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FIRE



Rumor Has It

Understanding and Managing Rumors

BY JOHN DOORLEY AND HELIO FRED GARCIA

Editor's note:
The following article is an edited excerpt from "Reputation Management: The Key to Successful Public Relations and Corporate Communication."

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A challenge facing nearly every organization in a crisis is the circulation of rumors that, unaddressed, can cause significant reputational harm — sometimes even more harm than the crisis.

Rumors are particularly challenging because it is hard to figure out where a rumor started, how it is building momentum and where it might end. Once started, rumors can spread among employees, customers, suppliers, lenders, investors and regulators. Rumors can feed other rumors, and when they hit the media, they are formalized and seen as accurate renderings of reality.

If the rumor is about malfeasance or inappropriate activity, it commands a high level of credibility. As noted in the best-selling book "A Civil Action," by Jonathan Harr, "It is the nature of disputes that a forceful accusation by an injured party often has more rhetorical power than a denial."

The sociologist Tomatsu Shibutani notes that rumors arise from uncertainty, from the absence of context and concrete information by which those affected by a crisis may understand its significance. Shibutani elaborates: "When activity is interrupted for want of adequate information, frustrated [people] must piece together some kind of defi-

dition, and rumor is the collective transaction through which they try to fill this gap. Far from being pathological, rumor is part and parcel of the efforts of [people] to come to terms with the exigencies of life.”

Because crises are characteristically uncertain, rumors are a fact of life in crises. The good news is that preventive and remedial actions are possible, allowing professional communicators to minimize or even to stop the damage from rumors. Effectively preventing or controlling rumors requires an understanding of the psychological and sociological factors that drive people to listen to, pass along and believe rumors.

The morphing of rumors

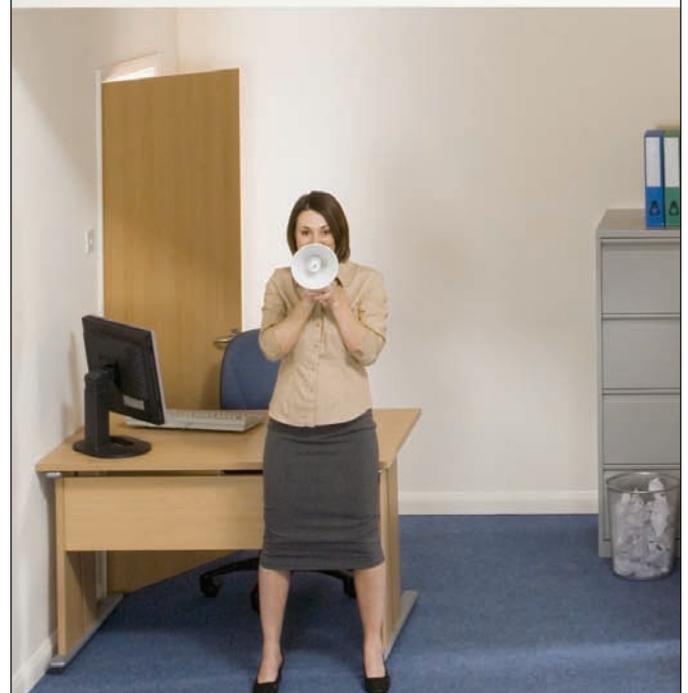
One of the defining elements of rumors is that they are not static. As a rumor passes from person to person, it tends to change through processes that social psychologists call leveling, sharpening and assimilation.

In the 1940s, two Harvard University psychologists, Gordon W. Allport and Leo Postman, conducted experiments on how the content of rumors changes as the rumor passes from person to person. They concluded that as a rumor travels, it tends to grow shorter, more concise and more easily told: “In subsequent versions, more and more original details are leveled out, fewer words are used and fewer items are mentioned . . . As the leveling of details proceeds, the remaining details are necessarily sharpened. Sharpening refers to the selective perception, retention and reporting of a few details from the originally larger context. Assimilation . . . has to do with the powerful attractive force exerted upon the rumor by habits, interests and sentiments existing in the reader’s mind.”

Allport and Postman emphasize that while leveling, sharpening and assimilation are independent mechanisms, they function simultaneously. The result is that a story becomes more coherent and interesting, and therefore, more believable with each retelling.

Participants in rumor transmission have an investment both in the content of the rumor and in the status that transmitting the rumor conveys. In particular, some people see retelling a rumor as a status-enhancing activity. The French sociologist Jean-Noël Kapferer explains, “By taking others into his confidence and sharing a secret with them, the transmitter’s personal importance is magnified. He comes across as the holder of precious knowledge, a sort of front-runner scout — creating a favorable impression in the minds of those he informs.”

As a rumor changes with each telling, there is a reason for each transmitter to modify, or assimilate, the details of the rumor in ways that increase his or her status. Indeed, rumors



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CRISIS MANAGEMENT

cannot continue without exaggeration. This process is called snowballing, where the rumor's importance grows with each telling. According to Kapferer, "Snowballing is the only way for a rumor to last. It is a necessary condition of rumor persistence. Indeed, identical repetition kills the news value of all information. Were a rumor repeated word for word, without any modification whatsoever throughout its diffusion process, its death would be thereby accelerated."

It is regrettably common for management teams in a crisis simply to dismiss the rumor mill's significance or to insist that employees pay no attention to rumors. This is counterproductive. It is precisely when people are feeling vulnerable that they need reassurance.

Inattention to the emotional needs of external stakeholders can result in reduced demand for a company's products, a decline in stock price, negative media coverage and increased regulatory scrutiny. Inattention to the emotional needs of employees can lead to significant distraction, reduced productivity and — through leveling, sharpening, assimilating and snowballing — the transmission of ever-more damaging, distracting and counterproductive rumors. Being a closed environment, employee populations tend to be rumor incubators, especially when management withholds important information. Such internal rumor processes are sometimes seen by employees as the only credible sources of information about the company.

Preventing rumors

Rumors arise and are believed when official information is lacking or is considered unreliable. Rumors can be avoided if companies recognize the need to provide sufficient clarifying information as early as possible in the life of a disruptive event. But to prevent rumors, it is helpful to first understand exactly what a rumor is. In "The Psychology of Rumor," Allport and Postman define it as follows:

"A rumor, as we shall use the term, 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 . . . The implication in any rumor is always that some truth is being communicated. This implication holds even though the teller prefaces his tidbit with the warning, 'It is only a rumor, but I heard . . .'"

The most important element of this definition is that a rumor exists in the absence of secure standards of evidence

but is taken by the recipient to be true. In the presence of secure standards of evidence, a rumor will not arise. Allport and Postman elaborate:

"Rumor thrives only in the absence of 'secure standards of evidence.' This criterion marks off rumor from news, distinguishes 'old wives' tales' from science and separates gullibility from knowledge. True, we cannot always decide easily when it is that secure standards of evidence are present. For this reason we cannot always tell whether we are listening to fact or fantasy."

When employees know what will happen next, what the worst case is likely to be or that the worst is in fact over, they are less likely to believe rumors or look for hidden meanings.

In short, ambiguity provokes anxiety, and anxiety prompts rumors. Allport and Postman observe, "Unguided by objective evidence, most people will make their prediction in accordance with their subjective preference." Conversely, absence of ambiguity reduces anxiety and in turn diminishes the strength of rumors.

For crisis communicators, the challenge is to help clients and employers summon the courage to disclose the objective evidence that helps people move beyond their subjective preferences.

Controlling rumors mathematically

Fortunately, rumors tend to follow predictable patterns, and intervention in specific ways can help an organization overcome, or even kill, a rumor.

Breakthrough research on rumors was conducted during World War II by Allport and Postman. Much of their work was classified, but after the war it was published, first in *Public Opinion Quarterly* in 1946 and then in their 1947 book, "The Psychology of Rumor." One of their most significant contributions to the study of rumors was a mathematical formula that described the way a rumor works. The formula further suggests ways to control or eliminate a rumor.

The two factors that influence a rumor are its importance to the listener and its ambiguity. To control a rumor, one must either diminish the importance assigned to the rumor if true, or eliminate the ambiguity around the factual basis of the rumor, or both. Eliminating ambiguity is particularly important if the rumor is completely false. But even when the rumor has a mixture of truth and fiction, eliminating ambiguity about the fiction can control the rumor and ground it in

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reality. Once an unambiguous reality is established, it may be possible to reduce the importance of the information in the rumor, thereby decelerating its transmission.

Allport and Postman elaborate below on how the two factors of importance and ambiguity work together and note that there is a mathematical relationship.

The basic law of rumor

“The two essential conditions of importance and ambiguity seem to be related to rumor transmission in a roughly quantitative manner. A formula for the intensity of rumor might be written as follows: $R \sim i \times a$

In words, this formula means that the amount of rumor in circulation will vary with the importance of the subject to the individuals concerned (i) times the ambiguity of the evidence pertaining to the topic at issue (a). The relation between importance and ambiguity is not additive but multiplicative, for if either importance or ambiguity is zero, there is no rumor. Ambiguity alone does not sustain rumor. Nor does importance.”

Because the relationship between importance and ambiguity is multiplicative, an incremental decline in either can result in a greater-than-incremental decline in the scope of the rumor.

Here’s how the math works: Assume a scale of zero to 10, zero being nonexistent and 10 being certain. If both importance and ambiguity are high, say 10, the scope of the rumor will be quite strong:

$$R \sim i \times a \quad R \sim 10 \times 10 \quad R \sim 100$$

In other words, when both importance and ambiguity are at their highest, the scope of the rumor will be at its highest. But reduce just one of the factors, and the scope of the rumor declines considerably. Assume that importance remains at 10 but that ambiguity can be reduced to 3.

The scope of the rumor has declined from 100 to 30, or by more than two-thirds. And because anything multiplied by zero equals zero, if either ambiguity or importance is reduced to zero, the rumor disappears.

In practical terms, this formula lets a professional communicator and a management team do several powerful things. Knowing that importance and ambiguity drive a rumor, a company can more efficiently identify what it needs to do and say. Second, knowing the formula gives clients and bosses confidence that they can influence the interpretation of events. The formula empowers management to focus communications in ways that can impact how the company is perceived. Best of all, the formula can disarm negative information, killing a rumor and preventing further damage.

Dynamics of controlling a rumor in the news cycle

When applying the $R \sim i \times a$ formula, one critical element of success is how early one can influence importance and ambiguity. Corporate management often has little appreciation for the need to pre-empt rumors or for the seemingly arbitrary and somewhat confusing deadlines under which journalists work. The Allport and Postman model empowers crisis communicators and companies to disclose more information sooner, controlling the rumor and decreasing the likelihood of a negative story.

The rule of 45 minutes, six hours, three days and two weeks

At specific points in a news cycle it is possible to kill a negative story or control a partially accurate story. Miss one of these points and you will suffer reputational damage. Worse, the distance between the points, the intensity of the crisis and the potential for reputational harm grow in an almost exponential fashion as bad news spreads.

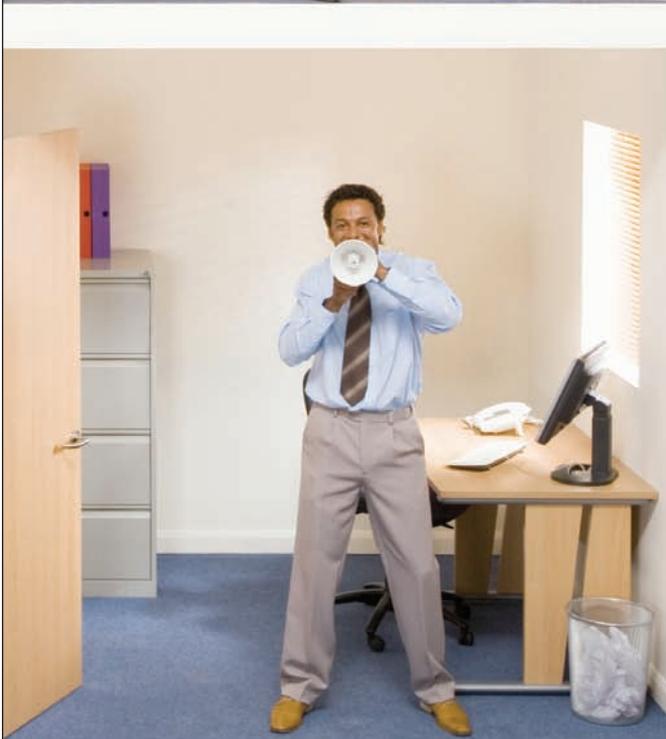
And while these points result from careful observation of how the news cycles and the rumor formula interact, the same orders of magnitude apply beyond the media, when progressively larger groups of people, over time, become invested in a rumor.

The first 45 minutes: You have maximum influence on the outcome of a story in the first moments after the rumor arises. During this time, only a small number of people, and possibly only one reporter, know about a rumor or are working on a story. If you follow the $R \sim i \times a$ formula to persuade a reporter not to pursue a story in those first 45 minutes, chances are high that the story will disappear. On the other hand, if you are unable to respond within that 45-minute time frame, a number of negative things happen. First, the original reporter is likely to be on the phone trying to confirm the rumor, retelling it to sources who can pass it along to other reporters. Second, given the proliferation of all-news media, chances are good that the story will break quickly. Third, in the retelling of the rumor from the first reporter to other sources, the substance of the rumor will change. As the rumor becomes known in slightly different forms by many different people, it will become harder to find a definitive demonstration to put the rumor to rest.

Controlling the rumor now becomes less a function of persuasion — a private intervention with a single reporter — than of a public statement to influence your constituencies.

Six hours: Once a story crosses a wire service, is broadcast on television or radio, or appears on the Internet, it may still be possible to eventually control the rumor, but now it will be much

CRISIS MANAGEMENT



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more difficult. As a general rule, once a story is broadcast you can expect to have at least six hours of negative coverage.

During these six hours, more reporters come to the story and more people become aware of the rumor. Your customers, employees, suppliers, competitors, regulators and local community hear about it and begin to react.

If, during this part of the cycle, you consider the $R \sim i \times a$ formula as you plan your public statements, chances are high that the rumor can be controlled and the story will fade, though reputational damage may have been done.

If you are unable to control the story during this phase of the cycle, expect several days of negative news — all the while, the processes of leveling, sharpening, assimilating and snowballing are morphing the rumor into something far less manageable.

Three days: Once a story hits the daily newspapers, you can expect it to be alive for several days. The day the story appears, there is likely to be television and radio commentary about the story, as well as gossip among your customers, employees and competitors, with all the attendant distortion.

During this period it is still possible to use the $R \sim i \times a$ formula to your advantage. You will have suffered several days of reputational damage and will have seen a wide range of people exposed to the negative rumor. If you cannot control the story during these three days, expect at least two weeks of negative coverage.

Two weeks: After the daily newspapers have had their run, there is still a further news cycle that includes weekly and bimonthly magazines, industry trade publications, and the Sunday-morning talk shows. During this period you can still use the $R \sim i \times a$ formula to kill the rumor. You will have suffered several weeks of negative coverage and reputational harm. If you are unable to control the story in this time frame, expect continuous coverage. A company is unlikely to recover quickly from this kind of scrutiny.

All of this suggests that it is a fundamental mistake for corporations to make decisions about crisis communications on their own timelines. They need to recognize that however arbitrary and at times irrational media deadlines may seem, companies can control their destinies better if they can kill rumors as early as possible in a news cycle.

Failure to recognize the power of both the $R \sim i \times a$ formula and the rule of 45 minutes, six hours, three days and two weeks puts the company at the mercy of the rumor mill, gossipmongers and the irrational-seeming dynamics of the news media. Successfully employing them can help prevent reputational damage and keep the company focused on its own agenda. ■

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