



UNIVERSITEIT VAN PRETORIA
UNIVERSITY OF PRETORIA
YUNIBESITHI YA PRETORIA

COPING STRATEGIES FOR LEADERS DURING AN ECONOMIC DOWNTURN

by

MARLISE VAN ZYL

Submitted in fulfilment of the requirements for the degree

PHILOSOPHIAE DOCTOR

in

Organizational Behaviour

in the

FACULTY OF ECONOMIC AND MANAGEMENT SCIENCES

at the

UNIVERSITY OF PRETORIA

PRETORIA

Promoter: PROF. YVONNE DU PLESSIS

August 2010

DECLARATION

I, Marlise van Zyl, the undersigned, hereby confirm that the thesis, with title: *Coping strategies for leaders during an economic downturn*, submitted by me in fulfilment of the degree PhD Organisational Behaviour to the University of Pretoria is my independent work and has not been previously been submitted by me for a degree at another faculty or university.

I, Marlise van Zyl, declare that this thesis has been language edited by Idette Noomé (MA English, University of Pretoria).

Marlise van Zyl

Date: 31 August 2010

ACKNOWLEDGEMENTS

I would like to thank the following people and organisations for their support:

- my organisation, and specifically our Managing Director, for both financial and moral support;
- my promoter, Prof Yvonne du Plessis for her support and absolute belief in me;
- Adri Grové, without whom I literally would never have started this journey;
- Idette Noomé for her invaluable work in editing the thesis;
- All the interviewees and their organisations for their time and willingness to participate in this study;
- my parents, At and Ivy Horn: I am stronger because of you!, and
- my husband Corné, for understanding me, for supporting me, for loving me.

Die Allerhoogste vir gawes en talente –

...en wat julle ookal doen, doen dit van harte soos vir die Here en nie vir mense nie.

Kol. 3:23



ABSTRACT

COPING STRATEGIES FOR LEADERS DURING AN ECONOMIC DOWNTURN

by

Marlise van Zyl

SUPERVISOR : Prof. Yvonne du Plessis
DEPARTMENT : Human Resource Management
FACULTY : Economic and Management Sciences
DEGREE : PhD in Organizational Behaviour

A preliminary review of the literature on coping revealed a gap in the existing knowledge of coping, particularly in the context of an economic downturn. Coping is a process that unfolds in the context of a situation (Lazarus & Folkman, 1984). Somerfield and McCrae (2000:624) appeal to researchers to focus on coping responses to specific situations within a specific context instead of general coping strategies, in this case, coping strategies for leaders during an economic downturn.

A grounded theory methodology within a constructivist-interpretive paradigm was employed in this study. The population consisted of individual South African mining leaders employed by three mines. For the purposes of the study, 'mining leaders' were defined as members of a mine or mining group's South African executive committee. Sampling took place on an institutional (mine) level, as well as on an individual (mining leader) level, although the unit of analysis was individual leaders. Mines involved in beneficiating a variety of commodities were selected purposively. Individual leaders (executives) within each company were also selected purposively from the executive committees to form the sample of individual sampling units.

Data were obtained through intensive interviews with one pilot respondent and a further seven respondents. Data was analysed using grounded theory methodology, resulting in a conceptual framework of coping strategies for leaders during an economic downturn. The literature was then linked to the conceptual framework developed in this study, showing the relevance of the findings in relation to the existing body of knowledge in organisational behaviour and coping.

The findings provided some understanding of how leaders cope during an economic downturn. In addition, this study managed to contribute methodologically to the field of coping research by demonstrating that alternative methodologies (in this case, grounded theory) using narrative approaches (interviews) can uncover ways of coping that are not included in traditional coping inventories. This methodology also allowed for a more in-depth understanding of the phenomenon being studied in the particular context of an economic downturn, in answer to Somerfield and McCrae's (2000:624) appeal. Recommendations were made to assist leaders to cope better during an economic downturn in turbulent times. Opportunities for further research were also highlighted.



CONTENTS

Declaration	i
Acknowledgements	ii
Abstract	iii
Chapter 1: Background and setting the scene	14
1.1 Introduction	14
1.2 Environmental context.....	14
1.3 Personal context	19
1.4 Academic context.....	21
1.4.1 Coping and coping research.....	21
1.4.2 Organisational behaviour.....	23
1.5 Rationale for and anticipated contributions of the study	28
1.6 Research questions	29
1.7 Scope of the study	30
1.8 Outline of the study	31
2 Chapter 2: Research design	33
2.1 Introduction	33
2.2 Research paradigm.....	33
2.3 Research design	37
2.4 Qualitative research	38
2.5 Grounded theory	40
2.5.1 Literature review in grounded theory	42
2.5.2 Methods of reasoning	44



2.6	Research methodology	45
2.6.1	Role of the researcher	45
2.6.2	Sampling.....	46
2.6.3	Data collection	48
2.6.4	Data recording	53
2.6.5	Data analysis	55
2.6.6	Computer-aided qualitative data analysis	58
2.7	The quality and rigour of the research design	59
2.8	Ethics	60
2.9	Conclusion	61
3	Chapter 3: My research journey	62
3.1	Introduction	62
3.2	Phase 1: Initialization of study.....	64
3.2.1	Decision leading to the PhD study.....	64
3.2.2	Application	66
3.2.3	Selection.....	66
3.2.4	Acceptance.....	68
3.3	Phase 2: Theoretical component - Programme in Organisational Behaviour ..	68
3.4	Phase 3a: Proposal.....	71
3.5	Phase 3b: Gaining Access to Research Participants	74
3.6	Phase 4: Preparing for fieldwork	75
3.6.1	Selecting individual respondents	77
3.7	Phase 5: Data collection	77
3.7.1	Interviews	77
3.7.2	Field notes.....	80



3.8	Phase 6: Data Analysis	80
3.8.1	Transcripts.....	80
3.8.2	Coding	81
3.8.3	Conceptual framework.....	90
3.8	Phase 7: Matching the conceptual framework with the theory	92
3.9	Phase 8: Finalising the thesis for submission.....	92
3.9.1	Finalising the thesis after examination.....	93
3.9.2	Binding and final submission	93
3.10	Conclusion	93
4	Chapter 4: Results - Initial coding	94
4.1	Introduction	94
4.2	Initial coding	94
4.3	Insights gained from the interviews	95
4.3.1	Being optimistic	95
4.3.2	Thriving on the challenge.....	96
4.3.3	Being confident.....	98
4.3.4	Focusing on the future	98
4.3.5	Not depending on an organisation for one's identity	99
4.3.6	Having experience	100
4.3.7	Inter-team influencing	102
4.3.8	Team maturity.....	104
4.3.9	Organisational culture.....	105
4.3.10	Organisational level.....	105
4.3.11	Viewing the effect of the downturn as negative	106
4.3.12	Viewing the effect of the downturn as positive	108



4.3.13	Doubting job security.....	111
4.3.14	Worrying about financial security.....	114
4.3.15	Company or shareholder expectations.....	115
4.3.16	Feeling responsible and to blame.....	115
4.3.17	Feeling responsible for the team	116
4.3.18	Value dichotomy.....	118
4.3.19	Survival	119
4.3.20	Having a plan of action.....	121
4.3.21	Basing a plan of action on facts.....	123
4.3.22	Focusing on the short term.....	125
4.3.23	Focusing on the long term.....	125
4.3.24	Taking action.....	127
4.3.25	Defining action in terms of retrenchment.....	130
4.3.26	Taking fast action	131
4.3.27	Religion/faith.....	131
4.3.28	Spousal support	133
4.3.29	Emotional separation: depersonalizing actions	134
4.3.30	Balancing work and home life	137
4.3.31	Having a core team	139
4.3.32	Trusting the core team	140
4.3.33	Dividing the pressure, aligning the vision	142
4.3.34	Trusting the team under you	143
4.3.35	Taking team action.....	145
4.3.36	Having guidance.....	146
4.3.37	Doing the right thing	148



4.3.38	Believing in the plan	150
4.3.39	Feeling compelled to act	152
4.4	Conclusion	154
5	Chapter 5: Results - A framework of coping strategies for leaders during an economic downturn	155
5.1	Introduction	155
5.2	Axial coding.....	155
5.3	Selective coding.....	158
5.4	Building the framework.....	159
5.4.1	Influencing factors	162
5.4.2	Overall view of the impact of the economic downturn.....	164
5.4.3	Stressors	165
5.4.4	Organisational response to economic downturn.....	166
5.4.5	Coping strategies.....	167
5.5	Linking the conceptual framework with the literature.....	168
5.5.1	Overview of prominent existing coping models.....	169
5.5.2	Relating the conceptual framework with the literature	178
5.6	Conclusion	204
6	Chapter 6: Conclusion and recommendations	205
6.1	Introduction	205
6.2	Discoveries, contributions and recommendations	205
6.2.1	Discoveries	205
6.2.2	Contributions	207
6.2.3	Recommendations.....	208
6.3	Limitations of the study	211



6.4	Opportunities for future research.....	212
6.5	Final conclusion	212
	References	213
Appendix A	Example of an institution’s informed consent form	229
Appendix B	Example of an individual’s informed consent form	231

LIST OF FIGURES

Figure 1:	Growth in GDP, year-on-year (Y/Y) and quarter-on-quarter seasonally adjusted and annualised (Q/Q)	15
Figure 2:	Total value of mineral sales	16
Figure 3:	Monthly indices of physical volume of total mining production (Base: 2005=100).....	17
Figure 4:	<i>Left:</i> An extraction crew with me before a night shift on a coal mine in Mpumalanga, South Africa <i>Right:</i> A shift boss explains the underground working process to me at a platinum mine near Rustenburg, South Africa	20
Figure 5:	A model of Organisational Behaviour	25
Figure 6:	Learning about Organisational Behaviour through a combination of theory, research and practice.....	28
Figure 7:	Scope of the research.....	30
Figure 8:	Outline of the study.....	31
Figure 9:	Typology of research design types	38
Figure 10:	The theory building process	44
Figure 11:	Interaction between data collection and data analysis	50
Figure 12:	Interviews classified by extent of pre-structuring.....	51
Figure 13:	Total volume of mineral sales.....	53
Figure 14:	Grounded theory process.....	56
Figure 15:	Revised data analysis process.....	57
Figure 16:	Process followed during the study.....	63
Figure 17:	Excerpt from the University of Pretoria brochure outlining the PhD with specialization in Organisational Behaviour.....	65
Figure 18:	E-mail from Ms Juna Botha informing me that I was on the shortlist for the PhD (OB) programme	67
Figure 19:	My husband Corné and I on our honeymoon in Namibia	70
Figure 20:	Prof Yvonne (far left), myself and fellow students and lecturers during the learning conference.....	70

Figure 21:	E-mail from Prof Yvonne indicating that my proposal was ready for presentation	73
Figure 22:	E-mail sent to a mine to gain preliminary organisational consent.....	75
Figure 23:	<i>From left to right:</i> Prof Yvonne, Liz Archer, myself and fellow students at an ATLAS.ti workshop.....	82
Figure 24:	Example of open coding in ATLAS.ti.....	83
Figure 25:	Discussing my coding progress in ATLAS.ti with Prof. Yvonne.....	85
Figure 26:	Manual category and conceptual framework development	88
Figure 27:	My two research companions, Toffies and Max, checking on my progress	90
Figure 28:	An early version of my conceptual framework.....	91
Figure 29:	Prof Yvonne and I, going over the final details of my thesis.....	93
Figure 30:	Summary of respondents' perceptions of the negative impact of the downturn on organisations	107
Figure 31:	Summary of opportunities presented by the downturn as perceived by the respondents	110
Figure 32:	Summary of organisational actions during economic downturn	129
Figure 33:	Summary of guidance methods used by respondents	148
Figure 34:	Summary of types of conceptual frameworks.....	159
Figure 35:	Conceptual framework of coping strategies for leaders during an economic downturn	161
Figure 36:	Lazarus and Folkman's stress and coping model	170
Figure 37:	Dynamics of work stress	187
Figure 38:	Conceptual model of post-retrenching effects on retrenchers.....	192
Figure 39:	Multi-axial model of coping.....	199
Figure 40:	Individual and social coping processes	200
Figure 41:	Folkman's revised stress and coping model.....	202

LIST OF TABLES

Table 1:	Estimated current and potential job losses in South Africa in 2009	18
Table 2:	Comparison of research paradigms.....	35
Table 3:	Techniques for qualitative data collection	48
Table 4:	Interview guide	52
Table 5:	Summary of the interview schedule	77
Table 6:	Axial codes derived from the initial (open) coding	156
Table 7:	Selective codes	158
Table 8:	Summary of coping category classifications	176
Table 9:	Examples of coping strategies	181
Table 10:	Individual stressors.....	185
Table 11:	Relationship between workplace spirituality and work-related outcomes	210