



September 25, 2008

## Addressing rumors in the workplace requires honesty, sensitivity

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*REAL LIFE LEADERSHIP*

**Question:** Our business relies on positive word-of-mouth to maintain our market share. Lately, rumors have begun to spread within the staff about our business being sold to a much larger business. The rumors are false. We are not being purchased. Instead, we are acquiring another company to complement our current service line. Some on the staff are very suspicious. I know they are spreading rumors that foster fear in the minds of other staff members. Any ideas on how I should handle this situation?

**Answer:** While honesty is the best policy, business information is context-sensitive. The challenge for you is how to reassure your staff while not confirming or denying what is taking place. Rumors rise from suspicion about not knowing what is happening. If your staff members feel something is happening but don't know what it is, then rumors begin to grow as a way of influencing the outcome. You are caught between two leadership responsibilities. One is confidentiality, and the other is being honest and transparent.

The acquisition of another company requires confidentiality until the deal is complete. It is a matter of being trustworthy in your dealings with people.

The responsibility to be honest and transparent is a different matter. It is actually more complex because your staff also has a responsibility in this context.

When staff members start and promote rumors, they are expressing their opinion and trying to influence the outcome of a circumstance. What they do not understand is that the consequences of starting and spreading rumors could be the loss of opportunity and employment.

In dealing with this situation, you must address the context of the rumors, not the rumors themselves. The context is that regardless of the situation they must do the very best job they can. In so doing, they demonstrate their value as an employee, and it puts the company in the very best position for changes that may or may not come.

Some rumors have no basis in fact and are spread to divert attention from the individual. You may be a scapegoat from someone else's poor performance. Some rumors are spread to influence decisions that are beyond the individual's control. Some rumors are shared to test what the leadership's response will be. It is best to be consistent in how you handle these situations.

The clear message that your staff members need to hear from you is that regardless of what may be happening, they have a job to do. They need to understand that performing at their best puts them in the best position to benefit from any potential future change in the business.

Finally, rumors point to a need for more interaction between you the leader and your people. They are signaling to you that they want to have more open, transparent communication.

This is the opinion of Ed Brenegar, president of the Community of Leadership, a leadership development and transition planning consultancy. He writes the Leading Questions blog at <http://edbrenegar.typepad.com>. Send questions to him at [ed@edbrenegar.com](mailto:ed@edbrenegar.com).

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