Monitor on Psychology
Volume 37, No. 4 April 2006

Have you heard the latest?

Gossip is more than just idle chatter, according to recent research. It helps us navigate our complex social world.

By Lea Winerman
***Monitor* Staff**
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Psychologist Sarah Wert, PhD, discovered a new research program during a sermon. Wert, a research associate at Yale University, was listening to a rabbi give a talk about the moral dangers of gossip when she realized that she'd never really considered gossip's moral implications before.

"As a social psychologist, I've always been interested in morality and moral decisions," Wert says. "And gossip is something that people make a moral decision about all the time: many times a day, every day."

Now, Wert investigates what those everyday moral decisions add up to. She studies how factors such as people's moods and social standing influence the way they gossip, and the way that gossip can draw people together or pull them apart. She's one of many psychologists—mainly social psychologists—who have in the past decade or so begun to take a closer look at this most ubiquitous of human pastimes.

They're finding that, contrary to popular opinion, gossip isn't always bad. Although it can be used to harm others (see "Whispers as weapons"), gossip is also the glue that binds social groups together (see "Bonding over others' business") and a valuable tool that helps people learn the rules of their social worlds (see "Learned it through the grapevine"). In fact, some psychologists suspect that, despite gossip's reputation for triviality, our need to chatter about one another in fact may be the evolutionary spur that pushed humanity to develop language (see "Bonding over others' business").

As many definitions as researchers

In order to study gossip, of course, psychologists first need to define it—for themselves and for the participants in their studies.

"You have to get over the quotidian definition of gossip, which is almost all negative," says Eric Foster, PhD, a psychologist and researcher at Temple University's Institute for Survey Research who recently completed a dissertation on gossip and social networks. "Usually when gossip comes up, people's knee-jerk reaction is to say 'I never gossip,' although of course everyone does."

In a review of gossip research methods published in a special gossip issue of the *Review of General Psychology* (Vol. 8, No. 2, pages 78–99), Foster writes that the most common definition of gossip is any conversation between two or more people about another person who is not there.

Wert agrees that this is as standard a definition of gossip as one can find in social psychology; but, she cautions, researchers use many variations.

For example, some narrow it further. University of Surrey psychology professor Nicholas Emler, PhD, suggests that gossip must include information about someone whom both gossipers know personally—so talk about celebrities is a sort of pseudogossip.

And Wert's research suggests that gossip must include an opinion or evaluative dimension. So simply posing a question such as, "Did you hear that Jack and Jill are dating?" is only gossip if the tone or something else in the conversation suggests the speaker's opinion of Jack and Jill's romance, she says.

Other psychologists, meanwhile, take a much broader view. For example, gossip researcher Robin Dunbar, PhD, of the University of Liverpool, says that he considers any kind of talk about social or personal topics—really, any social chatter—to be gossip.

One thing that researchers agree on is that it's important to differentiate gossip from rumor. The two get mixed up in common parlance, according to Foster, but they are different phenomena. Gossip is talk about other people, usually assumed to be based on facts. Rumor, meanwhile, can be about either events or people, and is much more speculative.

Loose lips in the lab

Gossip, whatever its definition, is everywhere.

"It's like breathing: It's so much a part of our day that we don't even realize we're doing it," Foster says. In fact, in a study published in 1997 in the journal *Human Nature* (Vol. 8, No. 3, pages 231–246), Dunbar found that as much as 65 percent of people's conversations could be defined as gossip.

But for something that occurs so frequently, gossip can be surprisingly tricky to study. That's because it's an inherently private activity that's difficult to reproduce in a lab, says Emler: "Gossip is being indiscreet about things you know about others, so you're generally careful about what you say in a public setting."

Psychologists have come up with many research methods to get around these difficulties. Dunbar, for example, found his 65 percent statistic simply by eavesdropping on and carefully coding dozens of conversations in public places, such as trains, bars and a university cafeteria. Other psychologists, like Emler, have instead asked people to keep detailed diaries of their conversational topics, and still others have developed surveys and questionnaires that ask people to recall how often and in what ways they gossip.

Each of these methods has plusses and minuses. Eavesdropping, for example, is unobtrusive and has good ecological validity, but it's impossible to gather context and background information about the speakers—and what people say in public may differ from what they say in their homes or other private spaces. Questionnaires are limited by what people remember; diaries are limited by the fact that it's difficult for people to record their conversations in detail for any length of time.

A few researchers, meanwhile, have tried to bring gossip into the lab rather than search it out elsewhere. Wert, for example, brings pairs of friends into her lab and asks them to gossip with each other—or, more specifically, to talk about someone they know. She videotapes and codes their discussions.

In general, researchers say, all of these methods are part of a new surge of interest in gossip. Until recently, many psychologists dismissed gossip as "froth on the cup of coffee," says Dunbar, rather than a topic for serious study. They believed that language evolved to communicate facts and information, and gossip was an unimportant side effect. In fact, Foster points out in his review article, a PsycINFO search of psychology journals from 1970 until 2000 turns up only about 100 articles with the keyword "gossip," an incredibly small number given how much of our time gossip takes up, he says.

But, he adds, in the past few years psychologists have begun to realize that gossip is more than just idle chatter: It is the key to navigating our social worlds.

"I really think interest in this is burgeoning," Foster says.

Monitor on Psychology
Volume 37, No. 7 July/August 2006

Still wearing the 'kick me' sign

By Laurie Meyers *Monitor* Staff

The bully has left the playground and moved to the cubicle next door.

Bullying is a common, and in many cases accepted, part of work. Many of the behaviors resemble school-yard battles of old, but the stakes—health, well-being and employment status—are much higher.

There is no playground monitor to intervene.

However, employees, companies, researchers and even legislative bodies are becoming aware that this part of the culture of work needs to change. There is increasing evidence that it's bad for your health (see "Worrying for a living"), that certain factors breed it (see "Bullying stems from fear, apathy") and that it can be deterred (see "Banishing bullying"). But in order to stop the behavior, researchers agree that they first need to define it.

By any other name

Incivility. Verbal abuse. Psychological aggression. Mobbing. They are all different names for a relatively wide range of behaviors.

Bullying research in still a nascent field. Much of the research started in Scandinavia, the United Kingdom and Canada, but there is also an increasing focus in the United States. In 2003, the National Institute for Occupational Health and Safety (NIOSH) used data from surveys administered by the National Opinion Research Center to determine the extent of bullying in U.S. workplaces. According to Paula Grubb, PhD, the lead investigator, 24 percent of surveyed companies reported some degree of bullying in the last year. Currently, NIOSH is evaluating additional survey data from 2004.

Because the research is relatively new, there has been some disagreement on what qualifies as bullying, and what to call it.

Incivility is "low intensity, deviant behavior with ambiguous intent to harm the target and which violates the norms of respect," as defined by Lynne M. Andersson, PhD, and Christine Pearson, PhD, in the *Academy of Management Review* (Vol. 24, No. 3, pages 452–471). However, some researchers, such as social psychologist Gary Namie, PhD, director of the Workplace Bullying and Trauma Institute in Bellingham, Wash., believe that bullying includes intent to harm, whereas incivility consists of merely discourteous behavior. Namie defines bullying as "repeated, health-harming mistreatment of an employee by one or more persons, manifested in one or more ways: verbal abuse, threatening and intimidating conduct (verbal or nonverbal, nonphysical) that interferes with work and undermines legitimate business interests."

Charlotte Rayner, PhD, MBA, a human resource management professor at the University of Portsmouth in the United Kingdom, adds that bullyingis as much about what people don't do, such as excluding targets from meetings, withholding information or leaving them off an important e-mail, as what they do, such as yelling, name-calling, making threatening statements, micromanaging or undermining somebody's reputation. She also believes intent isn't necessary. Sometimes bullies don't realize they are bullies, but the behavior is still harmful, she explains. A study of 5,000 people in the United Kingdom, sponsored by the British Occupational Health Research Foundation in 2000, showed that even if the victims don't recognize

that they are being bullied, their mental health is still affected, says Helge Hoel, one of the study authors and a business and organizational psychology professor at the University of Manchester. A defining feature of bullying, Hoel asserts, is negative behavior that people feel unable to defend against or control.

In a 1998 study in the *Journal of Emotional Abuse* (Vol. 1, No. 1, pages 85–115), Loraleigh Keashly, PhD, a Canadian psychologist who now teaches at Wayne State University in Detroit, identified seven key components of bullying, or as she defined it, emotional abuse. They include behaviors that are:

•Verbal and nonverbal (excluding physical contact).

•Repetitive or patterned.

•Unwelcome and unsolicited by the target.

•Violations of a standard of appropriate conduct toward others.

•Harmful or cause psychological or physical injury to the target.

•Intended to harm or controllable by the actor.

•Exploiting of the actor's position of power over the target.

A real concern

Researchers do agree that because bullying is so common, many people don't realize its harmful effects. Yelling and verbal abuse may be written off as tough—if unpleasant—management. Micromanaging may appear to others as an employee failing to meet expectations. And ostracism may seem like personality conflict.

Targets of bullying may even start to believe they are somehow at fault, says Namie. Bystanders often dismiss the behavior or don't want—or dare—to get involved. In workplaces that allow bullying behavior to go on, management is unlikely to intervene. In many cases, employees are told to work it out for themselves, adds Namie.

Targets often may be encouraged to think that the bullying is all "in your head," but the stakes are very real. University of Bergen psychologist Ståle Einarsen, PhD, is a leading bullying researcher who has intervened with severely bullied employees so disabled they are unable to work. While repairing these victims' mental health is difficult, but possible, he says, it's even more difficult getting them to go back to work—even at a different job. In his work as a victims' advocate, Namie has even come across cases in which the victim commits suicide.

Even when the effects are not that extreme, researchers agree that bullying is harmful to the health and well-being of victims, organizations and society, likening it to sexual or racial harassment. Unlike these forms of harassment, however, general bullying is not prohibited by law in many places.

Legal loopholes

The province of Quebec in Canada and some countries such as France, Sweden and Norway have antipsychological harassment laws, but there are none in the United States. Even members of classes protected by Title VII of the Civil Rights Act or by the Americans with Disabilities Act do not usually have legal recourse against general bullying. Unless the bullying is directly tied to a person's protected status, such as gender or race, it's not considered discrimination, says David Yamada, JD, a law professor at

Suffolk University in Boston and an expert in employment and labor law. Tying bullying to sexual or racial discrimination can be very difficult, he adds.

Yamada has written antibullying legislation and is working with the Workplace Bullying and Trauma Institute to get the legislation passed in various U.S. states. Called the Healthy Workplace Bill, it seeks to give severely bullied employees who have suffered concrete psychological, physical or economic effects the right to sue the bully or the company. Since a company would only be liable if it failed to stop the bullying, this would give employers a legal incentive to respond to employee abuse, Yamada argues.

He believes the bill would give severely bullied employees a legal claim without opening the floodgates to frivolous lawsuits. Although the bill is being considered in nine states—New York, Kansas, Missouri, Massachusetts, Hawaii, Washington, Oregon, Oklahoma and California—Yamada thinks that it may be years before a law is passed in any U.S. jurisdiction.

“I think we’re where we were with sexual harassment law 30 years ago: The term was just beginning to be used, but people didn’t think in terms of legal protections until they understood how harmful it could be,” he says.

Charlotte Rayner believes the key is to see bullying as a kind of human rights issue. “It’s about dignity at work,” says Rayner. “We need to say that we’re going to treat everyone decently. Period.”

Snooping Bosses

Think your employer is checking your e-mail, Web searches and voice mail? You're probably right

By KRISTINA DELL, LISA TAKEUCHI CULLEN

When one of his employees phoned in sick last year, Scott McDonald, CEO of Monument Security in Sacramento, Calif., decided to investigate. He had already informed his staff of 400 security guards and patrol drivers that he was installing Xora, a software program that tracks workers' whereabouts through GPS technology on their company cell phones. A Web-based "geo-fence" around work territories would alert the boss if workers strayed or even drove too fast. It also enabled him to route workers more efficiently. So when McDonald logged on, the program told him exactly where his worker was--and it wasn't in bed with the sniffles. "How come you're eastbound on 80 heading to Reno right now if you're sick?" asked the boss. There was a long silence--the sound of a job ending--followed by, "You got me."

For every employer who lets his staff know they're on watch, there are plenty who snoop on the sly. A general manager at a computer outfit in the Northeast wondered about a worker's drop-off in productivity. Using software called SurfControl, the manager saw the man was spending an inordinate amount of time at an innocently named website. It turned out to feature hard-core porn. The worker was conducting market research for his escort service, a venture for which he soon had plenty of time after he got canned. "I don't give a rat's rear what they do at home," says the manager, who wishes to keep his and his company's name private. "But what they do at work is all my business."

Learn that truth, and learn it well: what you do at work is the boss's business. Xora and SurfControl are just some of the new technologies from a host of companies that have sprung up in the past two years peddling products and services--software, GPS, video and phone surveillance, even investigators--that let managers get to know you really well. The worst mole sits right on your desk. Your computer can be rigged to lock down work files, restrict Web searches and flag e-mailed jokes about the CEO's wife.

"Virtually nothing you do at work on a computer can't be monitored," says Jeremy Gruber, legal director of the National Workrights Institute, which advocates workplace privacy. Nine out of 10 employers observe your electronic behavior, according to the Center for Business Ethics at Bentley College. A study by the American Management Association and the ePolicy Institute found 76% of employers watch you surf the Web and 36% track content, keystrokes and time spent at the keyboard. If that isn't creepy enough, 38% hire staff to sift through your e-mail. And they act on that knowledge. A June survey by Forrester Research and Proofpoint found that 32% of employers fired workers over the previous 12 months for violating e-mail policies by sending content that posed legal, financial, regulatory or p.r. risks.

You might think the sheer volume of e-mail would mean you could get away with a crack about the boss's Viagra use. But sophisticated software helps employers, including

Merrill Lynch and Boeing, nab folks who traffic in trade secrets or sexist jokes. One called Palisade can recognize data in varying forms, like the content of NFL playbooks, and block them from your Out box. SurfControl, MessageGate and Workshare check work files and e-mail against a list of keywords, such as the CEO's name, a company's products or four-letter words. Wall Street and law firms sometimes block access at work to personal accounts like Google's Gmail.

You can't really blame companies for watching our Web habits, since 45% of us admit that surfing is our favorite time waster, according to a joint survey by Salary.com and AOL. A Northeast technology company found that several employees who frequently complained of overwork spent all day on MySpace.com Information-technology departments routinely receive automatic Web reports on what sites employees visit; they tend to review them only if there's a red flag.

Computers aren't the only office snitches. Slightly more than half of employers surveyed monitor how much time their employees spend on the phone, and even track calls--up from 9% in 2001. Companies are required to inform every nonemployee that they're listening in, which is why you hear, "This call is being monitored for quality assurance." But there's no such protection for staff members. Bosses monitor calls with programs like Nice Systems', which sends an alert if your voice reaches a certain decibel level or you blurt out profane language or a competitor's name.

You might want to stay on your best behavior even off the clock. Programs like Verified Person keep tabs on employees outside the office with ongoing background checks. Got busted for DUI last week? The boss will find out. And what you do on the Internet at home is no secret either. After Penelope Trunk won an award for writing about sex online, her blushing employer asked her to start using a pseudonym. At the travel sector of one corporation, a manager's spouse was surfing the Net and found a photo album with the company's name on a picture-sharing site. The photos documented a training session, after which co-workers progressed to inebriated nakedness. Because a worker posted the pictures without consent, he was fired. "If you'd be embarrassed that your mom saw it, don't post it," advises Kevin Kraham, a law partner at Ford & Harrison.

Bloggers, be careful. Workers at Google, Delta Airlines and Microsoft have claimed their blogs got them fired. But with more than 50 million blogs out there, employers like Microsoft train new hires on blog etiquette. Curt Hopkins of Ashland, Ore., says a public radio station cut short a job interview after the boss read his blog; he was later hired by the Oregon Shakespeare Festival to "build buzz online." Trunk, who now blogs about workplace issues on Brazen Careerist, says telling young workers not to blog is like telling a baby boomer not to use the phone. "When major corporations try too hard to block the electronic community," she says, "Generation Y just leaves."

The Facebook set may not like it, but courts are mostly giving the O.K. to corporate spying. "I haven't seen one case where an employee has won on a right-of-privacy claim," says Anthony Oncidi, head of the labor and employment department at law firm Proskauer Rose. Companies can ward off privacy claims if they have informed staff

members they're being monitored, even if only in a single sentence in a rarely read handbook. Even when there is no advance notice, workplace-privacy claims have proved hard to win. Only two states (Connecticut and Delaware) require bosses to tell workers they're being monitored, but even in those places, there aren't restrictions on spying.

Businesses argue that their snooping is justified. Not only are they trying to guard trade secrets and intellectual property, but they also must ensure that workers comply with government regulations, such as keeping medical records and credit-card numbers private. And companies are liable for allowing a hostile work environment--say, one filled with porn-filled computer screens--that may lead to lawsuits. "People write very loosely with their e-mails, but they can unintentionally reach thousands, like posters throughout a work site," says Charles Spearman of diversity-management consultants Tucker Spearman & Associates. "In an investigation, that e-mail can be one of the most persuasive pieces of evidence." In fact, a ruling in New Jersey last year found an employer had a duty to investigate an employee's viewing of child pornography and report it to the police.

The monitoring trend could get even more Orwellian. In Thompson v. Johnson County Community College in Oklahoma, the court held that employees had no expectation of privacy in a locker room because the room had pipes that required occasional maintenance. (The need to service the pipes was enough for the court to let the employer use video surveillance.) The wave of the future seems to be radio-frequency identification, a transmitter smaller than a dime that can be embedded in anything from ID cards to key fobs to hospital bracelets (to safeguard newborns, for instance). Now consider Compliance Control's HyGenius system, which detects restaurant employees' handwashing and soap usage with wireless communication from clothing tags. Skip the soap, and you are in hot water.

Think that's invasive? At Citywatcher, a Cincinnati, Ohio, company that provides video surveillance to police, some workers volunteered to have ID chips embedded in their forearms last June. No more worries about lost or stolen ID cards, the employer claimed. Sure. No more privacy either.

The science of savoir faire **By MARK GREER**

When Ronald Riggio, PhD, a psychology professor at Claremont McKenna College, gives a speech on charisma, he likes to test the audience by having them name charismatic figures.

The audience shouts back suggestions: Martin Luther King Jr., John F. Kennedy, James Bond. The responses seldom vary. Satisfied with the audience's responses, he asks of them another seemingly simple task: Define charisma.

"And that's where the problems develop," Riggio says. "If you ask for definitions, things get vague. Some people will say it's a kind of magic. Some say it's being extraverted. Others say it depends on the situation. With so much difference, how do you measure it?"

Welcome to the dilemma of a charisma researcher: Everyone knows what you study, but nobody can tell you what it is. They just know it when they see it. Call it charisma, charm or savoir faire, most of us intuitively understand--though find it harder to articulate--the power some people have to attract, motivate or lead others.

But continued research is helping psychologists work toward a rudimentary understanding of charisma and the traits and situations that make someone charismatic.

Building blocks of charisma

The 19th century sociologist Max Weber first termed charisma as a "gift of grace" that allowed people to captivate others.

Since then, psychologists have attempted to define it more concretely, but to date no generally agreed upon definition exists. That's partly due to the different inventories used to measure charisma. Some, such as the Multifactor Leadership Questionnaire (MLQ), obliquely measure charisma as a subscale of leadership potential. The 45-item MLQ measures, among other items, a leader's inspirational motivation and effectiveness, which hint at charisma.

Another measurement belongs to Riggio, who argues charisma has three components--expressivity, sensitivity and control. His Social Skills Inventory is a 90-item questionnaire that asks participants to rate on a five-point scale how much they agree with statements about their behavior, such as "I am able to liven up a dull party," or "I can easily adjust to being in just about any social situation."

Riggio initially believed the most important factor was emotional expressivity--the ability to convey feelings and inspire others to action--but 30 years of research has taught him there's more to charisma.

"In the late 1970s, I thought a charismatic person was a bubbly, effervescent, Robin Williams type that lit up a room," he says. "But charismatic people are also tactful in social situations. They have the ability to read other people's emotions."

He says this rounded view finds support in research associating charismatic people with six descriptors: emotionally expressive, enthusiastic, eloquent, visionary, self-confident and responsive to others. But possessing all six traits guarantees only charisma potential, Riggio explains: "It's not clear that having all these skills makes you charismatic."

Words may make the person

Even if psychologists have pinpointed some general charisma qualities, it's debatable whether those characteristics are innate, teachable or the product of a situation.

Some evidence supports situations. University of California, Davis, psychology professor Dean Keith Simonton, PhD, author of the book "Why Presidents Succeed" (Yale University Press, 1987), argues that America's successful presidents used language rich in meaning to create charismatic personas.

Words with basic emotions, sensations or visions, such as love, hate, greedy or evil, have a richness that connects with an audience, explains Simonton.

"People don't have rich associations with abstract words like inference, concept or logic," he says. "'I feel your pain' has association, but 'I can relate to your viewpoint' doesn't. The most charismatic presidents reached an emotional connection with people talking not to their brains but to their gut."

The finding indicates that technique plays as much a role as personality. "I do think that charismatic techniques can be taught to a certain extent," he says. "If you tell people what they need to do to feel more confident, some may improve." But no amount of training will help people with no charisma potential, Simonton adds. Or, as Riggio says, "Nothing can turn Al Gore into Bill Clinton."

Along the same lines, situations can bring out a person's hidden charisma, Simonton adds. He contrasted President Bush's frequent malapropisms when first taking office with the president's emotional firmness after 9/11.

Maybe they're born with it?

Then again, researchers investigating perception, judgment and synchrony find that a natural charisma may explain some of their findings.

University of Connecticut psychology professor David A. Kenny, PhD, contends that while charismatic behaviors may not be biological, the *processes* behind them might be.

He has researched "zero acquaintance," the situation in which people make fairly accurate predictions about the behavior and personality of others they haven't interacted with using photos or initial, seconds-long observation. Kenny has found that people are great at judging another's extraversion, which correlates with leadership and charisma.

Zero acquaintance, he says, may help explain a certain aspect of charisma. A follower's reaction to those charismatic qualities may be an automatic response, suggesting that some people draw in others simply by being physically attractive or confident.

Other similar work deals with "thin slices" of behavior--when people make evaluations about another person after interacting with them for a few brief moments. In a 1992 study in the *Journal of Personality and Social Psychology* (Vol. 64, No. 3), Nalini Ambady, PhD, of Tufts University, and Robert Rosenthal, PhD, of the University of California, Riverside, found that after the first 30 seconds of the first class, students' evaluations of a teacher were similar to students who rated the teacher after the entire semester.

The finding suggests our actions can speak louder than our words, Kenny says. "Evidently, personality is somehow reflected in our appearance, our nonverbal behavior and how we express ourselves," he says. "Physical appearance plays a role, sending signals to other people, which affects their way of behaving."

Frank Bernieri, PhD, an Oregon State University psychology professor, studies these physical signals and believes that synchrony is connected to charisma.

He has found in previous research that people subconsciously switch their postures to match that of someone they are talking to. He believes this ability to connect with others on a grand scale--as when people line dance or do the wave at a football game--holds a key to charisma.

"Mass synchrony creates a positive, enjoyable experience," he says. "When that kind of synchrony occurs with a single person, you think they are charismatic." Bernieri has found that high-rapport interactions have high synchrony and expressivity.

But that's not enough, he says: "It's all about timing, repetition and rhythmic cadence, raising amplitude at key points. This is a craft, and you have to play the crowd like improvisational jazz. The charismatic individual knows the gestures but also has the innate ability to play any given audience."

Some people, he argues, in the timing of their breaths, gestures and cadence of their speech, can enrapt listeners into synchrony, where they "breathe and sway in tune with the speaker."

The physical idea of charisma finds support in other research as well: Other research finds people who shift posture more often and use more smiles, gestures and eyebrow raises appear more charismatic. Still other work looks at the "chameleon effect," which shows that training people to mimic other people's mannerisms can be surprisingly simple--and it does encourage people to like the mimicker.

Bernieri mentions the unpublished master's thesis of his former graduate student, Neha Gada, who found synchrony can't be faked. In the study, interviewers met with 96 participants. Gada instructed 51 participants to mimic an interviewer's physical motions and gestures but gave 45 other participants no instruction.

Interviewers, blind to the participants' instructions, intuitively liked participants who naturally mimicked them without instruction to do so. However, they remained neutral to those who intentionally mimicked interviewers.

"This is akin to teaching someone to slam their fist on the table to make a point," Bernieri says. "It's not the same as when it happens naturally, and charismatic people do it naturally."

Indeed, much research on charisma relates to emotional intelligence research and hints that charismatic people have strong emotional and social intelligence. That is, they better empathize and connect with others.

As they pick away at charisma's mysteries, researchers point out that their work can only help the field. More people now acknowledge charisma as more than pop psychology, Riggio says.

"Research has broken down different parts of charismatic leadership, and now people acknowledge charisma's role in leadership," he says. "Meanwhile, I've received lots of interest from researchers."

After all, most people find charisma interesting because they know it when they see it. "If a teacher's performance in a semester-long course is predicted within the first 30 seconds, what in that short time possibly can affect judgment so much? It's certainly not their intelligence or organizational skills," Bernieri says. "Nobody has shown it explicitly, yet what else could it be but charisma?"

The Cult of Committee
By Barbara Kiviat

The money managers at Dodge & Cox have heard the adage that a camel is a horse designed by committee. They politely disagree. Their horse, you see, keeps winning. Each of the firm's four mutual funds has from nine to 18 portfolio managers, and every one gets equal say in which stocks and bonds to buy and sell. "The investment business is permeated with the lore of the individual. We think that's a bad way to manage money," says CEO John Gunn, one of many decision makers. "There are a zillion independent variables, and it's very hard for one person to think about them all."

Instead, Dodge & Cox believes the more vantage points there are the better. On the stocks side, 20 analysts track companies, waiting for chances to buy solid, long-term businesses on the cheap--a classic value-investor stance. When an analyst thinks a company is something Dodge & Cox would be well advised to hold for five years, the analyst makes the case to an investment-policy committee.

In this setting, a committee is a leaderless power-sharing team, but it's not exactly a democracy. Sitting in a conference room, the team discusses and asks questions--How are executives incentivized? What would boost margins?--and then, going around the table, each member voices an opinion. "It's not a strict vote. Just because five agree and four don't doesn't mean an idea will go through," says Roger Kuo, an analyst who covers media companies and sits on the policy committee for international stocks. Four strong objectors and five moderately enthusiastic supporters will probably nix an idea. As will the rare situation when disagreement turns into polarization. "The process," says Kuo, "is like taking the temperature of the room."

It might sound iffy--decisions made with no one in charge--but Dodge & Cox has the track record to show that peer review works. The firm's three mainstay funds--Stock, Income and Balanced--all beat more than 95% of similarly invested funds over the past 10 years, according to investment tracker Morningstar. The International Stock fund has sported a similar track record over its shorter lifetime and is one of the 10 hottest-selling retail funds in any category; over the past 18 months, assets have more than tripled, to $45 billion.

Dodge & Cox is used to being popular. After the late-'90s tech-stock bubble, investors disillusioned with momentum plays grew hip to the firm's strategy of buying out-of-favor companies and patiently waiting for them to rebound. Although Dodge & Cox doesn't advertise and shies from almost all publicity, word spread. In the wake of scandals involving some fund firms giving preferential treatment to big-time investors, money poured into Dodge & Cox, which consistently wins top grades on corporate governance from Morningstar and often appears in commentary pieces like "Our Favorite Sleep-at-Night Funds." (Disclosure: Through my 401(k), I'm invested in Dodge & Cox Stock.)

In fact, assets grew so quickly that the firm decided to close both its Stock and its Balanced portfolios to new investors--a decision that benefits current shareholders but not necessarily the firm since it collects a percentage of assets. "We are capitalists," says Gunn, "but long-term capitalists. And if you're a long-term capitalist, you need long-term satisfied customers." After months of informal conversation about skyrocketing inflows, the decision to close the two funds and potentially cut their income was made by more than a dozen people sitting around a conference table.

That ability to make complex strategic decisions collectively requires an almost Benedictine devotion to corporate togetherness, starting with physical space. The firm's 39th- and 40th-floor offices offer sweeping views of San Francisco Bay and the Golden Gate Bridge as well as of the interior hallways--the walls are glass. Two staircases connect the floors, and walking about is heavily encouraged. Branch offices and telecommuting are verboten.

Dodge & Cox also exhibits a level of commitment to employee development unheard of in layoff-crazy corporate America. When freshly minted M.B.A.s are hired to become analysts, the expectation is that they'll remain for their entire careers and eventually become shareholders in the firm. Seven out of nine people on the domestic-stocks team started as analysts straight from B school. Dodge & Cox rarely hires people who have worked elsewhere in finance: disagreements are fine (and considered a strength), but operating with a different investment philosophy isn't. "When we visit, it's almost eerie how on the same page everyone is," says Morningstar analyst Dan Culloton.

Part of preserving that culture is keeping the right ratio of experience to fresh talent. Dodge & Cox hires only one or two analysts a year. Starting in the 1980s, that became a problem as the firm began covering foreign companies. Dodge & Cox could have hired a big batch of analysts but decided not to, fearing it would wreck the apprenticeship model. "If you hire five people at the same time, they all start going to lunch together," says president Ken Olivier, a member of the U.S.-stocks committee. And as years passed, there might not have been enough promotions to go around. So instead, the firm added research associates--recent college graduates who work for a few years and then head off to business school--to provide backup to the analysts and amplify the number of companies each could cover.

Dodge & Cox has also found there to be an important structural element to team decision making. "Committees react best to a specific proposition," says Bryan Cameron, director of research and a member of the committees that pick domestic and foreign stocks. So when analysts make a presentation, they propose a particular course of action--increasing the percentage of Wal-Mart from 2% of the portfolio to 2.2%, say. The analyst advocates, and the committee meditates--somewhat like a jury.

Advocacy, though, doesn't mean an analyst gets all the credit when a stock rises or the blame when it falls. Analysts circulate research reports to the entire firm. Anyone can weigh in. And when the analyst thinks it's time to change the firm's exposure to a stock, the first stop is a sector committee, made up of people who know an industry well and can drill down to test the idea in depth. "The nature of this business is that you're going to be wrong a lot of the time," says Diana Strandberg, who sits on the committees that pick domestic and international stocks. "We're all in it together."

In the long run, that collaborativeness bolsters the firm's ability to do what it thinks is best for investors. Consider the 1990s, when tech-stock valuations soared off the charts. Many value investors came under enormous pressure from shareholders and corporate parents to load up on ridiculously inflated stocks. David Hoeft, who covers technology stocks at Dodge & Cox and sits on the domestic-equities committee, recalls a very different experience. "Our job inside the firm got easier," he says. "We trimmed as time went on. We just couldn't rationalize the expectations." No finger pointing. No pressure from the boss. And at the end of the day, no camel either.

It's What's on the Outside that Counts
By Barbara Kiviat

Our modern understanding of the imortance of workplace group dynamics dates to a series of experiments conducted in the 1920s and '30s at a telephone-equipment plant in Cicero, Ill. The Hawthorne studies, overseen by Harvard Business School professor Elton Mayo and named after the factory where they took place, set out to examine the relationship between working conditions--the amount of light in a room, say--and productivity. In one experiment, six women from the shop floor were put into a group and then observed while Mayo's researchers adjusted such variables as the number of rest breaks and their meals. Any change, it seemed, led to increased productivity, feeding the theory of the Hawthorne effect--that what really mattered was change itself and the experimenters' attention.

But Mayo later wrote about the six women and offered a more nuanced explanation: things changed when the women started thinking about one another and not about the boss looming overhead. "What actually happened," Mayo wrote, "was that six individuals became a team."

By illustrating the power of interpersonal relationships, the Hawthorne studies helped birth the field of industrial psychology and the obsession with teamwork that we feel every time we haul ourselves to a corporate retreat designed to help us better bond with co-workers. But the world of work has changed quite a bit during the past 80 years. The idea that the power of the group comes primarily from the group itself is as outdated as the rotary dial, according to Deborah Ancona, a professor at MIT's Sloan School of Management, and Henrik Bresman, an assistant professor of organizational behavior at INSEAD, who have written a book, X-Teams: How to Build Teams That Lead, Innovate and Succeed.

The authors harness decades of their research and conclude that external relationships are just as important as internal ones in predicting team success. A lot of the time that a team spends building trust and a collegial spirit, they find, would be better spent scouting for outside sources of new ideas, generating enthusiasm for what the team is doing among upper managers and communicating with everyone the group's work touches, from customers to tech support.

Ancona started in the 1970s studying groups of professionals, including nurses, communications-equipment salesmen and drug researchers. She notes that the conventional wisdom about what makes a team work, such as clearly delineated roles and team spirit, tends to correspond to team-member satisfaction, but those variables often don't line up with financial metrics like sales revenue. "The internal model is burned into our brains," she says, "but research and the actual experience of many managers demonstrate that a team can function very well internally and still not deliver desired results. In the real world, good teams, according to our own definition, often fail."

The nature of work has changed since Hawthorne, so teamwork alone isn't enough. Companies that thrive in the knowledge-driven global economy are spread out, with loose hierarchies, not rigid centralized structures. They depend on complex, constantly changing streams of information that can't be contained by any one source. And the tasks of groups within these firms link them to people within the company and without. The distributed-yet-interconnected character of contemporary work dictates reaching outward, but years of morale-building retreats and consultants persuade us to keep looking in.

So Ancona and Bresman have laid out a framework for doing it another way. In X-Teams--their name for groups that get it right--the authors dive into the nitty-gritty details of engineering a better team: how to reach outward, build a support structure, be more flexible and navigate a corporate culture that might be less than enthusiastic about border crossing. They use examples from teams at Microsoft, Motorola, Toyota and Southwest Airlines and describe in depth how a team at Merrill Lynch created a distressed-equities desk that spanned debt and equity--something that had never been done before--one of some hundred X-team projects Ancona has helped foster.

The authors don't entirely ignore the internal workings of teams. They acknowledge that what happens between team members is half the game but argue that it's the overemphasized, overanalyzed half. In their rendering, inner dynamics are best understood as they relate to the team's efforts to reach outward. That means shared timelines, transparent decision making and frequent meetings to integrate knowledge and efforts. And a bedrock for any successful team is a culture that supports frank discussion, even if it's about bad news or mistakes. How do you cultivate that sort of environment? Well, there might just be some use for corporate retreats after all.