sent through formal medium. It was also indicated that due to free expression of opinions through informal communication in a grapevine, a cordial environment is created to increase the efficiency of employees. Kumar (2012) and Miller (2012) also pointed out that management may take advantage to send or receive the message of urgent nature through such network since information flow is very quick through grapevine.

According to Karanthanos, P & Auriemmo, A (1999), “The grapevine can serve as an outlet for stress release. Subordinates frequently need an opportunity to let off steam but are unable to do so through formal communication lines, fearing

embarrassment or repercussions. The grapevine provides them a way to share their personal opinions and feelings.”

RECOMMENDATIONS

Based on review of available literature, some suggestions seem befitting for active managers. These suggestions are in keeping with the experts’ opinion that the grapevine should be influenced by managers but not controlled; and are proposed as practical policies so that they benefit the practicing managers.

1. When there is doubt, indecision, and lack of formal communication in situations that are important to individuals, they respond through grapevine. Where secrecy wraps up most of the decisions in the organization, such work environment is the breeding place for grapevine activity. Managers should encourage enhanced organizational communications. Vague words which may lead to misinterpretation should be avoided, two-way communication should be encouraged, and it should be ensured that the information exchanged is accurate. This will help to reduce anxiety and the negative consequences of inaccurate grapevine communications.
2. Managers should value the employees' need to know and to understand organizational issues. Very often they feel that the time spent communicating is a sheer wastage. They should also keep in mind that efficiency may suffer due to poor communication. Open forums between higher authorities and subordinates must be a regular feature since that facilitates in creating trust.
3. Apart from keeping the employees aware of the happenings in the organization, the management should keenly involve employees in communication meetings and in the process of decision making. Collaborative style of management allows employees to express their views and provide useful suggestions. Managers must make every effort to create and maintain a work environment which fosters teamwork, understands employee loyalty and is open to their suggestions.
4. Managers should be effective communicators and plan all organizational communications. Incomplete information will only add to the confusion of the employees instead of motivating them. Organizational policies should include

activities which further employee communication. These include regular meetings, informal gatherings, use of bulletin boards, blogs, newsletters, forums, common coffee room interactions amongst others.

5. In the present scenario where words like cost-cutting, job insecurity, pink slips prevail, no news is considered as bad news. Therefore managers should keep the employees well informed. This facilitates in their easy adjustment with change.
6. Management should act promptly to correct false information concerning organizational policies, practices, and general plans for the future (Crampton, Hodge, & Mishra, 1998). However, before acting on what has been heard, the manager should confirm its truth.

CONCLUSION

Finally, it should be remembered that the informal communication system is the human side of the organization, which is maintained by employees communicating among themselves and sharing information. The grapevine will always exist and organizations cannot operate effectively without it. Instead of viewing it as an untamed and unmanageable wild plant, the grapevine should actually be used to supply information, particularly in unclear or uncertain situations. In some cases, the grapevine can become a dominant force when formal communication channels have ceased to work. The speed and economy with which the grapevine operates promises a treasure of important insights which cannot be done by the formal communication network. On the other hand, too much dependence on grapevine can result in frustration and frenzy. It has its own merits and demerits. It is up to the managers to cultivate, understand, and revamp grapevines in order to help them achieve organizational goals.

No medium of communication is perfect, and the grapevine is no exception. It must be managed correctly to yield positive results (Karathanos, & Auriemmo, 1999).

The wise manager will try to live with the grapevine and make good use of it. Failure to recognize it as a normal means of communication is a serious mistake. Attempts to eliminate it are imprudent and misdirected. The grapevine cannot be

abolished, rubbed out, hidden under a basket, chopped down, tied up, or stopped. It is as hard to kill as the mythical glass snake that when struck, broke into fragments and grew a new snake out of each piece. Increasingly, managers are learning that they should “feed, water, and cultivate the grapevine in order to reap the benefits that it offers” (Izuogo, 2009).

LIMITATIONS & SCOPE FOR FUTURE RESEARCH

The study has a major limitation regarding the number of participants. A comprehensive understanding of impact of various components of grapevine communication would take place if there is a comparative study between different regions to ascertain the effect of culture on grapevine communication and better still if the study is conducted across countries belonging to high context and low context cultures. The researchers plan to expand the study across sectors and industries in India and further take it across the borders to probe into the comparison of the existence of grapevine communication,

REFERENCES

1. Allport, G. W., & Postman, L. (1947). *The Psychology of Rumor*. New York.
2. Arnold, Vanessa Dean. (1983). Harvesting your Employee Grapevine: With Insight You Can Transform The Rumor Mill into a Valuable Communication Network. *Management World*, 28.
3. Baron, R., & Greenberg, J. (1990). *Behaviour in Organizations*. Boston, MA: Allyn & Bacon.
4. Baskin, O., & Aronoff, C. (1989). *Interpersonal Communication in Organizations*. Santa Monica, CA: Goodyear.
5. Brass, D. (1985). Men's and women's networks: A study of interaction patterns and influence in an organization. *Academy of Management Journal*, 28, 327-343.
6. Brody, R. (1989, November). Gossip: Pros & Cons. *USAIR Magazine*, 100-104.
7. Brody, R. (1985, September-October). I heard it through the grapevine. *Executive Female*, 22.
8. Brownell, J. (1990, August). Management: Grab hold of the grapevine. *Cornell Hotel & Restaurant Administration Quarterly*, 31, 78-83.
9. Crampton, Suzanne M., Hodge, John W., & Mishra, Jitendra M. (1998, Winter). The Informal Communication Network: Factors Influencing Grapevine Activity. *Public Personnel Management*, 00910260, Vol. 27, 4.
10. Davis, K. (1969). Grapevine communication among lower and middle managers. *Personnel Journal*, Vol. 48, 4, 269-72.
11. Davis, Keith. (1969). Communication Within Management. In William A. Nielander and Max O. Richards, *Readings in Management* (p. 161).
12. Davis, K. (1979, 13 August) Where did that rumor come from? *Fortune*, p. 34.
13. Davis, Keith (1969, April). Grapevine Communication Among Lower and Middle Managers. *Personnel Journal*, p. 272. Also (1973, October). The Care and Cultivation of the Corporate Grapevine, *Management Review* 62.
14. Davis, Keith. (1953, September-October). Management Communication and the Grapevine *Harvard Business Review*.
15. Delaney, William A. (2009, December). Rein in gossip. *Communication Briefings*, Vol. 29 Issue 2, p6.

16. De Mare, G. (1989). Communicating: The key to establishing good working relationships. *Price Waterhouse Review*, 33, 30-37.
17. Hicks, Herbert & Ray, Gullet, C. (1975). *Organizations: Theory and Behavior*. New York: McGraw Hill, p. 117.
18. Izuogu, Victor (2009). Gossip: Causes, Effects and Solutions. Retrieved from <http://www.globusz.com/ebooks/Gossip/00000015.htm>
19. Karathanos, Patricia., Auriemmo, Anthony. (1999, March-April). Care and feeding of the organizational grapevine. Retrieved from http://findarticles.com/p/articles/mi_hb3081/is_2_41/ai_n28734877/
20. Khandwalla, Pradip N. (1977). *The Design of Organisations*. New York, p. 256.
21. Koenig, Frederick. (1985, February). Rumors that Follow the Sun. *Across the Board*.
22. Kreitner, Robert. (1983). *Management*. Boston: Houghton Mifflin, 306.
23. Laurent and Benon Management C. (2009, July 23). Retrieved from <http://laurentandbenon.blogspot.in/2009/07/office-grapevine.html>
24. Mishra, J. (1990). Managing the grapevine. *Public Personnel Management*, vol. 19, no. 2, 213–28.
25. Rayadu, C.S. (1998). *Communication*. New Delhi: Himalaya Publishing House, p. 365.
26. Rodriques, M. V. (2000). *Perspectives of Communication and Communicative Competence*. Concept Publishing Company, New Delhi.
27. Sharma, Jitendra M. (1979, July). Organizational Communications: A Linking Process. *The Personnel Administrator*, p. 36.
28. Simmons, Donald S. (1985, November). The Nature of the Organizational Grapevine. *Supervisory Management*, p. 39. Also (1986, February). How Does your Grapevine Grow? *Management World* 15:2.
29. Smith, Bob. (1996, February). Care and feeding of the office grapevine. *Management Review*, Vol. 85, Issue 2, p6.
30. Sutton, Harold. (1970). *The Grapevine: A Study of Role Behavior with an Informal Communications System*. Berkley, pp. 4828-B.
31. Therrien, Debbie. (2004, November). Rid your office of backstabbers. *Canadian Business*, Vol.77 Issue 23, p109-110.

32. Thompson, Donald B. (1976, May 10). The Ultimate World: The Grapevine Industry World, 189-6.
33. Waltman, John L. Revised by Simmering, Marcia. *Communication Reference for Business: Encyclopedia of Business*, 2nd ed. Retrieved from <http://www.referenceforbusiness.com/management/Bun-Comp/Communication.html>
34. Walton, E. (1961). How efficient is the grapevine? *Personnel*, 28, pp. 45-49.
35. Zaremba, A. (1989). Management in a new key: Communication Networks. *Industrial Management*, 31, 6-11.
36. *Office grapevine riper than ever? Aim for transparency*. HR Specialist, July 2009, Vol. 7 Issue 7, p. 4.
37. *Grapevine Communication and Workplace Communication Methods*. Retrieved from: <http://www.workplace-communication.com/grapevine-communication.html>

Research Office

Indian Institute of Management Kozhikode

IIMK Campus P. O.,

Kozhikode, Kerala, India,

PIN - 673 570

Phone: +91-495-2809238

Email: research@iimk.ac.in

Web: <https://iimk.ac.in/faculty/publicationmenu.php>

