MANAGEMENT
COMMUNICATION

and the Grapevine

No administrator in his right mind would ever try to abolish the management grapevine. It is as permanent as humanity is. It should be recognized, analyzed, and consciously used for better communication.

By Keith Davis

Communication is involved in all human relations. It is the “nervous system” of any organized group, providing the information and understanding necessary for high productivity and morale. For the individual company it is a continuous process, a way of life, rather than a one-shot campaign. Top management, therefore, recognizes the importance of communication and wants to do something about it. But what? Often, in its frustration, management has used standard communication “packages” instead of dealing situationally with its individual problems. Or it has emphasized the means (communication techniques) rather than the ends (objectives of communication).

One big factor which management has tended to overlook is communication within its own group. Communication to the worker and from the worker is dependent on effective management communication; and clearly this in turn requires informal as well as formal channels.

The Grapevine

A particularly neglected aspect of management communication concerns that informal channel, the grapevine. There is no dodging the fact that, as a carrier of news and gossip among executives and supervisors, the grapevine often affects the affairs of management. The proof of this is the strong feelings that different executives have about it. Some regard the grapevine as an evil — a thorn in the side which regularly spreads rumor, destroys morale and reputations, leads to irresponsible actions, and challenges authority. Some regard it as a good thing because it acts as a safety valve and carries news fast. Others regard it as a very mixed blessing.

Whether the grapevine is considered an asset or a liability, it is important for executives to try to understand it. For one thing is sure: although no executive can absolutely control the grapevine, he can influence it. And since it is here to stay, he should learn to live with it.

Perspective

Of course, the grapevine is only part of the picture of communication in management. There is also formal communication — via conferences, reports, memoranda, and so on; this provides the basic core of information, and many administrators rely on it almost exclusively because they think it makes their job simpler to have everything reduced to explicit terms — as if that were possible! Another important part of the picture is the expression of attitudes, as contrasted with the transmission of information (which is what we will be dealing with in this article). Needless to say, all these
factors influence the way the grapevine works in a given company, just as the grapevine in turn influences them.

In this article I want to examine (a) the significance, character, and operation of management communication patterns, with particular emphasis on the grapevine; and (b) the influence that various factors, such as organization and the chain of procedure, have upon such patterns. From this analysis, then, it will be possible to point up (c) the practical implications for management.

As for the research basis of the analysis, the major points are these:

1. Company studied — The company upon which the research is based is a real one. I shall refer to it as the "Jason Company." A manufacturer of leather goods, it has 67 people in the management group (that is, all people who supervise the work of others, from top executives to foremen) and about 600 employees. It is located in a rural town of 10,000 persons, and its products are distributed nationally.

In my opinion, the pattern of management communication at the Jason Company is typical of that in many businesses; there were no special conditions likely to make the executives and supervisors act differently from their counterparts in other companies. But let me emphasize that this is a matter of judgment, and hence broader generalizations cannot be made until further research is undertaken.

As a matter of fact, one of the purposes of this article is to encourage businessmen to take a close look at management communication in their own companies and to decide for themselves whether it is the same or different. In many companies, men in the management group now follow the popular practice of examining and discussing their problems of communicating with workers, but rarely do they risk the embarrassment of appraising their communications with each other.

2. Methodology — The methods used to study management communication in the Jason Company are new ones. Briefly, the basic approach was to learn from each communication recipient how he first received a given piece of information and then to trace it back to its source. Suppose D and E said they received it from G; G said he received it from B; and B from A. All the chains or sequences were plotted in this way — A to B to G to D and E — and when the data from all recipients were assembled, the pattern of the flow of communication emerged. The findings could be verified and developed further with the help of other data secured from the communication recipients.

This research approach, which I have called "ecco analysis," is discussed in detail elsewhere.1

Significant Characteristics

In the Jason Company many of the usual grapevine characteristics were found along with others less well known. For purposes of this discussion, the four most significant characteristics are these:

1. Speed of transmission — Traditionally the grapevine is fast, and this showed up in the Jason Company.

For example, a certain manager had an addition to his family at the local hospital at 11 o'clock at night, and by 2:00 p.m. the next day 46% of the whole management group knew about the event. The news was transmitted only by grapevine and mostly by face-to-face conversation, with an occasional interoffice telephone call. Most communications occurred immediately before work began, during "coffee hour," and during lunch hour. The five staff executives who knew of the event learned of it during "coffee hour," indicating that the morning rest period performed an important social function for the staff as well as providing relaxation.

2. Degree of selectivity — It is often said that the grapevine acts without conscious direction or thought — that it will carry anything, any time, anywhere. This viewpoint has been epitomized in the statement that "the grapevine is without conscience or consciousness." But flagrant grapevine irresponsibility was not evident in the Jason Company. In fact, the grapevine here showed that it could be highly selective and discriminating.

For example, the local representative of the company which carried the employee group insurance contract planned a picnic for company executives. The Jason Company president decided to invite 36 executives, mostly from higher executive levels. The grapevine immediately went to work spreading this information, but it was carried to only two of the 31 executives not invited. The grapevine communicators thought the news was confidential, so they had told only those who they thought would be invited (they had to guess, since they did not have access to the invitation list). The two uninvited executives who knew the information were foremen who were told by their invited superintendent; he had a very close working relationship with them and generally kept them well informed.

Many illustrations like the above could be gathered to show that the grapevine can be discriminating. Whether it may be counted on in that respect,

1 Keith Davis, "A Method of Studying Communication Patterns in Organizations," to be published in Personnel Psychology, Fall 1953.
however, is another question. The answer would of course differ with each case and would depend on many variables, including other factors in the communication picture having to do with attitudes, executive relationships, and so forth.

3. **Locale of operation** — The grapevine of company news operates mostly at the place of work. Jason managers were frequently in contact with each other after work because the town is small; yet grapevine communications about company activities predominately took place at the plant, rather than away from it. It was at the plant that executives and supervisors learned, for instance, that the president was taking a two weeks’ business trip, that the style designer had gone to Florida to study fashion trends, and that an executive had resigned to begin a local insurance business.

The significance of at-the-company grapevines is this: since management has some control over the work environment, it has an opportunity to influence the grapevine. By exerting such influence the manager can more closely integrate grapevine interests with those of the formal communication system, and he can use it for effectively spreading more significant items of information than those commonly carried.

4. **Relation to formal communication** — Formal and informal communication systems tend to be jointly active, or jointly inactive. Where formal communication was inactive at the Jason Company, the grapevine did not rush in to fill the void (as has often been suggested); instead, there simply was lack of communication. Similarly, where there was effective formal communication, there was an active grapevine.

Informal and formal communication may supplement each other. Often formal communication is simply used to confirm or to expand what has already been communicated by grapevine. Thus in the case of the picnic, as just described, management issued formal invitations even to those who already knew they were invited. This necessary process of confirmation results partly because of the speed of the grapevine, which formal systems fail to match, partly because of its unofficial function, and partly because of its transient nature. Formal communication needs to come along to stamp “Official” on the news and to put it “on the record,” which the grapevine cannot suitably do.

**Spreading Information**

Now let us turn to the actual operation of the grapevine. How is information passed along?

What is the relationship among the various people who are involved?

Human communication requires at least two persons, but each person acts independently. Person A may talk or write, but he has not *communicated* until person B receives. The individual is, therefore, a basic communication unit. That is, he is one “link” in the communication “chain” for any bit of information.

**Exhibit I. Types of communication chains**

![Diagram of communication chains](image)

The formal communication chain is largely determined by the chain of command or by formal procedures, but the grapevine chain is more flexible. There are four different ways of visualizing it, as Exhibit I indicates:

1. **The single-strand chain** — A tells B, who tells C, who tells D, and so on; this makes for a tenuous chain to a distant receiver. Such a chain is usually in mind when one speaks of how the grapevine distorts and filters information until the original item is not recognizable.

2. **The gossip chain** — A seeks and tells everyone else.

3. **The probability chain** — A communicates randomly, say, to F and D, in accordance with the laws of probability; then F and D tell others in the same manner.

4. **The cluster chain** — A tells three selected others; perhaps one of them tells two others; and then one of these two tells one other. This was virtually the only kind of chain found in the Jason Company, and may well be the normal one in industry generally.

**Active Minority**

The predominance of the cluster chain at the Jason Company means that only a few of the persons who knew a unit of information ever transmitted it — what Jacobson and Seashore call the “liaison” individuals. All others who

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1. For example, see National Industrial Conference Board, *Communicating with Employees*, Studies in Personnel Policy, No. 129 (New York, 1952), p. 34.

received the information did not transmit it; they acted merely as passive receivers.

For example, when a quality-control problem occurred, 68% of the executives received the information, but only 20% transmitted it. Again, when an executive planned to resign to enter the insurance business, 81% of the executives knew about it, but only 11% passed the news on to others. Those liaison individuals who told the news to more than one other person amounted to less than 10% of the 67 executives in each case.

These active groups varied in membership. There was no evidence that any one group consistently acted as liaison persons; instead, different types of information passed through different liaison persons. However, as will be shown later, some individuals were invariably communication “isolates”; they received and transmitted information poorly or not at all.

The above findings indicate that if management wants more communication, it should increase the number and/or effectiveness of its liaison individuals. This appears to be a large order, but it is entirely possible. Liaison individuals tend to act in a predictable way. If an individual’s unit of information concerns a job function in which he is interested, he is likely to tell others. If his information is about a person with whom he is associated socially, he also is likely to tell others. Furthermore, the sooner he knows of an event after it happened, the more likely he is to tell others. If he gets the information late, he does not want to advertise his late receipt of it by telling it to others.

In other words, three well-known communication principles which are so often mentioned in relation to attitudes also have a major influence on the spread of information by liaison individuals:

1. Tell people about what will affect them (job interest).
2. Tell people what they want to know, rather than simply what you want them to know (job and social interest).
3. Tell people soon (timing).

Organizational Effects

The way an organization is divided horizontally into organizational levels and vertically into functions, such as production and sales, obviously has effects on management communication, for it cuts each company’s over-all ad-

ministrative function into small work assignments, or jobs, and sets each management person in certain relationships to others in his company.

Horizontal Levels

Organizational levels are perhaps the more dramatic in effect because they usually carry authority, pay increases, and status. From the communication point of view, they are especially important because of their number. In a typical firm there are usually several management levels, but only one or two worker levels; furthermore, as the firm grows, the management levels increase in number, while the worker levels remain stationary.

Communication problems are aggravated by these additional levels because the chain of communication is lengthened and complicated. Indeed, just because of this, some companies have been led to try to reduce the number of intermediate management levels. Our concern here is with the patterns of communication among individuals at the different levels.

At the Jason Company, executives at higher levels communicated more often and with more people than did executives at lower levels. In other words, the predominant communication flow was downward or horizontal. When an event happened at the bottom level, usually the news did reach a high level; but a single line of communication sufficed to carry it there, and from that point it went downward and outward in the same volume and manner (cluster chain) as if it had originated at the top.

Accordingly, the higher an executive was in the organizational hierarchy (with the exception of nonresident executives), the greater was his knowledge of company events. This was true of events which happened both above his level and below his level. Thus, if the president was out of town, a greater proportion at the fourth level knew of it than at the sixth level. Or — and this is less to be expected — if a foreman at the sixth level had an accident, a larger proportion of executives at the third level knew of it than at the fourth level, or even than at the sixth level where the accident happened. The more noteworthy the event, of course, the more likely it was to be known at upper levels — but, in a company of this size, it had to be quite trivial indeed before it failed to reach the ears of top executives.

The converse follows that in terms of communications transmitted and received the sixth
and lowest level of supervision, the foreman level, was largely isolated from all other management. The average foreman was very hesitant to communicate with other members of management; and on the rare occasions when he did, he usually chose someone at his own level and preferably in his own department. Members of this group tended to be the last links in management communication, regardless of whether the chains were formal or informal.

A further significant fact concerns the eight departmental superintendents at the fourth level. Six of them supervised foremen directly; two others, with larger departments, each had a single line assistant between him and his foremen. The two who had line assistants were much more active in the communication chains than were the six others; indeed, all but one of the six appeared to have little to do with their foremen except in a formal way.

Perhaps the clue is that, with increased organizational levels, those at the higher (and hence further removed) levels both recognize a greater need for communication and have more time to practice it!

Functional Groups

Functionalization, the second important way in which an organization is "cut up," also has a significant impact on communication in management. The functions which are delegated to a manager help to determine the people he contacts, his relationships with them, his status, and, as a result, the degree to which he receives and transmits information. More specifically, his role in communication is affected (a) by his position in the chain of command and (b) by his position in the chain of procedure, which involves the sequence of work performance and cuts across chains of command, as when a report goes from the superintendent in one chain of command to the chief engineer in another chain of command and to the controller in still another.

In the Jason Company the effects of functionalization showed up in three major ways:

1. **Staff men "in the know"** — More staff executives than line men usually knew about any company event. This was true at each level of management as well as for the management group as a whole. For example, when the president of the company made a trip to seek increased governmental allotments of hides to keep the line tannery operating at capacity, only 4% of the line executives knew the purpose of the trip, but 25% of the staff men did. In another case, when a popular line superintendent was awarded a hat as a prize in a training program for line superintendents, within six days a larger proportion of the staff executives than of the line executives knew about this event.

The explanation is not just that, with one staff executive to every three line executives, there were more line executives to be informed. More important is the fact that the chain of procedure usually involved more staff executives than line executives. Thus, when the superintendent was awarded his hat, a line executive had approved the award, but a staff personnel executive had processed it and a staff accounting executive had arranged for the special check.

Also the staff was more **mobile** than the line. Staff executives in such areas as personnel and control found that their duties both required and allowed them to get out of their offices, made it easy for them to walk through other departments without someone wondering whether they were "not working," to get away for coffee, and so on — all of which meant they heard more news from the other executives they talked with. (In a larger company staff members might be more fixed to their chairs, but the situation in the Jason Company doubtless applies to a great many other businesses.)

Because of its mobility and its role in the chain of procedure, the staff not only received but also transmitted communications more actively than did the line. Most of these communications were oral; at least in this respect, the staff was not the "paper mill" it is often said to be. It seems obvious that management would do well to make conscious use of staff men as communicators.

2. **Cross-communication** — A second significant effect of functionalization in the Jason Company was that the predominant flow of information for events of general interest was between the four large areas of production, sales, finance and office, and industrial relations, rather than within them. That is, if a production executive had a bit of news of general interest, he was more likely to tell a sales, finance, or personnel executive than another production executive.

Social relationships played a part in this, with executives in the various groups being lodge brothers, members of the same church, neighbors, parents of children in the same schools, and so on. In these relationships the desire to make an impression was a strong motivation for cross-communication, since imparting information to executives outside his own area served to make a man feel that the others would consider him "in the know."
Procedural relationships, discussed earlier, also encouraged the executives to communicate across functional lines.

Since communications tended not to stay within an area, such as production, they tended even less to follow chains of command from boss to sub-boss to sub-sub-boss. Indeed, the chain of command was seldom used in this company except for very formal communications. Thus Exhibit II reproduces a communication chain concerning a quality control problem in production, first brought to the attention of a group sales manager in a letter from a customer. Although it was the type of problem that could have been communicated along the chain of command, the exhibit shows that, of 14 communications, only 3 were within the chain of command and only 6 remained within one functional area — sales — where the information was first received.

**Exhibit II. Communication chain for a quality control problem**

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<th>SALES</th>
<th>GENERAL MANAGEMENT</th>
<th>FINANCE AND OFFICE</th>
<th>INDUSTRIAL RELATIONS</th>
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<td>FOREMAN</td>
<td>CUSTOMER</td>
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*NOTE: Executives in boxes received chain-of-command communications.*

The fact that the chain of command may affect management communication patterns less than procedural and social influences — which has shown up in other companies too — means that management needs to devote considerably more attention to the problems and opportunities of cross-communication.

3. **Group isolation** — The research in the Jason Company revealed that some functional groups were consistently isolated from communication manufacturing area, their function was not in the main manufacturing procedure, and they usually received information late. They had little chance or incentive to communicate to other executives.

(c) A third group both received and transmitted information, but transmitted only within a narrow radius. Although they were in the midst of the main work area, they failed to communicate with other functional groups because their jobs required constant attention and they felt socially isolated.

In sum, the reasons for group isolation at the Jason Company were: geographical separation; work association (being outside the main procedures or
at the end of them); social isolation; and organizational level (the lower the level of a group, the greater its tendency to be isolated).

Obviously, it is not often feasible for management to undertake to remove such causes of group isolation as geographical or social separation. On the other hand, it may well be possible to compensate for them. For example, perhaps the volume of formal communication to men who happen to be in a separate building can be increased, or arrangements can be made for a coffee break that will bring men who are isolated because of the nature of their work or their nationality into greater contact with other supervisors. In each situation management should be able to work out measures that would be appropriate to the individual circumstances.

Conclusion

The findings at the Jason Company have yet to be generalized by research in other industries, but they provide these starting points for action:

(1) If management wants more communication among executives and supervisors, one way is to increase the number and effectiveness of the liaison individuals.

(2) It should count on staff executives to be more active than line executives in spreading information.

(3) It should devote more attention to cross-communication — that is, communication between men in different departments. It is erroneous to consider the chain of command as the communication system because it is only one of many influences. Indeed, procedural and social factors are even more important.

(4) It should take steps to compensate for the fact that some groups are "isolated" from communication chains.

(5) It should encourage further research about management grapevines in order to provide managers with a deeper understanding of them and to find new ways of integrating grapevine activities with the objectives of the firm.

(6) "Ecco analysis," the recently developed research approach used at the Jason Company, should be useful for future studies.

If management wants to do a first-class communication job, at this stage it needs fewer medicines and more diagnoses. Communication analysis has now passed beyond "pure research" to a point where it is immediately useful to top management in the individual firm. The patterns of communication that show up should serve to indicate both the areas where communication is most deficient and the channels through which information can be made to flow most effectively.

In particular, no administrator in his right mind would try to abolish the management grapevine. It is as permanent as humanity is. Nevertheless, many administrators have abolished the grapevine from their own minds. They think and act without giving adequate weight to it or, worse, try to ignore it. This is a mistake. The grapevine is a factor to be reckoned with in the affairs of management. The administrator should analyze it and should consciously try to influence it.

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