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Managing Silence

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This paper deals with the issue of corruption and bribing as an organisational problem. Every organisation must cope with the issue of bribes and potential corruption amongst purchasers. Corruption is thus, in this paper, not dealt with on the individual level (e.g. what is right/wrong to accept? Who is good/evil? For these perspectives see e.g. Cooper et al. 1997a, 1997b, 1997c, 2000) but rather on the organisation level, i.e. how the organisation copes with corruption. In short: *how an organisation manages corruption*. The paper neglects arguments around what is right or wrong, what is gift and what is bribe, in order to focus on the *organisation* of a phenomenon with moral content.

In the first part I will present earlier research on small-talk which suggests that small-talk is inevitable, may introduce errors, and has both positive and negative consequences.

In the second part I will argue that corruption is an organisational problem due to the risks the organisation runs of being accused of being corrupt. I will distinguish between the bribe and the appearance of a bribe, drawing on the philosophical tradition separating what seems from what is, appearance from being. I will argue that what organisations should manage is not only what is but also what seems. This seeming is the small-talk, and I will argue that small-talk is seeming and that small-talk constitutes a major risk for an organisation, given that corruption is an interesting theme to talk about.

The third part will deal with how this issue is recognised as a management issue in the organisation where I am doing fieldwork, and what is done to manage small-talk, and the difficulties involved in managing small-talk. Some final remarks, will be found in the fourth part.

The aim of the paper is thus first to give an account of one of the strategies for managerially dealing with corruption – the management of small-talk. The organisation thus has to manage small-talking individuals, since too much small-talk leads to great risks for the organisation. Empirical material from a public orderer of construction work will be used to support the argument – it is necessary for an organisation to manage small-talk. Secondly the aim is to make a contribution to the field of small-talk and rumors in organisation, a field that has been claimed to be scarcely researched (Michelson & Mouly, 2002, 2000, Noon & Delbridge, 1993).

Small talk

In the dialogue Theaetetus, Socrates says the following to the young mathematician who has given name to the dialogue:

> *When jurymen have been persuaded, in accordance with justice, about things*
> *which it's possible to know only if one has seen them and not otherwise, then,*
> *in deciding those matters by hearsay, and getting hold of a true judgment,*

they have decided without knowledge; though what they have been persuaded of is correct given that they have reached a good verdict. Is that right?
(Plato, 201b7-c4, McDowell's translation)

It seems that for Plato it is not sufficient to have a true judgment about something in order to have knowledge about it. It seems that there is a certain need to have direct access to the event in order to have knowledge. Hearsay is just not enough. Although in the above quote it is assumed that the jurymen have a true judgment, hearsay is in much research held to introduce errors; errors that arise when the message is communicated from person to person.

So it is not surprising that, according to Shibutani (1966), the most central attribute of a rumor is error. Another trait is that it is transmitted by word of mouth. Today, almost 40 years after Shibutani published his book, it is reasonable to hold that even other media of communication are allowed for rumors. Rumors could spread over the Internet, for example. Rumors are also commonly held to become false through distortions introduced in the course of serial transmission. It is supposed that the first person is eyewitness and that the rumor spreads from the starting point.

The center of attention in much research on rumors has thus been the error which is introduced when transmitting a message. Allport and Postman (1947) identified some ways in which rumors transform in the dissemination process. The rumors first tend to become shorter, selection of a number of features is made in some way and the rumors become more coherent and consistent with the presuppositions and interests of the subjects.

One of the points that Shibutani wants to make is that the rumor should not be the center of analysis, but rather the *process* of spreading rumors. Talking, and spreading rumors is a social phenomenon.

It could be enlightening to consider the ways in which rumors and gossip have been discussed in earlier research, apart from the focus on errors. Many stress the functional aspect of spreading rumors. Rumors have been assigned the role of finding and creating meaning in otherwise uncertain and ambiguous events (Blake & Mouton, 1983; Hunsaker & Coombs, 1988; Mirvis, 1985, Berger & Bradac, 1982). However, Gustafsson (1994) and Karrbom (2001) argue against such a functional view of small-talk, suggesting that we talk just for the sake of talking and *not in order to* anything at all. Robin Dunbar (1998) suggests that we, in fact, talk since we cannot avoid it. Gustafsson (1994), introducing that man is a Homo Garrulus, also argues that is unavoidable that we small-talk, chatter, spread rumors, gossip and moralise. And what about workplace gossip? Holland describes the issue in a metaphorical way:

> *The way that gossip spreads throughout the workplace is another interesting example of this chain reaction mechanism. Gossip, though, has something more profoundly in common with the spread of disease. You hear a juicy piece of information and pass it on to a couple of trusted confidants, they may repeat it as well. After a few person-to-person transmissions, the message is rarely the same as the beginning. You hear something about Craig and Maureen and tell someone else. When you hear a spicy story a month later*

about Greg and Noreen, will you recognize it as a garbled version of the
original, or as a hot news item to be e-mailed to your friends right away?
(Holland, 2002, p. 3-4)

Although we might not be talking in order to anything at all, small-talk still has consequences, which could be seen in the Holland quote. On the one hand, rumours at the workplace have been held to seriously undermine morale (DiFonzo et al. 1994, Baker & Jones 1996, DiFonzo & Bordia 2000). On the other hand, rumour and gossip have also been held to have positive effects. For example, managers who intend to implement some new policy could gauge employees' reactions against them (Mishra 1990). This advantage put forth by Mishra (1990) is slight compared to other scholars investigating small-talk. For example, Karrbom goes as far as arguing that small-talk is in fact necessary for the transmission of knowledge in order to implement projects successfully (Karrbom 2001). Small-talk, gossip and rumouring might have good or bad consequences, but most importantly small-talk is necessary in the sense that we cannot avoid it. But what do we talk about?

Small-talk is often related to moral values. Gustafsson (1988) see this moral small-talk – the moralising – as a fundamental category in the shaping of moral values. Moral small-talk creates and recreates moral values. This kind of small-talk is also, according to Gustafsson (1988), due to the fact that human beings are very prone to moralize and judge other people's actions as right or wrong (probably with an emphasis on wrong actions). Small-talk has to be interesting for the individuals and therefore it is less usual to talk about what you had for breakfast, than if somebody has embezzled money or cheated on his wife. One issue that plausibly is interesting, given the interest we put in moral issues, is the forbidden gift – the bribe. This issue, that forbidden gifts are fun to talk about, could become a problematic issue for any organisation.

Moral small-talk and the risk of rumors

In the preceding part I suggested that small-talk is inevitable – it could almost be said to be essential to the human being. In this part I will present a view on how this small-talk could be damaging to an organisation with regards to corruption.

In the organisation where I am doing fieldwork, the people who are expected to be influenced or bribed are, amongst others, the project managers. Since they are by definition expected to be influenced, it is rather natural that they sometimes exchange words about issues of corruption. When asking them about whether they discuss issues of corruption, the limits of acceptability, what is allowed by the organisation and what is allowed by each person individually, a project manager answered:

> No, we don't.
> But occasionally we laugh about it.

As touched upon in the preceding part, some issues are more interesting than others to talk about. According to Gustafsson (1988, 1994) a great part of talking is moralising; judging others and questioning others' moral standpoints. It is plausible that the issue of received gifts

and invitations is something that people like to rumor about. And I hold that this is an important aspect of the management of corruption, when seeing corruption as an organisational problem.

This small-talk about gifts and invitations, about going to football games and or parties is, in the perspective of seeing corruption as an organisational problem, a major concern for organisations. The small-talk per se is not inherently damaging nor dangerous. That which, on the other hand, is a risk for the organisation is that someone who has interest in accusing somebody in the organisation of taking bribes hears the rumors. The more people talk about these issues, the more risk there is for somebody to hear about the rumors. And according to an employee who is involved in the ethical formation of managers in the organisation there is a lot of rumoring as well in the industry as in the organisation.

> I would like to
> I usually say like this,
> that unfortunately there are very much creation of myths
> both in the industry and in the organisation, which means that you
> pass on stuff that you've heard
> somewhere else.
>
> That is,
> you haven't heard it in person, but you've heard in the coffee room
> that that person and that person and so on.

You could claim that this focusing on rumors is irrelevant and misleading, since what is important is that nobody takes bribes (see Noonan 1984, Lennerfors 2004). You could argue that what counts is that nobody de facto is a "bribee" even if people talk about him or her as being a bribee. I suggest that the focus on a so-called reality is even more misleading than the focusing on rumors. It is important, from an *ethical* point of view that individuals in the organisation restrain from taking bribes. However, on a *managerial* point of view, it might be even more damaging to having someone being *accused of taking* bribes than somebody *taking* bribes within the organisation. But you could argue again that if nobody takes bribes, there would be nothing to talk about, nothing to rumor about. I believe that this is not accurate since many times, it is more correct to talk about the creation of myths and rumors than to view it as a direct relation between what *is* (real corruption) and what *seems to be* (talk about corruption). In many cases what people *think has happened* is more important than *what has happened*. Even in ancient Greece, some followers of Socrates (e.g. Crito) suggested that you had to please the many. Socrates, however, argued that we should not care about the opinions of the many. See the following quote from Plato's *Crito*:

> SOCRATES: *But why, my dear Crito, should we care about the opinion of the many? Good men, and they are the only persons who are worth considering, will think of these things truly as they occurred.*

> CRITO: *But you see, Socrates, that the opinion of the many must be regarded, for what is now happening shows that they can do the greatest evil to any one who has lost their good opinion.*
>
> SOCRATES: *I only wish it were so, Crito; and that the many could do the greatest evil; for then they would also be able to do the greatest good-- and what a fine thing this would be! But in reality they can do neither; for they cannot make a man either wise or foolish; and whatever they do is the result of chance.*

Plato is once again recurring to the eternal distinction between what seems and what is. Socrates is in the above quote the advocate of the truth in action, while Crito sees the damage the opinion of the many could lead to: that Socrates had to drink the hemlock. I believe that Crito's view is the more accurate and less ideal. Even though Socrates in the opinion of neither himself nor his followers did neither corrupt the young nor invent new deities, he was sentenced to death on these grounds (see his Apology). What seems is often more important than what is. And this production of the representation of reality, the small-talk, is not necessarily bound to what *is* and what *really* has happened. Sometimes, what is gets confused, exaggerated and more interesting on the way from mouths to ears, to more mouths and more ears. The following quote by the teacher will throw light on what I mean:

> You make rumors even more piquant by smarting it up,
> so that it becomes even more...yeah.

These rumors are dangerous for the organisation since anyone hearing about them could suspect that there are bribees in the organisation. And this suspicion, combined with discontent or earlier bad treatment might lead to an accusation. The accusation of being bribed is a major threat to the image of any organisation. This issue thus is recognised by people in the organisation and is reasonably seen as an organisational problem. The managerial question thus becomes how to cope with the issue. How is this coped with managerially? What can be done to decrease the intensity of the issue? What is done in order to cope with the issue? That, will be the focus in the subsequent part.

The management of small-talk

> *once a rumor is under way, it cannot be controlled by any one of the participants, any more than a lynching mob can be stopped when a few members change their minds.* – Shibutani, 1966, p.15.

First, the control of rumors is a management issue. I have argued above that the most critical aspect of corruption is the appearance of corruption and not the being of corruption. When people start to talk about an issue it is a greater risk that somebody, who should not hear about it, hears about the rumor. When discussing the issue with a person in a staff position he argued:

I usually say this:
"remember that man has two ears but only one mouth.
That is,
you don't have to pass on everything you hear. But you're supposed
to put the lid on and preferably control if the rumor is true.
If it's true,
then maybe you should act, but
don't continue spreading the rumor. Make it half!
Receive half of what you pass on! But unfortunately it is the case
that we humans do almost the contrary... And I've tried to put the
lid on but it is almost impossible. "

It is not acceptable to keep spreading rumors. Somebody might hear a rumor, something that might have inappropriate consequences. Interesting to note is that the person is expressing what he says to the employees in the organisation. The main point is to keep employees quiet about this small-talk on corruption. The main point is to remember that man has two ears but only one mouth. Any, or almost, any other issue except corruption is acceptable to chatter about.

Second, it is important not to exaggerate issues on the borderline. If somebody is offered a bribe (or a gift of slightly excessive value) it is in many cases better, according to both this person and rather many project managers, to not exaggerate the issue and to not take measures. For example, if you are offered a bottle of whiskey for Christmas, you could, while rejecting the bottle either just tell the supplier that you don't want it and let go of the issue. Or you could bring it up with your boss which could lead to him or her taking more measures to cope with the issue. The supplier might be accused of bribing. However, this could lead to dysfunctions in the organisation. It is not straightforward to cancel a contract in the middle of a project, and find a new supplier to take on where the other left. This is an important aspect when looking at business ethics from an organisational perspective. The most important aspect seems to be to get the work done.

It might also be so that you hear a rumor about some person being a bit too interested in being invited in your organisation. Do you then, take up the issue with the manager? Or, when somebody asks you to do them a favor. Do you take it up with your boss? These are not straightforward issues, where white and black is clearly demarcated. These are complex issues. What is than suggested to do by the teacher in the course?

When we have discussed this I've said that I don't want us all to be
informers, so...that is, take drivel and enlarge it. And that's, first of
all, why we should not exaggerate and add and make it all bigger in
order to make it more interesting.
But rather to control, is it really true
that it happened in this or that way?
Second, you should talk with the person concerned directly. And
then we have this situation, he who wanted a GPS, then you should
talk with him and tell him and say:

"eh you goddamn...we can get caught both for doing this.
You shouldn't express yourself in that way.
I understand really well that you didn't mean it like that and so on.
We have to see to that it is handled in an appropriate and nice way.
And then you shouldn't talk with anybody else about it.
That is, "well, now this bloody ordering guy did this to me,
that so typical.
cough cough
And so on, and so on. But I had to say no, of course. And now I will
get a living hell since he is not going to give me any extra bills.

From the above quote it is reasonable to argue that the teacher is expressing the advantages of not spreading rumors. Moreover, he makes clear the importance of not even talking about these issues. He seems to be aware of the hallmarks of rumoring, as suggested by Allport, Shibutani, and more. Rumors get changed, errors are introduced, some aspects are accentuated, others are cut away by rationalising, and so on. Rumors are indeed a disturbing matter, since there is a risk that they ruin the proper functioning of the organisation. The organisation has to do what it is meant to do. As in my empirical research, the meaning of the organisation is the projects, what is supposed to be done in the organisation is the successful implementation of projects. Rumoring and dangerous small-talk might lead to accusations, accusations might lead to the project having to stop, which might lead to severe time delays and increased costs. What if somebody offers a project manager something that is way above the limits of what is considered as legitimate? It might be that the contractor does not know about the limits for legitimacy in the ordering organisation. A project manager commented on the issue:

Of course you...
it's a difficult situation.
You don't want to damage, if you have a relation that works very
well and they do all this with good intentions,
then it is actually no problem.
You just say no thanks. They'll have to respect it.
 And then you should make a great deal about it. They have just not
gotten to know me well...
No.

The project manager states that he wouldn't want to harm a relation that works well. He is talking about a project he was working on at the moment which was supposed to continue for another five years. To harm a relation at such a moment in time would not be beneficial at all. The teacher said above that not paying a bribe might lead to that no extra-bills are given to the supplier. In the same way it is relatively plausible that a supplier that is offended by being turned down might search for more errors in the contract than what is usual. When having a good and healthy relationship, there usually is no need to even look in the contract. Everything just works.

> It about knowing about the rules of the game, I mean,
> the contract is used to sort things out when you disagree. Otherwise
> you don't need the contract.
> Otherwise it can be completely untouched,
> because if you agree about everything you never need to open the
> book.

Just by thinking about the management of small-talk, anyone can see the difficulty. Few managers want to control everything people say in every setting. Installing microphones in the coffee-room, or why not a microphone attached to every employee, could be seen as perhaps the most fundamental violation of privacy. What managers do and might do is to give recommendations, saying that some issues should not be talked about, amongst these things corruption of the reception of illegitimate gifts. We have seen in the paper that such recommendations are given at the organisation where I'm doing fieldwork. The difficulty or the impossibility of managing small-talk raises another issue: whether it is necessary to manage small-talk or not? The project managers in the organisation are pragmatic, the work has to be done and thing just have to work out. Talking about how others have behaved and what others have done (e.g. "he or she invited me to a sumptuous dinner yesterday.") might disturb an otherwise well-functioning project. And that is certainly not what project managers strive for. Thus, the management of small-talk might be impossible, but at the same time unnecessary.

Another point is what has been said above, namely that if there are no bribes there will be no talk about bribes. So, in order to manage corruption in a decent way, the most necessary measure is to look to that no bribes are taken in the organisation. However, most organisations do in fact allow favors to a certain extent, and these favors could be exaggerated and expanded, as was suggested by the Holland quote above. Although no bribe, according to the standards of the organisation, has been taken, the word spreads that that-and-that happened. As we have seen in a quote above, it could equally start off as a joke, like: "oh, you went to the X consulting firm yesterday. I guess you had a lot of alcohol as usual, right? Ha ha."

Remarks

So what we have here is a difficultly resolvable management issue that concerns corruption. As I have argued above, the most stressing problem for an organisation is when there is a risk for being accused of corruption. This is different from an ethical stance where most would say that corruption is wrong, and thus not tolerable at all. From an organisational standpoint, corruption might be accepted to some extent. Petty corruption and small-bribes are considered to be acceptable.

My aim in this paper was to discuss one issue that comes up when discussing the management of corruption. I have argued that small-talk constitutes a great risk for organisations, and I have presented and discussed how people in the organisation where I'm conducting fieldwork talk about the issue. Small-talk seems inevitable and also impossible to manage.

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Pink Machine is the name of a research project currently carried out at the Department of Industrial Economics and Management at the Royal Institute of Technology, Stockholm. It aims to study the often forgotten non-serious driving forces of technical and economical development. We live indeed in the reality of the artificial, one in which technology has created, constructed and reshaped almost everything that surrounds us. If we look around us in the modern world, we see that it consists of things, of artefacts. Even the immaterial is formed and created by technology - driven by the imperative of the economic rationale.
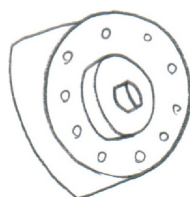
As Lev Vygotsky and Susanne Langer have pointed out, all things around us, all these technological wonders, have their first origin in someone's fantasies, dreams, hallucinations and visions. These things, which through their demand govern local and global economical processes, have little to do with what we usually regard as "basic human needs". It is rather so, it could be argued, that the economy at large is governed by human's unbounded thirst for jewellery, toys and entertainment. For some reason - the inherent urge of science for being taken seriously, maybe - these aspects have been recognised only in a very limited way within technological and economical research.

The seriousness of science is grey, Goethe said, whereas the colour of life glows green. We want to bring forward yet another colour, that of frivolity, and it is pink.

The Pink Machine Papers is our attempt to widen the perspective a bit, to give science a streak of pink. We would like to create a forum for half-finished scientific reports, of philosophical guesses and drafts. We want thus to conduct a dialogue which is based on current research and which gives us the opportunity to present our scientific ideas before we develop them into concluding and rigid - grey - reports and theses.

Finally: the name "Pink Machine" comes from an interview carried out in connection with heavy industrial constructions, where the buyer of a diesel power plant worth several hundred million dollars confessed that he would have preferred his machines to be pink.

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