Workplace Gossip: What Crosses the Line?

By Dana Wilkie

s it gossip to spread the news that Ted and Rachel are getting married before Ted and Rachel have announced so publicly?

Is it gossip to speculate whether Carol in accounting is expecting her second child?

When does gossip cross the line from innocuous, garden-variety conversation to something so potentially hurtful, harmful or liable that companies are within their rights to forbid it?

In a December 2013 ruling, National Labor Relations Board (NLRB) Administrative Law Judge Donna Dawson struck down what she called an "overly broad" no-gossip policy at Laurus Technical Institute in the Greater Atlanta area. The institute had fired Joslyn Henderson because she discussed an Equal Employment Opportunity Commission (EEOC) complaint she had filed alleging sexual harassment and retaliation by her manager.

The school had a restrictive no-gossip policy that banned talking about someone's personal or professional life when the person or his or her manager wasn't present. It also prohibited "making negative or disparaging comments or criticisms about anyone; creating, and sharing or repeating, a rumor about another person; and discussing work issues or terms and conditions of employment with other employees."

The judge concluded that the policy violated the National Labor Relations Act.

Jon Hyman, a partner in the labor and employment group at Ohio-based Kohrman Jackson & Krantz PLL, said the institute's policy violated Section 7 of the act, which addresses "protected concerted activity" of employees. In layman's language this means the law protects workers' right to talk about wages, hours and other employment conditions.

"The judge concluded that someone could read [the policy] to say, 'We can't talk about how much we make or how the supervisor is working us too many hours or about what's going on with our jobs at work.'

What Is Gossip?

"Gossip" is endowed with several meanings. To some, it refers only to malicious or actionable talk about someone beyond the person's hearing; some believe that gossip involves just untrue tales, while others think it can include truthful remarks. Still others consider "gossip" to be any talk of a person's or institution's affairs—whether personal or professional, innocuous or slanderous.

For instance, Peter Vajda, an Atlanta-based speaker and author on speaker on business coaching, defines workplace gossip as a form of workplace violence, noting that it is "essentially a form of attack."

TLK Healthcare, an Austin, Texas-based health care recruiting company, includes among gossiping employees those who tattle to the boss with no intention of offering a solution or speaking to co-workers about a problem.

But some amount of workplace gossip is actually healthy, according to Rieva Lesonsky, CEO of GrowBiz Media, a media and custom-content company for small businesses.

"It shows camaraderie among your team," Lesonsky explained in a phone interview with SHRM Online. "But if it's starting to hurt someone's feelings or affect morale or attitude, that's when the line's been crossed. You have to be really observant to know when that happens."

Sometimes gossip "is a harbinger of something that's true, and it makes you aware of something, as a manager, that you need to work on," she added.

Dangers of Gossip

Workplace gossip can be very serious, however, if the gossiper has significant power over the recipient, wrote authors Nancy Kurland and Lisa Hope Pelled in their article "Passing the Word: Toward a Model of Gossip and Power in the Workplace," which appeared in the April 2000 issue of The Academy of Management Review. Some negative consequences of workplace gossip are:

- Erosion of trust and morale.
- Lost productivity and wasted time.
- Increased anxiety among employees as rumors circulate without clear information as to what is and isn't fact.
- Divisiveness among employees as people take sides.
- Hurt feelings and reputations.
- Attrition due to good employees leaving the company because of an unhealthy work environment.

Company Policies

In their employee handbooks, many companies have formal policies restricting gossip. Given the recent NLRB ruling, how can they be sure these policies aren't "overly broad" so as to become unenforceable?

First, the policy should explicitly state that it's not meant to limit employees' right to talk about wages, hours or working conditions; rather, it is aimed at gossip about non-work-related issues, Hyman said.

Beyond that, he added, organizations have to decide where the line is between innocuous banter among colleagues and conversations that could lead to legitimate concerns about health, safety or harassment.

"Frankly, you'll never stop people from talking about how so-and-so is cheating on a spouse or came in this morning smelling like booze,"

Hyman noted. "That's human nature. But there's definitely a line you need to draw, for instance, where safety is concerned, or [with] issues of harassment, or if somebody feels talked about because of their race or sex. Then it becomes a liability if it's not addressed."

Lesonsky said employers can't use no-gossip policies to forbid normal griping about supervisors, which the Laurus Technical Institute appeared to try to do.

"As a manager, you do have to suck it up a little, because there's bound to be some amount of resentment toward the boss," she said. "If someone says, 'He's really hard-nosed,' you've got to let that go. But if it starts to be something like, 'She drinks every day at lunch,' it's going to undermine your authority and credibility, and that's when you may need to take action."

Writing policies prohibiting gossip may be tricky enough that companies may instead want to focus on educating employees about the dangers of talking about co-workers behind their backs, said Hyman. "Work this into a broader initiative addressing whatever you want to call the behavior—whether bullying or just unprofessional conduct."

Lesonsky said another approach is to hire a business coach.

"There are ones who specialize in team attitude, and they're a lot like a marriage counselor," she explained. "They sit people down and discuss what's at the root of [the gossip], and maybe they learn that people feel resentful because the manager favors certain employees. Depending on where you are on the managerial team, you have to check the whole train to make sure there isn't a weak link somewhere."

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Gossip Via E-mail

Corporate e-mail can be a particularly dangerous method of spreading gossip because messages may be easily forwarded to unintended recipients. In an article featured in the November 1996 issue of Mass High Tech, Warren Agin, an attorney at Boston-based Swiggart & Agin LLC, wrote that companies should caution employees against using corporate e-mail networks for gossip.

"Employees often treat e-mail communications like oral conversations, saying things they would never state in a letter or memorandum," he wrote in his article, "Companies Must Spell Out Employee E-mail Policies."

Because of this informality, he observed, workers tend to use poor judgment when writing e-mails, sometimes by including defamatory language, opinions contrary to corporate policy, messages against corporate interests or "simply poorly chosen content with an inflammatory tone."

"Companies should include an e-mail policy in their employee handbooks and educate employees about the dangers inherent in e-mail use," he wrote. "To reinforce the message periodically, companies should disseminate copies of the policy to all employees, at least annually. The e-mail policy should clearly define the extent of employees' privacy expectations when it comes to communications via company equipment."

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