

**TENDENCY TOWARDS LEARNED PESSIMISM IN THE SOUTH AFRICAN
INDUSTRIAL MULTINATIONAL SECTOR INDUSTRY**

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REMARKS

The reader should bear the following in mind:

- As far as reference and editorial style are concerned, the prescriptions of the *Publication Manual (5th edition)* of the American Psychological Association (APA) were followed. This practice is in line with the policy of the Programme in Industrial Psychology of the North-West University (Potchefstroom Campus) to use APA style in all scientific documents as from January 1999.
- A mini-dissertation is submitted in the form of one research article.
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SUMMARY

Topic: Tendency towards learned pessimism in the South African Industrial Multinational Sector Industry.

Key terms: Positive Psychology, learned optimism, learned pessimism, learned helplessness, apartheid, affirmative action, black empowerment, multinational industry.

South Africa's business environment is changing dramatically. Companies are continuously placed under pressure to reform. Government introduced clear guidelines in the form of transformation strategies to assist companies in moving towards a more democratic, non-racial and fully representative organisational structure. The two major strategies are coined Black Economic Empowerment and Affirmative Action. The aim of the strategies is to empower and uplift the previously disadvantaged communities of the Apartheid era. These communities include black people; who consist of Africans, Coloureds and Indians; women and disabled individuals. However, these strategies are perceived with mixed emotions.

A sense of negativity is evident within the attitudes of all race groups. This may give rise to a new problem in the workplace: pessimism. Pessimism is associated with undesirable characteristics such as external, unstable and specific explanations for bad things and has emotional links to depression. Pessimists view problems as long lasting and inescapable, and tend to blame all misfortunes on their own ineptness and incompetence. On the other hand, optimism is associated with characteristics such as positive mood and good morale, happiness, perseverance and effective problem solving, achievement and health and even a long life and freedom from trauma. It is characterised by internal, stable and global explanations for bad things.

A cross-sectional design with an availability sample ($N = 68$) of junior and middle management workers working in a multinational industry was used. Nonprobability purposive sampling was applied in the selection of the study population.

The results indicated that males experience more dispositional pessimism than women. Black employees also experienced more dispositional pessimism and optimism than white

employees, and employees who attended Affirmative Action induction programmes displayed higher levels of optimism than those who have not attended such programmes.

If the tendency towards pessimism increases the result may have devastating effects on the organisation as a whole. It is possible that performance will decline and organisational targets will not be reached.

To address these issues organisations may need to change their structural planning in order to utilise males more productively, and to enhance a sense of empowerment. Companies should formulate clear goals with regard to what they want to gain from Affirmative Action programmes. Programmes should also be constantly revised and continuing evaluations must be carried out in order to track the effect of the programmes on the workforce.

Recommendations were made for future research.

OPSOMMING

Onderwerp: Die geneigdheid tot aangeleerde pessimisme in die Suid-Afrikaanse Multinasionale sektor industrie.

Sleuteltermes: Positiewe Sielkunde, aangeleerde optimisme, aangeleerde pessimisme, aangeleerde hulpeloosheid, apartheid, regstellende aksie, swart bemagtiging, multinasionale industrie.

Suid Afrika se besigheids omgewing is besig om drasties te verander. Organisasies word aanhoudend onder druk geplaas om te hervorm. Die regering het duidelike riglyne, in die vorm van transformasie strategieë, bekend gestel om organisasies te ondersteun en te help om 'n meer demokratiese, nie-rassige en volledige verteenwoordigende organisasie struktuur te vestig. Die twee hoof strategieë geneem Swart Ekonomiese bemagtiging en Regstellende aksie se doel is om die vorige tenagekome gemeenskappe van die Apartheid era op te hef en te bemagtig. Die gemeenskappe sluit in swart persone wat bestaan uit Afrikane, Kleurlinge en Indiërs; vrouens en gestremde individue. Nogtans word die strategieë met gemengde gevoelens ervaar.

'n Opmerklieke negatiewe houding is duidelik onder alle rasse groepe. Dit mag lei tot 'n nuwe probleem in die werkplek naamlik pessimisme. Pessimisme word geassosieer met ongewenste karaktereenskappe soos eksterne, onstabiele en spesifieke verklarings vir ongewenste dinge, en het 'n emosionele verband met depressie. Pessimiste sien probleme as langdurend en onontvlugtend, en is geneig om hulself te blameer vir hul eie onvermoë en onbevoegdheid. In teenstelling word optimisme geassosieer met eienskappe soos positiewe gemoed en goeie moraal, geluk, volharding en effektiewe probleem oplossing, prestering, gesondheid, 'n lang lewe en vryheid van trauma. Dit word gekarakteriseer as interne, stabiele en globale verklarings vir ongewenste gebeurtenisse.

'n Dwarsdeursnee-onderzoekontwerp met 'n beskikbaarheidsteekproef ($N = 68$) van junior en middelbestuur werkers in 'n multinasionale organisasie is gebruik. 'n Nieuwaarskynlikheids doelbewuste steekproef was gebruik in die seleksie van die studiepulasie.

Die resultate het getoon dat mans meer disposisionele pessimisme ervaar as vroue. Swart werkers het ook meer disposisionele pessimisme en optimisme ervaar as wit werkers, en werkers wat Regstellende Aksie induksie programme bygewoon het, het hoër vlakke van optimisme getoon as diegene wat nie sulke programme bygewoon het nie.

Indien die neiging tot pessimisme verhoog, mag dit 'n vernietigende effek op die organisasie as 'n geheel hê. Dit is moontlik dat werksprestasie mag afneem en dat organisasie doelwitte nie bereik word nie.

Organisasies kan die kwessies aanspreek deur hul strukturele beplanning te verander en sodoende mans meer produktief gebruik. Dit kan lei na verhoogde bemagtiging. Organisasies moet ook hul doelwitte aangaande Regstellende Aksie programme hersien en duidelik formuleer. Programme moet konstant hersien word en gereelde evaluering daarvan kan die effek van die programme op die werksmag monitor.

Aanbevelings is gemaak vir toekomstige navorsing.

CHAPTER 1

INTRODUCTION

This mini-dissertation focuses on the tendency towards learned pessimism in a South African industrial multinational sector industry.

Chapter 1 contains the problem statement, research objectives and the research methodology employed. The chapter starts out with a problem statement, giving an overview of previous related research conducted on learned pessimism and its relation with learned optimism and learned helplessness, linking it with this research project and its research objectives. A discussion of the research method follows, with details regarding the empirical study, research design, study population, measuring instruments and statistical analysis. It concludes with a chapter summary which provides an overview of the chapters that comprise this dissertation.

1.1 PROBLEM STATEMENT

The changing South African business environment is placing South African organisations under enormous pressure to reform. The aim is to move towards a democratic, non-racial and fully representative organisational structure. To assist with the transformation, organisations are embarking on affirmative action and black economic empowerment that specifically focus on uplifting the designated groups (Dombai & Verwey, 1999). These groups refer to the individuals whom were previously disadvantaged during the Apartheid years, and include black people, women and disabled people. “Black people” is the generic term used to include Africans, Coloureds and Indians (Alexander, 2006; Reddy & Choudree, 1996).

The industrial multinational sector industry in South Africa is no exception in this regard. Companies in this industry have to comply with government’s transformation strategies of Black Economic Empowerment (BEE) and Affirmative Action (Froese, 2005). A recent survey conducted by KPMG South Africa into BEE transformation within businesses in South Africa

identified a number of challenges (Anon., 2006). The finalising and gazetting of Broad-based BEE Codes of Good Practise seems to be the main concern. Other challenges which arose from the survey were lack of skills; limited resources for successful implementation of BEE transformation; a certain measure of resistance to change in senior management positions; ineffective learnership programmes; sourcing adequately qualified and experienced individuals for top and senior management positions; the retention of talented black professionals; acceptance of BEE in the market and Affirmative Action appointees within the company; and achieving employment equity targets and persuading foreign shareholders that they will benefit from BEE transformation, just to name a few. These difficulties mentioned above, were most prominent in multinational companies (Anon, 2006).

South Africa's multinational companies are often referred to as "dynasties of exploitation" (Froese, 2005). These companies moved into Africa primarily to exploit workers and benefit financially (Froese, 2005). After the abolishment of apartheid the same companies remained in South Africa with a new goal of taking advantage of the evolving black markets (Twine, 2004). However, a number of these companies have moved their head offices abroad to escape government's business transformation strategies (Froese, 2005). Other companies use these transformation strategies as a business component and work together with government, organised labour and other businesses to ensure its success (Anon, 2005); or so it seems (Froese, 2005). According to Froese (2005) multinationals have created their own BEE on their own terms, choosing African partners that may provide good government and tender board contracts. Still, BEE is considered to be an elite arrangement, where only a small minority of blacks are benefiting financially. Along with mergers and acquisitions this contributes to a loss of employment (Froese, 2005).

The Employment Equity Act (South Africa, 1998a) of the Parliament of the Republic of South Africa; from which the transformation strategy of Affirmative Action stems, describes its purpose as promoting equal opportunity and fair treatment in the workplace through the elimination of unfair discrimination. The policy also emphasises the implementation of Affirmative Action strategies to readdress the wrongs of the past by ensuring equitable representation of all racial groups in the workforce.

The act sets out an initiative, which under the compulsion of law, states that organisations should increase or rearrange certain group numbers (South Africa, 1998a). These groups are defined by race and/or gender. It involves the preferential treatment of these groups in order to rectify past disadvantages (Reddy & Choudree, 1996). However, people perceive Affirmative Action differently, and therefore two major opposing viewpoints may arise, the first regarding it in terms of fair and equal opportunity and the second as reverse discrimination (Maphai, 1990).

Fair and equal opportunity does not only imply that racial legislation of the past should be abolished. It also involves the provision of additional financial, educational and special training facilities in order to establish an effective base for competition and participation (Reddy & Choudree, 1996). Reverse discrimination, on the other hand, is seen as an alternative if the corrective measures visualised by fair and equal opportunity prove to be insufficient. It is perceived as compensatory justice for unjust discrimination in the past (Nagel, 1977).

In a recent opinion poll on development and training programmes incorporating affirmative action policies, Matizamhuka (2004) found mixed reactions. White employees expect racial equity for everyone, while they are in opposition to programmes with racial quotas in job hiring. They even tend to view these programmes as unfairly disadvantaging white people and thus as a form of reverse discrimination. Coloured and Indian employees feel that the special treatment given to black employees is fair since black people used to be the most disadvantaged group, but they also regard it as unfair to other races in terms of life improvement opportunities. Black employees, on the other hand, are of the opinion that even though they are entitled to benefit from these programmes, it reflects negatively on them. They believe that their co-workers sometimes do not respect them due to a perception that they were only employed because of the colour of their skin and to meet targets for racial quotas (Matizamhuka, 2004).

Black employees also feel that they are perceived as not being good enough for the job, and that they lack the required knowledge and experience (Matizamhuka, 2004). It seems that Affirmative Action is placing a stigma particularly on blacks, because of the implication that they cannot compete on an equal basis with other racial groups e.g. Asians and Whites (Adam,

2000). In strong contrast to this, a study conducted by Motileng (2004) concerning the experience of Affirmative Action by black middle managers in the South African Broadcasting Corporation, revealed a positive attitude toward Affirmative Action. The results revealed that participants viewed Affirmative Action as a corrective process that provides employment opportunities for the advancement and actualisation of potentialities. In a more recent study conducted by Van Der Merwe (2006) concerning the experiences of Affirmative Action in public organisations, found that white employees tend to be ambivalent about Affirmative Action procedures partly because of fear of change and otherwise feelings of alienation and marginalisation. White employees also emphasised their concerns regarding “the lowering of standards” because of positions being filled with incompetent individuals in order to comply with racial quotas (Van Der Merwe, 2006). These contradictory studies give rise to a question such as whether Affirmative Action procedures are cultivating feelings of pessimism. If these feelings of pessimism do exist, what will the outcome be within the context of South Africa’s socioeconomic transformation?

All organisations should have sufficient training and development programmes for employees at all levels within the organisation. The Skills Development Act (South Africa, 1998b) stipulates that employees should be assisted with both their career development and the development of their quality of life. Both the Employment Equity Act (South Africa, 1998a) and Skills Development Act (South Africa, 1998b) require companies to contribute to the Skills Development Levies Fund. In return companies can claim a percentage of these levies if and when training and development has been facilitated within their organisation. This serves as an encouragement to organisations to utilise training and development and empower their workforce (South Africa, 1998b). The emphasis is placed on personnel development with specialised focus on the development of the previously disadvantaged groups. Organisations need to strive towards becoming an active learning environment which makes use of the avenues provided by these Acts, i.e. registering for learnership programmes and experiential programmes (South Africa, 1998b).

It is however, quite evident from the study done by KPMG South Africa (Anon., 2006) that a number of issues, e.g. lack of skills, some resistance to change in senior management positions,

ineffective learnership programmes, sourcing adequately qualified and experienced individuals for top and senior management positions and the retention of talented black professionals, create some concern about the implementation of skills development and training programmes. These outcomes point toward the possibility that these programmes may be unsuccessful (Anon, 2006).

Organisations are not the only institutions where developmental programmes are presented. Numerous non-governmental organisations have sprung up, e.g. the Youth Development Network which consists of a variety of service providers and caters specifically for the unemployed youth of South Africa (Moolman, 1997). Programmes presented by organisations and other institutions that focus on individuals on lower levels, are called social responsibility programmes (Snyman, 1992). These are training programmes that feature, amongst others things, basic life skills training. Life Skills may teach participants the techniques needed for coping with HIV/AIDS, how to eat healthily, maintaining safety in and around their living environment, interpersonal relationships such as handling conflict, parenting, substance abuse, domestic violence, etc, thus providing them with sufficient information about everyday life situations and healthy living (Moolman, 1997). The purpose of these programmes is to enhance human life and to empower communities. To succeed at empowerment, social responsibility programmes must strive to provide communities with an improved perception of their self-efficacy.

Maddux (2002) defines self-efficacy as what individuals believe they can do with their skills under certain circumstances. Self-efficacy and self-worth can only be brought about if communities are in a position to influence their own environments and have control over their own lives (Maddux, 2002). If social responsibility programmes are not correctly applied, it can lead to further disempowerment of the communities it is supposed to help (Snyman, 1992). Therefore it can be deduced that training and development programmes focusing on the workforce should work hand in hand with social responsibility programmes. Work skills training should be supported by life skills training and vice versa. A combination of the two may then enhance self-efficacy and self-worth (Gordon, 1985).

During the apartheid years, many communities in South Africa had very little control over their own destinies (Mulholland, 2004). They were told where to work and live. This enforced policy

cultivated a low sense of self-efficacy and self-worth in the targeted communities, which resulted in the creation of learned helplessness as it produced environments over which individuals had no control (Snyman, 1992). Bloom (1996) indicates that learned helplessness is a major consequence of the apartheid trauma. Even though it has been ten years since the political and legal structures of apartheid were abolished, and no matter how well-intentioned the new democratic government and its policies are, the majority of South Africans still live in poor conditions. This in turn leaves them with a sense of powerlessness and low self-worth, because they cannot change their environment (Bloom, 1996).

Peterson, Maier, and Seligman (1993) define learned helplessness as a condition characterised by an expectation that bad events will occur, and that there is nothing one can do to prevent the occurrence. It is a giving-up reaction, a quitting response that is the product of the belief that whatever one does, it would make no difference (Seligman, 1990). It is a cognitive phenomenon, resulting in passivity, cognitive deficits, and other symptoms that resemble depression (Peterson, et al., 1993). Another aspect of learned helplessness is vicarious helplessness. Peterson and Steen (2002) describe the concept of vicarious helplessness as a passive state of mind experienced by an individual, simply by observing someone who is exposed to uncontrollability. Continuous exposure results in the individual experiencing or producing problem solving difficulties.

Of all the life situations that human beings are confronted with, the most profound influence is that of family (Kruger, 1990). According to Bloom (1996) parents who have suffered trauma may pass on their pain to their children. Children are exposed to, and perceive their parent's reactions towards uncontrollable events. Some children will interject or project their parent's distress, by carrying their parent's pain with them and thus incorporating it into their own lives (Peterson & Steen, 2002). It can thus be concluded that the latter may be a phenomenon of learned vicarious helplessness.

People rely on their habitual way of making sense of events and tend to offer similar explanations for disparate bad or good events (Peterson & Steen, 2002). Individuals make use of explanatory style to explain to themselves the reasons for events occurring in their lives

(Seligman, 1990). This is a great modulator for learned helplessness. Explanatory style is therefore an important element of helplessness and of failure of adaptation.

Explanatory style emerges from the attribution reformulation of the learned helplessness model in human beings (Burhard, 1986). The original helplessness model proposed that, following an experience with uncontrollable aversive events, people tend to become helpless, passive and unresponsive. The assumption was made that they have learned that their actions have no outcomes. It is this expectation of response-outcome independence that produces later helplessness (Peterson & Chang, 2003).

Explanatory style was combined with the helplessness model to account for the boundary conditions of human helplessness following uncontrollability. Buchanan and Seligman (1995) derived the concept of explanatory style from the attribution theory. The habitual way of making sense of events, a person's explanatory style, can be either optimistic or pessimistic (Peterson & Chang, 2003). Accordingly, an optimistic explanatory style will attribute favourable situations to personal, permanent, and pervasive causes, and unfavourable situations to external, temporary, and event-specific causes. On the other hand, a pessimistic explanatory style implies externalising positive situations and attributing them to temporary, event-specific causes, while internalising negative situations and attributing them to permanent and pervasive causes (Abramson, Seligman, & Teasdale, 1978).

Optimism is associated with characteristics such as positive mood and good morale, happiness, perseverance and effective problem solving, achievement and health, and even a long life and absence of trauma. It is characterised by internal, stable and global explanations for bad things (Peterson & Steen, 2002). Pessimism is associated with undesirable characteristics such as external, unstable and specific explanations for bad things and emotional links to depression (Peterson & Chang, 2003). People who expect good things to happen to them are called optimists, and pessimists are those individuals that expect the worst to happen to them (Carver & Scheier, 2002).

Optimism and pessimism are based on an underlying principle namely expectancy-value. Expectancy-value embarks on the theory that behaviour is organised according to the pursuit of

goals. Goals are states, actions or manners which a person views as either desirable or undesirable. The more significant a goal is to a person, the greater the value within the individual's motivation (Carver & Scheier, 2002). Carver and Scheier (2002) describe expectancy as a sense of confidence or doubt about the attainability of the goal value. Optimists will, even in the face of adversity, continue with their efforts and believe that their goals will be achieved, whereas pessimist will become passive (Peterson & Chang, 2003).

An individual's expectancy of the future is based on their view of the causes or events in the past. This is another approach towards optimism and pessimism. Optimism derives from a person's expectations about the future. Dispositional optimism is the global expectation that good things will be plentiful in the future and bad things scarce (Peterson & Chang, 2003). The construct focuses on expectancies which remain stable within an individual over time, and is unique to each individual's personality (Peterson & Chang, 2003).

No South African research could be found that evaluates the associated problems in terms of learned pessimism. From the studies mentioned above, it may be concluded that a possible outcome of the unsuccessful implementation of Affirmative Action policies may result in the development of various forms of learned pessimism.

Following from the above discussion, this study sets out to make the following contributions to the subject of Industrial Psychology and the practice thereof in organisations:

- It will provide measuring instruments for learned optimism and learned pessimism which have been proven to be reliable and valid for employees in a multinational industry.
- It will assist in the conceptualisation of the constructs learned pessimism and learned optimism as concepts of learned helplessness from the literature.
- It will contribute to determining the relationship between learned pessimism and learned optimism.
- It will assist in determining the levels of learned pessimism, and learned optimism of employees in a multinational industry.

1.2 RESEARCH OBJECTIVES

The research objectives comprise a general objective and specific objectives.

1.2.1 General objective

The general objective of this research is to determine the tendency towards learned pessimism in a multinational industry.

1.2.2 Specific objectives

The specific research objectives of this study are:

- To conceptualise learned pessimism, learned optimism and learned helplessness from the literature.
- To conceptualise the relationship between learned pessimism and learned optimism as two concepts of learned helplessness from the literature.
- To determine the construct validity and reliability of the different measuring instruments of learned pessimism and learned optimism among employees in a multinational industry.
- To determine the relationship between learned pessimism and learned optimism among employees in a multinational industry.
- To determine the levels of learned pessimism and learned optimism of employees in a multinational industry.
- To make recommendations for future research.

1.3 RESEARCH METHOD

The research method for the purpose of this mini-dissertation consists of a brief literature review and an empirical study. Because separate chapters were not targeted for a literature review, this

paragraph focuses on aspects relevant to the empirical study that is conducted. The results obtained from the research will be presented in article format.

1.3.1 Literature review

The literature review focuses on existing research on learned pessimism, learned optimism and learned helplessness and the possible relationships between learned pessimism and learned optimism as concepts of learned helplessness. An overview is given of the conceptualisation of these constructs in the literature, and of the findings in terms of measuring learned pessimism and learned optimism.

1.3.2 Research design

This study has a cross-sectional design and the data collection technique takes the form of a survey. Cross-sectional designs are used to examine groups of subjects in various stages of development simultaneously, while a survey is a data-collection technique which uses questionnaires to gather data about an identified population (Burns & Grove, 1993). Collected information is used to describe the population at a particular point in time. This design can also be used to assess interrelationships among variables within a population. According to Shaughnessy and Zechmeister (1997) this design is best suited to addressing the descriptive and predictive functions associated with the correlational design, whereby relationships between variables are examined.

1.3.3 Participants

The study population ($N = 68$) could be defined as an availability sample of junior and middle management workers working in a multinational industry. Nonprobability purposive sampling was used in the selection of the study population. Nonprobability sampling is employed only when a subgroup of the population is investigated; it does not represent the entire population. Because of the specific aim of the study; knowledge about the sample population exists. This type of nonprobability sampling is identified as purposive sampling (Du Plooy, 1997).

Individuals who are currently in junior and middle management positions were pre-selected from four different multinational companies.

A response rate of 45% was achieved, of which 68 responses (100%) could be utilised. The sample consisted mainly of Afrikaans-speaking (48,60%) males (82,40%) in their thirties (36,80%) and forties (33,70%), with a higher diploma or degree (25,10%). The average number of years employed in the sector was between one and ten years (38,50%). The participants were generally employed in the technical and engineering field (25,00%) and fulfilled mainly departmental or unit management positions (33,80%).

1.3.4 Measuring battery

Two questionnaires were used in the empirical study, namely the Life Orientation Test – Revised (LOT-R) (Scheier, Carver, & Bridges, 1994) and the Cognitive Appraisal Questionnaire (CAQ) (Botha & Wissing, 2003). A biographical questionnaire was also conducted.

A *biographical questionnaire* was developed to gather information about the demographical characteristics of the participants. Information gathered included age, gender, race, home language, education, marital status and years employed in current position.

The *Life Orientation Test – Revised* (LOT-R), a ten-item measure, was developed by Scheier, et al. (1994) to measure dispositional optimism. Six items contribute to the optimism score and four items are fillers. The original Life Orientation Test (Scheier & Carver, 1985) consisted of a two-factor structure. The LOT-R was developed after the two-factor structure (optimism and pessimism) was questioned (Harju & Bolen, 1998). Follow-up analysis has demonstrated a one-factor structure, indicating that the LOT-R is measuring a continuum of high, average and low optimism/pessimism (Scheier, et al., 1994). The LOT-R is measured on a five-point Likert Scale, ranging from 5 (*strongly agree*) to 1 (*strongly disagree*). The LOT-R was found to have adequate internal consistency (Cronbach $\alpha = 0,78$) and excellent convergent and discriminant validity (Scheier, et al., 1994). Based on a sample of 204 college students, Harju and Bolen (1998) obtained a Cronbach alpha coefficient of 0,75. Coetzer (2004) measured, in a sample of

employees working in the insurance industry in South Africa, a one-factor structure with a reliability of 0,70.

The *Cognitive Appraisal Questionnaire (CAQ)* (Botha & Wissing, 2003) is based on the explanatory style theory of Buchanan and Seligman (1995). It is a self report questionnaire which consists of eighteen items measuring the degree of optimistic versus pessimistic explanatory style. An optimistic style is characterised by perceiving positive events as ascribed to internal, global and stable factors, and evaluating the causes of bad events as external, specific, and unstable (Botha & Wissing, 2003). Based on a study conducted by Botha (2006) a Cronbach alpha reliability of 0,72 was obtained in a sample of black and white women concerning psychological wellbeing and biological correlates.

1.3.5 Statistical analysis

The statistical analysis was carried out with the aid of the SPSS-programme (SPSS Inc., 2003). Descriptive statistics (e.g. means, standard deviations, skewness and kurtosis) were used to analyse the data. Cronbach alpha coefficients were employed to determine the internal consistency, homogeneity and unidimensionality of the measuring instruments (Clark & Watson, 1995). Coefficient alphas contain important information regarding the proportion of variance of the items of a scale in terms of the total variance explained by that particular scale.

Pearson's product-moment correlation coefficients were used to specify the relationship between the variables. In terms of statistical significance, it was decided to set the value at a 95% confidence interval level ($p \leq 0, 05$). Effect sizes (Steyn, 1999) served to decide on the practical significance of the findings. A cut-off point of 0, 30 (medium effect, Cohen, 1998) was set for the practical significance of correlation coefficients.

T-tests were employed to determine differences between the groups in the sample. Effect size (Cohen, 1998; Steyn, 1999) was used in addition to statistical significance to determine the significance of relationships. Effect sizes served to indicate whether the results obtained were

practically significant. A cut-off point of 0,50 (medium effect) (Cohen, 1998) was set for the practical significance of differences between means.

1.4 DIVISION OF CHAPTERS

The chapters are presented as follows:

Chapter 1: Introduction

Chapter 2: Research Article

Chapter 3: Conclusions, limitations and recommendations

1.5 CHAPTER SUMMARY

Chapter 1 focuses on the problem statement, research objectives and research method of this study. This is followed by a division of the chapters.

Chapter 2 explores the question whether learned pessimism exists within multinational organisations.

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CHAPTER 2

RESEARCH ARTICLE

TENDENCY TOWARDS LEARNED PESSIMISM IN A SOUTH AFRICAN INDUSTRIAL MULTINATIONAL SECTOR INDUSTRY*

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ABSTRACT

The objective of this study was to determine whether learned pessimism exists in South African multinational industries. A cross-sectional survey design with an availability sample ($N = 68$) was used to achieve the objectives. The *Life Orientation Test – Revised* (LOT-R) was used to establish levels of dispositional pessimism and dispositional optimism. Pessimistic and Optimistic Explanatory style was measured by the *Cognitive Appraisal Questionnaire* (CAQ). The results indicated that males experience more dispositional pessimism than women. Black employees also experienced more dispositional pessimism and optimism than white employees. Employees who attended Affirmative Action induction programmes displayed higher levels of optimism than those who have not attended such programmes.

OPSOMMING

Die doelstelling van hierdie studie was om vas te stel of aangeleerde pessimisme voorkom in Suid Afrikaanse multinasionale industrieë. 'n Dwarsdeursnee-opname ontwerp met 'n beskikbaarheidsteekproef ($N = 68$) is gebruik om die doelstellings te bereik. Die *Aangepaste Lewensoriëntasievraelys* (LOT-R) is gebruik om die vlakke van disposisionele pessimisme en disposisionele optimisme vas te stel. Pessimistiese en Optimistiese eksploratiewe styl is gemeet deur gebruik te maak van die *Kognitiewe Waarderings Vraelys* (CAQ). Die resultate het getoon dat mans meer disposisionele pessimisme ervaar as vroue. Swart werkers het ook meer disposisionele pessimisme en optimisme ervaar as wit werkers. Werkers wat Regstellende Aksie induksieprogramme bygewoon het, het hoër vlakke van optimisme getoon as die wat nie sulke programme bygewoon het nie.

Since the abolishment of apartheid, South Africa has been on the road to transformation. In the process of moving towards a democratic, non-racial and fully representative organisational structure (Dombai & Verwey, 1999), the Government has established clear policies for the restructuring of all companies (Reddy & Choudree, 1996). Guidelines have been given to organisations in the form of the Employment Equity Act (Act No. 55, South Africa, 1998), with specific strategies such as Black Economic Empowerment and Affirmative Action (Human, 1997).

The industrial multinational sector industry in South Africa is no exception. Companies in this industry have to comply with government's transformation strategies of Black Economic Empowerment (BEE) and Affirmative Action (AA) (Froese, 2005). A survey done by KPMG South Africa on BEE transformation found that multinational companies are delaying the finalisation of their empowerment transactions (Anon., 2006a). The latest draft of the Black Economic Empowerment Code expects multinational companies to comply effusively with the codes of equity ownership (Anon., 2006b). Accordingly, multinational companies have to sell a portion of their businesses to qualifying black stakeholders as expected from South African companies. However, the transformation strategies of BEE and Affirmative Action in South Africa is mainly to the advantage of the growing black middle class and in effect results in increased class inequality (Alexander, 2006).

Still, transformation strategies such as Affirmative Action have been widely implemented in a number of countries such as the Malaysia and the United States of America. In the case of Malaysia the aim of Affirmative Action policies were focused on the elimination of socio-economic imbalances between Malays and non-Malays (i.e. Chinese population) which were brought about by colonialism (Anon., 2005). These policies were implemented in the 1970s, with a target period of 20 years. Subsequent to the implementation of Affirmative Action policies and the 20 year target period, certain outcomes have been come to the fore, i.e. the socio-economic positions of disadvantaged Malayan groups were successfully improved, overall income inequality, inter-ethnic and rural-urban inequality have declined and economic growth and development was achieved (Anon., 2005). In spite of this, intra-Malayan inequality has started to increase rapidly since 1990. The Malayan preferential treatment alienated the Chinese population

in general, as they felt discriminated against. Constitutional amendments labelled the questioning of Affirmative Action policies *subversive*, thus further alienating non-Malayans (Anon., 2005).

Affirmative Action policies in the United States of America focused primarily on racism and sexism in society. These policies were introduced 45 years ago, and continue to be a sensitive issue (Anon., 2005). Affirmative Action is correlated with feeble moral justification, and the perception exists that its benefits are not worth its costs. Sufferers of the “angry white men” syndrome feel that they are cheated out of promotions and opportunities. Social stigma is placed on the success of AA appointees as undeserved while AA beneficiaries themselves consider it as insulting. Division and feelings of hostility and bitterness between racial and gender groups are created as a by-product. The undermining of Affirmative Action policies takes place by understaffing, underfunding and the lack of any type of enforcement authority (Anon., 2005; Blau & Winkler, 2005). Nevertheless, over time Affirmative Action has been positively associated with increased levels of participation from minorities (i.e. blacks and Hispanics) and woman in employment, education, business and government contracts (Anon., 2005).

The principle upon which Affirmative Action is based is the interpretation that it is a method whereby positive steps are taken to increase the representation of minorities (in South Africa the focus is on the majority which is inclusive of Blacks, Indians and Coloureds) and other previously disadvantaged individuals (i.e. women and the disabled) in areas of employment, business and education, from which they have historically been excluded. In effect, preference is given to certain racial groups, which in itself gives rise to a new type of discrimination against the minorities (whites) (Kemp-Spies, 2006). A study conducted by Van der Merwe (2006) on the experiences of Affirmative Action in a Public Organisation found that preferential hiring leads to negative emotions on the part of black as well as white employees. The majority of participants feel that preferential hiring led to the appointment of incompetents. Koekemoer (1998) maintains that Affirmative Action is experienced by white South Africans as a threat. They are concerned about their future in South Africa, especially young white males who find it increasingly difficult to find jobs. Whites feel that qualified and experienced individuals are replaced with unskilled, untrained, unqualified and inexperienced people who may be at the detriment of the company and its stakeholders (Koekemoer, 1998).

Even though whites seem to harbour negative feelings about Affirmative Action, they also stress a concern for their fellow colleagues who are AA appointees. Human (1993) noted that these appointees have to deal with a huge amount of pressure. They are constantly placed under a magnifying glass and are expected to perform. They receive more criticism than praise, and high expectations are placed upon them. These individuals are placed in a “white” business world and it is expected of them to function accordingly (Human, 1993; Koekemoer, 1998).

It follows that any empowerment strategy should be accompanied with sufficient education and training. However, little progress has been made in this regard (Alexander, 2006). It is also quite evident from the previously mentioned attitudes towards Affirmative Action that a sense of negativity or pessimism is developing across all cultures. Addressing the problem of inequality may cause another problem, i.e. pervasive negative or pessimistic attitudes among the workforce.

The Two Poles: Optimism and Pessimism

The constructs of Optimism and its counterpart namely Pessimism, belong to the methodological field of Positive Psychology, which focuses on the building of strengths and abilities in order to promote psychological wellness (Seligman, 2002). The general conceptualisation of optimism is described as the expectation that good things will be plentiful, whereas pessimism is seen to reflect the expectation that bad things will happen and may be inescapable (Heinonen, 2004).

Two major points of view can be distinguished with regard these constructs, namely “explanatory style” and “dispositional optimism” (Rabiega & Cannon, not dated.). Explanatory style elucidates the constructs of optimism and pessimism in a more indirect way, emphasising the perception of past life experience, whereas dispositional optimism is more direct concerning the future beliefs about approaching life events (Rabiega & Cannon, not dated.). However, in most studies conducted on optimism and pessimism these two notions are used interchangeably, because much of the theoretical framework overlaps.

From an explanatory point of view; optimist and pessimist may be differentiated with reference to three major attitudes (Seligman, 1990). Firstly, optimists view recession in their lives as only

temporary. Predicaments and problems are seen as delayed success, not as failure. Secondly, adversity is seen as situational and specific rather than lasting catastrophe. Problems can thus be explored and coped with individually. Lastly, all possible external causes are examined and taken into consideration before placing all blame on themselves. The three major attitudes which Seligman (1990) identifies concerning pessimist, are in strong contrast to those associated with optimists. He labelled it the three “P’s”, namely Permanence, Pervasiveness and Personalising. Permanence refers to the stable and unstable dimension, where the cause of an event is explained as being unchanging (stable) or changing (unstable) across time. Pervasiveness is the dimension which is concerned with the cause of an event. It may be explained as being universal throughout one’s life (global) or specific to a specific part of one’s life (local). Lastly, Personalising emphasises the internal and external dimension. The cause of an event is therefore explained as being within oneself (internal) or outside of oneself (external). Consequently, pessimists view problems as long lasting and inescapable, and tend to blame all misfortunes on their own ineptness and incompetence (Seligman, 1990).

A distinction can be made between different types of optimism and pessimism, and these vary in both the degree and the situations under which they exist (Norem & Chang, 2002). If attributional style is learned, it might be inferred that optimistic and pessimistic behaviour is also learned (Seligman, 1990). This hypothesis gave rise to the terms dispositional optimism and pessimism or learned optimism and pessimism. Seligman (1990) also distinguishes between flexible optimism and blind optimism. Flexible optimism indicates a more realistic view of grounded hopefulness whereas blind optimism is based on unrealistic notions such as “no problem exists”. Defensive pessimism is a term used by Norem and Cantor (1986) to describe a strategy used by anxious individuals to pursue important goals. Unrealistically low expectations are set, while spending a lot of time and energy on examining and reflecting on all possible outcomes for the situation. Strategic optimists, on the other hand, set optimistic expectations for their own performance and consciously avoid excessive reflection; they would rather indulge in optimistic illusions (Norem & Cantor, 1986).

Optimism and pessimism are based on an underlying principle, namely expectancy-value. Expectancy is associated with either the belief or doubt that one will triumph or reach a set goal

(Carver & Scheier 2002). The theory of expectancy-value assumes that behaviour is organised according to the pursuit of goals. Goals are states, actions or manners which a person views as either desirable or undesirable. The more significant a goal is to a person, the greater the determination and ambition within the individual's motivation (Carver & Scheier, 2002). Optimists will, even in the face of adversity, continue with their efforts and believe that their goals will be achieved, whereas pessimists will become passive, which may even result in a sense of helplessness (Peterson & Chang, 2003).

Learned helplessness and Explanatory Style

Learned helplessness in people is described as a giving up or passive response to uncontrollable events (Seligman, 1990). The expectation of events as uncontrollable may derive from a variety of sources such as observation of others, stereotypes or specific information. Helpless responses incorporate cognitive, motivational and emotional mechanisms. It results in the creation of learned helplessness deficits, which leads to difficulties in performance in general (Peterson, Maier, & Seligman, 1993).

Abramson, Seligman, and Teasdale (1978) reformulated the concept of learned helplessness based on presented boundary conditions during laboratory experiments. It was found that, at times, induced helplessness involved long lasting difficulties, and sometimes not. On other occasions induced helplessness caused pervasive difficulties or even loss of self-esteem, and sometimes not (Abramson, et al., 1978). The process that leads to helpless behaviour is depicted in Figure 2.1.

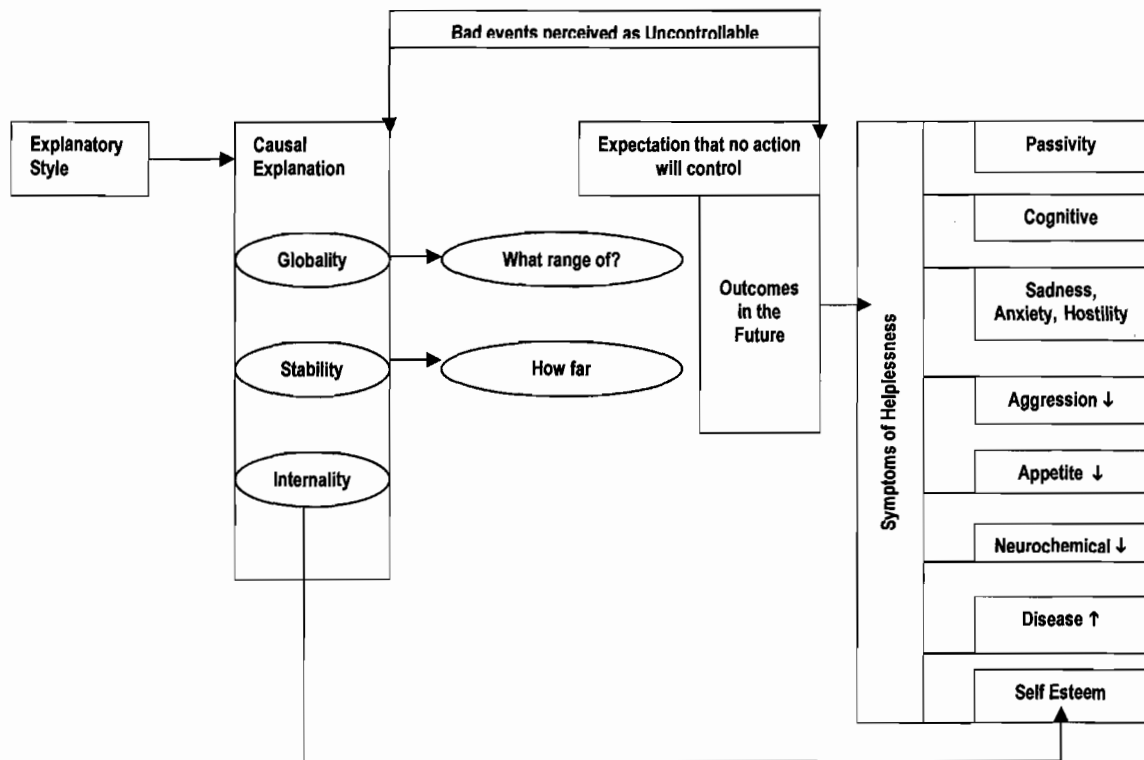


Figure 2.1 Attributional Reformulation (Peterson & Seligman, 1984)

As can be seen in Figure 2.1, uncontrollable events are linked to causal explanations. Abrahams, et al. (1978) identify three parameters of causal explanation. The first differentiates between causes that are experienced as global versus specific. Global causes are seen as affecting a variety of outcomes and situations, e.g. generalisations, whereas specific causes affect only a few outcomes or situations (Abrahams, et al. 1978). The second parameter is a distinction between causes that are stable over time in comparison with those that are unstable. Lastly, a distinction is made between internal and external causes. Internality is associated with personal helplessness, because the uncontrollability is ascribed to the particular person. On the other hand, external explanations are interrelated with universal helplessness, because uncontrollability is linked to situations or circumstances that would affect anybody (Peterson, et al., 1993).

From the above, it may be evident that, in the past, apartheid contributed to learned helplessness, specifically in the causal explanation of internality. Under apartheid, black people were not free

to choose where to live and work. It robbed them of their self-respect. As a result, they became frustrated, experienced feelings of powerlessness, without any hope for the future or any control over their destinies (Mulholland, 2004).

It may then be warranted to conclude that an individual's expectancy for the future, based on their view of the causes or events in the past, may lead to the distinction between attitudes of optimism and pessimism. The reformulated learned helplessness model also emphasised the importance of an individual's habitual style of explaining life events as either positive or negative. This theory gave rise to the concept of attributional style (Gotlib, 2002).

Attributional style is derived from the attribution theory, which states that people display consistent characteristic styles of explaining events in their lives (Abrahams, et al., 1978). This gives an indication of a person's explanatory style (Buchanan & Seligman, 1995). It determines the degree to which learned helplessness is stable (stable attributions affect the stability of deficits), pervasive (global attributions dictate the globility of deficits), and impairing of self esteem (internal attributions influence the degree of loss of self esteem) (Abrahams, et al., 1978). A further distinction is made between optimistic and pessimistic attributional styles. An optimistic attributional style is based on internal, stable and global attributions to positive experiences or by external, unstable and specific attributions to negative experiences (Abrahams, et al., 1978). A pessimistic style is characterised by the opposite pattern, namely: external, unstable and specific attributions to positive events, or internal, stable, and global attributions to negative events. It is therefore evident that an individual uses either an optimistic or pessimistic style to explain events around him/her. From this positive and negative explanatory style is derived (Haugen, Ommundsen, & Lund, 2004).

Based on the studies and literature referred to above, it may be concluded that a possible outcome of the implementation of transformation strategies such as BEE and Affirmative Action without sufficient guidance, information and training, can cause the development of various forms of learned pessimism. Studies conducted in countries such as Malaysia and the US on Affirmative Action, pointed toward some negative trends. These trends, if placed within the context of current literature, can also be identified in South Africa. However, no research could

be found on the possible effects of transformation strategies in South Africa, specifically the development of learned pessimism. The objective of this research therefore is to determine whether learned pessimism and its various forms do exist in the workplace.

The following hypotheses can be derived from the above discussion:

H₁: Learned helplessness involves pessimism and optimism.

H₂: Previously disadvantaged employees (i.e. Black, Coloured, Asian groups, white females, and disabled people) will experience higher levels of pessimism.

H₃: Exposure to Affirmative Action (AA) induction and training programmes will result in higher levels of optimism.

METHOD

Research design

This research has a cross-sectional design and the data collection technique takes the form of a survey. Cross-sectional designs are employed to examine groups of subjects in various stages of development simultaneously, while a survey is a data-collection technique which uses questionnaires to gather data about an identified population (Burns & Grove, 1993). Collected data is used to describe the population at a particular point in time. This design can also serve to assess interrelationships among variables within a population. According to Shaughnessy and Zechmeister (1997) this design is best suited to addressing the descriptive and predictive functions associated with the correlational design, whereby relationships between variables are examined.

Participants

An availability sample of employees working in the industrial multinational sector industry was analysed. A total population of 150 employees was targeted in four different multinational organisations. A response rate of 45% was achieved, of which 68 responses (100%) could be utilised.

Descriptive information of the sample is given in Table 1.

Table 1

Characteristics of the Participants

Item	Category	Frequency (Percentage)
Age	20 -29 years	6 (8,80%)
	30 -39 years	25 (36,80%)
	40 – 49 years	23 (33,70%)
	50 – 59 years	12 (17,60%)
	Older than 60 years	1 (1,50%)
Gender	Male	56 (82,40%)
	Female	11 (16,20%)
Race	White	48 (70,60%)
	African	12 (17,60%)
	Coloured	3 (4,40%)
	Indian	4 (5,90%)
Home Language	Afrikaans	33 (48,60%)
	English	23 (33,80%)
	African Language	11 (16,30%)
Marital Status	Single	7 (10,30%)
	Engaged/in a relationship	4 (5,90%)
	Married	50 (73,50%)
	Divorced	2 (2,90%)
	Separated	1 (1,50%)
	Remarried	3 (4,40%)
Educational	Less than Grade 10	1 (1,50%)
	Grade 10	4 (5,90%)
	Grade 12	11 (16,20%)
	Grade 12 + Diploma	14 (20,60%)
	Grade 12 + Higher Diploma or Degree	17 (25,10%)
	Grade 12 + Higher Diploma or Degree (Honours)	15 (22,10%)
	Grade 12 + Higher Diploma or Degree (Masters)	5 (7,40%)

Table 1 (continue)

Characteristics of the Participants

Item	Category	Frequency (Percentage)
Years of Work in Industry	Less than a year	1 (1,50%)
	1 – 10 years	26 (38,50%)
	10 years, 1 month – 20 years	24 (35,60%)
	20 years, 1 month or more	12 (17,90%)
Functional Area	Accounting/Finance	10 (14,70%)
	Administration/ Operations	1 (1,50%)
	Customer Service	5 (7,40%)
	Manufacturing	8 (11,80%)
	Technical/Engineering/Research	17 (25,00%)
	Distribution/Fulfilment	2 (2,90%)
	Human Resources/Personnel	4 (5,90%)
	Marketing/Sales	6 (8,80%)
	Other	3 (4,50 %)
	Multifunctional	6 (9,00%)
Current Role	Managing Director / Chief Executive Officer	3 (4,40%)
	General Manager / Senior Executive / Director	1 (1,50%)
	Divisional / Functional Head	10 (14,70%)
	Department / Unit Manager	23 (33,80%)
	Supervisor / Foreman	9 (13,30%)
	Professional and Technical	13 (19,10%)
	Administration and Clerical	5 (7,40%)
	Other	4 (6,00%)

The sample consisted mainly of Afrikaans-speaking (48,60%) males (82,40%) in their thirties (36,80%) and forties (33,70%), with a higher diploma or degree (25,10%). The average number of years employed in the sector was between one and ten years (38,50%). The participants were generally employed in the technical and engineering field (25,00%) and fulfilled mainly departmental or unit management positions (33,80%).

Measuring battery

The following measuring instruments were used in the empirical study:

A *biographical questionnaire* was developed to gather information about the demographical characteristics of the participants. Information gathered included age, gender, race, home language, education, marital status and years employed in current position.

The *Life Orientation Test – Revised* (LOT-R), a ten-item measure, was developed by Scheier, Carver, and Bridges (1994) to measure dispositional optimism. Six items contribute to the optimism score and four items function as fillers. The original Life Orientation Test (Scheier & Carver, 1985) consisted of a two-factor structure. The LOT-R was developed after the two-factor structure (optimism and pessimism) was questioned (Harju & Bolen, 1998). Follow-up analysis has demonstrated a one-factor structure, indicating that the LOT-R is measuring a continuum of high, average and low optimism/pessimism (Scheier, et al., 1994). The LOT-R is measured on a five-point Likert Scale, ranging from 5 (*strongly agree*) to 1 (*strongly disagree*). The LOT-R was found to have adequate internal consistency (Cronbach alpha = 0,78) and excellent convergent and discriminant validity (Scheier, et al., 1994). Based on a sample of 204 college students, Harju and Bolen (1998) obtained a Cronbach alpha coefficient of 0,75. Coetzer (2004) measured, in a sample of employees working in the insurance industry in South Africa, a one-factor structure with a reliability of 0,70.

The *Cognitive Appraisal Questionnaire (CAQ)* (Botha & Wissing, 2003) is based on the explanatory style theory of Buchanan and Seligman (1995). It is a self report questionnaire which consists of eighteen items measuring the degree of optimistic versus a pessimistic explanatory style. An optimistic style is characterised by perceiving positive events as ascribed to internal, global and stable factors, and evaluating the causes of bad events as external, specific, and unstable (Botha & Wissing, 2003). Based on a study conducted by Botha (2006) a Cronbach alpha reliability of 0,72 was obtained in a sample of black and white women concerning psychological wellbeing and biological correlates.

Statistical analysis

The statistical analysis was carried out with the aid of the SPSS-programme (SPSS Inc., 2003). Descriptive statistics (e.g. means, standard deviations, skewness and kurtosis) were used to

analyse the data. Cronbach alpha coefficients were employed to determine the internal consistency, homogeneity and unidimensionality of the measuring instruments (Clark & Watson, 1995). Coefficient alphas contain important information regarding the proportion of variance of the items of a scale in terms of the total variance explained by that particular scale.

Pearson's product-moment correlation coefficients were used to specify the relationship between the variables. In terms of statistical significance, it was decided to set the value at a 95% confidence interval level ($p \leq 0,05$). Effect sizes (Steyn, 1999) served to decide on the practical significance of the findings. A cut-off point of 0,30 (medium effect, Cohen, 1998) was set for the practical significance of correlation coefficients.

T-tests were employed to determine differences between the groups in the sample. Effect size (Cohen, 1998; Steyn, 1999) was used in addition to statistical significance to determine the significance of relationships. Effect sizes served to indicate whether the results obtained were practically significant. A cut-off point of 0,50 (medium effect) (Cohen, 1998) was set for the practical significance of differences between means.

RESULTS

A simple principle axis factoring analysis was conducted on the 6 items of the LOT-R on the total sample of employees in the multinational sector industry. Analysis of the eigenvalues (larger than 1) and the scree plot indicated that two factors can be extracted, which accounts for 53,80% of the total variance. One item ("In uncertain times, I usually expect the best") displayed an anti-image score of 0,39. This is lower than the guideline of 0,50 (Field, 2005). It was therefore decided to omit this item in further analysis. Subsequently, this item was not considered in further statistical analysis. A simple principle axis factoring was then conducted on the remaining 5 items of the LOT-R. Analysis of the eigenvalues (larger than 1) and the scree plot indicated that two factors can be extracted, explaining 64,05% of the total variance. Next, a principle axis factoring was followed using a direct oblimin rotation to carry out further factor analysis. These two factors were labelled Dispositional Pessimism and Dispositional Optimism.

A simple principal axis analysis was conducted on the 18 items of the CAQ on the total sample of employees in the multinational sector industry. Analysis of the eigenvalues (larger than 1) and the scree plot allowed for the extraction of two factors, accounting for 48,72% of the total variance. Next, a principle axis factoring analysis was followed using a direct oblimin rotation to conduct further factor analysis.

The results of the factor analysis on the CAQ are shown in Table 2. Loading of variables on factors, communalities and percentage of variance are indicated. To facilitate interpretation variables are ordered and grouped by size of loading. Labels for each factor are suggested in the relevant footnote.

Table 2

Factor Loadings, Communalities (h^2), and Percentage Variance for Principal Factors Extraction and Direct Oblimin Rotation on CAQ Items

Item	F ₁	F ₂	h^2
CAQ9. When something bad happens in the work situation, I tend to experience that it also negatively affects the other areas of my life.	0,78	0,00	0,61
CAQ7. When something bad happens in the work situation, I tend to think that it is my fault.	0,75	0,00	0,56
CAQ13. When something bad happens between me and my supervisor/manager in the work situation, I think that it is my fault.	0,68	0,00	0,46
CAQ8. When something bad happens in the work situation, I tend to think that it will last forever.	0,68	0,00	0,48
CAQ3. When bad things happen, I tend to experience that it also negatively affects the other areas of my life.	0,67	0,00	0,50
CAQ1. When something bad happens, I tend to think that it is my fault.	0,66	0,00	0,43
CAQ14. When something bad happens between me and my supervisor/manager in the work situation, I tend to think that it will stay like that forever.	0,66	0,00	0,44
CAQ15. When something bad happens between me and my supervisor/manager in the work situation, I tend to experience that it will also negatively affect the other areas of my life.	0,65	0,00	0,46
CAQ2. When bad things happen, I tend to think they are going to last forever.	0,54	0,00	0,37
CAQ5. When something good happens, I tend to think that it will last forever.	0,00	0,66	0,43
CAQ12. When something good happens in the work situation, I tend to experience that it also positively affects the other areas of my life.	0,00	0,63	0,40
CAQ6. When something good happens, I tend to experience that it also positively affects other areas of my life.	0,00	0,62	0,39
CAQ4. When something good happens, I tend to assume it is due to my input.	0,00	0,58	0,39
CAQ10. When something good happens in the work situation, I tend to assume it is due to my input.	0,00	0,57	0,32
CAQ11. When something good happens in the work situation, I tend to think that it will last forever.	0,00	0,57	0,37
CAQ18. When something good happens between me and my supervisor/manager in the work situation, I tend to experience that it also positively affects the other areas of my life.	0,00	0,57	0,46
CAQ17. When something good happens between me and my supervisor/manager in the work situation, I tend to think that it will last forever.	0,00	0,52	0,32
CAQ16. When something good happens between me and my supervisor/manager in the work situation, I tend to assume it is due to my input.	0,00	0,47	0,24
Percentage of variance	29,44	19,29	

F₁ Pessimism F₂ Optimism

The first factor was labelled *Pessimism*. Items loading on this factor relate to internal, stable and global pessimism. Internal pessimism involves mainly viewing oneself as incompetent and inept, which influences the degree of loss of self esteem loss. Stable pessimism affects the stability of deficits, and global pessimism dictates the globility of deficits, thus perceiving bad events as

long lasting and inescapable. All three of these states determine the degree of learned helplessness.

The second factor was labelled *Optimism*. The items that loaded on this factor pertain to internal, stable and global optimism. These states are concerned with the view that recession is only temporary. Predicaments and problems are seen as delayed success, not as failure. Adversity is seen as situational and specific rather than as lasting catastrophe. Problems can be explored and coped with individually. All possible external causes are examined and this is taken into consideration before placing all blame on oneself.

The descriptive statistics and alpha coefficients of the two factors of the LOT-R and the two factors of the CAQ are given in Table 3.

Table 3

Descriptive Statistics and Alpha Coefficients of the LOT-R and the CAQ (n = 68)

Item	Mean	SD	Skewness	Kurtosis	α
LOT-R					
Dispositional Pessimism	6,94	3,07	0,45	0,55	0,70
Dispositional Optimism	11,66	2,19	0,24	0,54	0,43
CAQ					
Pessimism	6,97	2,61	0,64	0,58	0,80
Optimism	9,55	2,43	-0,77	1,32	0,81

As can be seen in Table 3, acceptable Cronbach alpha coefficients, varying from 0,70 to 0,81, were obtained, except for Dispositional Optimism ($\alpha = 0,43$). These alpha coefficients compare reasonably well with the guideline of 0,70 (0,55 in basic research), demonstrating that a large portion of the variance is explained by the dimensions (internal consistency of the dimensions) (Nunnally & Bernstein, 1994). It is evident from Table 3 that most of the scales of the measuring instruments have relatively normal distributions, with low skewness and kurtosis. Based on the

low alpha of Dispositional Optimism, it was decided to omit this factor in the remaining statistical analysis.

A second-order factor analysis was conducted on the remaining factor of the LOT-R and the two factors of the CAQ. Analysis of the eigenvalues (larger than 1) and the scree plot allowed for the extraction of two factors, explaining 76,78% of the total variance. These two factors were labelled Pessimism (consisting of Pessimism and Dispositional Pessimism) and Optimism. Hypothesis 1 is therefore accepted as it appears that learned helplessness does consist of pessimism and optimism.

The product-moment correlation coefficients between the LOT-R and the CAQ are reported in Table 4.

Table 4

Product-moment Correlation Coefficients between the LOT-R and the CAQ

Item	1	2	3
1. Dispositional Pessimism	-	-	-
2. Pessimism	0,46 ⁺⁺	-	-
3. Optimism	-0,29 [*]	-0,55 ⁺⁺	-

^{*}Statistically significant correlation: $p > 0,05$

⁺Practically significant correlation: $r > 0,30$ (medium effect)

⁺⁺Practically significant correlation: $r > 0,50$ (large effect)

Table 4 shows that Dispositional Pessimism is significantly positively related (practically significant, medium effect) to Pessimism. Pessimism is statistically significantly negatively (practically significant, large effect) to Optimism.

T-tests were conducted to determine the relationship between dispositional pessimism, pessimism, optimism and various demographic characteristics such as gender, race, and the exposure to AA induction and training. The results of these comparisons are reported in Tables 5 to 9.

Table 5

Differences between Employees in a Multinational Industry, based on Gender

Item	Male		Female		<i>p</i>	<i>d</i>
	Mean	<i>SD</i>	Mean	<i>SD</i>		
LOT-R						
Dispositional Pessimism	7,22	3,19	5,45	2,07	0,03*	0,55
CAQ						
Pessimism	21,54	6,85	17,82	5,15	0,05	0,54
Optimism	28,25	5,12	29,55	5,99	0,51	0,22

* $p < 0,05$

As can be seen in Table 5, there are statistically ($p < 0,05$) and practically significant ($d > 0,50$, medium effect) differences between gender groups in terms of the experience of Dispositional Pessimism. Males seem to experience more Dispositional Pessimism than women. No statistically and practically significant differences were obtained in terms of Pessimism and Optimism.

Table 6

Differences between Employees in a Multinational Industry, based on Race

Item	White		Black		<i>p</i>	<i>d</i>
	Mean	<i>SD</i>	Mean	<i>SD</i>		
LOT-R						
Dispositional Pessimism	6,41	3,06	8,26	2,83	0,02*	0,60
CAQ						
Pessimism	21,67	6,81	19,05	6,22	0,14	0,38
Optimism	27,42	4,15	31,12	6,73	0,04*	0,55

* $p < 0,05$

As can be seen in Table 6, there are statistically ($p < 0,05$) and practically significant ($d > 0,50$, medium effect) differences between racial groups in terms of the experience of Dispositional Pessimism and Optimism. Black employees seem to experience more Dispositional Pessimism as well as more Optimism than White employees. Hypothesis 2 is therefore only partially accepted.

Table 7

Differences between Employees in a Multinational Industry, based on AA induction programmes

Item	Attended		Did not attend		<i>p</i>	<i>d</i>
	Mean	<i>SD</i>	Mean	<i>SD</i>		
LOT-R						
Dispositional Pessimism	6,76	2,91	6,93	3,28	0,86	0,05
CAQ						
Pessimism	21,36	6,29	20,76	7,10	0,75	0,08
Optimism	31,24	6,35	27,41	4,63	0,03 [*]	0,60

* $p < 0,05$

As Table 7 shows, there are statistically ($p < 0,05$) and practically significant ($d > 0,50$, medium effect) differences, in terms of the experience of Optimism, between the groups that have attended AA induction programmes and those who have not attend such a programme. Groups that have attended AA induction programmes seem to be more optimistic than those who have not attended such a programme.

Table 8

Differences between Employees in a Multinational Industry, based on AA training programmes

Item	Attended		Did not attend		<i>p</i>	<i>D</i>
	Mean	<i>SD</i>	Mean	<i>SD</i>		

LOT-R						
Dispositional Pessimism	6,61	2,40	7,01	3,33	0,59	0,12
CAQ						
Pessimism	21,51	4,72	20,77	7,41	0,63	0,10
Optimism	30,56	5,68	27,92	5,33	0,10	0,46

* $p < 0,05$

As can be seen in Table 8, there are no statistically ($p < 0,05$) or practically ($d > 0,50$) significant differences with respect to Dispositional Pessimism, Pessimism and Optimism and the attendance of an AA training programme. Hypothesis 3 is therefore only partially accepted.

DISCUSSION

The objective of this study was to establish whether learned pessimism exists within multinational industries. The factor structures of the measuring instruments were determined via principle axis factoring. A direct oblimer rotation was used when there was more than one factor and when the factors were found to be correlated. Two factors were extracted from the LOT-R, accounting for 64,05% of the total variance after one item ("In uncertain times, I usually expect the best") had been omitted for displaying an anti-image score lower than the guideline of 0,50 (Field, 2005). These two factors were labelled Dispositional Pessimism and Dispositional Optimism. Two factors were also extracted on the CAQ, explaining 48,72% of the total variance. These two factors were labelled Pessimism and Optimism.

The construct validity and internal consistency of both the LOT-R and CAQ were determined. The Cronbach alpha coefficient of the LOT-R and the CAQ were considered to be acceptable in terms of the guideline of $\alpha > 0,70$, except for Dispositional Optimism ($\alpha = 0,43$). This factor was therefore omitted in further statistical analysis. Most of the scales of the measuring instruments show relatively normal distributions, with low skewness and kurtosis.

A second-order factor analysis was conducted on the one factor of the LOT-R and the two factors of the CAQ. Two factors could be extracted, explaining 76,78% of the total variance.

These two factors were labelled Pessimism (consisting of Pessimism and Dispositional Pessimism) and Optimism. Hypothesis 1 was therefore accepted as it appears that learned helplessness does comprise pessimism and optimism.

Pearson's product-moment correlations showed statistically and practically significant positive correlations between Dispositional Pessimism and Pessimism. This implies that when Dispositional Pessimism increases, one's daily pessimism may also increase (Rabiega & Cannon, n.d.). Pessimism showed a statistically and practically significant negative correlation with Optimism, implying that when individuals within the sample become more pessimistic, their optimism may decrease.

T-tests were conducted to determine the relationship between dispositional pessimism, pessimism, optimism and various demographic characteristics such as gender, race, and AA induction and training. Statistically and practically significant differences between gender groups were found with respect to the experience of Dispositional Pessimism. Males seem to experience more Dispositional Pessimism than women. No statistically and practically significant differences were obtained in terms of Pessimism and Optimism. Statistically and practically significant differences between racial groups were also found in terms of the experience of Dispositional Pessimism and Optimism. Black employees seem to experience more Dispositional Pessimism as well as more Optimism than White employees. Hypothesis 2 is therefore only partially accepted, as it appears that not all delegates of the previously disadvantaged group showed pessimism.

Statistically and practically significant differences were found between the groups that have attended AA induction programmes and those who have not attended such a programme in terms of the experience of Optimism. Groups that have attended AA induction programmes seem to be more optimistic than those who have not attended such a programme. However, no statistically significant differences with respect to Dispositional Pessimism, Pessimism and Optimism and the attendance or nonattendance of an AA training programme were found. Hypothesis 3 is therefore only partially accepted. It appears that an induction programme on Affirmative Action

may play a bigger role in creating optimism among the sample group, than an Affirmative Action training programme.

RECOMMENDATIONS

The impact of strategies, such as Black Economic Empowerment and Affirmative Action may be cultivating a sense of negativity in the world of work. White employees tend to view these strategies as unfairly disadvantaging white people and thus as a form of reverse discrimination. Coloured and Indian employees feel that the special treatment given to black employees is fair since black people used to be the most disadvantaged group, but they also regard it as unfair to other races in terms of life improvement opportunities. Black employees, on the other hand, are of the opinion that even though they are entitled to benefit from these programmes, it reflects negatively on them. They believe that their co-workers sometimes do not respect them due to a perception that they were only employed because of the colour of their skin and to meet targets for racial quotas (Matizamhuka, 2004).

These diverse feelings, may give rise to a new problem in the workplace, namely pessimism. It is evident from the results of this study that pessimism does exist within the workplace. These areas should be clearly delineated in order to address possible problems proactively. If these problems are not dealt with, the sense of pessimism may lead to helplessness.

Pessimists attribute negative outcomes to future events (Carver & Scheier, 2002). The vast majority of the workforce is male dominant. If males do become more pessimistic, it may have an indirect influence on organisational goals, performance and productivity. Within this study males experience more levels of dispositional pessimism than females. It is therefore recommended that organisations change their structural planning in order to utilise males more productively, and to enhance a sense of empowerment. Black employees also experienced both optimism and pessimism. In this light it is recommended that further studies be conducted to pinpoint the exact cause of optimistic and pessimistic feelings. It is also important to address those issues accordingly.

AA training programmes indicated no increase in either optimism or pessimism. This may imply that the organisation's AA programmes are not successful in providing the information on their companies' AA policies and procedures. Companies should formulate clear goals with regard to what they want to gain from presenting these programmes. Programmes should also be constantly revised and continuing evaluations must be carried out in order to track the effect of the programmes on the workforce.

It is recommended that similar studies be undertaken in all sectors of South African business. Future longitudinal research should be conducted to establish the causal nature of, and determine the relationship between, pessimism and transformation strategies. Larger sample sizes will also allow for more representative conclusions to be drawn. However, these samples should be equally inclusive of all racial and gender groups.

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CHAPTER 3

CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS

The purpose of this chapter is to provide conclusions regarding the results of the empirical study of the research article. Conclusions are drawn with respect to the research objectives. Furthermore, the limitations of the study are discussed. Finally, recommendations for the industry are made, and research opportunities that emanate from this research are presented.

3.1 CONCLUSIONS

The general objective of this research was to determine whether employees in a multinational industry show a tendency towards learned pessimism. Based on the results of the research article, the following conclusions can be drawn:

The first objective of this study was to conceptualise learned pessimism, learned optimism and learned helplessness from the literature. *Pessimism* was associated with undesirable characteristics such as external, unstable and specific explanations for bad things; the belief that bad things will happen (Peterson & Chang, 2003). Seligman (1990) labelled pessimism with the three “P’s”, namely Permanence, Pervasiveness and Personalising, suggesting that pessimists view problems as long lasting and inescapable, and tend to blame all misfortunes on their own ineptness and incompetence. On the other hand, *Optimism* was associated with characteristics such as positive mood and good morale, happiness, perseverance and effective problem solving, achievement and health, and even a long life and freedom from trauma. It was characterised by internal, stable and global explanations for bad things; the belief that good things will happen (Peterson & Steen, 2002). *Learned Helplessness* was conceptualised as a giving up/quitting or a passive response to uncontrollable events (Seligman, 1990). These responses incorporate cognitive, motivational and emotional deficits, which has a negative influence on performance in general (Peterson, Maier, & Seligman, 1993).

The second objective was to conceptualise from the literature the relationship between learned pessimism and learned optimism as two concepts of learned helplessness. Helpless behaviour was perceived to flow from uncontrollable causes. Explained in terms of good versus bad events, these causes were defined as attributional style (Peterson & Seligman, 1984). Individuals considered to be optimistic, explained negative life events in terms of causes that were relevant only at that specific time, that have only a limited impact, and that were external to the self. In contrast, individuals with a more pessimistic orientation produced explanations to the effect that negative outcomes will continue to occur in the future: negative events were seen to have causes that persist into the future, influence a broad range of events, and involve aspects of the self. The importance of an individual's habitual style of explaining life events as either positive or negative was acknowledged with recourse to the reformulated learned helplessness model (Abrahams, Seligman, & Teasdale, 1978).

The third objective was to determine the construct validity and reliability of the *Life Orientation Test-Revised* (LOT-R) and the *Cognitive Appraisal Questionnaire* (CAQ) of learned pessimism and learned optimism among employees in a multinational industry. Two factors could be extracted from each measurement tool, and these factors were labelled Dispositional Pessimism and Dispositional Optimism (LOT-R), and Pessimism and Optimism (CAQ) respectively. Cronbach alpha coefficients varying from 0,70 to 0,81 were obtained, except for Dispositional Optimism (0,43). These alpha coefficients compare reasonably well with the guideline of 0,70, demonstrating that a large portion of the variance is explained by the dimensions (internal consistency of the dimensions) (Nunnally & Bernstein, 1994). Most of the scales of the measuring instruments had relatively normal distributions, with low skewness and kurtosis.

The fourth objective of this study was to determine the relationship between learned pessimism and learned optimism among employees in a multinational industry. Dispositional Pessimism was found to be statistically and practically significantly (positively) related to Pessimism. Pessimism was found to be statistically and practically significantly (negatively) related to Optimism.

The fifth objective was to determine the levels of learned pessimism and learned optimism in terms of certain demographic variables (i.e. gender, racial groups, and attendance of Affirmative Action induction and training programmes) in a multinational industry. T-tests were conducted to determine the relationship between dispositional pessimism, pessimism, optimism and these demographic characteristics. Statistically and practically significant differences between gender groups were found in terms of the experience of Dispositional Pessimism. Males seem to experience more Dispositional Pessimism than women. No statistically and practically significant differences were obtained in terms of Pessimism and Optimism. Statistically and practically significant differences between racial groups were also found in terms of the experience of Dispositional Pessimism and Optimism. Black employees seem to experience more Dispositional Pessimism as well as more Optimism than White employees. Hypothesis 2 is therefore only partially accepted, as it appears that not all delegates of the previously disadvantaged group experienced pessimism.

With respect to the experience of Optimism, statistically and practically significant differences were observed between the groups that have attended AA induction programmes and those who have not attended such a programme. Groups that have attended AA induction programmes seem to be more optimistic than those who have not attended such a programme. However, no statistically significant differences with regard to Dispositional Pessimism, Pessimism and Optimism, and the attendance of an AA training programme were found. Hypothesis 3 is therefore only partially accepted. It appears that an induction programme on Affirmative Action may play a larger role in creating optimism among the sample, than an Affirmative Action training programme.

3.2 LIMITATIONS

The first limitation of this study is the use of a cross-sectional survey design. Despite the use of advanced structural equation modelling techniques, no causal relationship inferences could be drawn. More complex forms of non-recursive linkages could not be examined. To address the limitation of the use of a cross-sectional design, prospective longitudinal and quasi-experimental

research designs may be employed to further validate the hypothesised causal relationships within this study.

The second limitation involves the population size. A total population of 150 was targeted for this study. Five multinational industries were approached, but only four participated. A total response rate of 45% was achieved. Both companies and employees/participants were reluctant to take part in the study. Currently, pressure is placed upon multinationals by government to implement transformation and empowerment strategies (Anon., 2006). The effect of this was evident from the defensive reactions and the suspicion with which this research was occasionally met.

A third limitation was that results were obtained solely from self-report measurements. This may lead to so called “method variance” or “nuisance”. Several authors do, however, argue that this phenomenon is not a major threat if interactions are found (Dollard & Winefield, 1998). Further limitations were identified with regard to the data collection methods utilised. Some booklets were given to the Human Resource Managers who then had to distribute and supply information about the reasons and importance of the study. The participants completed the questionnaire booklets either at home or at work. Some individuals working in the same area could have discussed the answers and this may have influenced their responses. Booklets were also distributed via email. Messages sent through email were not always effective. Being at a management level, participants might have ignored the email messages, because it was not part of their duties, and therefore not prioritised or deemed important.

The length of the question booklet could have influenced the response rate. Participants indicated that they did not have the time to complete the booklets. The fact that most of the participating companies described the study to their employees as “voluntary”, might have contributed to the decision of some not to participate.

Limitations were also evident in the race and gender proportions. Whites made up 70% of the total response rate. This may have had an influence on the research outcomes with regard to the incidence of pessimism in the previously disadvantaged groups. Most participants were between

the ages of 30 and 49. The limitation concerning age relate to generations. This group of individuals grew up when apartheid was still in full force. As previously stated, most of the participants were white males. Currently, whites do experience transformation strategies as a threat. They are concerned about their future in South Africa. Whites feel that qualified and experienced individuals are replaced with unskilled, untrained, unqualified and inexperienced persons (Koekemoer, 1998). This could also have influenced the results obtained.

Lastly, the questionnaire was available only in English. The respondents' level of proficiency in English (with English as a second, third or even fourth language) could have influenced the results.

3.3 RECOMMENDATIONS

Recommendations pertaining to the specific industry investigated in this study, as well as recommendations for future research, are made in the section which follows.

3.3.1 Recommendations to the organisation

It was evident from the statistical results that pessimism does indeed exist in the workplace. Even though race groups were not equally represented, a significant finding was made. Males in multinational companies are becoming more pessimistic. Affirmative Action training programmes are regarded with pessimism, and are aimed to empower people. Any empowerment strategy should be accompanied by effective and sufficient education and training (Alexander, 2006). However, if these programmes fail in their goal, it may result in the disempowerment of employees (Snyman, 1992). The primary responsibility of multinational industries is firstly to understand the context within which pessimism occurs, and to change the existing patterns that may hinder transformation. Companies should therefore align transformation procedures with Affirmative Action induction programmes. They also need to revise their Affirmative Action training programmes to create an environment where people understand Affirmative Action and its impact. This is important as it may contribute to more optimistic experiences. Transformation strategies should also be accompanied by inter-group contact and dialogue (Motileng, 2004).

Increased contact may lead to growing recognition of similarities between groups, and may bring about decreased levels of pessimism.

3.3.2 Recommendations for future research

It is recommended that similar studies be undertaken in all sectors of the South African business world. More longitudinal research should be conducted to establish the causal nature of, and determine the relationship between, pessimism and transformation strategies. Larger sample sizes will also allow for generalised conclusions to be drawn. However, these samples should be equally representative of all races and gender groups.

A potential topic for future research is the relationship between generations and pessimism, which can be extended by including transformation strategies. It would be of tremendous benefit to companies if emotional and cognitive responses to transformation strategies were explored more holistically.

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