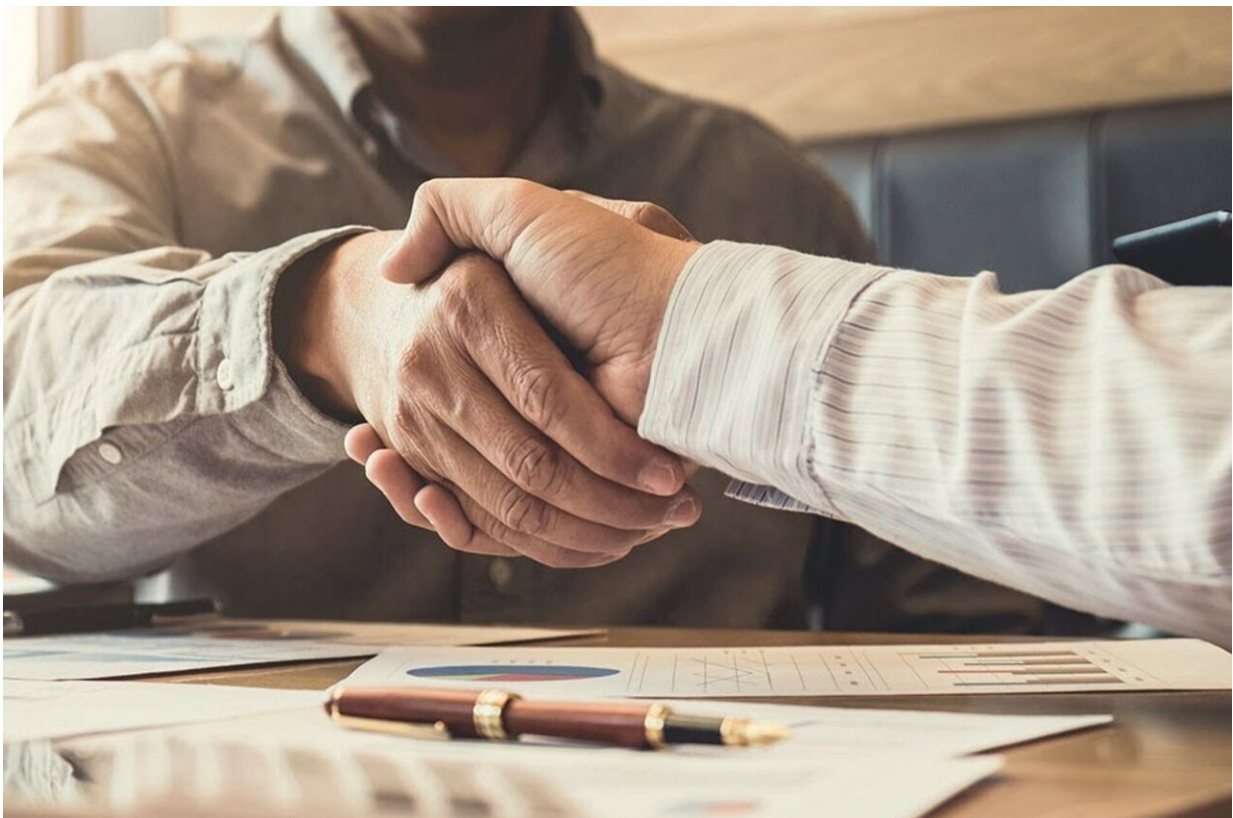


# Maintaining company confidentiality simultaneously hurts and helps workers' well-being

August 28 2024, by Sara Harrison

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A hush has fallen over the workplace. At tech startups and banks, in doctors' offices and law firms, workers are increasingly being asked to

keep secrets. These aren't personal confidences but organizational secrets about clients, proprietary technologies, or business strategies.

Sometimes employees are required to keep this information from the public. Other times, they're asked to keep it from people within their organization and even members of their own team.

Nir Halevy, a professor of organizational behavior at Stanford Graduate School of Business, notes that while organizational secret-keeping has become more common, we know very little about how it affects the secret-keepers. In [a new paper](#) published in *Organizational Behavior and Human Decision Processes*, he sets out to find an answer.

Along with Michael Slepian of Columbia University and Eric Anicich of the University of Southern California, Halevy proposes that organizational secret-keeping can increase [stress](#) and isolation while boosting a sense of meaning and importance on the job.

"It's fascinating that the same phenomenon can have opposite effects," he says. "Keeping organizational secrets simultaneously hurts and helps [employee](#) well-being—in different ways."

This study is the first large-scale look at how workers are affected by organizational secrets in real-world settings. The results could help employers find ways to help employees reduce the stress of holding on to [confidential information](#).

Organizational secret-keeping is different from holding on to a personal or family secret. It isn't a choice—it's a requirement imposed by a superior. What's more, spilling the beans could come with significant professional, financial, and even legal repercussions. An employee could lose their coworkers' trust, lose their job, or be sued by their employer.

In many instances, employees may need to keep information from their coworkers, which may disrupt corporate social initiatives like affinity groups or mentoring programs. After all, sharing information is a common way for people to bond with one another.

With this in mind, the researchers hypothesized that the pressure of keeping a professional secret could increase employees' stress and feelings of isolation. To test this theory, they asked nearly 600 workers in the United States and the United Kingdom whether they have ever had to keep a secret, such as clients' identities or details about upcoming layoffs.

The survey confirmed that organizational secrecy creates stress and isolation and that past secrets can continue to worry employees.

Those harms notwithstanding, having to keep organizational secrets also comes with benefits. The researchers found that secrets were linked to feelings of privilege and status, which helps explain why secrets may make work feel more meaningful.

"Although information is often seen as a source of power," Halevy says, "we found that privileged access to organizational secrets boosts status rather than power.

"You feel valued and the work feels more meaningful when you get access to organizational secrets. At the same time, you are constrained in terms of what you can do with the information, which explains why you may not necessarily feel more powerful."

## **Inside the circle of trust**

In another study, the researchers wanted to see if workers would think a job that requires secrecy would be more stressful. More than 770

participants looked at hypothetical ads for jobs in different areas. One version of the ad mentioned the job involved highly confidential information required by law to be kept secret and said that employees would be required to sign non-disclosure agreements.

People who read this version were more likely to think the job would involve increased social isolation, status, and meaning—but not more stress. This was another indication that access to organizational secrets makes people feel their work is important.

To test this in the real world, respondents were asked to recall a time they had to keep a secret at work. Once again, the researchers found that secret-keeping was directly correlated with increased stress. However, they also found that compared to an organizational secret that only has to be kept from outsiders, an organizational secret that also has to be kept from some insiders was associated with more [social isolation](#).

They also found that keeping a company secret (as opposed to a secret for a friend, coworker, or family member) was linked to increased feelings of social status and perceived meaningfulness at work.

Finally, the researchers examined more than 8,000 responses to a survey of federal employees. Here they found that while keeping organizational secrets increases feelings of both stress and meaningfulness, there was no overall association between satisfaction and the requirement to keep secrets.

Overall, the studies suggest that organizational secret-keeping teeters between causing a sense of stressful loneliness and fostering a sense of pride and purpose. When properly balanced, those conflicting influences cancel each other out. But if they tip too precipitously toward stress and isolation, employees' well-being will be seriously affected.

Halevy is hopeful that this research will give managers a sense of how to tip the scales in a healthier way. "We would love for leaders to grapple with the isolation and stress that secrecy causes," he says.

He suggests that employers reframe secrecy. Instead of emphasizing the consequences of betraying secrets, they could focus on the meaningfulness and benefits of maintaining secrecy. And, because sharing information can help people bond, Halevy suggests companies create opportunities and time for connection between teams and coworkers who share professional secrets.

"Solutions are available," he says. "It's important that support comes from within the organization to minimize the harms of organizational secrecy."

**More information:** Michael L. Slepian et al, *Secrets at work, Organizational Behavior and Human Decision Processes* (2024). [DOI: 10.1016/j.obhdp.2024.104335](https://doi.org/10.1016/j.obhdp.2024.104335)

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