COPING STRATEGIES FOR LEADERS DURING AN ECONOMIC DOWNTURN

by

MARLISE VAN ZYL

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Promoter: PROF. YVONNE DU PLESSIS

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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).

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Marlise van Zyl

Date: 31 August 2010

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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

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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.

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CHAPTER 1: BACKGROUND AND SETTING THE SCENE

1.1 INTRODUCTION

In this chapter I set out the context of the study. I discuss the environmental context, my personal context and the academic context. Based on these contexts, I explain the rationale and anticipated contributions of the study. Finally, I indicate the scope and provide an outline of the study.

1.2 ENVIRONMENTAL CONTEXT

> *The global economy is in a severe recession inflicted by a massive financial crisis and acute loss of confidence. While the rate of contraction should moderate from the second quarter onward, world output is projected to decline by 1.3 percent in 2009 as a whole and to recover gradually in 2010…*
>
> (International Monetary Fund, 2009:xv)

When the global crisis unfolded during 2008, at first, it seemed that South Africa and other emerging market economies would be relatively unaffected. South Africa's banking system, according to the Head of Research and Policy Development at the South African Reserve Bank, 'was only marginally exposed to the sublime assets that initiated the crisis' (Kahn, 2009:22), with the result that commodity prices still increased in the first half of 2008.

This situation changed dramatically after September 2008, following the demise of Lehman Brothers,[1] which led to a collapse in global confidence, drastically decreasing the capital available to emerging markets, coupled with a dramatic decline in commodity prices and a plunge in the demand for exports, particularly of commodities, from emerging markets (Kahn, 2009:22). However, until well into 2009, business and political

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[1] Lehman Brothers is a New York-based investment banker. On 14 September 2008, it was announced that Lehman Brothers was filing for liquidation after huge losses in the mortgage market (*New York Times*, 2010)

leaders in South Africa seemed to 'languish in a state of denial', according to Marais (2010:s.p.), and continued to predict positive economic growth.

Nevertheless, South Africa experienced its first official recession[2] in 17 years in the first quarter of 2009, with a drop of 7.4%[3] in the country's gross domestic product (GDP) (Statistics South Africa, 2009:4). The GDP continued its negative growth in the second quarter, contracting at a rate of 2.8%, after which it recovered marginally to show a very slight positive growth rate of 0.9% in the third quarter of 2009 (Statistics South Africa, 2010a). As shown in Figure 1 below, this positive growth rate continued in the fourth quarter of 2009.

Figure 1:   Growth in GDP, year-on-year (Y/Y) and quarter-on-quarter seasonally adjusted and annualised (Q/Q)

	02/1	02/2	02/3	02/4	03/1	03/2	03/3	03/4	04/1	04/2	04/3	04/4	05/1	05/2	05/3	05/4	06/1	06/2	06/3	06/4	07/1	07/2	07/3	07/4	08/1	08/2	08/3	08/4	09/1	09/2	09/3	09/4
Y/Y	3,5	3,8	3,6	3,9	3,2	3,2	3,0	2,4	3,7	3,7	5,0	5,7	5,4	5,2	5,5	5,0	5,1	4,9	5,2	7,1	6,5	5,5	5,1	4,9	4,1	5,1	3,8	1,9	-0,7	-2,7	-2,2	-1,4
Q/Q	4,4	5,2	4,6	3,4	2,6	2,0	2,2	2,3	6,2	5,7	6,7	4,3	4,1	7,4	5,6	2,7	6,2	6,7	5,8	6,4	6,1	3,4	5,1	5,7	2,5	5,5	1,3	-0,7	-7,4	-2,8	0,9	3,2
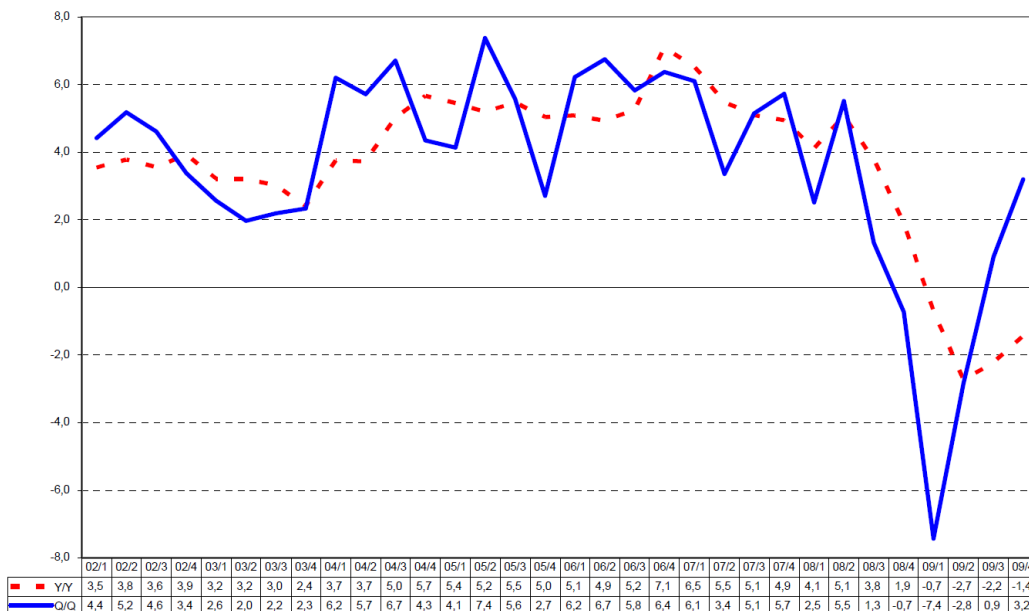
Source: Statistics South Africa (2010b:4)

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[2] A recession is defined as two consecutive quarters of a negative growth rate in the GDP (Mohr & Fourie, 1996). The negative GDP growth rate of 7.4% in the first quarter of 2009 followed a negative GDP growth rate of 0.7% in the last quarter of 2008 (Statistics South Africa, 2010a).
[3] All figures are seasonally adjusted real annualised changes from the previous quarter.

The South African mining industry, which is responsible for more than half of the country's export earnings, was under particularly severe strain, according to Ms Susan Shabangu (2009:s.p.), Minister of Mineral Resources. After a worldwide commodity price boom from 2003 to 2007, commodity prices declined drastically. This can be explained by commodities' role as a production input, as well as a financial asset. A slowdown in global economic activities and the demand for commodities for production purposes, coupled with an increase in supply capacity, led prices to decrease. The financial crisis also contributed to the downward price momentum, as investors reduced their holdings of commodity assets (Southern African Resource Watch, 2009:4).

On the back of the drastic commodity price drop and the reduced value of mineral sales (see Figure 2), mining houses reduced production, as indicated in Figure 3 (overleaf).

Figure 2:   Total value of mineral sales
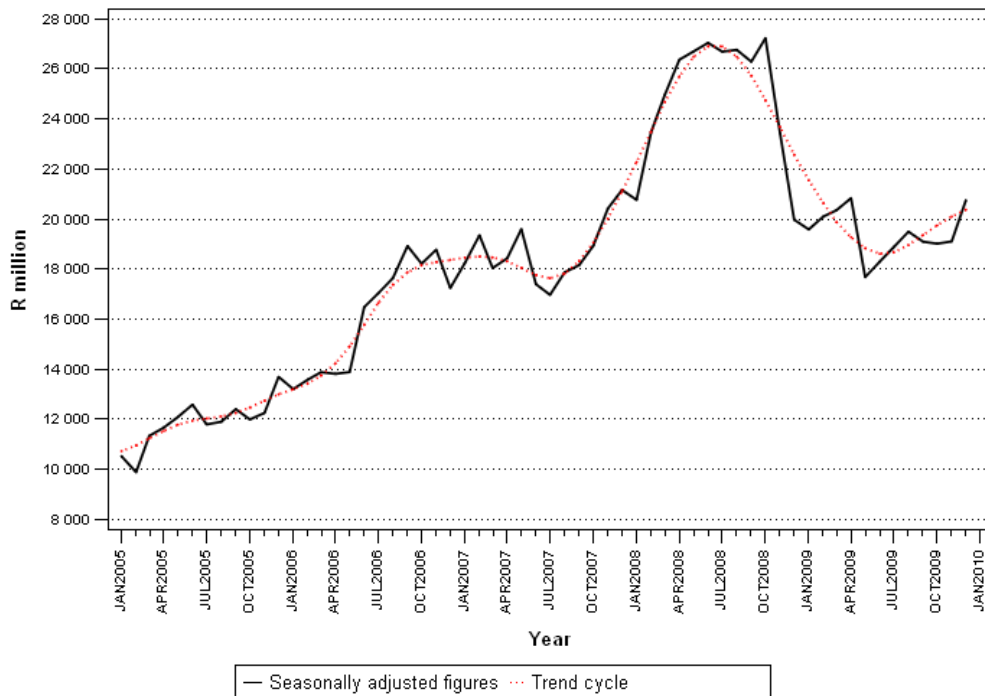
Source: Statistics South Africa (2010c:5)

Figure 3:   Monthly indices of physical volume of total mining production (Base: 2005=100)
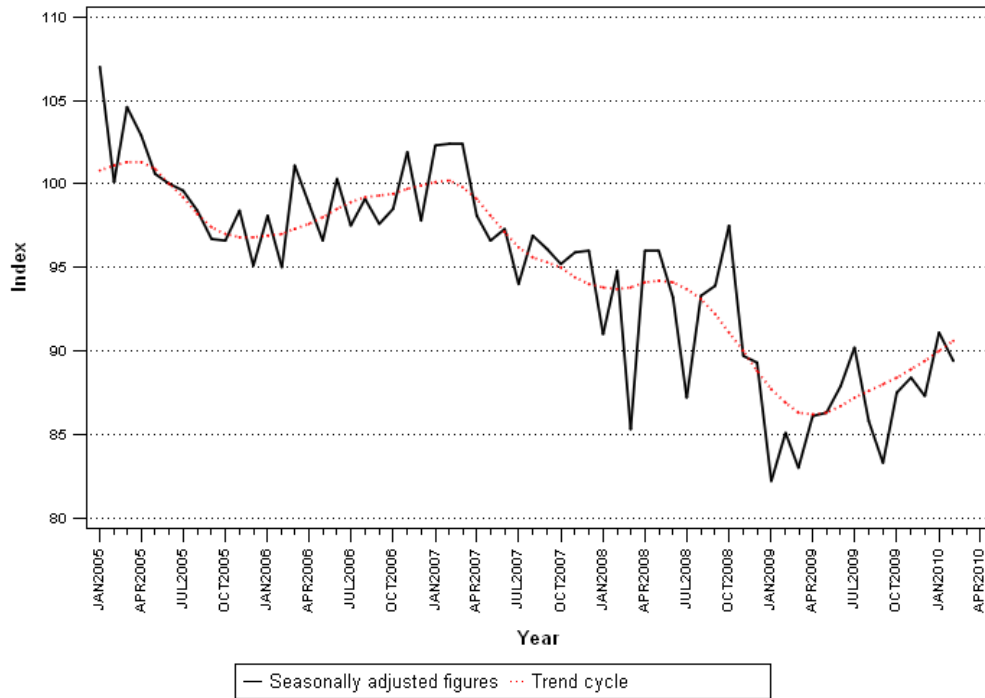
Source: Statistics South Africa (2010c:3)

Mining is cyclical by nature and mining companies take a long-term view of their operations. However, historical evidence shows that when a downturn looms, the first reaction of mining companies to reduce costs is to retrench workers. This also proved true during the downturn in 2009, when several mining organisations retrenched workers, as shown in Table 1 (overleaf).

Table 1:   Estimated current and potential job losses in South Africa in 2009

Number of job losses	Status	Company	Source
10,000	Confirmed	Anglo Platinum	Reuters (11 February 2009)
9,000	Confirmed	Anglo American (across South Africa, Australia and South America)	BBC (20 February 2009)
5,500	Confirmed	Lonmin	Mining Weekly (24 February 2009)
1,950	Confirmed	Aquerius Platinum	Mining Weekly (15 December 2009)
1,500	Confirmed	Goldfields	Mining Weekly (30 January 2009)
1,400	Confirmed	Murray & Roberts Cementation	Solidarity (18 March 2009)
1,013	Confirmed	Uranium One	Solidarity (18 March 2009)
900	Confirmed	Samancor Chrome	Mining Weekly (10 March 2009)
800	Confirmed	De Beers	Solidarity (18 March 2009)
319	Confirmed	BRC DiamondCore	Solidarity (18 March 2009)
143	Confirmed	Rockwell Diamonds	Solidarity (18 March 2009)
59	Confirmed	Kudu Granite Operations	Solidarity (18 March 2009)
56	Confirmed	Albidon	Solidarity (18 March 2009)
5 (and 57 contracted staff)	Confirmed	Simmer & Jack	Solidarity (18 March 2009)
3,500	Pending	De Beers	Mining Weekly (9 February 2009)
1,700	Pending	DRDGold	Chamber of Mines (December 2008/January 2009)
1,600	Pending	Lonmin	Mining Weekly (16 January 2009)
582	Pending	International Ferro Metal	Solidarity (18 March 2009)
530	Pending	Petra Diamonds	Chamber of Mines (December 2008/January 2009)
390 (contracted staff)	Pending	Xstrata and Merafe	Solidarity (18 March 2009)
8,200	Unconfirmed	Various brick-makers	Solidarity (18 March 2009)
3,200	Unconfirmed	Goldfields	Reuters (11 February 2009)
355	Unconfirmed	Namakwa Diamonds	Solidarity (18 March 2009)

Source: Southern African Resource Watch (2009:21)

With the mining sector declining by 32.8%, the worst state of the industry since 1967 (Statistics South Africa, 2009:1), leaders in this industry faced a daunting challenge: how would they themselves and their company weather the downturn? Mining houses around South Africa were cutting production, cutting capital spending, retrenching employees, and restructuring, putting pressure on the morale across their organisations, including executives.

With uncertainty about the depth, severity and duration of the downturn and its outcome, the mining industry and its leaders came under severe strain. An economic downturn not only has a severe impact on consumers, but also has a profound and far-reaching impact on the workplace. Morale typically goes into a downward spiral in response to the bombardment of negative information, job losses, fear and insecurity. Increased work demands compete for the attention of a distracted workforce; and managers who are grappling with the same pressures as their staff must somehow

motivate people, not only do their own jobs, but also often to take on the responsibilities of former co-workers (Naiman, 2009:49).

Various articles were published during this downturn (as in previous downturns) intended to assist managers and leaders to steer their organisations through troubled times (for example, Bidwell, Francis, Johnson, Otuteye & Powell, 2009; David, 2001; Nadler & Spencer, 2009; Sarros & Santora, 1994; Sutton, 2009). Very few of these articles, however, are based on empirical data, widening the chasm between the popular authors' rather simplistic, prescriptive solutions, for example, the 'seven guiding principles' in Nadler and Spencer (2009:16) and the '*10 rules of the road*' offered by Gandossy, Donohue and Fourmy (2009), and organisational behaviour scholars' sophisticated theory/research-driven quest for understanding. In addition, these articles focus on organisational action and tend to neglect the role of and the effect of the downturn on the individual.

1.3 PERSONAL CONTEXT

In this section I attempt to describe the aspects of my background that are relevant to the study and how my interest in the topic arose.

I have been working in the mining industry since 2005; and I currently work as a principal mining business consultant for a company specializing in mine technical systems. In an industry known for its highly hierarchical structure (mainly for safety purposes), I have worked with mining employees from across the range – from managers at the executive level to 'miners' actually working at the rock face (see Figure 4, overleaf, for a picture of me with an extraction crew before a night shift on a coal mine in Mpumalanga, South Africa, and on the right, a picture of a shift boss explaining the underground working process to me at a platinum mine near Rustenburg, South Africa).

Figure 4:   *Left*: **An extraction crew with me before a night shift on a coal mine in Mpumalanga, South Africa**
Right: **A shift boss explains the underground working process to me at a platinum mine near Rustenburg, South Africa**

Since I started working in this industry, as a consultant and as an employee on a mine, I have constantly been amazed by this complex, dynamic and in many ways unique industry. When I decided to embark on my PhD journey, it was almost a natural decision for me to do my research within the industry that I find so consistently intriguing. In addition, I wanted to make a contribution to the mining industry from which I had learned so much in the last five years. When the mining industry's profits plunged during the last part of 2008 and the official economic recession was announced after the first quarter of 2009, I was in the midst of the storm. Not only was the company I worked for affected by the economic downturn and particularly the decline in the mining industry, but I also worked with various mining clients who were extremely hard hit by this turn of events. My interest in the specific topic *Coping strategies for leaders during an economic downturn* emerged during this time, when I observed the severe strain that mining leaders in particular were under as a result of the economic downturn.

When I undertook a preliminary literature review on coping strategies in general, I found a multitude of studies that focus on the psychological aspects of coping, but very few that focus on the organisational behaviour aspects of coping. A potential research problem thus emerged in view of the conceptual and methodological critique discussed in the next section.

1.4   ACADEMIC CONTEXT

In this section, I first discuss coping, and coping research in general, to provide a backdrop for the focus of my study, 'nesting' the research problem[4] in the context of current coping research. I then proceed to a discussion of organisational behaviour, the perspective that I used to study the coping strategies that leaders use during an economic downturn.

1.4.1   Coping and coping research

Lazarus and Folkman (1984) define coping as 'thoughts and behaviours that people use to manage the internal and external demands of situations that are appraised as stressful'. According to Folkman and Moskowitz (2004:746), a large amount of coping research is based on Richard Lazarus's 1966 book *Psychological stress and the coping process*. Coping as a distinct field of psychology emerged during the 1970s and 1980s (Folkman & Moskowitz, 2004:746); and coping research was greatly stimulated by the development of the 'Ways of coping checklist' developed by Folkman and Lazarus (1980, in Somerfield & McCrea, 2000:621). Hobfoll, Schwarzer and Chon (1998:181) argue that stress and coping are the most widely studied phenomena in psychology, identifying over 29 000 research articles on stress and coping over the period from 1984 to 1998. A more conservative search by Somerfield and McCrae (2000:621), focusing primarily on coping behaviour spanning the period from 1967 to 1999, still produced 13 744 records.

Coyne and Racioppo (2000:655) divide coping literature into two distinct areas. Firstly, there is a body of literature that is basic and descriptive, organised around theory and research concerning the role of coping in adaption to stress. Secondly, there is literature that focuses on applied theory and is concerned with psychotherapeutic and behavioural medicine interventions aimed at improving adaptation by enhancing coping.

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[4] 'Nesting' is a term used by Walcott (1990:17, cited in Silverman, 2005:299), which is helpful in contextualising my study to argue a case, and in identifying a niche which my research can fill, as suggested by Henning (2004:27).

Conversely, there is abundant criticism of coping research – see Somerfield and McCrae (2000:621) for a review. Most of these critiques point out conceptual and methodological issues. In particular, measures to assess coping, particularly by means of checklists, are criticised; narrative approaches are suggested as an alternative to checklist approaches (Lazarus, 2000:666; Folkman & Moskowitz, 2004:750) to gain a deeper understanding of what a person is coping with, especially when the stressful event is not a single event, such as coping with an examination. Narrative approaches are also useful in identifying and studying ways of coping that are not included in existing inventories (Folkman & Moskowitz, 2004:751).

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.

Folkman and Moskowitz (2004:768) suggest that new methodologies and new ways of thinking about coping within a specific context will assist this field of study to mature, as the field holds great potential to help explain who flourishes under stress and who does not, and it continues to have potential for interventions to help people cope with stress.

Current coping research and the proposed future direction of coping research (more context-specific research, using new, more narrative methodologies) therefore supported the choice of research problem in this study and informed the research methodology that was selected.

1.4.2 Organisational behaviour

Although coping originally emerged as a field of psychology, this study is undertaken within the multidisciplinary field of Organisational Behaviour (OB). In this section I start by defining Organisational Behaviour; and then I discuss the five recognised anchors of Organisational Behaviour and their relevance to this study.

1.4.2.1. *Defining Organisational Behaviour*

Organisational Behaviour emerged as a distinct field around the 1940s (McShane & Von Glinow, 2005:4) during the Behavioural era. However, the earliest evidence of concern about managing workers' behaviour already appears in accounts by the Chinese and Mesopotamians between 3 000 and 4 000 BC. These accounts relate to the importance of labour specialization and the authority hierarchy (Vecchio, 1995:9).

Organisational Behaviour has been variously defined as

- a '*field that seeks enhanced knowledge of behavior in organizational settings through the scientific study of individual, group and organizational processes, the goal of such knowledge being the enhancement of both organizational effectiveness and individual wellbeing'* (Baron, 1986:9);
- 'a field of study that investigates the impact that individuals, groups and structure have on behavior within organizations for the purpose of applying such knowledge toward improving an organization's effectiveness' (Robbins, 2001:6);
- 'the study and application of knowledge about how people – as individuals and groups – act within organizations' (Newstrom & Davis, 2002:4);
- 'the study of what people think, feel and do in and around organizations' (McShane & Von Glinow, 2005:4); and
- 'an interdisciplinary field dedicated to better understanding and managing people at work' (Kreitner & Kinicki, 2007:5).

Shani and Lau (2000:15) point out that definitions of Organisational Behaviour vary greatly because of the parallel evolution of the field in the social sciences, the behavioural sciences, and management and human relations courses, as taught in business schools.

An integrated definition of Organisational Behaviour, a combination of definitions by Baron (1986:9), Kreitner (2004:55), Kreitner and Kinicki (2007:5), McShane and Von Glinow (2005:4), Newstrom and Davis (2002:4) and Robbins (2001:6) is proposed for the purposes of this study: **Organisational Behaviour is the interdisciplinary field dedicated to the study and application of knowledge about the impact that individuals, groups and structure have on what people think, feel and do in and around organisations for the purpose of managers applying such knowledge toward improving an organisation's effectiveness and individual wellbeing.**

This definition captures both the academic perspective and the managerial application of Organisational Behaviour, together with its focus (individuals, groups and structure) and goal (organisational effectiveness and individual wellbeing).

1.4.2.2.   Five anchors of Organisational Behaviour

1.4.2.2.1.   Multiple levels of analysis anchor

One of the continuing challenges of Organisational Behaviour, according to Newstrom and Davis (2002:20), is its lack of a single definition, particularly a lack of consensus regarding its unit of analysis. This argument differs from that of several other leading authors in Organisational Behaviour (Greenberg & Baron, 2008:7; Kreitner & Kinicki, 2007:24; McShane & Von Glinow, 2005:21; Robbins, 2001:22-23), who argue that, in order to comprehend the complex dynamics of behaviour in organisations fully, one must recognise three distinct levels of analysis: individuals, groups and organisations. I developed the model of organisational behaviour depicted in Figure 5 (overleaf) on the basis of these three levels.

Figure 5: **A model of Organisational Behaviour**
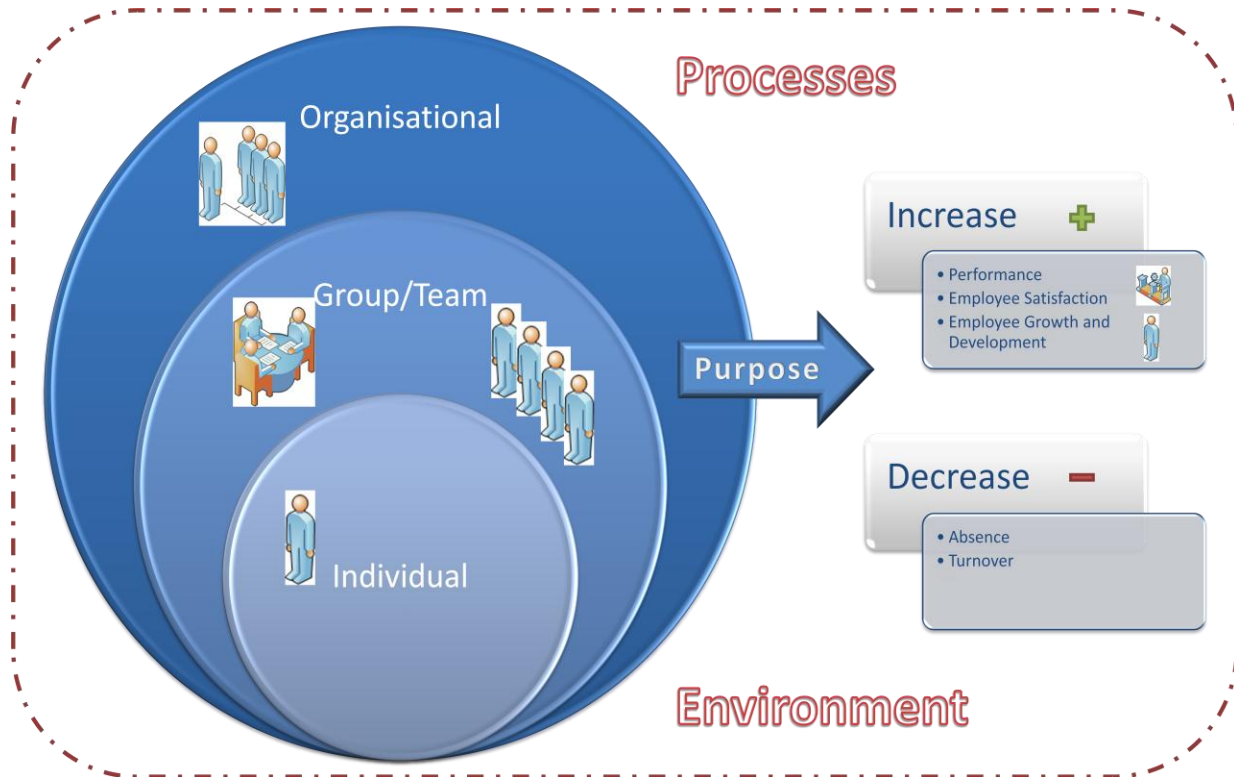
On the basis of this model, in this study, coping is studied on multiple levels. Although individual leaders are the focus of the research, they are viewed within the context of the group or team in which they function, the organisation and, finally, the external environment represented by the open systems anchor, which is discussed next.

1.4.2.2.2.   Open systems anchor

When one considers the three levels of analysis (individual, group and organisation), it is important to note that Organisational Behaviour is not only concerned with the behaviour of people, but also with the nature of organisations. Organisational Behaviour researchers and practitioners use the modern view of an organisation as an open system as a base assumption, rendering the traditional closed systems perspectives

(for example, the notion of scientific management) inappropriate in a rapidly changing and intensely competitive environment.

An open system is 'a self-sustaining system that transforms input from the external environment into output, which the system then returns to the environment' (Greenberg & Baron, 2008:11). Systems thinking is rooted in Ludwig von Bertalanffy's interdisciplinary *General Systems Theory* (Von Bertalanffy, 1950:20). The most influential views on how an organisation is affected by its external environment were developed by Katz, Kahn and Thompson in the 1960s (Jones & George, 2003:61). These theorists stressed the need to adopt a systems approach to Organisational Behaviour in order to understand its complexity more fully (Lyden, 1969:215).

By emphasising this open systems anchor of Organisational Behaviour, McShane and Von Glinow (2005:23) suggest that an organisation should develop a dynamic capability to remain aligned with the external environment, but that an organisation consists of many sub-systems that need to be continually aligned with one another.

Similarly, the impact of the external environment, particularly the economic environment, and its impact on the organisation and its subsystems is taken into account in this study.

1.4.2.2.3.   Multidisciplinary anchor

As the field of Organisational Behaviour developed, it borrowed heavily from other disciplines (Greenberg & Baron, 2008:7; Kreitner & Kinicki, 2007:5; McShane & Von Glinow, 2005:19; Robbins 2001:9-11), with the result that it became a field that relies on knowledge in other disciplines and not just on its own research base. McShane and Von Glinow (2005:19) summarise the most prominent disciplines that influenced the field, namely psychology, sociology, political science, economics, anthropology, and industrial engineering. Of these, psychology is the most prominent. To this list of more traditional disciplines, they add some emerging disciplines, such as communication, information

systems, marketing and women's studies. However, Organisational Behaviour is unique in its goal of integrating the diverse insights of these traditional and emerging disciplines and applying them to real word problems and opportunities (Schermerhorn, Osborn & Hunt, 2005:4).

Although in this study coping is researched in the context of Organisational Behaviour, I also draw on other disciplines in an attempt to gain a full view of the research problem.

1.4.2.2.4.   Systematic research anchor

Organisational Behaviour is studied in a systematic way, looking at relationships, endeavouring to identify causes and effects and drawing conclusions based on scientific evidence and moving away from intuition, which is often used when gauging behaviour (Robbins, 2001:8). Traditionally, Organisational Behaviour scholars have relied on scientific methods in their research. They typically relied on quantitative data and statistical procedures in order to minimize personal biases and distortions of organisational events. More recently, Organisational Behaviour scholars have also adopted a grounded theory approach to developing knowledge in the field, allowing for observation, participation and other qualitative methods in the data collection process (McShane & Von Glinow, 2005:20).

1.4.2.2.5.   Contingency anchor

This anchor, a hallmark of modern Organisational Behaviour, recognises that behaviour in work settings is the complex result of many interacting forces (Greenberg & Baron, 2008:12). Newstrom and Davis (2002:14) argue that the strength of this approach is that it encourages analysis of each situation prior to action, while it discourages habitual practice based on universal assumptions about people.

McShane and Von Glinow (2005:20) concede that this approach may seem elusive but a more comprehensive and systematic understanding is desirable and possible by

developing an integrated understanding through a working knowledge of Organisational Behaviour theory, research and practice (Kreitner & Kinicki, 2007:21), as indicated in Figure 6.

Figure 6: **Learning about Organisational Behaviour through a combination of theory, research and practice**
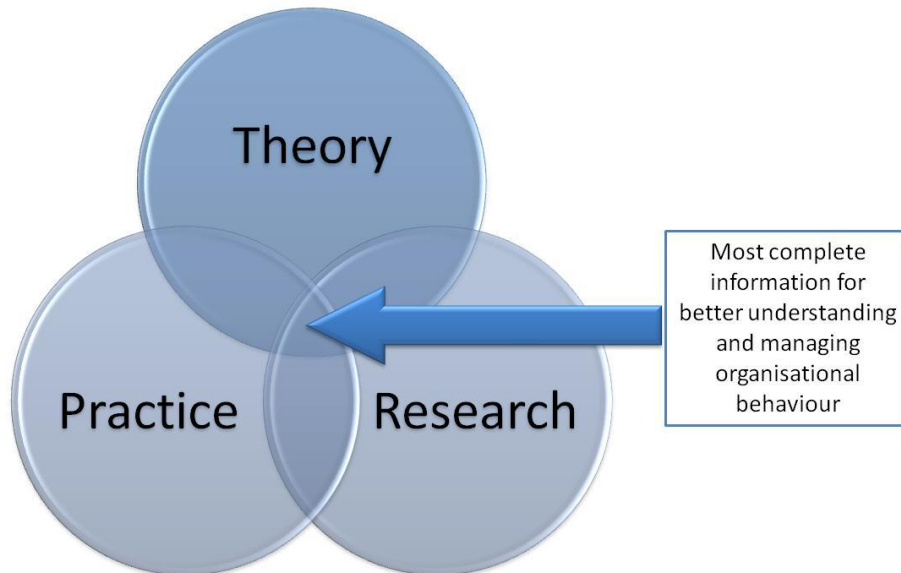
Source: Kreitner and Kinicki (2007:21)

Through this study I hope to contribute to the body of knowledge of Organisational Behaviour, and to make a theoretical contribution through a proposed conceptual framework on the coping strategies of leaders during an economic downturn. I also attempt to make a practical contribution by making suggestions on how organisations could assist leaders in this process.

1.5   RATIONALE FOR AND ANTICIPATED CONTRIBUTIONS OF THE STUDY

Recently, several studies have convincingly shown that understanding, managing and potentially developing effective coping strategies can make a unique contribution to

explaining variance in organisational outcomes, especially negative outcomes (Bakker & Schaufeli, 2008:149).

From this theoretical perspective, this study contributes to the body of Organisational Behaviour knowledge by investigating coping phenomena to develop a new perspective of leadership behaviour in an adverse (negative) organisational environment, and more specifically an economic downturn.

From a practical perspective, this study provides an approach for understanding leaders' coping behaviour in an economic downturn. Furthermore, it provides a potential opportunity to lessen the impact of such a downturn on leaders and their organisations. Coping as a concept is not merely explanatory in terms of different behavioural responses, but, according to Folkman and Moskowitz (2004:746), it also serves as a portal for interventions.

1.6   RESEARCH QUESTIONS

Based on the preliminary literature study, the following primary research questions were formulated:

- **How do South African mining leaders cope during an economic downturn?**
- **How can organisations assist South African leaders to cope better during an economic downturn?**
- **What does a strategic coping framework for South African leaders consist of?**

The main objective of the research was to develop a guiding framework that South African leaders can use to cope with adverse conditions, such as an economic downturn.

1.7   SCOPE OF THE STUDY

This study's guiding interest is coping at the micro (individual) level of organisational behaviour, but, in line with the multiple levels of analysis of Organisational Behaviour, the study also focuses on the team or group and the organisation. The focus of this study takes into account the context of the economic situation evident in South Africa at the time of the research, particularly within the mining industry. The target population was mining leaders within the stated context. A sample was selected from individual employees (mining leaders), who formed both the sampling units and the units of analysis. The scope of the research is illustrated in Figure 7.

Figure 7:   Scope of the research
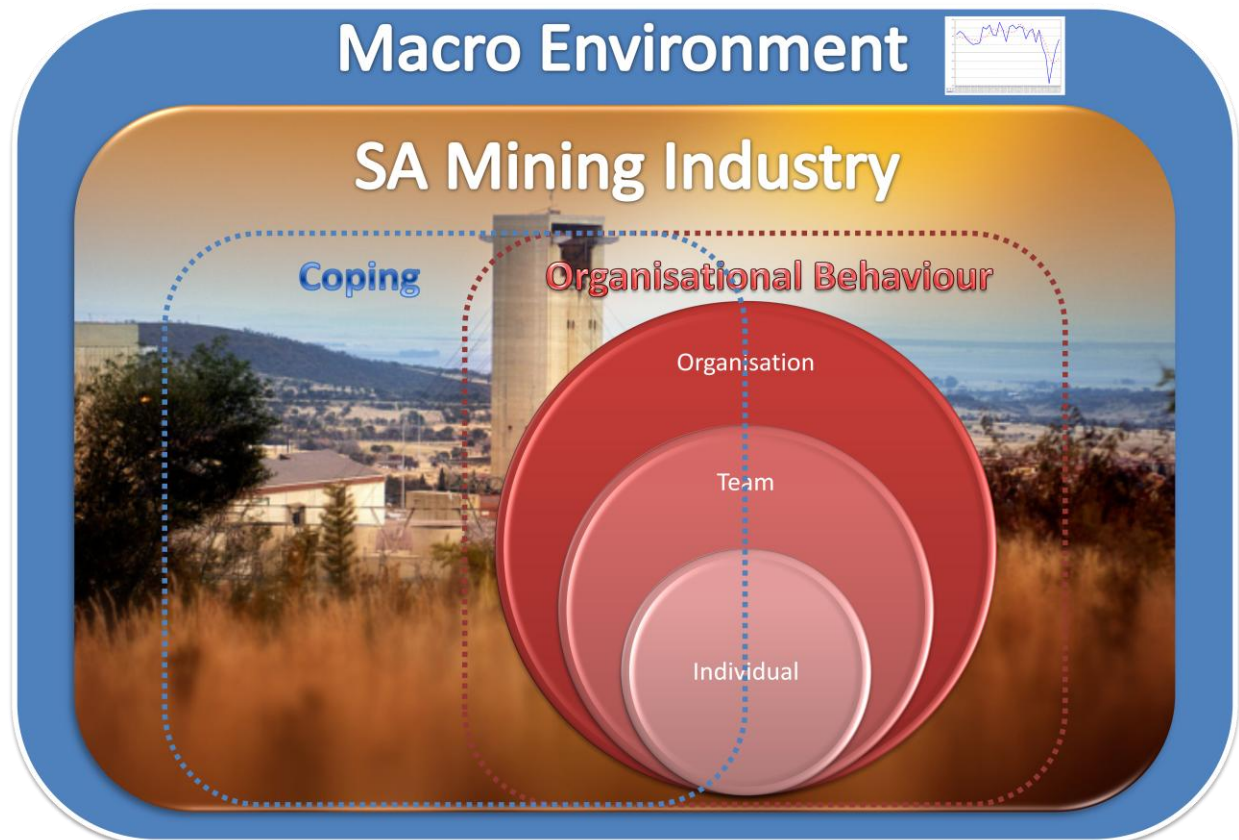
1.8 OUTLINE OF THE STUDY

In this section, I provide a brief outline of the study, as illustrated in Figure 8.

Figure 8: Outline of the study

Chapter 1	• Background and setting the scene
Chapter 2	• Research design
Chapter 3	• My research journey
Chapter 4	• Results – Initial coding
Chapter 5	• Results – A framework of coping strategies for leaders during an economic downturn
Chapter 6	• Conclusion and recommendations

In Chapter 1, I have provided information on the background to the study, describing the environmental, personal and academic context against which this study should be viewed. In addition, I indicated the rationale for and anticipated contributions of the study, followed by the research questions and the scope of the study.

Chapter 2 provides a theoretical account of the research design of the study, focusing on the research paradigm used, as well as on qualitative research, and more specifically on the grounded theory that was applied in the research. I also discuss the research methodology used and conclude this chapter with a discussion on the quality of and ethical considerations applicable to the research.

I provide a more personal account of what I refer to as my research journey in Chapter 3, starting with the initialization of my studies and ending with the submission of my thesis.

In Chapter 4, I discuss the first step of grounded theory analysis, namely open coding, as an initial coding practice to conceptualise data and form concepts, citing examples of responses gained from interviews *verbatim*.

This is followed by focused coding in Chapter 5, indicating axial and selective codes to form a conceptual framework of coping strategies for leaders during an economic downturn. In addition, I link the existing literature to my conceptual framework.

Finally, I conclude with Chapter 6, highlighting the most prominent contributions and recommendations of the study. In addition, I indicate the limitations of the study and make some suggestions for future research.

CHAPTER 2: RESEARCH DESIGN

2.1 INTRODUCTION

In this chapter I discuss the research design from a theoretical perspective. I explain the guiding research paradigm which informed the research design and the methodological choices, which are also discussed in detail in this chapter.

2.2 RESEARCH PARADIGM

Guba and Lincoln (1994:107) define a paradigm as 'a set of basic beliefs (or metaphysics) that deals with ultimates or first principles. It represents a worldview that defines, for its holder, the nature of the "world", the individual's place in it, and the range of possible relationships to that world and its parts'. A paradigm contains an investigator's assumptions, not only about the manner in which an investigation should be performed (in other words, the methodology), but also about how the investigator defines truth and reality (in other words, the research ontology) and how the investigator comes to know that truth or reality (in other words, the research epistemology) (Plack, 2005:224). Organisational research in particular displays a paradigmatic diversity (and methodological innovation), mainly, according to Buchanan and Bryman (2007:486), because of the field's multi-disciplinary nature.

Potter (1996:35-36) emphasises the importance of the research paradigm and the fundamental difference between qualitative and quantitative approaches to research:

> *The issue of ontology and epistemology are so fundamental to our everyday behavior that we may rarely bother to examine them.* In fact, the questions themselves are so fundamental that we might think it silly to even ask them seriously in everyday conversation. We tell ourselves that, of course, we

believe in an external reality that exists apart from us. If a tree falls in the woods and we do not hear it, was there a sound? We answer: Of course! A tree can make a sound even if we are not there to hear it. Furthermore, if someone tells us there is a tree in the woods, we can accept this to be true. We don't have to see the woods or the tree to accept its existence. (…) For most of our everyday life the words ontology and epistemology do not arise, nor do the questions it poses. Our lack of concern for them derives from axiomatic nature; they require us to take a position based on belief, not proof. Similar axiomatic questions include, Is there a supreme being?, What is beauty? and What is moral life? The answers to these questions are beyond fact and logic, they require an answer based on belief. Once we have recognized our belief, then we can use logic to fashion arguments and practices to follow from it. When these practices become established we need not think about them; we take them for granted.

However, when we enter the world of formal scholarship, it is essential that we examine the foundations of our thinking. When we do this, we discover that there exist alternative answers to each foundational question. Two scholars who hold different beliefs of ontology and epistemology may be interested in examining the same phenomenon, but their beliefs will lead them to set up their studies very differently because of their differing views of evidence, analysis and the purpose of the research. (my emphases)

It therefore becomes important to highlight the paradigm I used in this study in order to place the research design, methodology and approach in context to avoid the pitfall that Evered and Louis (1981:386) so aptly warn researchers against: often 'the quality of a piece of research is more critically judged by the appropriateness of the paradigm selected than by the mere technical correctness of the methods used'.

I chose a constructivist-interpretive paradigm in this study, based on the research questions. Interpretive research is based on the belief that a deeper understanding of a

phenomenon is only made possible by understanding the interpretations of that phenomenon by those experiencing it (Shan & Corley, 2006:1823). This perspective assumes that reality is constructed by the people (including the researcher) who participate in this reality. Constructivists acknowledge that their *interpretation* of the studied phenomenon is in itself a *construction* (Charmaz, 2006:187).

Sciarra (1999: 40) comments that constructivism seems to be preferred over interpretivism in present-day social science research, but also points out that many writers (for example, Guba and Lincoln (1989), Schwandt (1994) and Archer (2009)) acknowledge that constructivist and interpretivist paradigms are similar – hence my use of the term 'constructivist-interpretive paradigm'.

A comparison between different research paradigms is given in Table 2, in order to describe the constructivist-interpretive paradigm in more detail by also contrasting it with other paradigms that are not used in this study, namely the positivist and critical paradigms.   Within the constructivist-interpretive paradigm, qualitative research methods were used, based on grounded theory methods.

Table 2:   Comparison of research paradigms

		Research paradigms		
		Positivism	**Constructivist- interpretive**	**Critical theory**
Ontological questions	Nature of reality	• An objective, true reality exists which is governed by unchangeable natural cause-effect laws. • Consists of stable pre-existing patterns or order that can be discovered. • Reality is not time- or context-bound.	• The world is complex, dynamic and is constructed, interpreted and experienced by people in their interactions with each other and with wider social systems i.e. fluid definitions of a situation crated by human interaction/social construction of reality. • Reality is subjective. People experience reality in different ways. Subjective reality is important, i.e. what people think, feel, see. • Reality can only be imperfectly grasped.	• Governed by conflicting, underlying structures – social, political, cultural, economic, ethic, gender

Epistemological questions				
	Nature of human beings	• Rational. • Shaped by external factors (same cause has the same effect on everyone) i.e. mechanical model/behaviourist approach. Under certain conditions people will probably engage in a specified behaviour	• Social beings who create meaning and who constantly make sense of their worlds • People possess an internally experienced sense of reality	• People can design/reconstruct their own world through action and critical reflection
	Nature of knowledge	• Knowledge can be described in a systematic way • Knowledge consists of verified hypotheses that can be regarded as facts or laws • Knowledge is accurate and certain	• Knowledge is based not only on observable phenomena, but also on subjective beliefs, values, reasons and understandings • Knowledge is constructed • Knowledge is about the *way* in which people make meaning in their lives, not just *that* they make meaning, and *what* meaning they make	• Knowledge is dispersed and distributed • Knowledge is a source of power • Knowledge is constituted by the lived experience and social relations that structure these experiences
	Role of theory — Theories are:	• Normative • Present 'models' • General propositions explaining causal relationships between variables	• Revisable • Approximate truth • Are sensitive to context	• Are constructed in the act of critique in a dialectical process of deconstructing and reconstructing the world
	Theory building / testing	• Postulates theories that can be tested in order to confirm or reject • Prove a theory form observable phenomena / behaviour • Test theories in a controlled setting, empirically supporting or falsifying hypotheses through process of experimentation	• Theories are built / constructed from multiple realities – the researcher has to look at different things in order to understand the phenomenon • Theory is shaped by social and cultural context	• Theories are built from deconstructing the world, from analyzing power relationships
	Role of research	• Uncover reality, i.e. natural laws • Scientifically explain / describe, predict and control phenomena	• Study mental, social, cultural phenomenon in an endeavour to understand why people behave in a certain way • Grasp the 'meaning' of phenomena • Describe multiple realities	• Breaking down institutional structures and arrangements that produce oppressive ideologies and social inequalities • Address social issues

	Research findings are true if:	• Can be observed and measured • Can be replicated and are generalisable	• Research has been a communal process, informed by participants, and scrutinized and endorsed by others	• Can solve problems within a specific context • Unveil illusions
	Role of common sense	• None – only deductive reasoning	• Common sense reflects powerful everyday theories held by ordinary people	• False belief that hide power and objective conditions
Methodological questions	Role of researcher	• Objective, independent from the subject • Investigator often controls the investigated	• Co-creator of meaning • Bring own subjective experience to the research • Tries to develop an understanding of the whole and a deep understanding of how each part relates and is connected to the whole	• Adopts role of facilitator encouraging the participation and involvement of the 'subjects' who become partners in the research process
	Role of values	• Science is value free • Values have no place in research, must eliminate all bias	• Values are integral part of social life – no values are wrong, only different	• Facts can never be isolated from values • Values of researcher influence values of research
	Methods	• Empirical • Structured and replicable observation • Quantification / measurement • Experimental – directly manipulate variables and observe	• Unstructured observation • Open interviewing • Discourse analysis • Try to capture 'insider' knowledge	• Participatory action research • Dialogical methods
	Type of studies	• Survey studies • Verification of hypotheses • Statistical analysis • Quantitative descriptive studies	• Field research conducted in natural settings in order to collect substantial situational information	

Source: Voce (2004:2-4)

2.3 RESEARCH DESIGN

A research design is a general strategy, approach or framework for solving a research problem. It provides the overall structure for the procedures that a researcher follows, the data the researcher collects and the analyses the researcher conducts (Leedy & Ormrod, 2005:85). Simply put, it attempts to answer the question: 'What kind of study will you be doing?' (Mouton, 2001:55).

Mouton (2001:57) gives a broad classification of the main research design types, illustrated in Figure 9 below. To answer the research questions posed in Section 1.6, an

empirical study using primary qualitative data was chosen. A literature review also forms part of the study, based on the grounded theory approach. The chosen research design for the study is indicated (in orange) in Figure 9:

Figure 9:   Typology of research design types
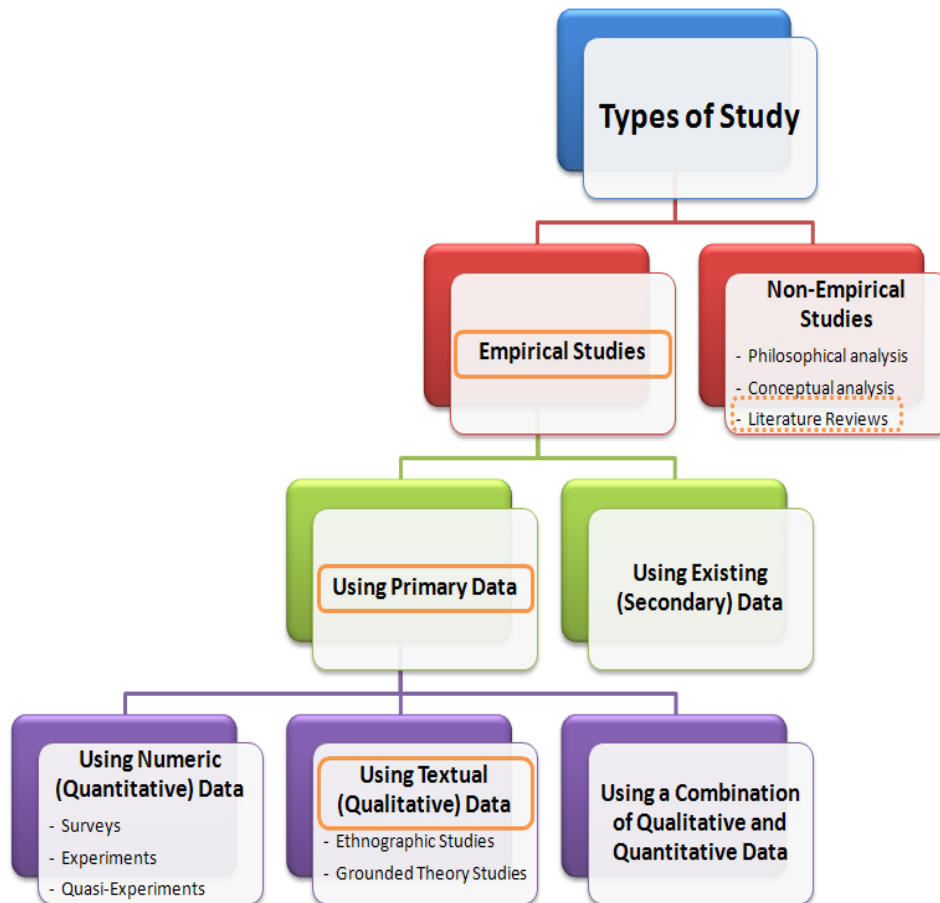
Source: Adapted from Mouton (2007:57)

I discuss qualitative research and the particular approach that I used, namely grounded theory, in the sections below.

2.4   QUALITATIVE RESEARCH

It is often argued that much of what qualitative researchers investigate might otherwise go unstudied or unnoticed if everyone were to proceed according to the methodological

guidelines provided by more conventional forms of inquiry (Contas, 1992:254). For a long time, the term 'qualitative research' was used to describe an alternative to 'quantitative' research. However, the development in this field has been such that qualitative research is no longer defined *ex negativo* (in other words, by stating that qualitative research is *not* quantitative or *not* standardized), but is rather characterised by several distinctive features (Flick, 2007a:2) – qualitative research

- 'uses text as empirical material;
- starts from the notion of the social construction of realities under study; and
- is interested in the perceptions of participants, in everyday practices and everyday knowledge referring to the issue being studied'.

Henwood and Pidgeon (1994) express a similar opinion, stating that researchers should avoid seeing qualitative research as a homogeneous category posed in opposition to quantitative research and simply reducing it to matters of method or technique. Instead, they argue for a distinctive qualitative paradigm, distinguishing between two sides of the quantity-quality debate, namely the 'technical' and the 'epistemological' (Henwood & Pidgeon, 1994:227). The technical side calls for a choice between qualitative and quantitative methods, based on pragmatic considerations, for example, sampling decisions and the availability of time and resources. By contrast, the epistemological side holds that 'the gathering, analysis and interpretation of data are always conducted within some broader understanding of what constitutes legitimate inquiry and warrantable knowledge' (Henwood & Pidgeon, 1994:227), leading to two epistemological positions that are possibly mutually exclusive. These epistemological positions are, first, experimental, hypothetico-deductive, or positivist; and, second, naturalistic, contextual, or interpretive. Although Guba and Lincoln (1994) argue for viewing discussions of the methodological aspects of qualitative techniques adopted as secondary to the paradigmatic concerns (specifically those of constructivism), I concur with the view of Henwood and Pidgeon (1994), who maintain that both sides of the debate (technical and epistemological) are bound together, as opposed to being independent determinants of choices about research methods and approaches.

Guba and Lincoln (1994:106) argue that human behaviour, unlike that of physical objects, cannot be understood without reference to the purposes and meanings attached by human actors to their activities. Qualitative data can provide rich insight into such human behaviour. Leedy and Ormrod (2005) add that the purpose of qualitative research is to study phenomena in all their complexity. Hence, qualitative researchers rarely try to simplify what they observe; instead, they attempt to study and portray the issue in its multifaceted form.

In the case of my study, I took into account that a qualitative research approach was most suitable, due to the extreme and enduring complexity of the leadership phenomenon studied. Conger (1998) argues that qualitative research is the cornerstone methodology for understanding the 'how' and 'why' of leadership as opposed to the 'what', 'where' and 'when' thereof. Folkman and Moskowitz (2004) call for narrative approaches in coping research in response to methodological critiques of coping research (see Somerfield and McCrae (2000) for a review, as discussed in Section 1.4.1). Using narrative approaches is in line with the idea that qualitative research uses text as empirical material.

For me, choosing a qualitative research design was thus not a matter of considering it a default choice as opposed to quantitative research (because qualitative research is frowned upon in a particular department) or because I felt uncomfortable with the use of statistics. Instead, it was a deliberate and critical choice to help me to answer a particular research question in the best way possible. I thus deemed qualitative research best suited to answer the research questions I wanted to answer in this study.

2.5 GROUNDED THEORY

Charmaz (2006:2) explains that grounded theory methods consist of systematic, yet flexible guidelines for collecting and analysing qualitative data to construct theories 'grounded' in the data themselves.

The defining components of grounded theory include

- 'simultaneous involvement in data collection and analysis;

- constructing analytic codes and categories from data, not from preconceived logically deduced hypotheses;

- using the constant comparison method, which involves making comparisons during each stage of the analysis;

- advancing theory development during each step of data collection and analysis;

- memo-writing to elaborate categories, specify their properties, define relationships between categories, and identify gaps;

- sampling aimed towards theory construction, not for population representativeness; and

- conducting the literature review *after* developing an independent analysis' (Glaser & Strauss, 1967).

The process of grounded theory building involves

- identifying a theoretical question of interest (*how do leaders cope during an economic downturn);*

- choosing an appropriate research context (*the South African mining industry*);

- sampling within that context in such a way that the data collection facilitates the emerging theory (*South African mining leaders from selected mining houses*); and

- making constant comparisons between the collected data.

Constant comparison refers to a technique of constantly comparing 'data first against itself, then against evolving original data, and finally against extant theoretical and conceptual claims' (Duchscher & Morgan, 2004:608). The purpose of constant comparison is to see if data supports and continues to support emerging categories (Holton, 2007:277)

Research questions best addressed by grounded theory include ones that explore new areas, seek to understand poorly understood phenomena, and attempt to understand unspecified variables or ill-structured linkages (Shan & Corley, 2006).

Within the constructivist-interpretive paradigm, I draw mainly on the constructivist grounded theory, as explained by Charmaz (2006:10), who in turn built on the original work of Glaser and Strauss (1967).

2.5.1   Literature review in grounded theory

There has been some confusion regarding the approach to and use of existing literature since the publication of *The discovery of grounded theory* (Bryant & Charmaz, 2007:19), mainly due to the diverging points of view of the founders of grounded theory on the extent to which researchers should use prior knowledge. Glaser and Strauss (1967:33) argue that researchers 'should study an area without any preconceived theory that dictates, prior to the research, "relevancies" in concepts and hypotheses'. They also advise that 'an effective strategy is, at first, literally to ignore the literature of theory and fact of the area under study, in order to assure that the emergence of categories will not be contaminated by concepts more suited to different areas' (Glaser & Strauss, 1967:37). By contrast, as Hesse-Briber (2007:325) points out, Strauss and Corbin call for a 'theoretical sensitivity' that acknowledges the importance of a researcher's prior experiences and theoretical ideas.

To overcome this confusion, one must examine the reason for Glaser and Strauss's sanction against researching the literature at the initial stages of a research project: there is some concern that a researcher might stifle theory development by imposing concepts from the literature on the data too early on, rather than allow the theory to emerge naturally (Urquhart, 2007:341). Grounded theory rejects *a priori* theorizing (Locke, 2001). However, this does not mean that grounded theory researchers should ignore the literature or enter the field lacking an understanding of the theoretical question that is to be addressed. However, it does mean that researchers should not let

preconceived constructs and hypotheses direct their data collection. *Ex-post theorizing* is required within a contextualisation of the findings and novel theoretical contributions within the framework provided by existing theory (Shan & Corley, 2006).

In light of the above, I used the literature review for two main purposes. Firstly, I used it as an orienting process. According to Urquhart (2007:351), such a process allows a researcher to be aware of the current thinking in the field without taking a position about the research to be done. This approach was useful in 'nesting' the problem, a term used by Walcott (1990:17, in Silverman, 2005:299), allowing me to contextualise my study to argue a case and identify a niche that my research would occupy, as suggested by Henning (2004:27). Thus, part of the literature review was done prior to the data collection and data analysis, while bearing in mind the original reason for delaying a literature review: not to force preconceived ideas onto the data.

Secondly, I used my literature review to explain my data, showing the relevance of my findings in relation to the existing body of knowledge (Henning, 2004:27). Stern (2007:123) uses the following quotation by Robert Burton (cited from *Bartlett's familiar quotations*, 1980:258) to explain this eloquently: '...a dwarf standing on the shoulders of a giant may see farther than the giant himself.' Stern (2007:123) notes that, while you may feel like a giant when you write up grounded theory, you are in fact a dwarf, which makes it important to position your work within the body of related literature, firstly, because it is academically honest to do so and, secondly, in order to demonstrate how you built upon it 'so you can see further'. Doing a literature review after data analysis completes and enriches your work with the aim of demonstrating how it adds a new dimension, an element that heretofore was unknown. In my case, it allowed me to show how I was standing on the shoulders of giants, and to acknowledge which giants, in order see further.

2.5.2 Methods of reasoning

Both inductive and deductive approaches to reasoning are used in this study:

- Inductive reasoning begins with the observation of examination of events or specific processes in order to reach wider and more general statements based on the events or processes. The assumptions are inferred from the research results (findings) and create a theory (Voce, 2004:4).

- Deductive reasoning includes the creation or designing of a theory, determining the assumptions in relation to that theory and analysing those assumptions in the face of reality. The assumptions are inferred from a theory and examined in order to prove or disprove a theory (Voce, 2004:4).

The theory building process, including inductive and deductive reasoning, is illustrated in Figure 10.

Figure 10:   The theory building process
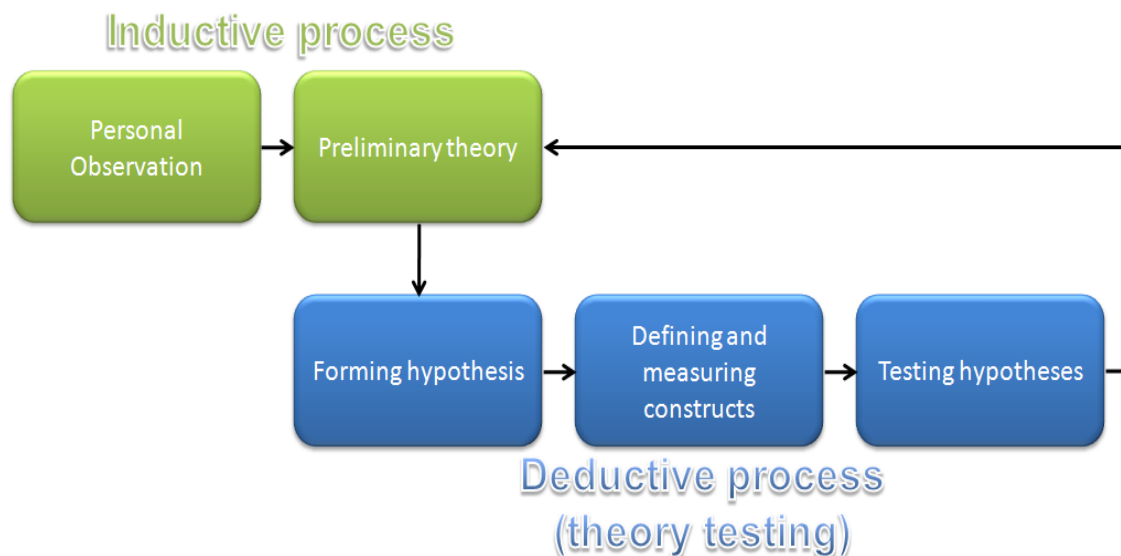
Source: McShane and Von Glinow (2005:557)

Although the concept of induction is often applied to qualitative research and more specifically to grounded theory research, Strauss and Corbin (1998:126) argue that both

inductive and deductive reasoning are used in grounded theory. They are of the opinion that there is a constant interplay between data and the researcher, as the researcher conceptualises the data or develops hypotheses through interpretation, which these authors regard as a form of deduction. Charmaz (2006:103) adds that theoretical sampling *per se* entails both inductive and deductive reasoning, as a researcher interprets data and then tests 'hypotheses' though subsequent data collection.

However, in the development of the conceptual framework developed in my study (see Chapter 5), a third form of reasoning or inference was also applied, namely abduction. The concept of abduction, developed by Peirce in the late nineteenth century, consists of 'assembling or discovering, on the basis of an interpretation of the collected data, such combinations of features for which there is no appropriate explanation or rule in the store of knowledge that already exists' (Reichertz, 2007:217). Through abduction, one invents a way of understanding, or a conceptualisation, achieving a synthesis of observations, using what Locke (2007:567) calls dual thinking modes, a combination of conscious controlled thought and spontaneous and creative inference.

2.6 RESEARCH METHODOLOGY

2.6.1 Role of the researcher

When one is working within a constructivist-interpretive paradigm, it is particularly important to highlight the role of the researcher in the qualitative research process. In this paradigm, the researcher can be seen as a research instrument that serves to understand the meanings of an action or how participants construct their reality (Sciarra, 1999:41). Sciarra (1999:43) regards the researcher, firstly, as an actor (as opposed to the onlooker typical of quantitative research) that allows him- or herself to become part of the world of the participant, for example, through extensive interviewing. Secondly, the researcher does not exert control over the participants, but rather interacts with them. A qualitative researcher enters the world of the participants 'not as a person who knows everything, but as a person who has come to learn; not as a person who wants

to be like them, but as a person who wants to know what it is like to be them' (Bogdan & Biklen, 1992:79, cited in Sciarra, 1999:43).

Thirdly, the researcher's subjectivity is seen as a critical component of qualitative research. The researcher becomes close to the participant and this type of closeness requires identification and emotional involvement with the participant in a way that, in quantitative research, could be seen as hampering the research process.

Moreover, reflexivity is an important method that qualitative researchers use to ensure that their closeness and interaction with the participants does not affect the research negatively. Qualitative researchers reflect on ways in which bias might influence qualitative research practice, and we acknowledge our own background and beliefs that can be relevant (Snape & Spencer, 2003:20).

2.6.2   Sampling

The population of a study is comprised of the complete set of cases or people to be studied (Saunders, Lewis & Thornhill, 2007:607). In the current study, the population consisted of individual South African mining leaders employed by a mine or mining group. For the purposes of the study, 'mining leaders' are defined as members of a mine or mining group's South African executive committee.

For some research questions, it is possible to collect data from an entire population, as it is of manageable size. For this study, however, I employed a process of sampling to enable a reduction of the amount of data that should be collected by considering only data from a subgroup (sample) rather than the impractical use of all cases or elements. Several different types of sampling were used in this study. These types of sampling are discussed below.

2.6.2.1. Purposive sampling

Rather than aspiring to representativeness, qualitative research mostly intends to reflect the diversity within a given population. Historically, qualitative research, according to Barbour (2001:1115), often relied on convenience samples, especially when the group of interest was difficult to access. By contrast, purposive sampling offers a researcher a degree of control, selecting units on the basis of the researcher's judgement about which units will be most useful or representative. This selection is made based on the researcher's knowledge of the population, its elements and the purpose of the study (Babbie, 2007:184). Purposive sampling was selected for this study as an initial sampling strategy.

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. Based on my knowledge of the population and the purpose of the study, mines or mine groups were selected which are involved in beneficiating a variety of commodities, namely gold, platinum and uranium.

Individual leaders (executives) within each company were also selected purposively from the executive committees to form the sample of individual sampling units.

2.6.2.2. Theoretical sampling

In theoretical sampling, a researcher aims to develop the properties of the developing categories or theory, seeking people, events or information to illuminate and define the boundaries and relevance of the categories (Charmaz, 2006:189). This type of sampling is especially relevant in grounded theory research as applied in this study, and it was decided to use this kind of sampling in order to answer the research questions as fully as possible. Charmaz (2006:189) explains that in grounded theory, initial sampling (purposive sampling, in this study) is where the researcher starts, whereas theoretical sampling directs one to where one goes.

2.6.2.3. Theoretical saturation

Theoretical saturation is reached, according to the standard definition set out by Glaser and Strauss (1967:61), when no additional data are found that can be used to develop the properties of a category. Strauss and Corbin (1998:136) argue that saturation is a matter of degree, because one can always find additional properties or dimensions of a category if one looks 'long and hard enough'. They therefore propose that theoretical saturation is 'more a matter of reaching a point in the research where collecting additional data seems counterproductive; the "new" that is uncovered does not add that much more to the explanation at this time' (Strauss & Corbin, 1997:136).

2.6.3 Data collection

Data collection in qualitative research can be done using a variety of methods, including interviewing, textual analysis, focus groups, observation. Richards and Morse (2007:111-112) provide a list of techniques for collecting qualitative data (see Table 3).

Table 3: Techniques for qualitative data collection

Data collection method	Characteristics	Commonly used in
Unstructured, interactive interviews	• Relatively few prepared questions, maybe one or more main questions • Researcher listens to and learns from the participant • Unplanned, unanticipated questions may be used, also probes for clarification	• Ethnography • Discourse analysis • Grounded theory • Narrative inquiry • Life history • Case study
Informal conversations	• Researcher assumes a more active role than in interactive interviews	• Phenomenology • Ethnography • Grounded theory
Semi structured interviews	• Open-ended questions are developed in advance, along with prepared probes • Unplanned, unanticipated probes may also be used	• May be used in ethnography, grounded theory or as a 'stand-alone' method

Group interviews	• Recorded • Limited number of open ended questions are asked • Facilitator stimulates dialogue among participants	• Focus groups (type of group interview) • Informal groups may be used in ethnography
Observations	• Field notes may be recorded as notes (and later expended on) or recorded and later transcribed • Participant or non-participant observation may be used	• Ethnography • Grounded theory • Supplement to interviews in all methods
Documents	• May be collected during research and used to give background or detail	• All methods
Diaries, letters	• May be retained in detail or summarised	• Many methods, especially life history

Source: Richards and Morse (2007:111-112)

For this study, interactive interviews were used. These were what Charmaz (2006:25) terms 'intensive interviewing'. Field notes describing observations were made during the interviews.

However, before discussing interviewing as a data collection method in more detail, it is important to note that, although data collection, analysis and display are discussed separately in this document, they are in fact all part of an interactive process, as is indicated in Figure 11 (overleaf).

Figure 11: **Interaction between data collection and data analysis**
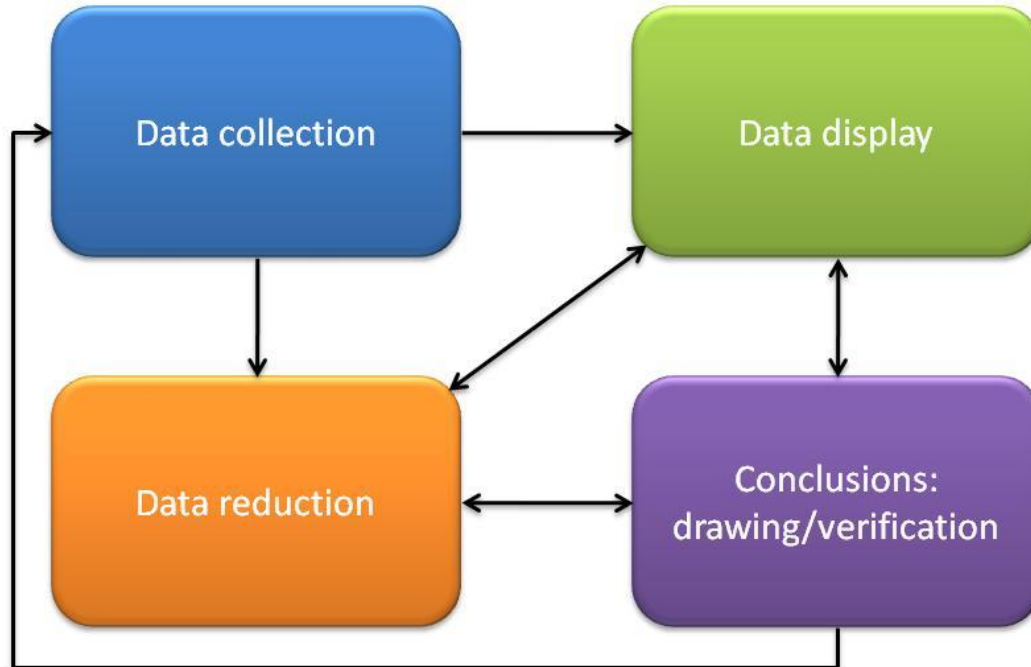
Source: Miles and Huberman (1984:23)

2.6.3.1. Intensive interviewing

Charmaz (2006:25) refers to 'intensive interviewing' as permitting an in-depth exploration of a particular topic. Thus it is useful for interpretive enquiry. The aim of this type of interviewing is to obtain 'rich data' or 'thick descriptions' that are focused and detailed, and that fully reveal participants' views, feelings, intentions and actions, as well as the context and structures of their lives (Charmaz, 2006:14) – in this case, the way in which leaders cope during an economic downturn.

Mason (2002:231) claims that it is not possible to conduct completely structure-free interviews, arguing that as a minimum the agendas and assumptions of both the interviewer and interviewee will impose a framework for meaningful interaction. Charmaz (2006:26) holds a similar view; and suggests that researchers devise a few broad, open-ended questions in the form of an interview guide and then use their interview questions to invite detailed discussions of the topic. Boeije (2010:62) proposes

a classification of interviews based on their pre-structuring (see Figure 12) and classifies an interview as 'open' when it depends, at least in part, on the source and situation of each individual interview.

Figure 12:   Interviews classified by extent of pre-structuring

Source: Boeije (2010:62)

2.6.3.2. Interview guides

An interview guide, or a list of questions to be explored in the course of the interview, was used for the intensive interviews in this study. Intensive interviewing suits grounded theory well, as it is open-ended, yet directed, shaped yet emergent, paced, yet unrestricted (Charmaz, 2006:53). The purpose of the open-ended questions in the interview guide was thus to shape and pace the interviews, while remaining emergent and unrestricted. In Table 4 (overleaf), an example of the interview guide used in this study is given.

Table 4:   Interview guide

Main	Probe for
How does the economic downturn affect your organisation?	Specific examples and situations
What was/is your role in the organisation during the downturn?	Not merely position, but role in downturn response
How does the economic downturn affect you as a person?	Specific examples and situations of individual impact
How did you handle a typical situation mentioned?	Other strategies used in other situations?
How would you have done things differently (if applicable) in retrospect?	Specific examples
What advice would you give to a fellow executive to cope with an economic downturn?	
Does your organisation assist you to cope during the economic downturn?	• Specific actions • If so, how?
Would you like to add anything else that you feel might be relevant that we have not discussed?	

2.6.3.3. Timing of data collection and research

Folkman and Moskowitz (2004:751) distinguish between momentary accounts, where coping is measured during a stressful event. This approach addresses the potential problem of bias due to recall, but it may also under represent the coping complexity and what people actually cope with. Retrospective measurement deals with coping complexity, but introduces potential recall bias. Coping measurement is therefore seen as an art, as much as it is a science. The timing of both kinds of data collection effort considers different aspects of the coping, all part of the coping process.

Data collection for this study was done during November and December 2009, at the end of the downturn, but it was a period that was still very much, at that stage, viewed as part of the downturn. As Figure 13 illustrates, although the mining industry (in terms

of sales) started to recover, showing a positive trend, the total sales volume remained low. I believe that I therefore addressed the complexities of coping, while also limiting potential bias due to recall.

Figure 13:   Total volume of mineral sales
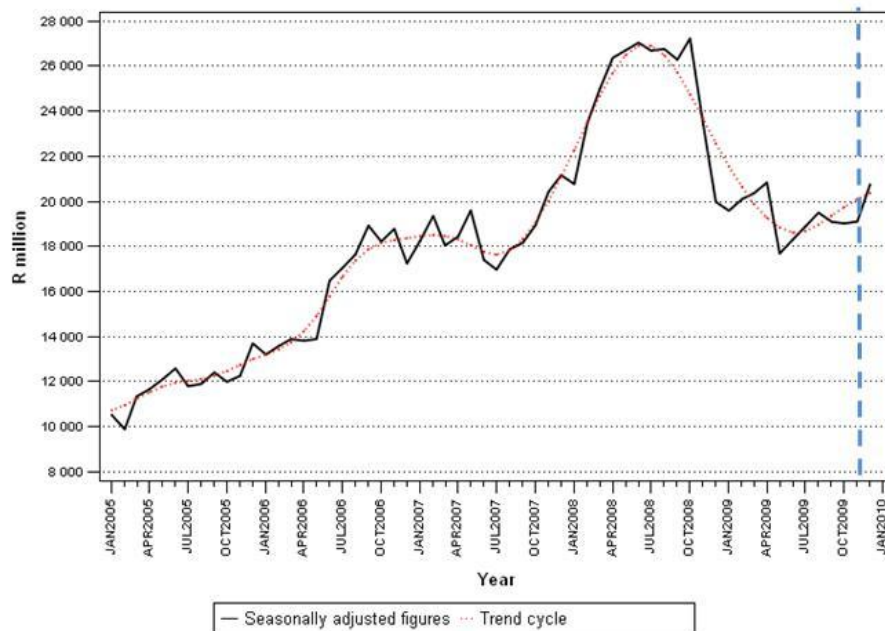
Source: Statistics South Africa (2010c:5)

2.6.4   Data recording

Bogdan and Biklen (1998, cited in Schurink, 2004:9) provide valuable advice on the recording of qualitative data. Researchers should

- undertake to keep data physically well organised and develop a plan to ensure this;
- create a backup system, ensuring that they have hard copies of all captured data in a manual filing system, as well as electronic backups stored separately; and
- safeguard documents and store them in a secure environment.

2.6.4.1. Transcribed interviews

Data recording and the transcription of audio or video recordings have advantages during data analysis, but also for the entire research process. Recordings, according to Boeije (2010:72)

- benefit data quality, as the researcher can focus on the interview and/or observation without having to worry about taking notes;
- improve data quality, as the researcher does not have to select what to take notes on and what to leave out during the interview;
- benefit data quality, as they facilitate discussion of the interview with peers to aid interview technique as well as data interpretation;
- are considered an important guarantee of data quality, illustrating a commitment to quality; and
- provide direct quotes that can be used in the final report for readers to judge the relationship between researcher's interpretation of the data and the data itself.

Data is inevitably altered during transcription, as facial expressions, tone and intonation are lost, or are based on subjective interpretation where they are included in the form of inserted descriptions. Charmaz (2006:34) proposes close study of recordings with transcriptions to assist the researcher to attend closely to a respondent's feelings and views despite the alteration of transcribed data. In addition, field notes assist the researcher in to capturing observations made during the interview which cannot be captured either through a recording or the subsequent transcriptions of recordings.

2.6.4.2. Field notes

Field notes, according to Schurink (2004:11) are 'written accounts of what researchers hear, see, experience, and think in the course of collecting and reflecting on the data in qualitative research studies'.

Material that should typically be included in field notes includes reflections

- on analysis, that is, thoughts on what the researcher is learning, potential themes that are emerging, links between data and any other thoughts that the researcher may have;
- on method, that is, information on methods used during the study and the researcher's interaction with respondents;
- on ethical dilemmas and conflicts, that is, any ethical concerns regarding the researcher's values and the responsibility to the subjects; and
- on the researcher's frame of mind, in other words, his or her assumptions about the research setting, feelings and potential bias.

Gibbs (2007:27) suggests that one should write field notes as soon as one can, distinguishing between merely recording what has happened and recording one's own actions and reflections.

2.6.5 Data analysis

As mentioned in Section 2.6.3, although data collection and data analysis are two separate sections of this document, there is no separation between the two in qualitative research. Data analysis should begin in the field, by taking field notes and keeping a research diary. Indeed, a research diary can be kept even before the first interview takes place (Gibbs, 2007:3).

This is illustrated well in the grounded theory process, where data collection and data analysis take place concurrently from the beginning of the process, as indicated in Figure 14 (overleaf).

Figure 14:   Grounded theory process
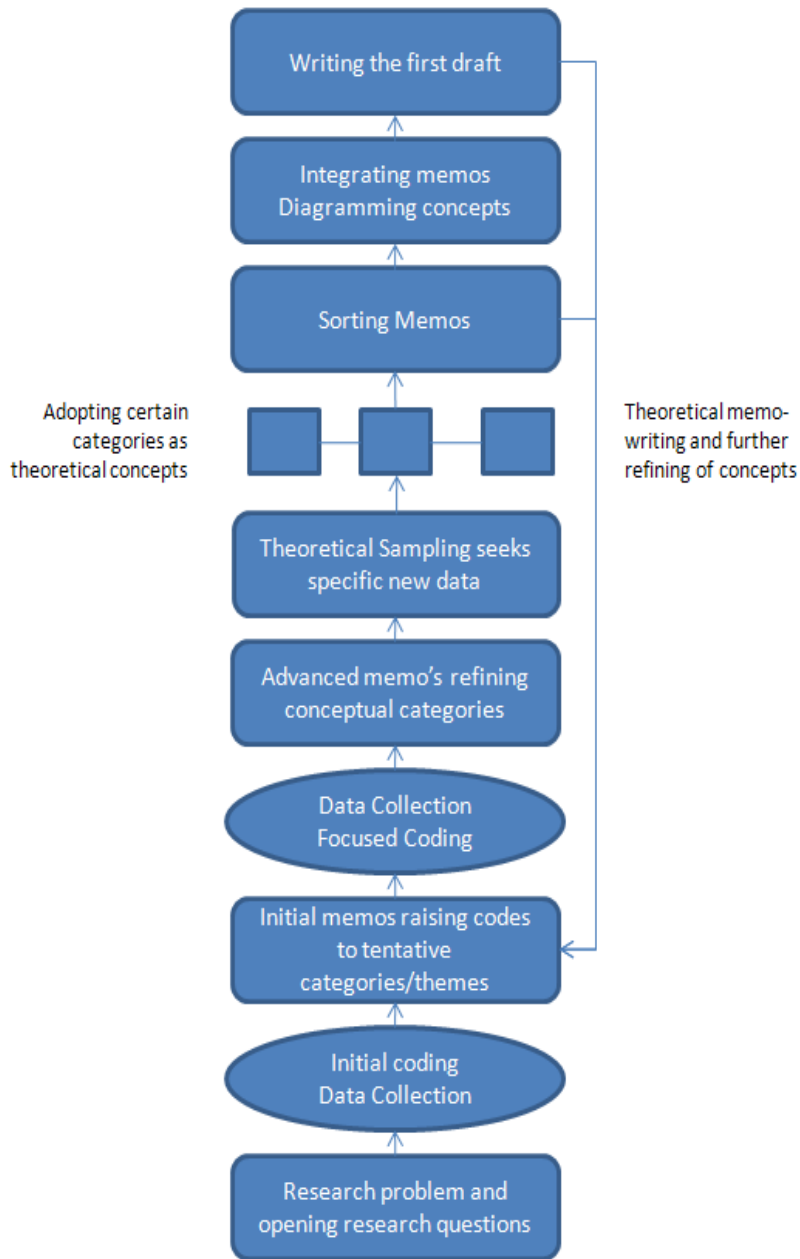
Source: Charmaz (2006:11)

According to Charmaz (2006:43), coding is the first step in moving beyond concrete statements in the data to making analytical interpretations. She defines coding as 'categorising segments of data with a label that simultaneously categorises, summarises and accounts for each piece of data'.

Different types of coding were used in this study:

- Initial coding: Initial coding sticks closely to the data and does not apply pre-existing categories to the data. Coding can be done per word, line or incident.

- Focused coding: This method of coding requires using the most significant and/or frequent earlier codes to sift through large amounts of data. This is done to assist the researcher in synthesizing and explaining larger segments of data (Charmaz, 2006:58-60).

I refined both initial and focused coding, as depicted in Figure 15.

Figure 15:   Revised data analysis process
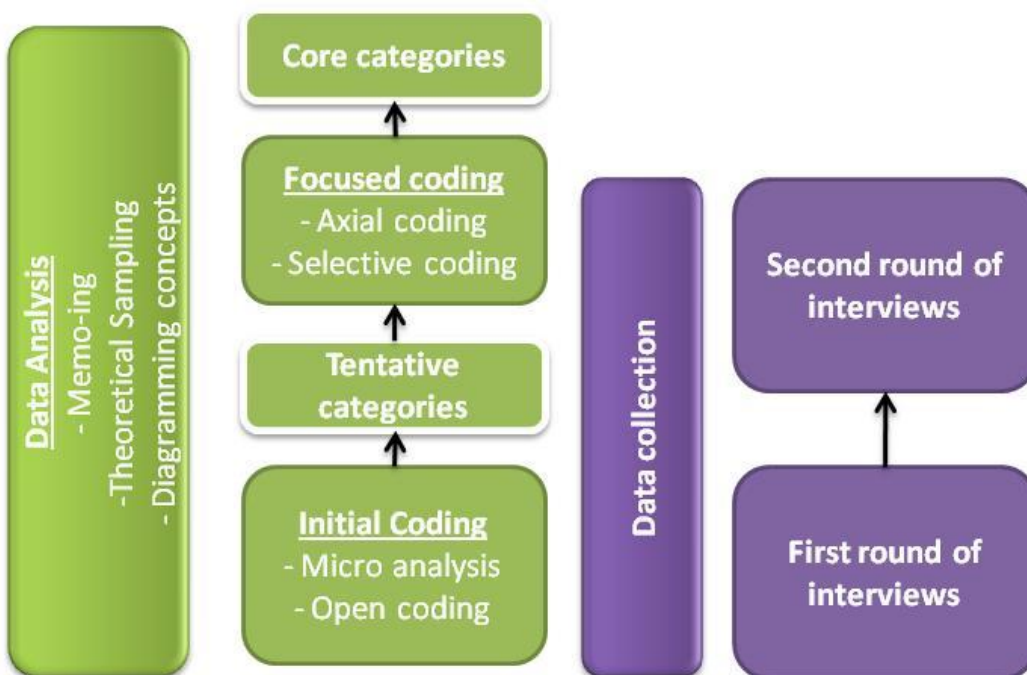
Source: Adapted from Charmaz (2006:11)

Initial coding was refined to include micro-analysis, as well as open coding. Micro-analysis is the careful, often minute, examination and interpretation of data (Strauss & Corbin, 1998:58), similar to the word-by-word coding described by Charmaz (2006:50). Open coding refers to uncovering, naming and developing concepts opening up the data (Strauss & Corbin, 1998:102). These two coding actions were not done separately:

micro analysis was used in the naming of concepts in open coding, keeping closely to the data and the principles of initial coding set out by Charmaz (2006:49):

- remain open;
- stay close to the data;
- keep codes simple and precise;
- construct short codes;
- preserve actions;
- compare data with data;
- move quickly though the data.

Secondly, focused coding was refined to two distinct 'steps' of focus, namely axial and selective coding. Axial coding attempts to reassemble data that were 'fractured during open coding' (Strauss & Corbin, 1998:124) and to sort, synthesize and organise large amounts of data (Charmaz, 2006:60). Selective coding further integrates and refines categories (Strauss & Corbin, 1998:143).

2.6.6 Computer-aided qualitative data analysis

Qualitative data by their very nature tend to be rich and complex, but also non-standardized. Computer-aided qualitative data analysis was used in this study to assist in the management and integration of the transcripts, field notes and memos produced in the study.

Hall (2008:37) notes some advantages of using computer-aided qualitative data analysis:

- systematic data management and handling, using self-generated (grounded) or imported (from established methodologies) classifications;
- retaining context, in that the coding and 'pieces' of information are linked back to the original documentation from which they were cut; and
- enabling continual reference to data, allowing the researcher to investigate data from different perspectives and to various degrees of depth.

The Atlas.ti (version 6) software package was used in this study, due to its origin in grounded theory.

2.7 THE QUALITY AND RIGOUR OF THE RESEARCH DESIGN

Historically, it was suggested that the classical criteria of empirical social research – reliability, validity and objectivity – should be applied to qualitative research, or modified to fit this type of research (Flick, 2007b:5). However, since Lincoln and Guba (1985) suggested the substitution of the classical criteria of quantitative research (reliability, validity and objectivity) in qualitative research with what they termed 'trustworthiness', more attempts to move away from the classical criteria in qualitative research have become evident (Flick, 2007b:5). Lincoln and Guba (1985) suggest that trustworthiness is established through credibility, transferability and dependability and confirmability:

- Credibility deals with truth-value, which in traditional research is referred to as internal validity. To test truth-value, one would need to determine whether the interpretations that were made were credible, based on the subjects' own interpretations. Member checking, 'the most crucial technique for establishing credibility', according to Lincoln and Guba (1985:314, cited in Creswell & Miller, 2000:127), was also employed: a group of respondents were asked to review whether the themes and categories made sense and whether my interpretation of the data was realistic and accurate.

- Transferability, as an alternative to external validity, is 'the degree to which similarities exist between contexts that allow findings to be transferred from one situation to another'. The use of 'thick' descriptions provides a framework for comparison from which transferability may occur.

- The use of thick descriptions is once again the key to dependability and confirmability. 'Thick descriptions allow for an inquiry audit where the process can be followed to determine whether it was clear, systematic, well documented, and provided a safeguard against bias'.

The use of thick descriptions was the focal strategy in demonstrating quality in this research study, ensuring that interviews were conducted in such a way that thick descriptions were encouraged and facilitated. Dependability and confirmability were ensured by keeping process notes, keeping the raw data in the form of transcripts and leaving a thorough audit trail.

2.8   ETHICS

Ethics in research, or the appropriateness of the researcher's behaviour in relation to the rights of those who become the subject of the research, or are affected by it, is relevant in every stage of the research (Saunders *et al.*, 2007:178). The ethical considerations relevant to this research are discussed below, with measures to ensure that ethical principles are adhered to.

- **Access:**
  Mines or mining groups were approached to participate in this study. I have been working in the mining industry for more than five years and have several contact persons within the industry. I approached them to facilitate contact with the relevant individuals in a position to grant access and provide consent on an institutional level for the research within their mine or mining house. Three mines agreed to participate.

- **Consent:**
  Informed consent was given by all three mines. Formal letters of informed consent were signed by the institutions upon acceptance of the research proposal by the University of Pretoria. Individual respondents also provided informed consent by signing a formal consent form. See Appendix A for an example of an institution's informed consent form and Appendix B for an example of an individual's informed consent form.

- **Confidentiality and anonymity:**
  This is a particularly important aspect due to the personal nature of the exploration of this research and the fact that respondents might feel that it could have an effect

on their position within the organisation if their coping decisions became public. Individual respondents' identities and mine affiliation were therefore treated as confidential. Mines and mine houses are also sensitive about public perceptions, and therefore responses are not linked to a particular mine. No mine-related information from which the identity of the particular mine can be inferred is used.

2.9 CONCLUSION

In this chapter I provided an overview of the chosen research design, focusing on qualitative research and grounded theory. The research methodology that I used was also discussed from a theoretical perspective. I also gave an account of how the quality and rigour of the research design were ensured. I concluded the chapter with a discussion on the research ethics relevant to this study.

CHAPTER 3: MY RESEARCH JOURNEY

3.1 INTRODUCTION

In Chapter 2, a theoretical account of my research design and methodology was provided. In Chapter 3, I include a more personal account of what I call my research journey, based in part on my research diary. I cannot describe every detail of my journey, but I attempt to point out all the major decisions made – all the major cities visited, so to speak. In addition, it is important to note that I reflect on my complete research journey, going beyond the research process to cover all aspects of my PhD quest. This extended process is illustrated in Figure 16 (overleaf), which I use as a guideline in my discussion in this chapter.

Figure 16:   Process followed during the study
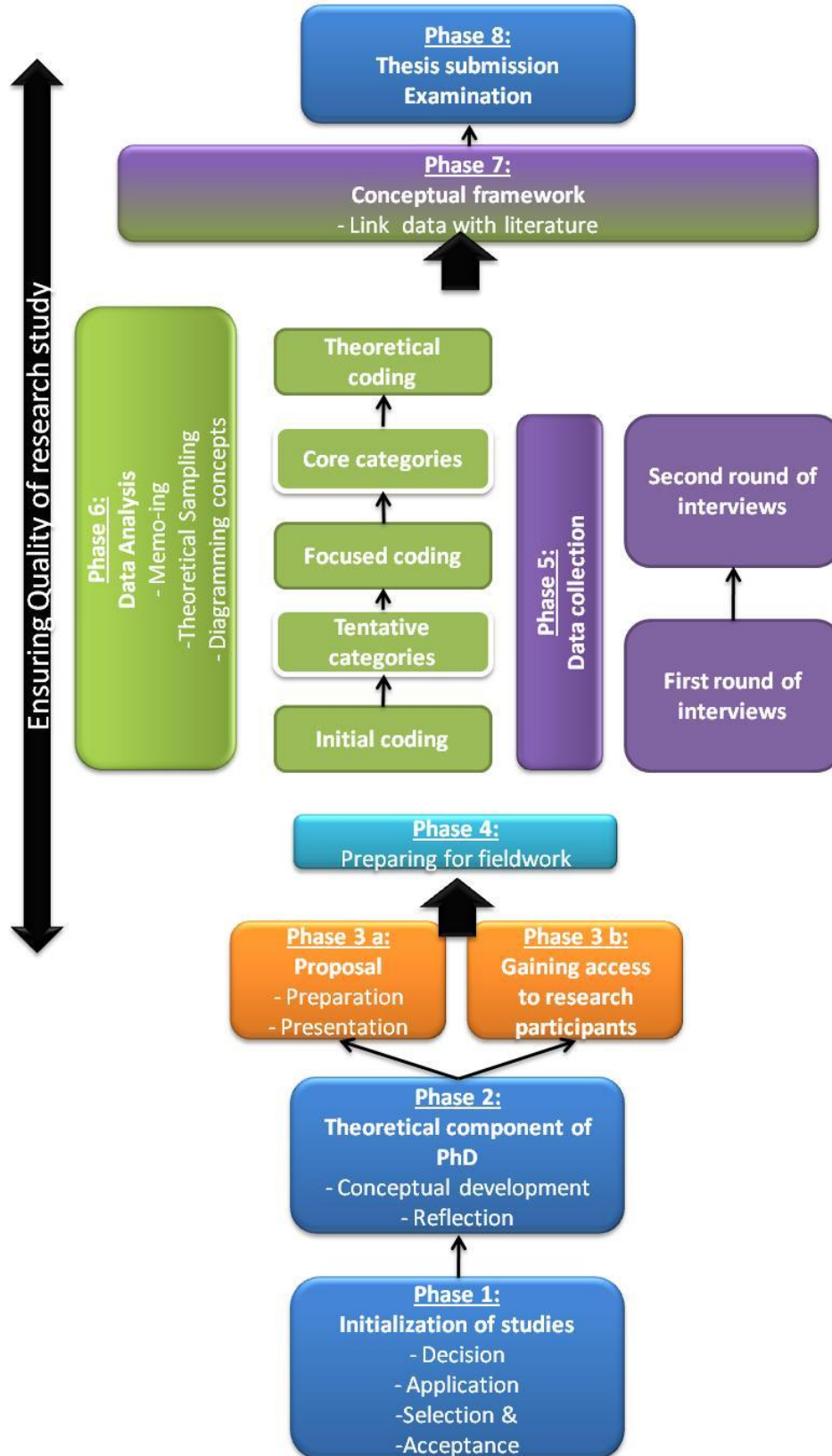
3.2 PHASE 1: INITIALIZATION OF STUDY

3.2.1 Decision leading to the PhD study

When I received the Dean's Medal for my Master's degree (a Master's degree in Business Administration at the University of the Free State) on stage during our graduation ceremony in March 2003 from Prof. M.J. (Tienie) Crous, Dean of the Faculty of Economic and Management Sciences, he asked me what the topic for my PhD was. I was 24 at the time, and was under some pressure from my faculty to proceed with my studies.

I have always known that I would do a PhD – it was just a matter of when and where, perhaps as a tribute to my father who did not complete his PhD, and due to circumstances, accepted a second master's degree. Directly after completing my MBA, I started thinking of possible research topics, without any success. My mentor, Prof. W.J.C. (Willie) van der Merwe (I worked as a lecturer at the University of the Free State at the time) advised me to be patient, to gain life and work experience. He said that I would know when I was mature enough to embark on this road.

In 2006, when I was working as a business consultant at an Information Technology organisation, I felt ready to once again pursue my goal of achieving a PhD. I researched various PhD programmes at several institutions, including the University of South Africa (UNISA), the University of the Free State and the University of Pretoria. After discussions with PhD graduates from both UNISA and the University of Pretoria, and drawing on my experience at the University of the Free State, I decided on the programme offered by the University of Pretoria, primarily because the University of Pretoria had a specialized programme in Organisational Behaviour. Organisational Behaviour has interested me since I explored it during my MBA, and my interest in this field of study has grown since I began working as a consultant for various prominent mining houses.

The Organisational Behaviour PhD programme consists of a theoretical and a research component (see Figure 17), of which the research component (a thesis and research article) contributes 100% to the requirements for the degree.

Figure 17:   Excerpt from the University of Pretoria brochure outlining the PhD with specialization in Organisational Behaviour

↗ **PhD with specialization in Organizational Behaviour (07267001)**

(a) Minimum admission requirements

    (i)   A recognized masters degree.
    (ii) A minimum mark of 65% average in master's degree..
    (iii) All applications are subjected to a selection process.

(b) Course content

Theoretical component

The PhD programme in Organizational Behaviour comprises of a theoretical component and research component. For the theoretical component the candidate has to register for the *Commerce Special Postgraduate Programme* comprising of the following modules:

EBW	801	Research Methodology 801
IMN	883	International Management 883
ORG	884	Organizational Behaviour 884 (Overview)
ORG	910	Organizational Behaviour 910 (Individual and Organization)
ORG	911	Organizational Behaviour 911 (Group and Organization)
ORG	912	Organizational Behaviour 912 (The Evolving Organization)
ORG	913	Organizational Behaviour 913 (Managing Organizational Behaviour)
RES	986	Research Methods 986

After candidates have successfully passed the theoretical component, they can register for the PhD in Organizational Behaviour (Thesis & Research Article).

Research component (Thesis and Research Article)

ORG   990   Thesis: Organizational Behaviour 990

The research component comprises of a thesis and a research article for publication. A candidate will work under the guidance of a promoter to develop a detailed research proposal according to departmental guidelines and regulations. The proposal must be presented to the Departmental PhD committee and must be officially approved by all relevant committees before the candidate can commence with his/her research. The candidate will continue his/her research under the guidance of his/her promoter until the research is completed according to the rules and regulations of the University. A public defence of the final thesis is compulsory and forms part of the final examination. Furthermore, a research article based on the candidate's research must be submitted for publication to a recognized accredited journal. The article is a compulsory condition for the degree to be conferred on the candidate. The research component contributes 100% towards the total requirement for the degree

Admission to the programme enables students to register for the Commerce Special Postgraduate Programme and to participate in a two-year lectured programme, after which final acceptance and admission is granted for a PhD in Organisational Behaviour, after approval and acceptance of a research proposal as presented to the Departmental PhD Research Committee, Department of Human Resources Management.

3.2.2   Application

I applied online for a PhD in Organisational Behaviour in October 2006, but was unfortunately informed telephonically by Ms Juna Botha about a recent decision by the Dean that there would not be a 2007 intake for the PhD in Organisational Behaviour, due to the high number of students in the pipeline. I was very disappointed and contemplated registering at the University of the Free State or UNISA. However, when the Department of Human Resources Management at the University of Pretoria assured me that it would accept new students for 2008, I decided to wait for the next intake. In hindsight, this was a blessing in disguise, as I started a new job in 2007, which would have complicated the situation. By 2008, I was well established in my new organisation.

In October 2007, I once again applied online for the PhD in Organisational Behaviour at the University of Pretoria.

3.2.3   Selection

On 14 November 2007, I received an e-mail from Ms Juna Botha (see Figure 18) from the Department of Human Resources Management, informing me that I had passed the initial screening and that I was one of nine candidates on the shortlist for the formal full-day selection process that would take place on 20 November 2007 at the University's main campus, in Lynnwood Road. I was requested to bring the following to the selection session:

- a copy of my Master's dissertation; and

- a ten-page research proposal.

Figure 18:   E-mail from Ms Juna Botha informing me that I was on the shortlist for the PhD (OB) programme

From: Juna Botha [Juna.Botha@up.ac.za]   Sent: Wed 11/14/2007 8:16 AM

To:

Cc:

Subject: PhD: Organizational Behaviour

Good morning everyone,

You are the nine applicants for abovementioned PhD degree that has been placed on our short list. You will need to be here at 07:30 in the morning till at least 16:00 in the afternoon on 20 November.   You need to bring with you the following:

A copy of your Master's dissertation / thesis
Submit (8-10 pages) "mock research proposal" on "key success factors for PhD studies". We want you to tell us what is a research proposal and what is the key factors we are looking for in a research proposal.

Please let me know today or at the latest tomorrow if you are available or not.

Kind regards

Juna Botha

Department Human Resources Management
Administrative Assistant
Tel: +27 12 420 3108
Fax: +27 0866 352 664
Email: juna.botha@up.ac.za

I was the first to arrive on the Tuesday morning. As the other candidates arrived, we got to know each other a little and discussed a potential agenda for the day. I was uncertain about what to expect, but I was very relaxed. I realised the fact that I had not done a research-based master's degree placed me at a disadvantage. However, from my experience at the University of the Free State, I knew that the selection would be based on a combination of academic background, work experience and the personal characteristics of candidates.

The agenda for the day was as follows:

- Administration of psychometric tests.

- Write a five-page article review of a selection of articles from accredited journals.

- Attend a personal interview with the selection panel, during which the panel members will assess the candidate's research background, research vision and personal background.

- Participate in a group problem-solving exercise observed and assessed by the panel.

I enjoyed the excitement and pressure of the selection process, but I was reserved, as my lack of in-depth knowledge and experience of research methodology was very apparent during the individual interview session with the panel. I was, however, still positive, as I felt that I conveyed my ability and commitment to expand my knowledge in this regard sufficiently to the panel members.

3.2.4   Acceptance

I was informed telephonically on 15 January 2008 that I had been accepted for the PhD Programme in Organisational Behaviour at the University of Pretoria. I was very excited and relieved that I had been selected. I looked forward to starting this research journey.

3.3   PHASE 2:   THEORETICAL   COMPONENT - PROGRAMME   IN ORGANISATIONAL BEHAVIOUR

I registered on 2 February 2008 for the Commerce Special Postgraduate Programme; and arrived on 9 February 2008 for my first class. I met my four co-travellers on this journey that morning, during a very valuable orientation session of the Research Methodology course and the overview course on Organisational Behaviour that we

would take that semester. It was during this first class that Prof. Yvonne du Plessis[5] first referred to our studies as a journey. We found this to be such an appropriate metaphor that we presented Prof. Yvonne and Dr Mias de Klerk (our two main lecturers during the theoretical component of our studies) with flowers and a travel bag to signify our gratitude for their assistance during our journey.

Throughout 2008, we had roughly one contact session per month, consisting of discussion colloquia for each of the two courses per semester. We usually had to prepare a paper and a presentation on a specific topic. One of our fellow students only attended the first orientation session and another did not return for the second semester. We, the three remaining ladies, all aged 30, completed the first year, the theoretical component.

At the end of 2008, the amended guidelines from the University of Pretoria dictated a change in our curriculum. This meant that we would not have a class in the first semester of 2009, which suited me for three reasons. Firstly, I accepted a new position in my company as a principal consultant, managing about 30 consultants across South Africa at the end of 2008. I was under pressure to expand the consulting practice during the economic downturn. Secondly, I could focus on my research proposal. Thirdly, I could get married on 2 May 2009 without having to worry about missing any formal contact sessions. I clearly remembered Prof. Yvonne telling us during our first class in 2008 to keep our lives stable during the course of our studies: do not change jobs, do not get married or divorce your partner, and do not get pregnant. This was one time where I did not take her always sound advice, but it worked out well enough!

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[5] I will hereafter take the liberty to refer to Prof. Du Plessis as 'Prof Yvonne', signifying our relationship throughout the course and my research. She is more than a promoter: I regard her as a critical friend. A critical friend, according to Costa and Kallick (1993), refers to 'a trusted person who asks provocative questions, provides data to be examined through another lens and offers critique of a person's work as a friend'.

Figure 19:   My husband Corné and I on our honeymoon in Namibia

The class of 2008 and two students from the 2009 intake met during the second semester of 2009 for two contact sessions, on 25 July 2009 and 12 September 2009, as well as a learning conference on 31 October 2009. This conference was planned and executed by the team (with much-appreciated help from Ms Christa Smit and Prof. Yvonne). The five students were also the presenters for this colloquium conference.

Figure 20:   Prof Yvonne (far left), myself and fellow students and lecturers during the learning conference

The time around the learning conference was probably the most stressful time during my research journey. I had to prepare for the conference while simultaneously preparing for fieldwork and continuously working on my initial draft chapters. In addition, my sister emigrated to Germany during this time; and I had to see off her and her family and support my parents during this process. However, I also made an important mental shift: I had thoroughly enjoyed the theoretical component of the programme, but at that stage I was completely ready to move on and focus solely on my research.

Although the theoretical component did not contribute to the requirements for the degree, it did contribute greatly towards

- raising my level of conceptual, critical and lateral thinking skills;
- assisting me to write academically about a subject;
- building my knowledge and confidence in different research methodologies;
- keeping me focused and driven towards the completion of my studies through peer support and constant involvement in the academic milieu; and
- increasing my self-reflection, which I found useful not only in my personal development, but also in doing a qualitative research study using the constructivist-interpretivism paradigm.

3.4   PHASE 3A: PROPOSAL

As we did not have any contact sessions for the first semester of 2009, I took the opportunity to prepare my proposal based on the knowledge gained in Research Methodology EBW 801. I met with Prof. Yvonne on 17 February 2009 to discuss my proposal concept and submitted a ten-page summary of my intended proposal outlining

- the proposed title;
- the problem statement, rationale for the study and an explanation of how it fits into the domain of Organisational Behaviour;
- the intended scope; and

- the proposed methodology in order to answer the research questions and/or reach the research objectives.

At that stage, my proposed topic was *Positive psychological capital as critical component of employee commitment in South African mining organisations*, as initially submitted informally during 2008 in order to be assigned a promoter. However, during this session, I took the opportunity to discuss my interest in the impact of the downturn on the leaders in the mining industry, which by then was already severely affected, with Prof. Yvonne. She was, like me, excited about my suggested change in topic and proposed research questions and scope, and gave me valuable guidance on how to proceed with my proposal. Due to the risks associated with a study tied so closely to an external event (the South African and global economy) she urged me to adhere to a strict timeline in order to complete my research within this particular context successfully.

I went to work writing my research proposal, spending a significant amount of time researching research methodologies. I discussed some research design and methodology suggestions with Prof. Yvonne, based on my draft research questions and research objectives, particularly in view of the methodological issues that I found relating to coping research in general (see Section 1.4.1). We agreed that a qualitative research approach would be an appropriate choice.

On 23 June 2009, I submitted my request to present my proposal to the Department of Human Resource Management. My request was granted, and Iwas awarded the 12:00 to 13:00 timeslot on 31 July 2009 to see the Departmental PhD committee, pending approval.

On the same day, Prof. Yvonne declared me ready to present on 31 July, after which I submitted the required eight duplicate paper copies and an electronic copy to Ms Smit on 27 July 2009. See below e-mail that I received on 23 July 2009 from Prof. Yvonne. I

worked quite hard on my proposal and it was a relief that the final product was accepted for presentation.

Figure 21: **E-mail from Prof Yvonne indicating that my proposal was ready for presentation**

From:	Yvonne duPlessis [Yvonne.duPlessis@up.ac.za]	Sent: Thu 7/23/2009 3:50 PM
To:	Marlise van Zyl	
Cc:		
Subject:	Re: Marlise Proposal	

Message | HORN_M_ME_28470924_V0.12.doc (1 MB) | deductive and inductiveFigure 3.doc (27 KB)

```
** High Priority **
** Reply Requested When Convenient **

Jy gaan aanbied!!! Ons kan nie wag nie- Go for it!!!

Sien track changes en info aangeheg.

Prof Yvonne du Plessis
Department of Human Resource Management
UNIVERSITY OF PRETORIA,
South Africa
Tel:  +27(0)12 420 3438
Fax: +27(0)12 420 3574
Mobile: +27 (0) 83 305 6227
E-mail: yvonne.duplessis@up.ac.za
```

You are going to present!! We cannot wait – go for it!
See track changes and information attached.

I experienced the proposal presentation on 31 July 2009 to the Department of Human Resource Management PhD committee as extremely positive. The panel members were constructive in their feedback and suggested some changes to the proposal, which I found helpful. I did not experience the session as an evaluation, but rather as valuable input into my research process. I felt that I was well prepared for the presentation. We discussed my research choices with input from the panel in such a way that it felt like more like an intellectual discussion than an evaluation. After the session on 31 July 2009, I received preliminary approval for my research proposal, pending some minor changes based on the panel members' suggestions, which I subsequently made and submitted.

3.5 PHASE 3B: GAINING ACCESS TO RESEARCH PARTICIPANTS

As part of demonstrating the feasibility of my study during the presentation of my research proposal to the Departmental PhD committee, I was required to demonstrate access to research participants, especially as the proposed research participants were executives in mining houses. The nature of the research participants posed three potential problems regarding access:

- gaining initial access to the individuals could be problematic, due to their position and various gatekeepers' screening their contacts;
- their diaries are typically full and to get a timeslot might prove difficult; and
- organisations of this nature typically have strict rules governing individual participation in, for example, research studies.

I contacted six mining houses based on purposive sampling during April 2009 to negotiate organisational consent that would allow individuals from a particular organisation to participate in the research study if they were prepared to give their individual consent. Although I had various contacts within the mining industry, this process took about four months. It mostly involved contacting a series of individuals within a particular mining house, starting from my initial contact and eventually ending with an executive member. Gaining access to my sample usually meant getting organisational consent from the mine's executive committee (in one case, consent had to be granted by the mine's communication vice-president, but mostly the matter was tabled at an executive committee meeting).

I was able to demonstrate access to my sample for my proposal presentation purposes by initially getting preliminary consent only, pending the final approval of my proposal and subsequent approval of my topic. Figure 22 shows an example of a communication sent to an executive member to gain preliminary approval (the person's name has been hidden to protect the person's identity). I then proceeded to get formal organisational consent from four of the six mining organisations that I had initially contacted in April in the form of organisational consent forms signed by the appropriate authorities (see Appendix A). At this point, one of the original mining organisations that I had

approached declined to be part of the study and the executive contact from another mine that I had built up over a period of months resigned after negotiating initial consent.

Figure 22: E-mail sent to a mine to gain preliminary organisational consent

From: Marlise van Zyl
Sent: Wednesday, July 15, 2009 2:09 PM
To: ▮▮▮▮▮▮▮▮▮▮▮▮▮▮
Subject: PhD Studies

Good day ▮▮▮▮

With reference to our discussion regarding access to respondents in ▮▮▮▮ South Africa for my PhD Studies.

I am currently enrolled for my PhD in Organisational Behaviour at the University of Pretoria, focusing on Organisational Behaviour of Executive Members in the mining industry, specifically during the current economic climate. Please can you, as discussed, facilitate a request if ▮▮▮▮ will be willing to grant access to 3-4 Exco members for individual interviews of +/- 2 hours as part of a qualitative study? The interviews are envisioned to take place during September/October 2009. This e-mail serves to gain preliminary approval from your company and I will provide a formal informed consent form to you after approval of my topic by the Faculty Committee (31 July 2009).

Responses in this study will be treated as strictly confidential, and no individual or their company will be identified based on their responses. The results of the study will be used for academic purposes only and may be published in an academic journal. I will provide respondents or ▮▮▮▮ with a summary of my findings on request.

Please contact my supervisor, Prof Yvonne du Plessis at Yvonne.duPlessis@up.ac.za or 083 305 6227 if you have any questions or comments regarding the study.

Your assistance and feedback in this regard is highly appreciated.

Regards,
Marlise

Marlise van Zyl
082 928 3022

Principal: Mining Business Consulting

3.6 PHASE 4: PREPARING FOR FIELDWORK

As part of the preparation for fieldwork I had to adhere to a number of university research requirements, the most important of which was getting ethical clearance from the University of Pretoria. I received a letter dated 11 September 2009 from the University's Postgraduate Committee to confirm the registration of my title, *Coping strategies for leaders during an economic downturn*. However, getting the formal informed organisational consent documentation took longer than I anticipated. I was

very grateful that I had already gained preliminary consent from most of the mines before I presented my proposal and registered my title, because at this stage I was becoming anxious to start my fieldwork while the economic downturn was still a reality. I must admit that I was probably the only person working in the mining industry that secretly hoped for the downturn to last just a little bit longer! However, I had to adhere to the University's guidelines and committee meeting schedules; and I managed to submit my application for ethical clearance on 16 October 2009 with all the necessary documentation and signed informed consent forms. The Committee for Research Ethics formally approved my study on 28 October 2009, which meant that I could go ahead with my fieldwork.

While waiting for ethical clearance, I researched qualitative interview techniques in detail in order to prepare myself. This was very important to me because I had never done qualitative interviewing and, although I could gain only theoretical knowledge in this way, it gave me confidence during the interview process.

In consultation with Prof. Yvonne, I also decided to do a pilot interview with a member of my own organisation's executive committee on 13 November 2009. Although I do not work for a mine, my organisation operates in the mining industry, focusing on mine technical systems and mining consulting (geology, surveying, mine planning) and the organisation had been affected by the downturn in a similar way as the mines themselves. We decided that I would also use this information as part of my study and I gained the necessary organisational and individual informed consent. The purpose of the pilot interview was, firstly, to practise my theoretical interview skills; secondly, to verify that my interview schedule was sufficient; and, thirdly, to give me confidence in subsequent interviews.

In addition, I did a mock interview on 6 November with a friend and colleague, Dr Adri Grové, who had completed her PhD using qualitative research in 2008. Not only did the mock interview help me tremendously, but having Adri as a critical friend assisted me

throughout my research journey. As a final confirmation, I met with Prof. Yvonne on 12 November 2009 to go though the final preparation for my interviews the next day.

3.6.1 Selecting individual respondents

Table 5 provides a summary of the interview schedule. I was surprised and humbled by the rapid response from the respondents and their willingness to assist me in this regard. It later became evident that my timing was good on various levels, from a data collection timing perspective, but also from a practical perspective, as the respondents indicated that their diaries were less full towards the end of the year.

Table 5:   Summary of the interview schedule

Interviewee number	Mining organisation	Position	Interview date	Interview duration
0	PILOT	Chief Operating Officer	13 November 2009	42:09
1	A	Managing Director	16 November 2009	1:10:16
2	B	Executive Vice-President	17 November 2009	40:03
3	B	Executive Vice-President	17 November 2009	44:56
4	C	Managing Director	17 November 2009	1:26:09
5	C	Executive Director	17 November 2009	34:40
6	D	Chief Executive Officer	4 December 2009	39:34
7	D	Executive Director	4 December 2009	35:17

All respondents in this study were white males.

3.7 PHASE 5: DATA COLLECTION

3.7.1 Interviews

Before the start of each interview I explained the individual informed consent form that I had included in the electronic meeting invitation to the interviewees, emphasising that

- respondents' identities and their mine affiliation would be treated as confidential to ensure that neither the particular individual nor his or her specific organisation can be identified based on the responses;

- no confidential mine-related information that might emerge during the interview would be used in this study; and

- their participation in this study was very important to me, but they could choose not to participate and could also stop participating at any time without any negative consequences.

They then signed the individual informed consent forms before the interview commenced.

I also asked their permission to record the interview. All the respondents agreed.

Doing the interviews was perhaps the most exciting part of my research journey. After my pilot interview, I felt confident about my ability to do the interviews, but I was still quite nervous to do the actual interviews. Firstly, I was worried that I might not be able to get my respondents to talk to me, a virtual stranger, about their personal behaviour, feelings and coping strategies during the economic downturn. Secondly, engaging with high profile individuals meant that I was probably not going to get an opportunity to do follow-up interviews, so this might be my only chance to get rich information.

However, despite my fears, in my opinion, the interviews went well for a number of reasons:

- **Responsiveness of interviewees:**
  Although it took some time for respondents to start talking about their own experiences during the economic downturn and how they coped, I felt deeply honoured by how much they indeed opened up to me. My strategy was to first let them talk about the downturn and their role in it in general and then move on to their more personal experiences and coping during that time. This worked well in most cases, although some respondents (notably Interviewee 4) elaborated on some non-

relevant details and I had to bring them back to the focus of the research. Apart from the fact that my questioning strategy worked well, I got the distinct impression that the respondents were relieved to talk to someone about their experiences during the downturn. One respondent indicated that he had not spoken to anyone about his feelings and experiences during the downturn before the interview. I built up quite a strong rapport with most of the interviewees during the relatively short period that I spent with them. I received extremely valuable input from respondents when I asked them at the end of the interview whether there was anything else that they would like to mention. Interestingly, both the respondents who mentioned their faith as an important element of their coping during the downturn mentioned it in response to this final question.

- **Being aware of my potential biases:**

I was very careful not to ask leading questions and I evaluated myself after each interview to ensure that I had not led interviewees in a particular direction. In line with the emerging nature of grounded theory, my interview guide was very general and I wanted data to emerge from respondents. For example, after the third interview, I began to notice that the interviewees spoke about the fact that they regarded the economic downturn as an opportunity and also about the fact that they were optimistic and saw the downturn as a challenge. I was worried that I had led respondents to talk about this, given my interest in Positive Organisational Behaviour. I remember thinking about this, driving to the next interview, and I tried to recall whether I had asked any leading questions. I took particular note of this and made a point of not asking any leading questions in the remaining two interviews on that day. In retrospect, upon strict evaluation of my interview questions on 18 November 2009 using the recordings that I had made during the interviews, I am comfortable in stating that this was a theme emerging from the data and that I did not force the data to emerge through leading questions. I made an important discovery through this process: data collection and data analysis are both parts of a truly integrated process. Although I had not formally started with data analysis, I was already analysing what I had heard during the interviews. I then also became fully aware of my potential bias towards, for example, the positive in analysing the data.

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3.7.2   Field notes

My field notes were an important part of my research process and later proved invaluable during the data analysis. After Interview 0 (the pilot interview) and Interview 1, I spent roughly two to three hours writing field notes on the interviews. I made both descriptive and reflective notes, with sections on the research setting, the responses of the interviewee, and my reflections on the interview. I was amazed at how much insight I gained while writing my field notes and I used this insight and questions or gaps identified during the interviews in subsequent interviews and data analysis.

As I had scheduled four interviews (Interviews 2 to 5) on one day, I had to ensure that I did not lose any important field note information in the process. After each interview I would sit in my car and note my most important observations, reflections and questions. I then used the two days that it took for my transcriptions to be completed to write complete field notes on the interviews based on my rough notes made in the car while my memory of the interviews was still fresh.

3.8   PHASE 6: DATA ANALYSIS

3.8.1   Transcripts

In consultation with Prof. Yvonne, I decided to use a professional company specialising in transcribing research interviews to do my transcripts. During October 2009, I contacted them several times prior to my interviews to arrange when and how I would send them the recordings and to confirm their turnaround time. On 12 October 2009, I also contacted Liz Archer from the Centre for Evaluation and Assessment at the University of Pretoria, an expert in qualitative research, for advice on which digital recorder to purchase. I used a digital recorder during my interviews so that I was able to download my interview recordings, which I sent to the organisation that was to do the

transcripts the day after each interview using a website specialising in uploading and downloading large files. Their turnaround time was two working days and I promptly received my transcribed interviews from them via e-mail.

After receiving my transcripts, I listened to the interview recordings carefully myself and compared the recordings with the transcripts, firstly, to correct any mistakes made during transcription and, secondly, to supplement my field notes with additional information.

I also prepared my transcripts for coding, by firstly sanitising the interviews (taking out all identifying names and references to organisations), and secondly preparing the format of the documents in line with guidelines provided by Liz Archer during our ATLAS.ti course (see Section 3.8.2 below).

3.8.2   Coding

On 26 June 2009, I attended a workshop on the use of ATLAS.ti presented by Liz Archer. After I had purchased the software, I practised on the course activities in order to familiarise myself with the software again. This assisted me greatly, as I was able to start using ATLAS.ti in my coding immediately.

On 9 November 2009, I bought a student license of ATLAS.ti online by verifying that I was a registered student at the University of Pretoria in anticipation of my data analysis, which was to start after my first interview.

Figure 23: *From left to right:* Prof Yvonne, Liz Archer, myself and fellow students at an ATLAS.ti workshop

3.8.2.1. Open coding

I did open coding using ATLAS.ti, starting after I received the transcripts of my first round of interviews on 20 November and for the whole of December. I started with line-by-line (and often word-by-word) coding, which I found extremely difficult. I was constantly afraid, as the excerpt below from my research diary dating 14 December 2009 reflects:

> *It feels like I am constantly afraid: afraid that I am not coding correctly, afraid that I did not get enough data from my interviews, afraid that I will not be able to develop categories from my data…*

By January 2009, I was quite disheartened by the coding process. At that stage, I had done a total of 773 codes, working line-by-line (see the example in ATLAS.ti below).

Figure 24:   Example of open coding in ATLAS.ti
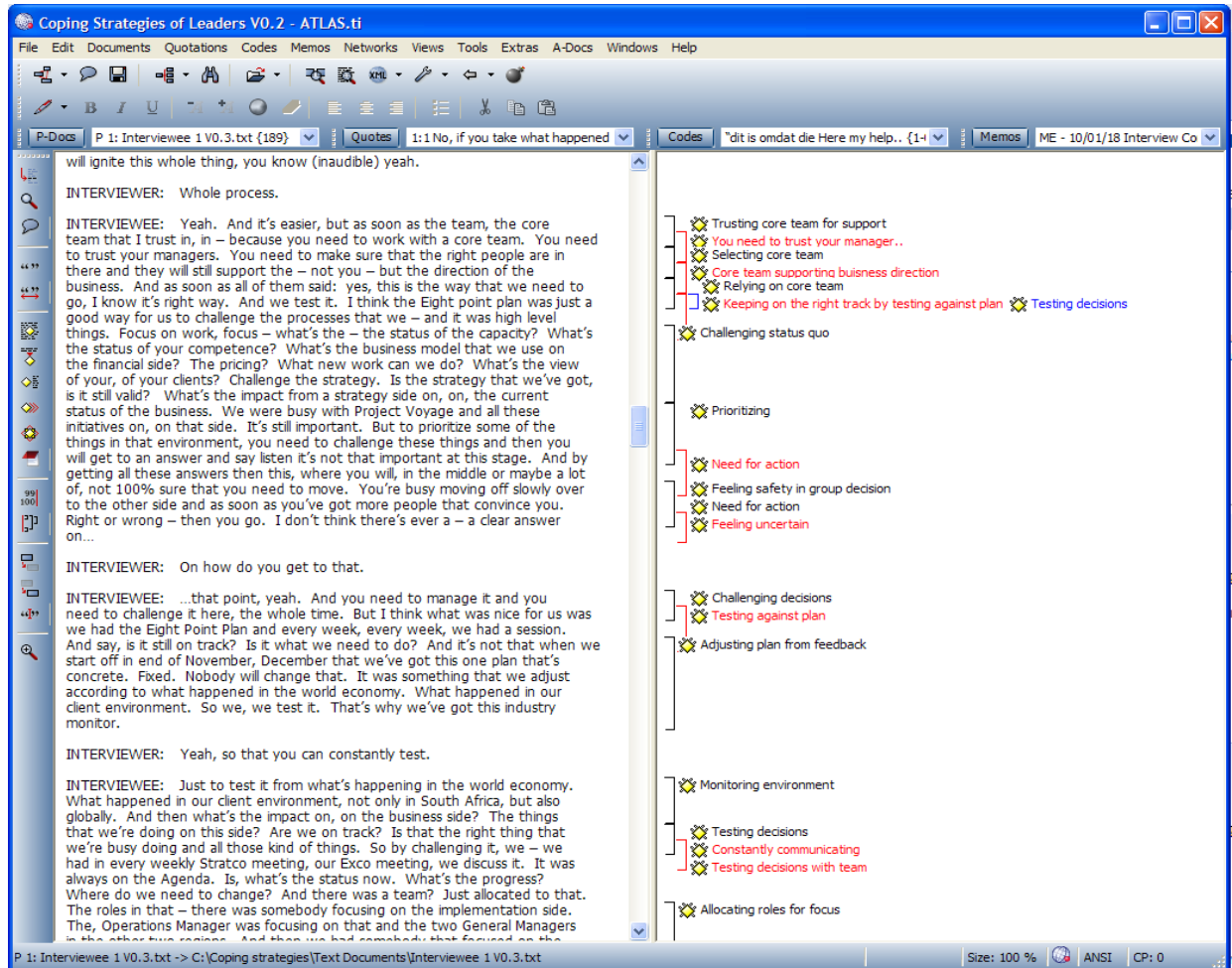
I realised that I could not work with the amount of coding that I had at that stage and I was still afraid that I was not doing the coding correctly. Although I had already spent months researching grounded theory for the purposes of my proposal and methodology chapter, and in preparation for data analysis, I decided to stop coding early in January and to go back to the literature on grounded theory, particularly analysis in grounded theory.

At the time, I thought I was taking a step backwards; and I had to sternly motivate myself; but in hindsight this was actually a great leap forward in several ways. Firstly, the literature on grounded theory became practical, because I was applying it; and therefore I started to understand what I was supposed to do. Secondly, re-examining

the literature helped me to realise that I was actually on the right track and that I was busy with micro analysis, the 'very careful and often minute examination and interpretation of data' as Strauss and Corbin (1998:58) describe it. Although doing micro analysis as a method of open coding took a long time and was difficult and daunting to do, it assisted me greatly during my future analysis process: I started to look at my data differently and in a more conceptual way. It forced me to listen to what the interviewees were saying, and how they were saying it. An example of this was looking at the use of the term 'survival' by several interviewees (refer to Section 4.3.19).

The following entry in my research diary (dated 20 January 2010) dealing with my reflection on the re-examination of the literature shows that I then decided to relax, enjoy the research process and adopt a more flexible approach to the research.

> *I was still unsure about how to 'do' grounded theory* [GT]. *I went to the library, got (again!!!) a great deal of books and articles about GT and started studying the methodology again – reading and re-reading the ideas behind and basis of GT.*
>
> *I am taking comfort in the fact that many novice researchers (PhD = novice!), and even experienced researchers struggle with the same questions and issues that I've been struggling with. I realise now that having confidence in one's ability and own creativity is one of the difficult aspects in the unstructured, often confusing nature of qualitative research in general and GT in particular.*
>
> *I did not so much learn 'how' to do GT from this, but rather understood that my feelings and fears are natural and common and as such, I WANT to and feel ready to overcome them.*

On 27 January 2010, I met with Prof. Yvonne at her office (see Figure 25) to show her my progress on my open coding and also to discuss some of my fears with her and how

I proposed to overcome them. As always after a session with her, I felt motivated, ready for the challenge and even more comfortable with the coding process.

Figure 25:   Discussing my coding progress in ATLAS.ti with Prof. Yvonne

During February 2010, I then proceeded to go through a second round of open coding in ATLAS.ti, based on my micro analysis. It was during this time that I discovered the wonder of constant comparison and also became totally absorbed in my research. Although I had to constantly balance my job and my research, I started to eat, sleep and live my data. It was as if I could not stop thinking about it and I slept with my laptop next to my bed, because I would get 'revelations' during the night, wake up and start working. Many of my revelations (I started to think about them as receiving a 'Christmas present') came to me while in the bath and driving long distances for work, perhaps because I could then focus only on my thoughts. One such 'Christmas present' was understanding constant comparison: I was intrigued by the question of why two respondents reacted so differently to the threat to their own job security as a result of the economic downturn and, through constant comparison of different responses and different incidents, I came to the conclusion that the organisational level is an influencing factor (see Section 4.3.10). I was then able to really apply constant comparison throughout my analysis. I got to a point where I was starting to think that I

might be moving to a different level of coding. I prepared a preliminary list of open codes to ensure that all my codes were on the same conceptual level and I then naturally moved on to axial coding[6], the first section of focused coding.

3.8.2.1.1.   Computer crash

Unfortunately, my computer's hard drive crashed on Sunday, 21 February 2010. Luckily, I had been making back-ups meticulously, and I was also able to recover some data, but it took more than a week to rebuild my hard-drive. My biggest concerns were, firstly, that I could not recover my ATLAS.ti program, although I had the data backed up and, secondly, that I had to download the latest version of Zotero, a referencing facility where all my resources had been stored since the start of my study, and the latest version was not compatible with my back-ups. I was fortunate that both problems were resolved early in March 2010.

The computer crash slowed me down, but it re-emphasised the importance of making regular back-ups and I became even more fanatical about this practice.

3.8.2.2. Axial coding

When my computer and ATLAS.ti were up and running again, I continued with axial coding during March 2010. At this stage, I embraced the data analysis phase fully, enjoying it thoroughly. I loved the memo-writing process, sorting memos and creating and developing categories. However, I was becoming worried that I would not be able to demonstrate my conceptual thinking to readers of my thesis sufficiently. I asked Prof. Yvonne to provide me with some examples of qualitative studies that were successful in showing the different levels of codes and analysis. With the inputs from Prof. Stanz (the Head of Department: Department of Human Resource Management), she provided me with the thesis of Frans Johannes Burden (2006). After consultation with Prof. Yvonne,

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[6] Axial coding is defined by Strauss and Corbin (2007:96, cited in Boeije, 2010:108) as 'a set of procedures whereby data are put back together in new ways after open coding, by making connections between categories'

I arranged with Dr Burden to meet with him. He was kind enough to see me on Saturday, 13 March 2010, on his farm outside Johannesburg. The purpose of this peer debriefing meeting was for me to gain insight into the display of the results of an analysis in a meaningful way, and also to evaluate my coding so far with a peer.

This meeting had mixed results:

- Dr Burden was of the opinion that my open interview style with only an interview guide was not sufficient. He had employed a very structured approach to interviewing, using grounded theory in the modernist paradigm. I was, however, convinced that data should emerge during the interview, which, in my opinion, requires an open, unstructured or at most a semi-structured interview, especially when using grounded theory within the constructivist-interpretive paradigm. I also confirmed this with Prof. Yvonne.

- However, I gained much valuable information during the session, especially on the methodology Dr Burden had employed regarding the display of codes. He explained how he developed this method and how it could be improved. In the end, I employed his method in Chapters 4 and 5 to display open, axial and selective codes in a tabular format before displaying it in a conceptual framework. I would like to express my thanks to him for so generously sharing the information with me.

- Most importantly, Dr Burden advised me to do my conceptual model manually. Up to that point, I was primarily making use of ATLAS.ti for coding and the visual mapping of codes. I started to manually display my categories, with links and areas of comparison (see Figure 26 - overleaf).

Figure 26:   Manual category and conceptual framework development
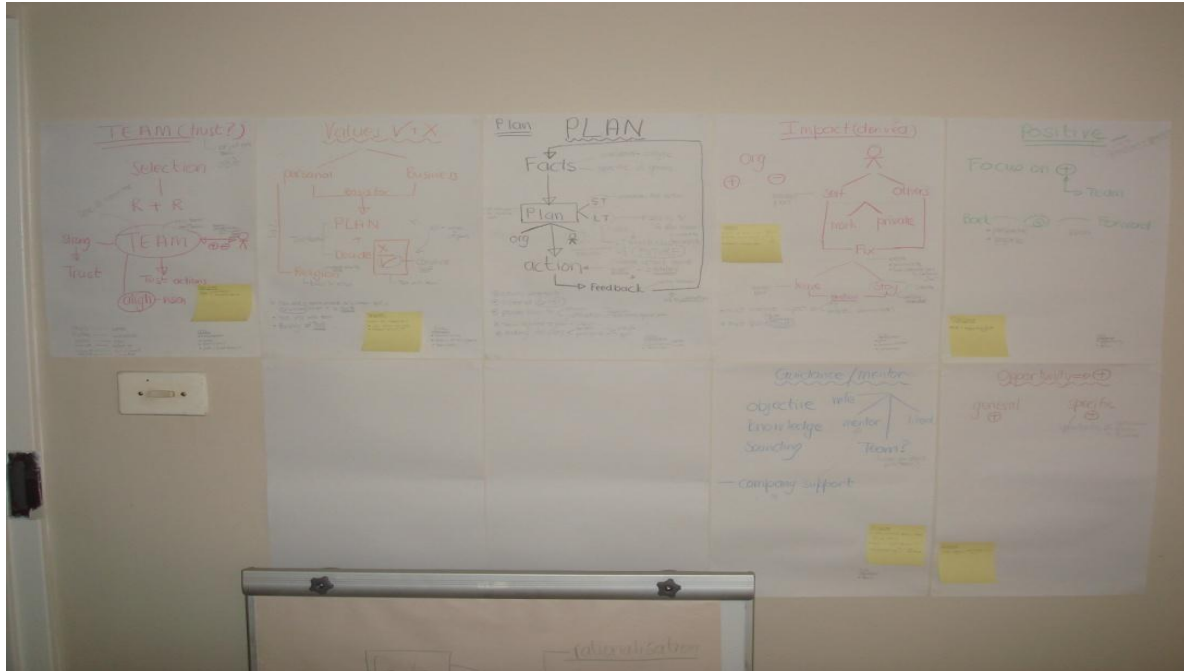
It seems that I was not yet ready to embrace the digital age fully; and this valuable piece of advice opened my thoughts and deepened my analysis even further. From then on, I continued to develop the various versions of my categories and ultimately my conceptual framework manually.

3.8.2.3. Selective coding

At this stage, especially through visually displaying my codes, categories and their relationships based on earlier coding and memos, my core categories became apparent, which I then attempted to display in the form of an early version conceptual framework. I e-mailed my draft conceptual framework to Prof. Yvonne on Monday, 12 April 2010. She advised me to finalise my chapters dealing with the results of data analysis in order for her to view my codes, categories and conceptual framework in context. I continued with this process for the remainder of April 2010, constantly refining earlier codes and categories.

3.8.2.4.Reflection on data analysis

It is evident from the above sections that data analysis was a long and winding gravel road on my journey. For me, this was both the most difficult and most rewarding part of my study. I am not used to doubting myself and my abilities, and it was therefore a humbling experience for me to deal with my constant self-doubt and my uncertainty about how to do data analysis, and whether or not I was doing it correctly. I have learnt that one should not stop when the road gets bumpy, but that one has to continue. I was amazed at how, given time and constant effort, the data eventually just 'came together' and things started to make sense to me.

On many 'roads less travelled', one often goes around a bend in the road, just to be surprised with the most amazing view or a little gem of a town. Similarly, I made great discoveries during data analysis, both regarding the data analysis method itself and regarding the data, which left me excited and inspired.

Figure 27 (overleaf) shows my two research companions checking up on my progress during data analysis. Although this was a long process through which I needed a lot of support, it was also (although only in hindsight!) the most rewarding part of my study journey.

Figure 27: **My two research companions, Toffies and Max, checking on my progress**
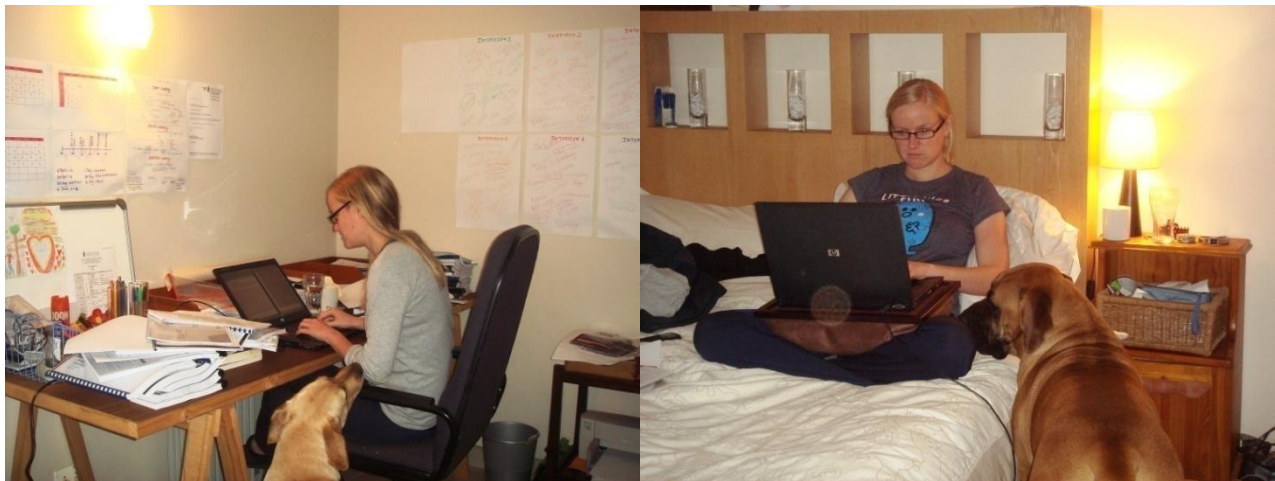
3.8.3   Conceptual framework

Building the conceptual framework based on my data analysis enabled me to consolidate my thinking. I was relieved that my earlier fear that I would not be able to convey my increasing level of conceptual thinking in an understandable way was banished.

The development of my conceptual framework already started while I was still busy with axial and especially selective coding, but it really took off after I took to heart Dr Burden's advice to go about the process manually. I had various versions of my conceptual framework, starting with very early versions where the concepts were viewed in isolation (an example was shown earlier, in Figure 26), progressing to later versions, where relationships between various concepts were illustrated, as shown in Figure 28 (overleaf).

Figure 28:   An early version of my conceptual framework
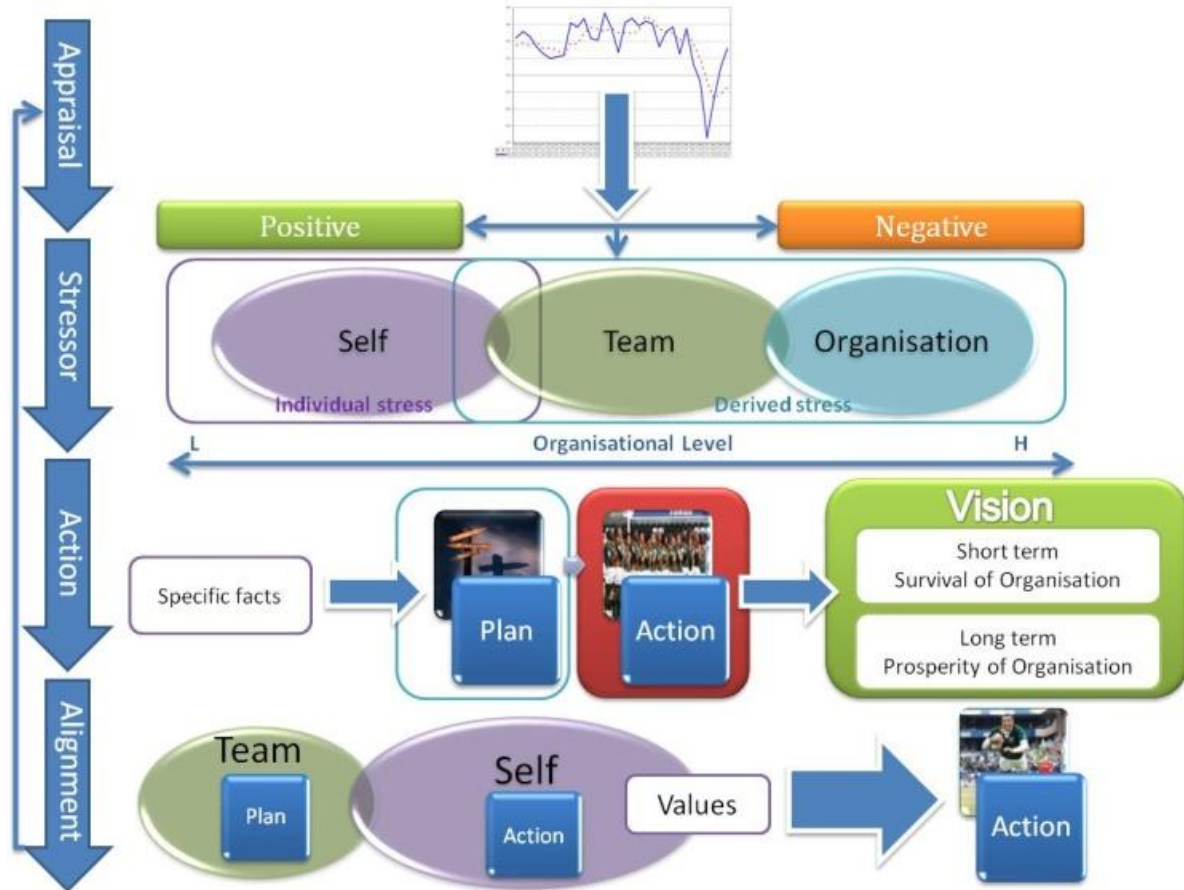
On 16 April I had the opportunity to present my conceptual framework to the executive committee of the organisation where had I initially interviewed Interviewee 1. The executive committee consisted of seven members, one of whom had participated in the interviews. This assisted me with ensuring the credibility of my research; and it also gave me confidence that I was on the right track. It was gratifying to note that the participants identified with the conceptual framework with comments such as the following:

- *'I remember sitting in the room where we decided who will be retrenched thinking that we should just stick to the plan and everything will be OK'* (Organisational rationalisation strategy 'Believing in the plan').

- *'It is true that one felt sorry for the other people, often I thought more about them than about myself. I wish I could have resigned to save a few'* (Derived organisational stressor 'Feeling responsible and to blame')

3.8 PHASE 7: MATCHING THE CONCEPTUAL FRAMEWORK WITH THE THEORY

Linking the conceptual framework with the existing theory in the literature was a very time-consuming, but delightfully rewarding, process which continued until May and June 2010, although I had already started gathering the literature during the analysis phase, as themes and core categories became apparent. Since the beginning of my studies had starting with the theoretical course work component of the programme, I loved finding and reading relevant literature. I therefore thoroughly enjoyed this part of my research journey and read and sorted through hundreds of articles and book sections to finally build a picture of the relevant literature to link with my conceptual framework. At this stage I only did a preliminary literature review as an orienting process to become aware of current thinking in the field of coping and identifying a niche that my research would occupy. I avoided a more thorough literature review up to this point to ensure that the themes and categories would emerge from the data itself and would not be influenced by existing thoughts and ideas. I was amazed at how well my core categories related to existing theory, but also at how different some of my categories were, making a unique contribution.

3.9 PHASE 8: FINALISING THE THESIS FOR SUBMISSION

On Monday 5 July 2010, I delivered my final draft thesis (still missing some minor elements) to Idette Noomé for language editing and also sent it to Prof. Yvonne for comment. On 12 July 2010, Prof. Yvonne and I went over some final suggestions regarding the content and layout, as shown in Figure 29.

Figure 29:   Prof Yvonne and I, going over the final details of my thesis

3.9.1   Finalising the thesis after examination

To be completed after examination (completion of my story and reflection)

3.9.2   Binding and final submission

To be completed after examination

3.10 CONCLUSION

In this chapter I have attempted to provide some insight into my research journey through a more personal account of the most prominent moments of this study: how and why I initially embarked on this journey, lessons learnt along the way, how data was gathered, analysed and interpreted and how it eventually all came together in the form of this document.

CHAPTER 4: RESULTS - INITIAL CODING

4.1   INTRODUCTION

In this chapter, I discuss the first step of grounded theory analysis, namely open coding, as an initial coding practice to conceptualise data and form concepts. I also illustrate insight gained from the interviews as opened up by open coding by citing direct examples of responses in the interviews. It is important to note that I do not include any literature at this stage.[7] I only include existing theories and findings, based on my conceptual framework of coping strategies for leaders during an economic downturn.[8]

4.2   INITIAL CODING

Initial coding stays closely to the data without forcing the data into pre-existing categories. In this study, this was achieved by using a combination of micro-analysis, detailed examination of data, and the naming of concepts in open coding. Duchscher and Morgan (2004:608) stress that this is an unrestricted phase of the research process that renders tentative codes that are then refined during the later stages of focused coding. I attempted, to the best of my ability, to adhere to this principle, not forcing the data into any categories based on my own assumptions or pre-existing categories in order to capture insights gained from various interviews, tentatively capturing and representing the data.

The purpose of open coding is to literally 'open up' the data to expose thoughts, ideas and meaning contained within the data (Strauss & Corbin, 1998:102). Tentative categories were created using open coding in combination with micro-analysis, which forces the fracturing of data in order to assist with the opening up of the data.

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[7] Refer to Section 2.5.1.
[8] See Section 5.4.

I continuously asked the following questions, as proposed by Charmaz (2006:47), based on the original work on grounded theory by Glaser and Strauss (1967):

- What is the data a study of?

- What does the data suggest or pronounce?

- From whose point of view is it studied?

- What theoretical category does this specific datum indicate?

In line with Glaser (1992:25, cited in Duchscher & Morgan, 2004:608), who suggests that a researcher should 'never, never ask the questions directly'; I rather kept these questions in mind while doing the analysis in order to devise tentative categories.

Throughout the initial stages of coding, as well as in the subsequent stage of focused coding,[9] I continuously used constant comparison,[10] a method which Glaser and Strauss (1967:1) regard as a 'major strategy' in grounded theory.

4.3 INSIGHTS GAINED FROM THE INTERVIEWS

The following sections represent insights gained from the interviews through the process of initial open coding.

4.3.1 Being optimistic

Respondents indicated that they were, in general optimistic individuals.

> *Interviewee 1:*
> *I think I'm an optimist. So I always see the whole full glass, not the half empty glass. So I think it's – I'm looking – always focusing on the*

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[9] Focused coding consisting of axial and selective coding is discussed in Section 2.6.5.

[10] Constant comparison refers to a technique of constantly comparing 'data first against itself, then against evolving original data, and finally against extant theoretical and conceptual claims' (Duchscher & Morgan, 2004:608).

positive side of the things. …That's – I like to focus more on the – on the positive things, in anything.

Interviewee 7:

No, look, I'm also an ever-optimistic person, so I think maybe that didn't come through directly. I think the momentum that we have got going for us now (just being a brand new company), I think there is a lot of new energy.

Interviewee 7:

…because I think the chemistry of the majority of us want to be positive. I don't think it's in our nature to be negative, unless your circumstances are so dire that you are continuously faced with that and you become negative.

The interviews by and large indicated that, particularly during the downturn, it made it 'easier' for the interviewees when they were positive, and they found the negativity of others frustrating.

Interviewee 1:

So in my view, if you're positive, it's much easier. If you're a pessimist [laughs] you need to work hard. You need to make sure that you've got somebody around you that focuses on the positive things, otherwise you are in trouble.

Interviewee 4:

And the financial guys become doom and gloom and I personally found it very frustrating.

4.3.2 Thriving on the challenge

Respondents regarded the downturn and their role in the downturn as a challenge.

Interviewee 6:

It almost becomes a professional challenge as well as a personal challenge as to how you will confront the next one and survive it and do better out of it.

They did not see this challenge in a negative sense, but rather, they felt excited by the challenge and in one case, the respondent volunteered to do the restructuring.

> ***Interviewee 2:***
> *It's exciting, I suppose it's the lifecycle of a challenge, when one gets the excitement of saying we can do this; this is how we are going to do this, but it turns into stress when things don't materialize or things partially materialize or when they materialize late or not fully.*

> ***Interviewee 6:***
> *It's also being excited by the challenge.*

> ***Interviewee 3:***
> *I volunteered in the downturn to do the restructuring exercises.*

In fact, one respondent indicated that, after the downturn, he wants to move on to the next challenge.

> ***Interviewee 3:***
> *Yes. I actually want to move on now again. I've done what I have to do, everything is working fine, the people are there, there is succession planning, I can go do something else. And that's for me part of what I need to do. (...) I need something new to go and do. I've told the CEO, 'Listen, I'm getting bored, so I'm doing safety stuff and I am doing this and that [laughs]. So I want something else to go and do now.'*

One respondent indicated that thriving on a challenge is part of one's DNA and that one must take charge of the challenge.

> ***Interviewee 2:***
> *I think it's just part of one's DNA and really I think leaders need to always, constantly seek to take charge, whether you are taking over a new business or whether you are dealing with a new challenge, it's about taking charge.*

4.3.3 Being confident

Interviewee 6 specifically mentioned confidence as an aspect that drives one's ability to cope.

> *Interviewee 6:*
> *And that is the ability of people to cope is very much driven by their personal confidence and their personal stability as an individual. (...) And I think that it's the personal confidence that comes with having been through those, you know you've survived those and you learnt from those, and you're a stronger and more experienced businessman, that can confront these things.*

4.3.4 Focusing on the future

Respondents mentioned focusing on the future. They were looking beyond the downturn into the future.

> *Interviewee 7:*
> *I think that created a lot of energy, and almost the gold at the end of the rainbow for us. We can follow that path and we are eventually going to get there. That journey has only just begun. That keeps a lot of people motivated and enthused around what's going to happen.*

> *Interviewee 1:*
> *So you already – you just carry on. You focus from the short term move now. Because all that's now something of the past. Focus more on the – on the long term.*

> *Interviewee 4:*
> *But it also, in the end if we manage to get through this and in the end hopefully we will see China grow even more, then hopefully because you have been able to be flexible you have learned something from it and you can apply it somewhere else as well, in the future.*

> *Interviewee 7:*
> *I guess, it is largely people-driven. People have this uncanny ability – we are very resilient as individuals – to understand what the circumstances are, and then to understand how you are going to get from A to B, and make sure that you can understand exactly how you are going to do that.*

In addition to focusing on the future, on various occasions, Interviewee 6 emphasised the importance of being able to overcome obstacles in order to reach a future state.

> **Interviewee 6:**
> *And that's actually what we are paid to do. So it's not a question of this is always tough. It always is tough but it's a question of how much stimulation you get out of overcoming those obstacles and then thriving and succeeding out of them. (...) It is also recognising that it's not 'oh geez, here's another one of these' – that's why we're employed. That's actually why we are, as leadership, paid reasonably well and given a big incentive.* **It's to overcome these things,** *it's not to go and do business as usual. That's not what leadership is paid to do.* (interviewee's emphasis)

4.3.5 Not depending on an organisation for one's identity

Respondents mentioned dependency on the organisation, particularly in terms of *not* depending on the organisation to form one's identity. Interviewee 6 articulated this very well:

> **Interviewee 6:**
> *And there is another dimension to that… And that is… people's ability to cope is also affected by whether they identify themselves as the CFO of the company or as a father and an individual. If the person's main identity in his life is that in the job, when that job is threatened or the company is threatened, that person is threatened in total whereas if you identify yourself as a father and a husband and an individual who has his own interests and as the CEO of the company, when the CEO of the company is threatened it's not your whole being that is threatened.(...)*
> *I have a very strong commitment to work and to very long hours and I've always been happy with my success at work but I've never regarded that as my reason for existence and I'm lucky to have a very happy marriage and healthy children and that sort of thing, so I've always managed to still be happy at home and as an individual than just being… the success of my career being my reason for existence so I think that's given me the ability to cope with crisis better than many other people that get very emotional and become very bad at doing the analytical work because the problem with the crisis is it*

requires very clear thinking, very fast. And if you're all wound up emotionally, you can't do that.

Interviewee 5 also alluded to this, indicating that he had various other business interests outside of the organisation:

> **Interviewee 5:**
> *I've lived my life and I've...that I have obviously...and let's put it two ways. The first thing is XXX looks after the senior guys well. So you...most of us are in a position I think when you're at fifty, fifty-five, where you could comfortably retire. Um, I have also built private businesses and ...which..., which run on their own, which are easy to handle, you know things like storage business, ... and things like that.*

4.3.6 Having experience

Mining is known for being a cyclical industry. Respondents indicated that they had experience in handling a downturn that they had gained in previous situations, mostly in other positions at other mining organisations:

> **Interviewee 6:**
> *But we have also been through cycles of repeated low XXX prices when I was in YYY or operation things combined with a strong rand. So it wasn't the first time I have seen a business in dire, dire, dire straits.*

> **Interviewee 3:**
> *I've done five consulting exercises where I restructure businesses. I restructured XXX and then I restructured the YYY business and then I came here and restructured the ZZZ Division. (...) Because I have done it four or five times and I would have done it again, but I just did it for XXX, but that is part of the reason. All my stuff is sorted out, the team is sorted out, they can operate independently, they don't need my help every day.*

However, they did not see only their experience during a downturn as relevant, but also other general experience during challenging business situations:

Interviewee 6:

In my career I have been through many of these challenging business situations, whether it was… the most significant one in 2004 and 2005 when I was the executive of YYY and ZZZ made a hostile bid for a company.

Past experience, according to this respondent, is a 'capacity that builds in you as a leader' that assists you in your response to the economic downturn:

Interviewee 6:

I am not a particularly structured or organised person to go back and carefully work through what we did before. It's more the general training and awareness and capacity that build[s] in you to be able to face these things and to be able to have structured responses to not run around like a headless chicken and that sort of thing. It's more the capacity that builds in you as a leader that you rely on… not to even think back…

Respondents also mentioned that the maturity gained over time was important during the downturn:

Interviewee 5:

I think with...time one gets wiser. You know, I mean, yes. When I was younger...I'd get all rattled. But with time you realise that if you...trust in your own judgment and you make sure that whatever goes on around you that...is what you want, and then you, there's not much more you can do.

Interviewee 0:

Ek dink nie dat ek dit sou kon hanteer het as ek dit tien jaar terug moes gedoen het nie. Met die tyd leer 'n mens om sekere verdedigingsmeganismes aan te kweek en dinge binne jouself te verwerk.
[I don't think I would have been able to handle this if I had to do it ten years ago. But with time you learn how to develop certain defence mechanisms and to sort out things in yourself.]

4.3.7 Inter-team influencing

Respondents indicated that other team members had assisted them to remain positive during the downturn:

> **Interviewee 4:**
> *It was almost at every monthly exco you feel we've done our best to get the production up, to do it safely, to get the costs down, we didn't spend capital and then the prices went down even more and the financial guy would put his slides up and say last month we were R40m in the red and we're heading for R80m and I got to a point that I felt that they were actually getting a kick out of portraying this negative picture. And luckily XXX is a very positive guy and every time they showed us we've gone from minus forty to minus ninety XXX would say this must be the bottom and the next month they would say, well, we were minus eighty, we're now minus ninety and he said well, it's going to turn soon. So luckily, I think what helped me, is that he's a very positive person.*

In the excerpt above, the respondent refers to executive committee meetings where one of the team members (in this case, the respondent's CEO) helped him to frame the negative situation in an alternative way. He added:

> **Interviewee 4:**
> *What was amazing to me personally, in the end, what I found so frustrating is the negativity, because what happens is that everybody just becomes negative.*

Although the respondent found the negative attitude of other team members frustrating (see Section 4.3.1), he acknowledged that it had the potential to turn everybody negative and he required the assistance of a team member to avoid becoming so.

Furthermore, the fact that a person was part of a team contributed to the person's appraisal of the situation – in this case, a positive appraisal, even in a negative situation:

Interviewee 7:

> *Yes, and we are all in this together. So we better make a plan and get out of it! When you feel part of a team and when you feel part of a solution, then the positive starts coming out, albeit that there is a negative environment in which you are operating. That 'we'll march on' type of approach will actually lead you out. (...) There's a lot of new hope. Everybody lives off that energy to make it positive.*

One respondent, a CEO, recognised this inter-team influence:

Interviewee 1:

> *As soon as I mention something negative, that I experience negative[ly], it also changed their way of thinking. I was then the negative motivator within the – inner team. And they were on a different direction. For me to bring them back again, we will need to focus, and I decided to stop doing that. I'm not talking to them. The only thing that I'm going to discuss with them, when they know where we want to go is the positive things and if I need to communicate something negative I change the way that I'll do it.*

In the excerpt above, the respondent (a CEO) realised his influence on other team members' positive or negative view of the situation. He subsequently decided only to talk to his team about what was positive, because once a negative idea had taken hold, it took too much effort to turn the team around from their negative attitude. However, he did express a need to discuss negative aspects with someone; but for the reasons he gave above, he refrained from doing so with his team. In addition, he felt that the influence of his negative comments spread beyond the 'inner team'

Interviewee 1:

> *And sometimes the negative things, I just want to mention [them] to somebody so they can understand. We've got a problem – think about it and come back to me and say listen, maybe we must do this and it never happened. As soon as we – because we all were under pressure… As soon as you mention something, they were in this negative… (...) If I say something to people that were very close to me, they would also [react] in a negative way and then when you talk to somebody else in the bigger ...or in our organisation you will get some indication that it was discussed with them, but in the negative way, not in the positive way.*

It was clear from interviews with respondents from the same organisation that they spoke the same 'language'. Respondents in the same team would have the same sentiment (positive or negative), mention the same issues, indicate that they had read the same book, and so on.

4.3.8   Team maturity

Team maturity was indicated as an element that influenced some aspects of the functioning of the core team during the downturn. In the following excerpt, the respondent indicated that he received support from the team after I had asked him about it when he alluded to it earlier in the interview. He indicated that he felt supported by the team, especially in terms of the direction taken and the decisions made by the team, as a team.

> **Interviewee 2:**
> *Direction and the consequential decisions that go with it. I think you end up with… you have a mature team. We are talking about senior sort of management levels.*

In the following excerpt, the respondent referred to receiving support from the executive team that he was part of during the downturn, but, in this case, he indicated that he felt supported by the team although the team had been recently formed:

> **Interviewee 6:**
> *Ja, I was and that was despite the relationships' being relatively new.*

Another respondent indicated that his team was immature (he said the team had not 'jelled' yet). He felt a need to talk to someone about his experiences during the downturn, but he felt that he could not talk to his team, due to its immaturity:

> **Interviewee 1:**
> *You're always there and you need to motivate the people around you. But you also want to talk and you want to discuss certain things and maybe it's because of the maturity of the team. This team that we had*

was – this core team. There were a lot of changes happening, just four months before that. So it's not that the team jelled already as a core team. I think afterwards, now if you think back, I think we're now closer as a team, because we... we – I think we were very successful in the way we implemented and all those sort of things, but while I was busy doing that....

4.3.9   Organisational culture

Organisational culture seemed to play a role in the respondents' experiences during the economic downturn. As one respondent indicated, his company is a good place 'to live'. It is interesting to note from my field notes that the members of the executive team of the organisation for which Interviewees 4 and 5 work eat lunch together every afternoon around a dining room table, very like in a family.

> ***Interviewee 5:***
> *I think it's... XXX is a fantastic culture. It's a really nice place to live. And to...work rather. It is live here rather.*

> ***Interviewee 4:***
> *I think we were fortunate. We had a lot of support from XXX, for example, OOO went to NNN and said these are our options, we have to shut down, we have to retrench and NNN said PPP, we've made such a good profit last year, to retrench is not the way to go. Now that in itself, if that message comes down, for me personally I get the feeling of support.*

4.3.10   Organisational level

Through the method of constant comparison (comparing incidents with other incidents), it became clear that the organisational level of the respondents influenced various aspects of their experience of and reaction to the economic downturn. Although all the respondents were part of a South African executive team (executive committee or exco), depending on the structure and composition of the organisation, they might either be the highest leadership group within the organisation, or there might be an international leadership group that they in turn report to.

This led respondents either to identify fully with the organisation, like Interviewee 2,

> ***Interviewee 2:***
> *I think during this time, probably that's where I was fortunate in that ... I was the organisation.*

or to view themselves as only part of a bigger organisation, like Interviewees 1 and 4:

> ***Interviewee 1:***
> *I think – yeah – in our scenario – where the Parent Company is the – the main company and if I take the support that I've got from the people… because they were on a high. They did not understand the impact… It was almost three months later – after I first had a discussion with XXX [referring to the Parent Company], where he said, ok, now he understands our problem.*

> ***Interviewee 4:***
> *SSS [referring to his international reporting line] is also a person that does his job and he expects it from everyone else and there's not a lot of talk about it.*

4.3.11 Viewing the effect of the downturn as negative

The negative impact of the downturn on the organisation was noted by the respondents as follows:

> ***Interviewee 1:***
> *No, if you take what happened with our organisation – within a six week period, we lost R64 million of signed work. And if you take – the actual number was R94 million. It was possible for us to recover on R90 million. If you take that on a percentage of the – our organisation's revenue, then it's about 30% of the revenue that was just gone, within six weeks.*

> ***Interviewee 2:***
> *Well, in terms of it...absolutely negatively impacted on our cashflow, our ability to fund our capital project pipeline, which is the very lifeblood of the future of this company and it challenged us in terms of being able to keep our capital project pipeline going.*

Interviewee 7:

> *I definitely think, from a procurement perspective, we could see the costs rising. I mean, we just went through negotiations with the unions. The demands of increases significantly hit us. Eskom significantly impacted on us and will continue to impact on us. We'll see and we'll have to manage that.*

Interviewee 6:

> *…we had to put in place initial working capital facilities, some hedging and that sort of thing, so we were negotiating in that sort of time and it was quite difficult, so I experienced that with one or two ... people.*

Figure 30 below provides a summary of the negative impact that the downturn had on the respondents' organisations that respondents indicated. It should be noted that these negative impacts are not necessarily the only ones the companies suffered, but these effects reflect the views of the respondents.

Figure 30:   Summary of respondents' perceptions of the negative impact of the downturn on organisations
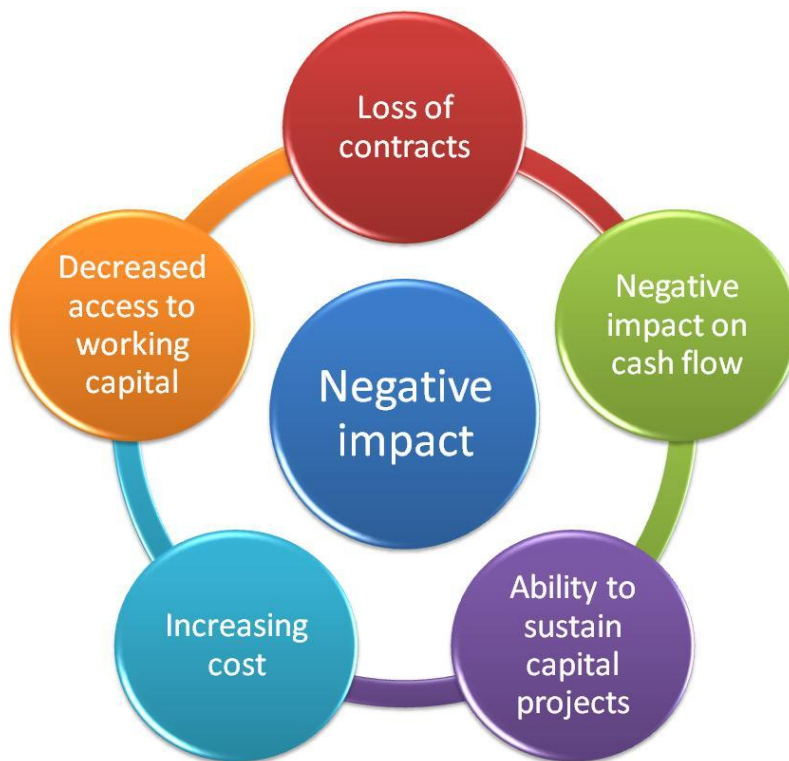
One respondent specifically noted the negative impact that the downturn had on him personally, through the effect it had on his family:

> **Interviewee 7:**
> *I certainly know my close friends and family that have felt it. So I think there is a peripheral impact in terms of a reliance on the breadwinner. (...) ...but socially and independent of XXX, there certainly is a harsh reality around what it actually means – when you see people being retrenched, specifically when you see businesses that are held within families – my family specifically, that bear the brunt of an economic downturn.*

4.3.12 Viewing the effect of the downturn as positive

It was interesting to note that, despite the fact that the downturn affected both the organisations and individual people in a negative way, several respondents indicated that they also saw the downturn as an opportunity:

> **Interviewee 1:**
> *On the downturn or the crisis, the – it was also an opportunity for us, to revisit – and that's on the strategic side – the business model for our organisation.*

> **Interviewee 3:**
> *I think when you do a restructuring like this you do it property, take out the layers and I think we've missed the gap taking out the layers on the mining side.*

> **Interviewee 6:**
> *The downturn presented more of an opportunity rather than a threat to us. Because with the collapse in [the] global economy, mining projects went on the back burner so our mining projects became one of the few that was looking at some very serious projects so we were able to attract very serious resources into it. Engineering resources. (...) So not only can we get better skills to support the project because we just finished feasibility studies, which has been eighteen months, but we also – in terms of now looking into execution – we can attract strong companies, strong companies at good prices and the project will be lower risk to execute than in the bull market that we saw two years*

ago when capital projects were going crazy; so, on balance, on a tangible opportunity, it presented more opportunity than threats.

Interviewee 7:

> *But we saw some benefit coming through on that. So in other words, where you would typically have a large number of mining organisations looking to build new projects, you typically found those guys falling off – which meant that the demand was less. And where there was a demand, we benefited from that. So – steel and things like that – where there was huge demand previously (which had driven the prices up), no demand, a reduction in the lead time, (so in other words, we could see a benefit from the procurement perspective, where something would typically take 24 months to deliver, now we are seeing an 18-month lead time).*

Figure 31 (overleaf) provides a summary of opportunities identified by the respondents. Once again, the list of these opportunities is by no means exhaustive and the purpose is not to indicate the opportunities that the downturn might have presented, but rather the fact that respondents viewed the downturn and its effects in a positive light in some respects.

Figure 31: **Summary of opportunities presented by the downturn as perceived by the respondents**

In addition to the respondents' regarding the downturn as presenting opportunities, the direct effect of the downturn on the individual was also viewed as positive by a respondent:

> **Interviewee 7:**
> *Actually, maybe I can say that I have been impacted, but positively. (…) So all of that has been positive. So I think, if I had to define my role, my personal experience within XXX context, the recession has been good for us, or good for me, in that, personally.*

Furthermore, in line with the responses reported in Sections 4.3.1, 4.3.2 and 4.3.4 (respondents' being optimistic and focusing on the future), in one case, there was a particular focus on turning an event that is normally perceived as negative (the downturn) into something positive; in the words of this respondent, *'never waste a good crisis'*:

Interviewee 1:

> *While you're in this crisis, see what's – what's the good things that you can do and link it all to the – to the – to the issue in the world economy. But it's also something that you need to manage very carefully because it's linked to people. (...) Yeah, there's an old saying, never waste a good crisis.*

4.3.13   Doubting job security

It was evident that respondents had doubts about their own job security during the economic downturn:

Interviewee 4:

> *From a personal point of view, from my side and my career's side, suddenly what we saw for the next five years as growing a XXX business, getting into smelting, getting into refining, getting into marketing, becoming at least the third or maybe even the second biggest XXX producer in the world, we then suddenly, everything stopped and we were going from a flying high on a 2 000 odd dollar per ounce price down to 700 something and suddenly we weren't even sure if we were going through with the BBB expansion which is a X00 000 ton mine; and from a personal point of view I wasn't quite sure what my role would be if we stayed stagnant for the time being. I think there was a lot of uncertainty from a personal and a career level.*

Interviewee 5:

> *Because it really looked that bad at some stage that maybe you just scrap the whole project. And, and that wasn't nice. It was more a psychological issue starting to build up. (…) Especially if you're into business development which isn't crucial for a company.*

In particular, some respondents were worried because they were (relatively) new in their organisation:

Interviewee 6:

> *Yes, it became personal for some of us, because many of us were recruited before the deal was finished and the company came into existence. So I started in May '08 and the paw-paw hit the fan in August, September, so, yes, a lot of us faced the huge uncertainty as to whether the deal will survive and then work through that.*

Interviewee 4:
> *I made a decision four years ago to leave a company where I was head of mining and I was established at that point in time. I had ten years service there. So I made a move and when this happened obviously there would be that uncertainty and you would look back and say was it a good move?*

Being relatively new in their organisation also implied that they left their previous company, and more particularly successful careers, to pursue new opportunities:

Interviewee 4:
> *Saying that maybe it wasn't such a wise move to leave a company. In a recession if they start retrenching and you have four years service instead of fourteen years service that might be a difference in the package.*

Interviewee 6:
> *One is, and particular against the background of having left a very successful career elsewhere so there is no point of looking backward, but the more important thing is making sure that you understand not the generic threats but the specific threats…*

Although both the above respondents had doubts about their job security, given the economic downturn, their reactions to it were quite different. Interviewee 4 indicated several times that he would have had increased job security at the bigger mine where he came from:

Interviewee 4:
> *But, yes, you do say to yourself in times like this you want to be in a company that's big enough to take the hit so if you were to be in a YYY or a ZZZ, certainly being the second biggest producer of XXX you would imagine that they are not going to shut down, if they shut down, the price would go up and they would just re-open.*

By contrast, Interviewee 6 realised that there was no point in looking back, despite the fact that he had also left a substantial mine for a new venture mine.

Doubting their job security made them uncomfortable, doubting their ability to do the job and thinking about alternatives to their current job:

Interviewee 4:

But in times like this when you haven't spoken to your boss in two weeks and you've got all this uncertainty then you sit and say maybe I should find something to just go and show my face because you begin to say what's the purpose of me? We're battling and all of that. (...) And now you go, in times like this and can you still make it work? And what if it doesn't work?

Interviewee 5:

Well, it wasn't nice, because it was, ja, I mean at one stage I thought, you know maybe I'll just retire early. I mean, it was as bad as that, you know.

The below excerpts show that, apart from thinking about alternatives to their current jobs (contemplating retirement and considering other job offers), the respondents sought re-assurance from their superiors, in this case, a CEO (also on the executive team):

Interviewee 4:

To be honest I had a job offer subsequently from another company, which I declined because I spoke to my boss about it and he gave me the assurance that I needed.

Interviewee 5:

So, even, even, even though I mean, I, I, personally even I had discussions on that. You know, I was, I'd never had any reason to worry. I mean, it was, certainly I was just told, just like don't worry, we... this is not a big issue. We need this and it is true.

In one of the cases, a respondent recognised that he was actually in a position where he influenced his own job security along with that of others:

Interviewee 2:

Because you are actually into that sort of game of designing yourself out of the job and you've got to have that maturity and, what's the word, resilience to make those tough decisions.

It is important to note that, apart from Interviewee 2 (above), who had been involved in influencing his own job security, all other respondents concerned with their job security

worked for organisations that did not retrench during the economic downturn, although they commented on retrenchment.

4.3.14 Worrying about financial security

Along with doubting their financial security, respondents also worried about their financial security:

> **Interviewee 6:**
> *We are a single income family because we have three young children, my wife doesn't work and we have managed to have bonds and all sorts of things. (...) It did pose a personal threat in that the deal would have failed and I would have been back on the streets. But I focused more on the resolution of it than worry about it.*

Most of the respondents strove to be financially independent to shield them from a situation where they lost their jobs.

> **Interviewee 6:**
> *It's also when you are reasonably successful, so I'm not independently wealthy, but I'm okay, I could have survived the one year without a job. That's easy for me to say as opposed to someone who's living from one salary cheque to the other so there is that element to it. That's also why you don't want to expose people that have this, if they lose their job because the company fails or the hostile bid wins or the deal goes wrong…*

> **Interviewee 4:**
> *Personally I would like to be in a position where you know that if you lose your job you can support yourself for two years or three years and if you can't find a job in that time then that's your own problem. But I think it's easier said than done. You can say let's not worry about the downturns because if we live for them or live in expectation of them then you're not going to go anywhere you're not going to take any risk, you won't buy a house, you'll just stash up the cash. All this stuff that we [attach] value to, like property. You can buy property.*

> **Interviewee 5:**
> *I mean, I, I, I think I'm paid extremely well and I can retire. But, ah, one doesn't want to. (…) And, it, it was really I think, I don't think it was*

ever that bad, to be honest with you. It was, but you know your mind plays these scenarios with you and let's call it that.

Perhaps it had to do with their financial independence, but it was clear that the respondents viewed their own financial security as a secondary concern.

4.3.15 Company or shareholder expectations

Respondents felt the pressure of meeting the expectations of shareholders during the economic downturn:

> ***Interviewee 1:***
> *Because the Parent Company is the 100% shareholder of our organisation. And they're supposed to understand that, but they had a typical shareholder view on the business. Doesn't matter what you're saying: the bottom line – you need to improve your bottom line.*

> ***Interviewee 6:***
> *What does it really mean for our shareholders, the guys who became the shareholders?*

In addition, respondents felt they had to convince shareholders that they were not bad managers, and that they were confident in their decisions:

> ***Interviewee 1:***
> *And, it – it's also putting pressure on me to convince them that we're in this one and when you talk to those people they think it's just bad management.*

> ***Interviewee 4:***
> *They rely on the people that are there so if I go with an application NNN will look me in the eye and say can you make a success of this? And if I say yes, he will go with it. So it's entirely up to you.*

4.3.16 Feeling responsible and to blame

During the downturn, and particularly when retrenching employees, respondents felt personally responsible for the situation:

Interviewee 1:

> *And that, that's difficult. It's also difficult for the people internally because they were under pressure because all the positions, employees, their jobs were at risk. So we need to fix that.*

Interviewee 2:

> *I was party to initiating the whole damn thing…*

In particular, they felt that they were to blame for the situation:

Interviewee 2:

> *…you are going to talk to XXX, for what it's worth, we collectively were partly to blame for this whole thing, because we could just see we need something to happen, let's put it that way. (...) Put it this way, not that I'm proud of it, thirty senior managers actually left the company.*

Interviewee 0:

> *Ek was die vark in die verhaal. Ek moes die hele ding gefasiliteer het.*
> *[I was the villain in the story. I had to facilitate the whole thing.]*

The process of retrenchment was emotionally taxing for respondents, as the excerpts below indicate:

Interviewee 1:

> *I know there were people that were in tears immediately, very emotional. It also created a lot of emotional feelings for me. It was very difficult.*

Interviewee 0:

> *Ek het onmiddellik my gesig weggedraai, want ek dink dat ek trane in my oë gekry het.*
> *[I immediately turned my face away, because I think I got tears in my eyes.]*

4.3.17 Feeling responsible for the team

Respondents felt responsible, particularly for their team. In some cases, they referred to the executive team of which they were part, and in other cases to the team reporting to

them. In the excerpts below, the respondents seem to express their sense of being responsible for the team's well-being in leading the team and the organisation, indicating a sense of dependence that the team has on the CEO, in the cases below:

> **Interviewee 1:**
> *You need to organise the people. The team is dependent on where you want to take the… or on you to where you're going to take or they want to take the business going forward.*

> **Interviewee 6:**
> *Now the deal to create nearly got threatened by that so we were trying to close the deal in a period of huge economic uncertainties so there was the period when it affected the people that were close to the deal and I was involved in the deal making…*

It is a known trend in the mining industry, as it probably is in many other industries, that people who are in a position to do so often recruit people that they know, especially when they move from one company to another. They 'pull' their trusted colleagues with them when they move on to another position:

> **Interviewee 4:**
> *I think from my team, the majority of guys in my team have only been here for about a year because what happened is when we purchased BBB we went and a lot of them are from YYY because that is where myself and the guys spent ten or five years. So we handpicked the guys from YYY. We said we want to build a mine, we want to build a division and we are going to take the best of the best and convince them to join us. So those guys were brand new in XXX so I guess they can… a lot of uncertainty… they were sitting here and said you know I left a year ago, where I left four years ago and I felt it.*

> **Interviewee 3:**
> *What's also a difference is a lot of the guys, the team that I've built comes from HHH, comes from MMM, some of them worked for me before, some of them worked with me.*

This leads to a lot of trust in these team members, but it also created or at least amplified the responsibility that the respondents felt towards their team members during the economic downturn:

Interviewee 6:

> *But there were also the people that I brought on board…who on my word had come on board this... come on board the company, left other companies and careers and joined this company. So their future was very much my responsibility to get them to understand where the risks were.*

Interviewee 3:

> *I think I've got a lot of empathy with the team that I've put in place and I will really assist them to achieve their goals.*

4.3.18 Value dichotomy

Respondents indicated that they experienced a misalignment between their values and their actions, or sometimes their values and how their actions were perceived by other individuals, particularly in the organisation:

Interviewee 1:

> *To make decisions in this difficult time, and still, or to use the values of the business and your personal values to – to form the backbone of all your decisions, helped me a lot. (...) It was a good plan for me, but in their minds you could see there was no trust. It doesn't matter what was the values of the business. And I also said to them that I realise that we need to show and communicate all the successes that we have. I also asked the people directly after that session to go home. Not to talk to the rest of the people. Go and think about it and we will again discuss it the next day.*

Interviewee 2:

> *I think one of the other issues that introduces stress in an arena like that is we believe and we profess to abide by a certain set of values like talk about trust and now you go and talk to some unions about job reduction. It's an interesting sort of dichotomy. (...) Often you have to make difficult decisions and depending which side of the fence you are on, people will see that as a non-alignment of values or an alignment under difficult circumstances with value so that introduces a level, yes, these sort of situations create a level of mistrust between the various stakeholders in the company and once again it comes back to communication.*

It is interesting to note that both respondents who emphasised the importance of religion experienced this value dichotomy.

4.3.19 Survival

Various respondents used the term 'survive' in connection with the economic downturn, either to refer to the personal survival of employees, or the survival of the organisation:

> **Interviewee 4:**
> *…but at least you do it as such that you survive this downturn and then obviously from a LLL point of view, our challenge was that the mine must just build up to a steady state, the challenge was to get it into a steady state as soon as possible.*

> **Interviewee 1:**
> *This is the only way for us to survive.*

> **Interviewee 2:**
> *And then you get the people that have survived on board and life carries on.*

> **Interviewee 6:**
> *The learning out of it is that you can survive them and then thrive thereafter.*

> **Interviewee 7:**
> *The emerging markets, I think, actually managed to survive quite nicely.*

The use of the word 'survive' can be seen as a mere figure of speech. However, in my opinion, it goes beyond a mere loose use of the word to indicate the depth of how the respondents experienced the downturn, its effect on them, and the effect that it had on others. Various respondents compared the downturn with a war, albeit in different contexts:

> **Interviewee 2:**
> *It's also about leadership, about creating an understanding and inspiring the survivors, because there are always going to be casualties and survivors. Sorry, it sounds a bit war-like and I hope you*

don't put that into our presentation like, that but just to get the mental picture across – there are always survivors and the walking wounded and then the people that really get hurt. The issue with any turnaround… There are the people that remain but they actually are hurt, the walking wounded as I would call them and that introduces a level of tension in the organisation and it leads to a build-up, not necessarily in a person like myself, but it introduces a tension in the organisation that does need to be managed.

Interviewee 7:

That's the example in war, isn't it? 'Guys, we are going to go and learn, and maybe a couple of us are going to get shot and killed along the way. But at the end of the day we want to be victorious! We want to come out of this alive! Yes, I'll follow you, because you are actually a good leader. You give me an inspiration that you know what you are doing and that you are confident in your approach.'

Interviewee 0:

Jy het ingegaan en in die oorlog baklei. Skielik is daar nou vrede. Maar wat doen jy met die vrede? Hoe maak jy? Hoe berei jy jouself weer voor vir hierdie proses van vrede?
[You went in and fought in the war. Suddenly there is peace. But what do you do with the peace? What do you do? How do you prepare yourself for this process of peace?]

When I asked Interviewee 2 how he saw himself according to his classification of 'casualties', 'survivors' and the 'walking wounded', he classed himself as a survivor:

Interviewee 2:

So I'm sort of in two minds so there I'm a survivor with a scratch or two. Sorry, I'm being simplistic, but I would class myself as a survivor.

One respondent even likened his experience, specifically referring to the retrenchment process, to the Holocaust:

Interviewee 0:

(Ek) het my in baie situasies voorgestel in die Joodse konsentrasiekamp waar die offisiere presies geweet het wie die volgende persoon sou wees wat na die kamer toe moes gaan. Dit is 'n totale ander situasie, maar ek dink dat die sielkundige effek wat dit op my gehad het niks anders as dit was nie.
[In many situations I imagined myself in a Jewish concentration camp

where the officers know exactly who the next person would be to go to the (gas) chamber. This was a totally different situation, but I think the psychological effect that it had on me was no less than that.]

Related to this, this respondent compared his role to that of an executioner:

Interviewee 0:
Ek dink dat dit soos 'n laksman is. Jy het ingestap, jou werk gedoen en jy het weggedraai en was klaar daarmee. Maar jy praat nooit daaroor nie. Dit is omtrent hoe ek dit hanteer het.
[I think that it was like an executioner. You walked in, did your work and you turned away and were done with it. You never talk about it. That's about how I handled it.]

4.3.20 Having a plan of action

It seemed particularly important to respondents to have a plan to guide them during the downturn:

Interviewee 1:
Maybe, it will carry on with that. So we said we need to implement something and we, as a management team of our organisation, spent about a week, just focusing on some actions that we need to put in place and after that week we had a high level plan. (...) And then we developed an Eight Point Plan. It's just a – that was unique for our organisation – where we focus on these things – on the workload and some actions that [were] linked to – to that. The second one was – or part of those eight points, there were some actions that [were] linked to capacity and competence. But, we call it the Eight Point Plan and we know within that area we will have a strategic focus, as well as a short-term focus, or medium-term focus on – on that.

Interviewee 4:
So we had to almost change strategy in the short term because our strategy was growth, our strategy was buying, looking at targets, you know we were last year in June/July we made a move for YYY.(…) So, we had to look within and decide how do we manage this?

Interviewee 6:
Some people don't accept the possibility that complete failure is an option and that is a risk, so the important need is to confront it. It can get very serious and you have to have an action plan to deal with that.

Then also… Once you have got that, you have a high level of confidence that you have confronted a very dire scenario and you can work out strategies for that. I think that the reverse will be very stressful. (...) You will assume that it gets to 90/100 so you have a plan to deal with 90 and when it gets to 20 you have no ability to deal with it, not only psychologically you aren't prepared for it, but you have no action plan to deal with it. So, for instance, on this deal thing, I really confronted the fact that there was a good chance it was going to fail, that the parties were unable to meet each other in terms of a meeting of the minds, what would we do then? We had to go and find alternative ways to do the deal. Or, work on the basis that if two parties walked away from each other, how would we get them back together again? And what were the tools we would need to do that?

Perhaps Interviewee 2 best articulated why having a plan of action was emphasised heavily by respondents: having a plan means you have (or feel in) control of your destiny:

Interviewee 2:
…and then sort of getting the plan together and making it happen. And it's when you are an architect of change rather than having change being imposed on you and then being totally reactive, that's when life becomes stressful in my mind, when you are totally reactive to external stimuli instead of saying, well, I understand the situation, what are we going to do about it and being proactive. (...) We were the inner sort of executive that were saying this is what needs to happen so therefore one felt that you were in charge of your destiny.

Interviewee 7, along similar lines, compared knowing what is going to happen in future to 'when there is light':

Interviewee 7:
The biggest problem is when you are faced with a situation, is not knowing how you are going to get out of it. When there is that darkness, then you are at a loss and you cannot find your way out of anything. When there is a light, where you can clearly see that this or that is going to happen, and that is how we are going to get out of it…

However, it is not merely about having a plan of action, but also about the fact that, by doing so, by implication, one confronts the situation. As Interviewee 6 indicated, one has to have a plan and *act* on it.

Interviewee 6:

> *But the other important thing is to confront it. So once you've distilled it out, that there is a real threat, to accept that it's real and that it needs to be acted on. (...)…but you have to assume that things can get very dire and when they do start to get dire there's no point in complaining about them, you have to act on them.*

Interviewee 2 once again articulated in colourful mining terms that, without a plan, clear roles and responsibilities for the people involved in the plan and performance management linked to this plan, he would have had difficulty dealing with the economic downturn:

Interviewee 2:

> *I think the only other point to make in any form of turnaround that there is, is you have got to have a clearly articulated analysis of what's impacting the business, you need to have a comprehensive… there's no silver bullets in turning the company, you've got to have a very clearly articulated plan, you've got to have clear roles and responsibilities to the people involved in that plan and you've got to have some pragmatic and practical performance management in place. You've got to have those building blocks in place. If those things are not forthcoming, it will create… a, a, no, it won't be creative, it's just plain shit and stress and kak in the land. You've got to have those things in place.*

4.3.21   Basing a plan of action on facts

Apart from having a plan of action during the economic downturn, respondents also indicated the importance of understanding the facts of the situation and then planning (and acting) according to these facts. Interviewee 6 explained why this might be important, not only for improved planning, but also for a person to focus on actual threats and not just generic worries:

Interviewee 6:

> *…making sure that you understand not the generic threats but the specific threats… so I focus on understanding, so if we have this big downturn, what does it really mean for our shareholders, the guys who*

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became the shareholders, in terms of their ability to do the deal and so it's working on facts of specific threats, not the general worry of generic threats, everything is going wrong. So what is specifically going wrong and what are the direct threats to it. And then making sure that in understanding that, we were focusing on resolving those and making sure that those things were properly understood and that there were solutions in place. And so we were actually acting on fact and then acting. (...) ...the ability to analyse it, break it down, understand the drivers, will allow you to cope better. If you can't see it, if it's just a black cloud, it's very hard to cope with it and if you can unpack it… it generally are people that can unpack it, identify the real threat and the real drivers and then focus on those, as opposed to those who see the cloud of threat.

Other examples of interviewees indicating the use of and importance of facts to base plans (and actions) on are given below:

Interviewee 1:
> *So, on the workload side we said – that equals capacity at competence. So the formula that we worked on this whole thing was workload equals capacity at competence. We investigate the markets in all three regions. The Americas, the EMEA's [Europe, Middle East and Africa] as well as the Australasia – what's the work load available? What's the signed deals? What's the potential deals? We also established what was the effect on – and what's the trend of – that happened within our client environments on approvals? (...) It was something that we adjust according to what happened in the world economy. What happened in our client environment? So we...test it. That's why we've got this Industry Monitor.*

Interviewee 2:
> *Taking charge really goes around who you've got on the team and understanding what the critical issues are facing the business and what the key success factors are that need to be dealt with and everything like that and then sort of getting the plan together and making it happen. (...) I think the other thing is, invest your time and invest resources in getting to a data-driven set of facts that influence your decision. Don't just do an opinion-engineered addressing of the problem. Get some data-driven facts on the table to make a decision.*

Interviewee 6:
> *The first one is about trying to get as good information as you can and not getting swept up in the generics. It's about trying to distil out what does it specifically mean for us and for me.*

Interviewee 7:
> *I guess my advice would be to really understand where the heart of the problems are.*

Interviewee 0:
> *'n Voorbeeld was die maandelikse barometer wat ons gehad het.*
> *[An example was the monthly barometer that we had.]*

4.3.22 Focusing on the short term

The goal of the plans and actions taken by the organisations was ultimately to weather the downturn in the short term:

Interviewee 1:
> *So the plan that we set, that we need to focus on, needs to focus on the strategic level. Make sure that we're not stopped doing things, but re-prioritize things in that environment. We need to focus on the tactical level. Things that we would like to get in place. That will, that we will see, 6, 12 months later, things happening in that environment and then with a big focus on the short term. What's the immediate things that we can do to fix that one? And on that one – on the short-term side, we said, we need to focus on what's the work load available in the business.*

Interviewee 2:
> *If you haven't got a mission in life on a daily basis and structure your life around what's urgent and important and focus on the key critical things. That sort of keeps your psyche more on the excited side than on the stressful side. I think that would be the one key thing.*

4.3.23 Focusing on the long term

Apart from having short-term goals, the long term was also focused on, particularly how to thrive after the downturn and how to set the company up for this:

Interviewee 2:

I would say that one had to always ensure that you had very clear short-, medium- and long-term goals.

Interviewee 4:

How to position yourself [so] that when the recovery comes into full flight you can take the full benefit and position yourself like that.

Interviewee 1:

Normally what happens in an area like this, businesses fall back to fire fighting. Just try to keep things going. And as soon as you're doing – the focusing on that – you've got a very short...focus…you need to get a better, or a higher view on that. And if you take what's happened in the past, in all these type of things – as soon as that happens, your strategic initiatives and all those kind of things, you will impact that. You will stop doing those things. And then normally, after a crash, what happened, when you need to be ready for the...gear up again, you're then 6, 8 months behind the industry. So you need to make sure that what – the things that you're going to do will focus on the – still keep the strategic focus in...that area.

Focusing on the long term also relates to having a vision, as various respondents pointed out:

Interviewee 7:

I think the biggest challenge for us was to make sure that we are so well articulated that we could actually see it and believe it and then communicate it down. One of the biggest things is, if you don't really understand it or there is confusion around what that actually is. It tends to create that confusion as you communicate it down the organisation.

Interviewee 5:

You've got to basically make sure that things, you, you set the right direction and then...things will work out.

Interviewee 3:

Tell them where you are going. Tell them this is the light at the end of the tunnel, this is where we want to get to and they will get you there. (…) It's all about the people and getting them to believe that this is where we go and it has worked well for us.

Interviewee 2:

It's not one of these consultants burning platforms but it's about

honestly articulating the burning platform and what the low road or the high road looks like and it's about creating that rallying point and that vision. (...) Looking beyond the downturn and focusing on individuals that would ultimately get through the downturn was also something that respondents mention and focused on as indicated in the excerpts below. (...) It's also about leadership, about creating an understanding and inspiring the survivors because there are always going to be casualties and survivors. (...) Dignity counts. Not only to the person that is directly affected by your attention but also by the people that stay behind that see how you as a leader behave in a stressful situation or in a difficult situation, which leads to building of trust, earning of respect and creates a healthier future surviving company.

Interviewee 1:
But to convince them to stay in this business, it's not a business… it's not a sinking ship that we've got here, to keep them going.

4.3.24 Taking action

Based on plans derived from facts, organisations took various actions during the economic downturn with both short- and long-term goals in mind. Organisations attempted to reduce or delay capital spending, as is indicated in the excerpts below:

Interviewee 5:
Obviously we've had to reduce capital, we've had to reduce spending, we've had to close furnaces in, at one stage, we had probably only about twenty per cent of capacity on line. (...) Most of them in fact postponed to… by a few years' capital project.

Interviewee 4:
So on the XXX side we tried to produce as much as possible, cutting the cost, delaying capital that can be delayed so we delayed quite a bit of capital that can be spent, this year, without affecting our long-term viability of the project.

A prominent method for organisations to reduce costs was by means of reducing people through retrenchment. Indeed, interviewees from organisations that retrenched almost equated the economic downturn with retrenchment:

Interviewee 1:
> *We had to balance the capacity and the competence of the people with the workload.*

Interviewee 2:
> *I think the other thing that it did was it introduced a tension in this company in that we realise that in order for us to financially survive we needed to fundamentally attack our cost base and that brings with it all the nonsense of a headcount reduction and all that sort of stuff so there's a headcount impact on the business, there's a capital expenditure component and then there's the funding of making this a better place. (...) My role was in...being part of a joint ...management leadership decision to restructure the business both in terms of how we do things, how we structure the company and so on and so forth with the end goal of a headcount reduction and a reduction in overall expenditure.*

Interviewee 3:
> *What we've done in the processing side and I think we are more fortunate than on the mining side, because they had the big numbers and they reduced by 6 000 people. We set ourselves a target and we looked at the numbers we had in 2004 and we tried to get back to those numbers in terms of numbers of people, not in terms of costs.*

In addition, organisations attempted to reduce costs, for example, by reducing the use of contractors and consultants:

Interviewee 5:
> *You know, by doing a lot of things ourselves which we'd normally have contractors, ah, either contractors or consultants.*

Strategic actions were also taken, such as influencing the market by controlling the supply of products, changing from an acquisition growth strategy to an organic growth strategy and the empowerment of lower level workers in order to gain efficiency and effectiveness.

Interviewee 4:
> *The second way of looking at it was for us being in XXX and YYY, because we are a major producer of XXX we said how can we impact the market because the prices went through the floor, we had orders*

cancelled from long-standing customers, so we basically shut down the operations.

Interviewee 4:

On the ZZZ side, because we are the biggest ZZZ, by shutting down our furnaces we basically impacted the market, the stock levels went down and as the stock levels went down the recovery came fairly quickly.

Interviewee 4:

So to us it was pretty much an eye opener in rapidly changing the strategy, turning it more to organic growth to say, for the time being at least, we've come to the end of purchasing because we are not going to get finance because the bankers got the main scare and they stopped providing finance.

Interviewee 3:

What we've done also in this downturn, maybe it's not because of the downturn, maybe it's just how I see the way to transform the business, historically in South Africa we told operators and the lower level guys, you come to work and leave your brain at the gate, management will tell you how to do the work and my view is that we actually want the guys to bring their brains into the gate and help us to do the work more effectively and more efficiently because they've been doing it for twenty years.

Figure 32:   Summary of organisational actions during economic downturn

Reduce capital spending	• Temporarily close operations • Postpone capital projects
Reduce cost	• Reduce headcount • Reduce use of contractors
Strategic actions	• Attempt to control market • Change from acquisitions to organic growth • Empower workforce
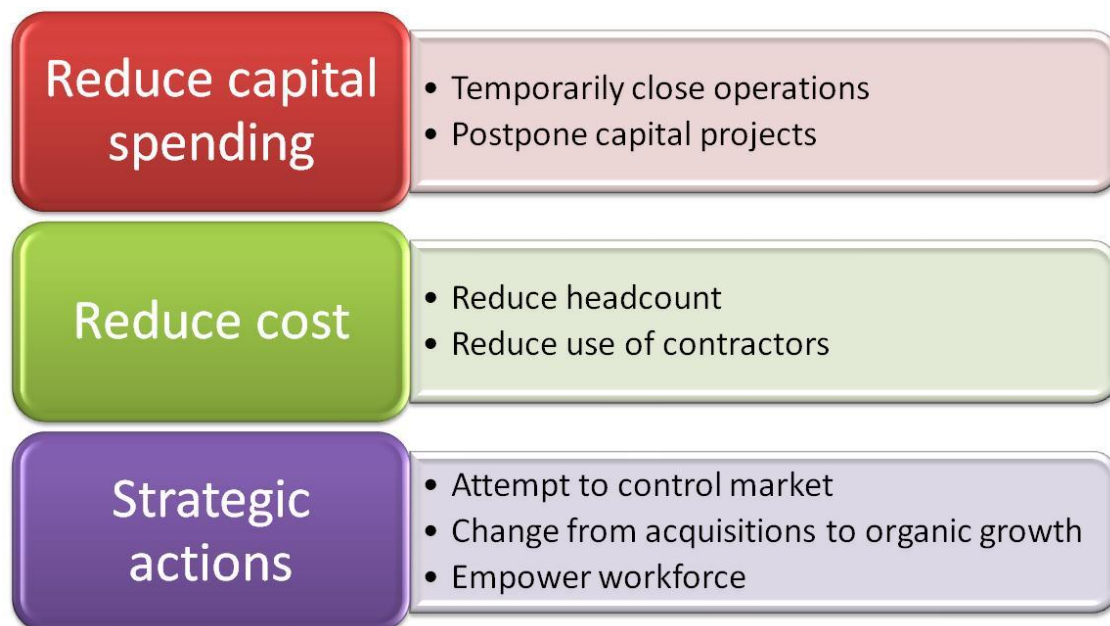
4.3.25 Defining action in terms of retrenchment

Respondents also defined their actions in terms of what they did **not** do, particularly with regard to **not** retrenching people. For example, in answer to my question on what effect the downturn had had on his organisation, Interviewee 6 defaulted to retrenchments and answered that they did not retrench:

> ***Interviewee 6:***
> *No, not major, not requiring major restructurings, not requiring major retrenchments, layoffs, change in operational plans and something of that sort.*

Similarly, Interviewee 7 responded that the organisation did not introduce any large scale retrenchments.

> ***Interviewee 7:***
> *We didn't see any large scale retrenchments. Sure we saw retrenchments, but they were few here and there…*

In fact, interviewees from organisations that did not retrench seemed proud that they had managed to weather the downturn without retrenching:

> ***Interviewee 5:***
> *I mean nobody was, not even, not even the lowest levels… not one person was retrenched through this period. We were down in some plants for six months and, and that again is a management culture and a management decision in our company. We, we look very well after each other, and after our business.*

> ***Interviewee 4:***
> *Now, we had a choice we could look at, one of the options was retrenchments, we felt that and from the XXX Head Office in AAA the feeling was that we've had a bumper year, a record year since the start of the company and we've made a lot of profit in the previous year, 2008 and to go and retrench half of our people at this point in time would sort of leave a bad taste so we decided on the XXX side, specifically of the YYY side, not to retrench. We sat down with the*

unions and we said we won't retrench, but we also negotiated with them to delay the annual increase, which was due in June and we basically got to an agreement, which I think was quite mature from the union's side as well, to delay the wages and see what happens to the industry later on in the year, which they agreed to.

4.3.26 Taking fast action

Respondents indicated the importance of acting fast.

Interviewee 2:
Firstly, you would need to be the first mover, don't wait until everyone else has done it and then follow; I mean there's even research on it. You would have to be a first mover, that is the first thing.

Interviewee 5:
So, ah, I think just one needs to take action as quickly as possible, like we did. We...decided in November, September last year we saw the writing on the wall, by November most of our furnaces were out. And we...really took very quick decisive action on that and, I think, that helped stabilizing our market in the first place to...make sure we don't have too much of an overstock situation.

Interviewee 0:
Ek sou baie vroeër met die proses begin het. Ons het omtrent ses of sewe maande voor die 'dip' geslaan het geweet. Ons kon dit duidelik sien.
[I would have started with the process much earlier. We know it about six or seven months before we hit the dip. We could see it clearly.]

4.3.27 Religion/faith

Religion and their faith played a role in some respondents' way of coping in general, particularly during the economic downturn.

Interviewee 1:
Every day – I ask my God for, for support.

Interviewee 1:
And I ask for help and guidance and what I must do and what's the decisions I must make and all those kind of things. That it must be the

right one and not for my personal interest but for the business. Or for the people, and that's the way, I'm, I'm – that's my life and I, I think that's, that's helping me to be a strong person.

Interviewee 1:
Dit is omdat die Here my help. [It is because God helps me.]

Interviewee 2:
[Silence] I think you, as an individual, you, ah [silence], I don't mind saying it… your religion plays a definite part in all of this in order to provide your anchor in life.

Interviewee 3:
Sunday we go to church.

In the excerpt below, Interviewee 1 indicated that he had discussed the retrenchment process with his church group and he felt consoled by the fact that they all prayed for him.

Interviewee 1:
It's what we want to discuss, that's what we want to discuss and during this whole time.... It's not that they were aware of what's happening within the detail. But they know about the retrenchment process and all those sort of things. And I know that all of them – they – I had 'pray cover'.

It seemed that both interviewees (Interviewee 1 and 2, from separate companies) who directly mentioned the role of religion during their experience of the economic downturn felt that it was not acceptable to depend on religion in the workplace. They were almost apologetic about it, as though they thought it was not acceptable to indicate it to me as part of the study or people's lives in general:

Interviewee 1:
It doesn't matter what some people think, it's not helping, but I know, for me, it's helping and it's almost if I was much stronger and – you're going through these things (...) that's maybe what they do not want to hear, but my religion is quite important. You need something that you can fall back on.

Although Interviewee 2 did not voice his doubt about the acceptability of religion (to me, or in general) in the workplace directly, he was hesitant to mention it ('*you, ah [silence], I don't mind saying it…*').

4.3.28 Spousal support

Spousal support was specifically mentioned by respondents whose spouses (in this case, the wives of respondents) played a role in how they dealt with the stressors during the economic downturn. Whether the respondents saw their wives as a sounding board or as someone to take over the decision-making responsibility at home in order for the respondent to relax, spousal support seemed to play a role in coping during the economic downturn.

> ***Interviewee 5:***
> *I've got, my wife doesn't work, we're very lucky. So she looks after the home. So when I get home I don't need to make decisions. So you can go and do your sport or whatever and the rest of the time she...runs the house. So it's actually a bit of a...cop out in having to make decisions. It's actually quite nice to get somebody else to just do that for you. And, ah, but she enjoys that as well. So it's, it's …*

> ***Interviewee 1:***
> *…that's where my wife played her role. She's got no clue what's going to happen. She's got an outsider's view on that. And when I mention it to her she will tell me something and then I think about it and say: but maybe she's got a point and then I test it in a different way within the team.*

> ***Interviewee 1:***
> *…you still need to talk to somebody. Somebody to get – just moral support from or – from the outside and my case, I use my wife for that. Not that she's got a clue what's going on in the business, but just somebody to listen. And she was willing, listening.*

Interviewee 5 specifically mentioned that his wife did not work outside the home ('I've got, my wife doesn't work, we're very lucky'), although he seemed to try and defend it ('And, ah, but she enjoys that as well. So it's, it's …'), perhaps because I am a woman and he felt he had to defend it towards me (a working woman), although I did not in any

way respond to his comment – positively or negatively. Interviewee 6 also mentioned specifically that his wife does not work outside the home:

> **Interviewee 6:**
> …because we have three young children, my wife doesn't work…

4.3.29 Emotional separation: depersonalizing actions

It was clear from the respondents' responses that the economic downturn was an emotionally stressful period for them, as Interviewees 1 and 0, for example, indicated:

> **Interviewee 1:**
> *Daardie emosionele, daardie binneste gedeelte – Want dit raak jou persoonlikheid. Jy doen goed wat nie heeltemal jy is nie. Ek wil vir almal by ons werk gee en vir almal `n glimlag gee want almal van ons is goed. Maar nou skielik moet ek vir sommige mense sê hulle is nie goed genoeg om hier te werk nie. Hulle kan dit persoonlik opneem, maar eintlik is dit die besigheid wat dit nie kan hanteer nie. Dit was baie moeilik om daardie 'link' te kry.*
> *[That emotional, inner part of you – Because it involves your personality. You do things that are not totally you. I want to give work to everyone with us and I want to give a smile to everyone because all of us are good. But now suddenly I must tell some people that they are not good enough to work here. They can take it up personally, but actually it is the business that cannot handle it. It was very difficult to get that link.]*

> **Interviewee 0:**
> *Ek het onmiddellik my gesig weggedraai, want ek dink dat ek trane in my oë gekry het.*
> *[I immediately turned my face away, because I think I got tears in my eyes.] [Referring to people asking him whether he was 'OK' during the retrenchment period, one of the actions taken by the organisation during the downturn.]*

Respondents attempted to take their 'hearts out' of their actions, focusing on what the business needed and not on individuals:

Interviewee 3:

> *When I was a bit younger and more aggressive and this is how it will work, I could just put myself aside and just do the restructuring and the people went and now I think my empathy moved a little this side and it is still tough to do it but you have to do it, you have to almost take your heart out and say this is what the business needs and you have to go and retrench people.*

Interviewee 1:

> *When we've got the clear rule of capacity and competence. If the – and that's why we made it clear, before we start focusing on individuals.*

Interviewee 0:

> *Ek dink dat mens 'n stadium bereik waar jy besef dat jy die emosies moet skei van dit waarmee jy besig is. Die oomblik as jy by daardie punt kom, kan jy die regte besluit neem. Die oomblik as jy emosioneel betrokke raak en jy in iemand se oë kyk met die wete dat jy nou vir hom hierdie goed vertel maar dat hy more of eendag nie meer geld kry nie…*
> *[I think that one reaches a stage where you realise you have to separate your emotions from what you are busy with. You can make the right decision the moment you reach that point. The moment that you become emotionally involved and you have to look into someone's eyes knowing that you are telling him all these things but that tomorrow or some day he will not be getting any more money...]*

Interviewee 0:

> *So jy moet regtigwaar emosieloos in hierdie ding gaan. As jou emosies by dit betrokke raak gaan jy die verkeerde besluite neem. So ek dink dit was omtrent die ding. Ek was emosieloos.*
> *[So you really have to go into this think without emotions. If your emotions become involved, you will make the wrong decisions. So I think that was about it: I was emotionless.]*

The above two excerpts from Interviewee 0's transcript also indicate a belief that a person would make better decisions if he is not emotional about it. Interviewee 6 also indicated the same sentiment:

Interviewee 6:

> *I think that's given me the ability to cope with crisis better than many other people that get very emotional and become very bad at doing the analytical work because the problem with the crisis is it requires*

very clear thinking, very fast. And if you all wound up emotionally, you can't do that.

However, it seemed that, although Interviewee 4 below sees himself as '*not a hectic emotional person*', he did experience emotions, although he attempted not to show them. Interviewee 0 expressed the same sentiment somewhat differently by indicating that he had to '***pretend** that you are in control of the situation*' (my emphasis):

> ### Interviewee 4:
> *No, to be honest I guess I'm not a very emotional person. I am, but I don't show a lot of emotions and stuff like that. Mense sê ek is baie rustig en ek panic nie gou nie. [People say I am very calm and do not panic easily.] So, to be honest, I do stress and I smoke a lot and stuff like that but I'm not a hectic emotional person.*

> ### Interviewee 0:
> *Jy moet voorgee dat jy in beheer van die situasie is en dat jy eintlik onafhanklik is en kan terugstaan en praat met mense wat jy eintlik glad nie ken nie.*
> *[You have to pretend that you are in control of the situation and that you are actually independent and that you can stand back and talk to people that you actually do not know.]*

Interviewee 0 was very closely involved in the retrenchment process in his company during the downturn and emphasised at various points his attempt to separate his emotions from his actions. He felt *compelled* to do this for the sake of the people in the organisation, resulting in his ultimately cutting himself off from the people in the organisation:

> ### Interviewee 0:
> *Ek dink dit sou onregverdig gewees het as ek enige emosie gewys het. Dit is moeilik. Ek het nog nie met iemand gepraat daaroor nie. Maar ek sou dink dat as ek in die gehoor gesit het en iemand emosie getoon het dit op 'n massa histerie kon uitloop. Die mense sou sê dat die persoon wat die proses fasiliteer nie sterk genoeg is nie of dat hy self daaraan twyfel. Dit sou absoluut 'n massahisterie veroorsaak het. (...) Een ding wat dit aan my gedoen het is dat ek onbetrokke geraak het by mense as gevolg hiervan. Ek wil nie meer hoor van X, Y en Z en hoe dit met sy kat of hond gaan nie. As gevolg daarvan het ek miskien in my onder-bewussyn net besef dat ek nie meer*

betrokke kan wees by ZZZ se besigheid wat nie 'n sukses is nie en hom raad gee nie, want hy is dalk die volgende persoon wat moet gaan.

[I think it would have been unfair if I showed any emotions. It is difficult. I have not spoken to someone about it. But I think if I sat in the audience and someone showed emotion, it would have resulted in mass hysteria. The people would have said that the person who facilitates the process is not strong enough or that he doubts it himself. That would have created mass hysteria. (...)One thing that it did to me is that I became detached from people because of this. I do not want to hear about X, Y or Z and how his cat or dog is. Because of this I perhaps unconsciously realised that I cannot be involved any more with ZZZ's business that's not a success, giving advice, because he may be the next person that must go.]

4.3.30   Balancing work and home life

Respondents indicated the importance of balancing their work with their life outside of work (referring, amongst other things, to family, friends, hobbies, etc.):

Interviewee 2:
> *These days I have to drive home myself but I think where I am fairly lucky is that I'm blessed with a lovely wife and lovely kids, half of them in and half of them out of the house, but my mindset has always been one of when I get home I will engage and it's quality time as my wife would call it, it's little time but it's quality time. Towards Thursday or Friday or on a bad day it's sometimes a little bit difficult but she's very supportive… So one balances in that regard. One does make a serious attempt to divide work from home life, you have to, otherwise it's a madhouse.*

Interviewee 3:
> *So for me it's all about a balanced life. You have to have a balanced life. I worked for a guy who, when I asked him what grade are your kids in, he could not answer me. I can tell you my kids are in Grade 8 and Standard 5, that's Grade 7 and my daughter's in Grade 4, that's Standard 2 and I know what subjects they do and what activities they do and sport. I try and go and watch all their sport activities and so you have to have a balanced life, I really try to do that. I've seen too many people, a guy like HHH who I know well, he's just too much on the other side. It becomes more difficult the higher you go in organisations to have that balanced life but I've really tried hard to*

actually maintain the balance and go on holidays for three weeks with the kids.

From the above excerpts it seems that this balance is not necessarily easy to obtain and respondents make a specific effort in this regard. However, they perceive it as necessary in order to avoid 'a madhouse'. Respondents varied in how they obtain this balance. One makes a cognitive decision to close the office door and walk 'into another world' effectively completely separating work and life:

> ### Interviewee 0:
> *Ek dink om die kantoordeur in die middag toe te maak en weg te stap – dit is iets wat ek vir myself oor baie jare geleer het. As ek my kantoordeur toemaak, dan is wat by die kantoor gebeur het verby. Noem dit maar 'work-balance-life'. Dit is eintlik 'n hoofstuk wat ek elke dag afsluit, ongeag of dit baie goed of baie sleg gegaan het. Ek sluit daardie deur en stap weg en stap in 'n ander wêreld in. Dit is absoluut 'n kognitiewe besluit. Ek dink my persoonlike redding was om daardie skeiding te maak.*
> *[I think to close the office door in the afternoon and to walk away – that was something that I taught myself over many years. So when I close my office door, then what happened at the office is over. Call it work-life balance. It is actually a chapter that I concluded each day, regardless of whether it went very well or very badly. I lock the door and walk away and walk into another world. It is an absolutely cognitive decision. I think my personal saving grace was to be able to make that separation.]*

Another balances work and his life outside of work by combining these two 'worlds':

> ### Interviewee 6:
> *It's impossible to divorce the two because particularly in this tough environment where there is a continuous leadership need and continual deal-making. So the thing is that it does not just end at four o'clock in the afternoon particularly with share holders and buyers that are US-based, with US-based firms buying from a local firm through a South African firm. So it's always involved, my job has always involved people around the world in the last 10 years 24 hours. So have never said I would try to say when I go home I am not going to deal with stuff, which is why I have always used my Blackberry heavily and am always happy to take a call… I do try when I get home to make sure I have enough time to put my sons to bed and then maybe relax for half an hour. I am always happy to*

work after that and maybe have a phone call or work on a piece of work for 2 or 3 hours. So I try and make a space to have some time at home with my family and then carry on working. That's why I use my Blackberry, I am much more relaxed if I am continually in contact than having to wonder what's happening.

Respondents also mentioned the importance of sport and physical activity:

Interviewee 3:
So I really enjoy my work. At home as well, my family and my kids, I try to attend all their – they love sport and I love sport – so I try to attend all their sport functions, weekends I try not to work, weekends I spend with the family. I play golf sometimes on weekends; I have to. My wife knows I work hard and either Saturdays or Sundays I go play golf.

Interviewee 5:
I, I'm, you know, personally I'm a very active person. I play a lot of squash, I do a lot of gym and I, and that's how I always handle it, so I...(…) No, I think it's important. You've got to manage your life. You know, if you don't then you could get into trouble. And, I, it's something I've, I tend to do quite well, I believe. Ja, it's important you've got to, you've got to make that time. And by putting the time in your timetable and booking yourself.

4.3.31 Having a core team

It seemed that the respondents were typically part of a core team dealing with the challenges of the economic downturn:

Interviewee 1:
I think in our organisation that helped a lot and there were certain guys – we started with one or two that were in the core team and they understand the problem that we've got and then the three guys become five and then seven and we were at a stage about twelve, thirteen people working on – on this thing. But the core team of five guys were always 100% in line.

Interviewee 2:
I think the second thing in terms of handling stress is to ensure that you have the right team surrounding you.

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Interviewee 2:

> *…do it by bloody committee or do you do it in a closed inner circle and I think sometimes a turnaround is based on having to make some quicker, difficult, inner circle decisions.*

Interviewee 3:

> *You build a strong team, that's got the same view that wants to take the organisation somewhere. It's all about the people and the right people at the right level.*

Even though a team might not have been very mature in terms of team formation, as in the case of Interviewee 6, the core team was still important:

Interviewee 6:

> *But it was all new people. But the recruitment process tends to build quite a relationship quite quickly and we were also just a small team doing a lot of things in the lead-up to the deal happening.*

4.3.32 Trusting the core team

Trust played an important role in the respondents' work life during the economic downturn. They experienced support from their team members through trust, relying on each other:

Interviewee 6:

> *So there was good support. Probably… support is the wrong word as opposed to trust.*

Interviewee 7:

> *None of us can operate independently to achieve what we want to achieve. We definitely all have to rely on each other for each of our contributions to make sure that the sum of our contributions feeds to the whole.*

Having the right people around you, people that you can trust, is so important to the respondents that they indicated that getting these people to form part of the team should be a priority:

Interviewee 2:

> It's a case of don't worry about the what, first get the right team on board. And that in itself is a very simple statement, but it's the most important statement that can be made about leadership in my mind. Getting the right people.

Interviewee 1:

> And it's easier, but as soon as the team, the core team that I trust in...– because you need to work with a core team. You need to trust your managers. You need to make sure that the right people are in there and they will still support the – not you – but the direction of the business.

Putting the team in place becomes particularly important to them, as they cannot afford to have people in the team that they cannot trust during the process:

Interviewee 2:

> And often you know, as the pressure builds, the team looks OK but as the pressure gets higher you suddenly realise that that one and that one are not going to make it and the problem is you are at that stage where there's so much at stake, can you afford to let those weaker people go? This goes back to your issue of your selection of people upfront and in it so important.

Interviewee 0 articulated why trusting the core team is so important. The respondents had to trust others as they provided them with, for example, information as a basis for team decision-making:

Interviewee 0:

> Ek moes absoluut soos 'n kind vertrou het op die inligting wat ek gekry het. (...) Maar as jy dit gelees het [referring to an industry report that the organisations compiled and updated regularly] dan besef jy dat jy as individu hierdie besluite nie alleen kan neem nie. Iemand moet voorloop en sê wat moet gebeur.
> [I had to trust in the information that I received like a child. (...) But if you read it then you realised that you as an individual cannot take these decisions alone. Someone has to walk in front and tell you what must happen.]

4.3.33   Dividing the pressure, aligning the vision

In addition to having a core team, respondents also indicated the importance of having clear roles and responsibilities within the team. This meant, as Interviewee 1 indicated, that tasks could be divided between team members:

> **Interviewee 1:**
> *I think by when we start off doing that, we had a well-organised team – structured team. With clear roles, who is going to what in that area. It was always the intent that I'll do the communication to the people and it will come from me. But the actual, real, implementation will be handled by somebody else – the Operations Manager. (...) And there was a team just allocated to that. The roles in that – there was somebody focusing on the implementation side. The Operations Manager was focusing on that and the two General Managers in the other two regions. And then we had somebody that focused on the medium-term things. To get the same people focused on the short-term things as well as on the medium term, you're going – there's going to be gaps. You need to close that. So there was a different team focusing more on the longer-term things.*

Team members must be very clear about what their specific roles and responsibilities are in order for all aspects of the plan to be implemented:

> **Interviewee 2:**
> *There has to be very clear roles of responsibility and a single point of accountability, not by bloody committee and you have to be absolutely crystal clear on what each person's role is. (...) …you've got to have clear roles and responsibilities to the people involved in that plan and you've got to have some pragmatic and practical performance management in place.*

However, dividing tasks between different team members should also be accompanied by an alignment regarding the vision in order to ensure that, although different people would focus on different tasks, eventually everyone would be working towards the same goal or vision:

> **Interviewee 7:**
> *I think we've done a good job amongst this team here to make sure that we all clearly understand where we are doing on this and what*

4.3.34 Trusting the team under you

It is not only important to respondents to be part of a strong core team that they could trust, it was also important to have a team under them that they could trust:

> ***Interviewee 5:***
> *You've got to make sure people are doing the right things and let them to do their, their job. And you, you know, then with time you get to know the people that work for you, so, ah, you know who you can trust. They will, they will do what they need to do, yes.*

> ***Interviewee 5:***
> *If you don't trust people you shouldn't have them. Let's put it that way.*

> ***Interviewee 4:***
> *I guess it was just in my own mind I knew I had one of the best teams in the industry. We've taken YYY Mine from a battling mine to the best mine in the YYY stable with the current team that I have. They were with me at YYY and we worked through it. The guys were all passionate about it and there was no hint of maybe we shouldn't.*

> ***Interviewee 3:***
> *What I did do as well is I've got a very strong team in place and they believe in it as well and then they will drive it as well.*

Having a team under them that they could trust meant that respondents could leave the team to focus on their tasks, simultaneously taking the pressure off the respondents because they did not have to worry about the team, and also allowing respondents to focus on their role in the core team during the downturn. In addition, respondents also fed on this trust to boost their own confidence, as Interviewees 4 and 5 explained:

> ***Interviewee 5:***
> *You know, from a senior management the best, the best way of coping is to, to really have people that you can trust that work for you. You know, it's all about people. (…) If you, if you cannot trust*

the guys that, that work for you and that work with you then, then, then it's very tough. It gets very tough. (...) That, the trust, the, that, the people that work for you are the best or they are very good in what they do in that you can leave them and you can concentrate on what you're supposed to do.

Interviewee 4:

I guess it's the belief. How I got that last little bit is just worrying about it. Sitting there and you just think about it all the time and worry about it but then you have to turn it around. Then you say I've got this team and if there's one team that can do it, it's this team.

Interviewee 4:

I guess they supported me by the mere fact that they've looked at all the options and they realised they're not living in a different world, they realised that this is not easy but yet they were still up for the challenge and that gave me a lot of confidence because to be honest a lot of the guys that are on the team have a lot more experience on the practical side than I have. So you've got to sit back and say if this guy is confident that this is the way we can do it, then I'm happy. And I'm getting the confidence as well.

It seems that having the right team that report to them is important to such an extent that respondents recruited their teams specifically for this:

Interviewee 3:

It's all about the people you bring in. It's the structure and the people, but if you have the right people it becomes much easier.

Although it seems that recruiting the right team, one that they can trust to report to them is more general (in other words, it is important not only during an economic downturn), it was particularly important during the downturn, as previous excerpts have shown. The excerpt below highlights a specific example of how trusting in the team under him assisted a respondent during the downturn:

Interviewee 7:

I rely heavily on the mining guys to feed through to me what the opportunities are, where those opportunities are, what the grades are, how those opportunities can be financially modelled so that I can communicate them. I rely on the project team and the building of the project to communicate where they are, the progress that they are making, the results of the feasibility studies such that I can refine that and be able to communicate it further.

4.3.35 Taking team action

Regularly testing and evaluating actions within the team seemed to provide respondents with a sense of comfort:

> ***Interviewee 5:***
> *We, you know, we have regular meetings, uh, the whole of the Exec…Exco on a monthly basis and, and everybody knows what the situation is, where we gonna go, what we gonna do. We, we were continuously evaluating looking at alternative ways of handling what's happening.*

> ***Interviewee 1:***
> *By testing, by setting up certain sessions and talk[ing] to these guys according to those workload equals capacity at competence. And get people involved and challenge them and think about those things. A certain group of people agree that this is the right way of doing it. And as soon as the core team in the business say: listen, we've got no other way, we need to do it. Maybe in a downturn environment, sometimes it's – it's easier to realise that you – that you need to change because the financial side of the business…*

> ***Interviewee 1:***
> *And as soon as all of them said: yes, this is the way that we need to go, I know it's the right way. And we test it.*

With reference to the day when he had to announce who would be retrenched in the organisation, I asked Interviewee 1: 'Think back to that day and if you can think, how did you feel? And how did you manage to get through that day?' He responded as follows:

> ***Interviewee 1:***
> *What I can say is, just before that session I had a discussion again with the team and confirmed that the things that we were doing is the right things. Just to confirm that. Because that's the only benchmark or fallback that I've got… is to, if anybody asks me anything, that we're going to focus on that.*

It was as if Interviewee 1 felt better about what he was about to tell the people, because it was condoned by his core team. Similarly, Interviewee 0 also experienced the fact

that he perceived his actions to be part of a team action (and not as something he decided or did on his own) to be his preservation:

>   ***Interviewee 0:***
>   *Jy moet kan sê: 'Dit is nie as gevolg van my of AAA of BBB nie. Dit is goed wat gebeur het en ons is almal deel daarvan. Kom ek stap weg hiervan en ek stap in my eie lewe in'. Ek dink dit het my sonders letsels gelaat…ek sê nou sonder letsels… maar dit was my behoud.*
>
>   *[You have to be able to say: 'it is not because of AAA or BBB. This is things that happened and we are all part of it. Let me walk away from it and into my own life.' I think it left me without scars… I say without scars now… but it was my saving grace.]*

By contrast, not having alignment between team members in terms of goals and actions seemed to reduce the level of comfort available to the respondents:

>   ***Interviewee 2:***
>   *What does raise stress levels in a team, in a broader team in an organisation is when there's not absolute alignment on the end goal, when different people have got different views on how to approach things or whether to or whether not to and then how to. Yes or no and then how? (...) Now, when you do serious revamp in an organisation you will always have one or two or whatever, a percentage and it could still be fairly small, of people that will not be comfortable with taking on the challenge of such a radical turnaround.*

4.3.36 Having guidance

Respondents indicated that guidance was a method of dealing with the economic downturn. This guidance could take several forms. One was having a sounding board:

>   ***Interviewee 1:***
>   *You need somebody, if it's on your level, outside of the business. (...) I just want to mention [it] to somebody so they can understand. We've got a problem – think about it and come back to me and say listen, maybe we must do this; and it never happened.*

Interviewee 6 frequently mentioned his brother and, although he did not specifically indicate that he used him as a sounding board, I got the impression that they discussed several issues and exchanged thoughts during the downturn, as can be seen in the excerpt below.

> ***Interviewee 6:***
> *My brother and I were talking about an individual that we both happen to know. He characterises it that you get two types of decision-makers, the emotional decision-makers and the analytical decision-makers and some people make decisions on the basis of how they are feeling instead of what the information in front of them is presenting. (...) ...but the whole system was at the verge of failing and I could see that, for instance, from my brother, he runs AAA in Africa.*

Mentorship also seemed to be an important form of guidance for respondents. Sometimes it took the form of a person who can merely listen, as in the excerpt below:

> ***Interviewee 1:***
> *But I think if you've got – during this time, somebody that's – understand – not somebody that will advise you on what's the best solution. But, somebody that can listen and understand the people side of all those sort of things. I think that can, …if it was possible for – I had a contact of – yeah, a contact with somebody like that, in a mentor role.*

At other times, it could involve a more formal arrangement, like a coaching programme:

> ***Interviewee 6:***
> *I went to, maybe it was late 2008, and I went to… through a guy that did some coaching with me, executive coaching. He gets together CEOs of small companies and a lot of them were in retail and they were in complete denial about the downturn.*

Sometimes, there was a specific person from their work environment from whom they learned and who acted as a mentor:

> ***Interviewee 3:***
> *I started working here three years ago and during my career I worked for a guy like DDD for about two years, one year directly reporting to*

him. I've never learnt so much in my life as when working for him. (...) I've learnt a lot from a guy like GGG.

Several respondents also indicated that they sought guidance from popular literature:

Interviewee 1:
I was looking for guidance on leadership. You think you know all the things about leadership. And just looking for what's available in the market to get again, power or strength just to get through the issue.

Interviewee 3:
So what I believe in and if you read the book Good to Great*, it says…*

Interviewee 2:
It's like Jim Collins, Good to Great*…*

Figure 33:   Summary of guidance methods used by respondents

4.3.37 Doing the right thing

'Doing the right thing' was central to some of the respondents' way of dealing with their actions during the economic downturn. They needed to make sure that their **actions were aligned with their values** and that they were doing the right thing in order for

them to continue. For some respondents (see Interviewee 3), it was easy, while for others (see Interviewee 1), it was more of a process to convince themselves that there was alignment between their values and actions.

Interviewee 3:

No. [Laughs] I've got a very simplistic view of life and for me stuff like this, we just have to do it so I just carry on, this is what I think is the right thing to do. If I have to get approvals from EXCO or the CEO, I will get that but the rest for me is – that this is what I think we need to do and I will then do it. I didn't experience it [as] tough at all.

Interviewee 1:

The way I interpret that was what's right and what's wrong? Do – do and that's linked to values and all those kind of things. To make decisions in this difficult time, and still, or to use the values of the business and your personal values to – to form the backbone of all your decisions, helped me a lot. (...)
Because sometimes, you say listen, I need to, to reduce the number of people. It's got an impact on the, on the individual's life. And you make it personal. To make it easier for me, is to say listen, on this spiritual right or wrong thing – value side of the business – you need to be strong on that. You need to make sure that it's tested in the market and there's a good reason for that. And then I said ok now I understand what's, what's important for me. What's right and wrong for me. It's not that it's wrong. It's part of the things that's out of your control. It helped me to make a, a much easier decision and, and understanding because I also need to understand it before I can get the people to understand that and motivate that and all those things. So that was, for me, a personal thing, that you need to… (...)
That you need to, to take a lead in the value side and I linked the business side on the spiritual – the things that's – that's – you can't see but it's still important. That's normally your benchmark or you checklist to say, we still on the right direction, on these things. It's not all emotional things. It will have an impact on emotional.

If, like in the case of Interviewee 5, one is not convinced that one is indeed doing the right thing, one will have doubt in one's mind (value dichotomy).

Interviewee 5:

And, and, you know, even though you don't believe that's the right thing, it sometimes is what you have to do, and that, that is why I suppose there is always that little bit of doubt in your mind. [The respondent in this case referred to retrenchment.]

Some respondents went to considerable lengths to align their actions with their values where there was apparently still a misalignment: after retrenching various people, these leaders assisted the people who had been retrenched to find alternative work, making the respondents feel better about their actions:

> ***Interviewee 3:***
> *I believe a lot in networking, so all the guys that we did retrench we have CVs for and I've sent them to a lot of head hunters that I know and some of them were accommodated by some of the head hunters so you have to retrench from a business point of view but there are other avenues that you can follow and try to help the guys… Some of them got helped; some of them did not get helped so that's the tough part. When I was younger it was much easier to do. We still do it, I still do it but it is a bit tougher now and I have tried to help the guys in a different way.*

> ***Interviewee 1:***
> *And that was something that I was driving because I made the promise that we going to place the people.*

> ***Interviewee 1:***
> *Op die einde van die dag het net sewe van die 56 mense, wat ons gesit het in XXX, nie werk gekry nie. Drie van hulle wou nie werk gehad het nie. So ons sou net vier gehad het wat nie werk kon kry nie. Van die vier het ek al na die tyd vir BBB uit die besigheid gestuur vir opleiding. Want dit het my beter laat voel daaroor. [At the end of the day only seven of the 56 people, which we placed in XXX, did not get work. Three of them did not want to have work. So we only would have not got work for four. Of the four I already sent BBB for training after that. Because it made me feel better about it.]*

4.3.38 Believing in the plan

Respondents believed that it was important to believe that they had a good plan, a sound strategy. Some actively had to work on convincing themselves, like in the case of Interviewee 1:

> ***Interviewee 1:***
> *And the workload must be linked to strategy, where are we going?*

What are the new things that we're going to do? If you're not spending time on that to convince yourself that we've got a sound strategy, we, during that time… Remember that was six… when we announced that, that was about five months after we started working on this plan. So we were 100% sure that the things we're going to do, is sound. It's still a good business to be in.

Others just believed in the process, plan or strategy, as in the case of Interviewees 0 and 7; it was important to them to believe in the strategy in order to communicate it to others and to act on it:

Interviewee 0:

Ek het nooit regtig by die huis of met ander mense hieroor gepraat nie. Ek dink dat dit miskien so is omdat ek in 'n sekere mate 'n harde mens is wat onbetrokke besluite kan neem, omdat ek in die proses geglo het. Nie onbetrokke nie – onverskrokke is 'n beter word... (...) Aan die einde van die dag moet 'n mens aan die strategie wat daar is glo. Ongeag, of ten spyte van, die afleggings was daar altyd 'n groeistrategie.

[I never spoke to someone at home or to other people about this. I think it is perhaps because I am in a sense a hard person who can make uninvolved decisions and because I believed in the process. Not uninvolved – undaunted is perhaps a better world. (...) At the end of the day one must believe in the strategy that was set. In spite of the layoffs there was always a growth strategy.]

Interviewee 7:

If you can demonstrate confidence in leadership that you can clearly demonstrate where the solution is and that you can see and actually believe it. When you actually believe it, the message is pretty easy to communicate back to the original work force and then you can move together in a direction.

Respondents had to align their actions with the plan, making it critical for them to believe in the plan/strategy, as illustrated in the excerpts below:

Interviewee 1:

And we test it. I think the Eight Point Plan was just a good way for us to challenge the processes that we – and it was high level things. Focus on work, focus – what's the – the status of the capacity? What's the status of your competence? (...) But I think what was nice for us was we had the Eight Point Plan and every week, every week, we had a session. And say, is it still on track? Is it what we need to do?

4.3.39 Feeling compelled to act

Respondents felt that they 'had to' take certain actions in order to save the organisation and jobs of many people (almost a case of 'sacrifice a few for the sake of many'). Respondents felt compelled to act:

> **Interviewee 0:**
> *En jy móés dit gedoen het, want daar was nie 'n ander manier om dit te doen nie. (...) As dit die situasie is, het ons geen ander keuse om te doen wat ons moes gedoen het nie. 'n Mens besef dat ons, ter wille van die organisasie, sekere goed moet doen wat nie lekker of gewild is nie. Ons móét dit doen.*
> *[You had to do it, because there was no other way to do it. (...) If that is the situation, we do not have a choice to do what we had to do. One realises that, in the interest of the organisation, one had to do certain things which were not nice or popular. We have to do it.]*

> **Interviewee 5:**
> *So, and, and knowing also that you often get into a position where you often don't have a choice, um (…) but you, a company often, um, has no choice but to do certain things under very, very, very stressful times.*

It is as if respondents were attempting to rationalize their actions by aligning these actions with the short-term goal of the organisation during the downturn: to survive. It is clear from the excerpts below why they felt compelled to act in order to save the organisation:

> **Interviewee 3:**
> *But you have to do it, you have to almost take your heart out and say this is what the business needs and you have to go and retrench people.*

> **Interviewee 0:**
> *Daarmee bedoel ek dat jy moet weet dat dit iets is wat jy moet doen ter wille van die groter organisasie. Dit is iets wat nie lekker is nie. Dit is waarskynlik die mees onaangenaamste taak wat en in my lewe gehad het, maar jy móés dit gedoen het, want ons kon almal sonder werk gesit het aan die einde van die dag.(...) Die visie was dus baie*

eenvoudig. Eerstens het ek vir myself gesê dat ons deur 'n proses moes gaan ter wille van die X, Y en Z mense wat hier werk, wat families het en die maatskappy op die hande dra, om seker te maak dat hulle volhoubaar met hulle lewens kan aangaan.
[With this I mean that you have to know that it is something that you have to do in the interest of the organisation. It is something that is not nice. It is probably the most unpleasant task that I had in my whole life, but you had to do it, because we could have all been out of work at the end of the day. (...) The vision was thus very simple. Firstly I told myself that we have to go through the process because of the X, Y, and Z people that work here, that have families and which the company carries, to make sure that they can continue with their lives in a sustainable way.]

What complicated this situation further was the fact that respondents also frequently indicated that things (such as the economic situation) were out of their control, almost amplifying this rationalization of actions against the goal of survival ('*We could not control it, we had to do it (take action, although painful) in order for the organisation to survive*'):

Interviewee 5:
I mean you cannot, you cannot control the bigger economy. You can only do what you can do. And if, if that's not good enough, and the company eventually goes under or if, if it gets into a situation where you really…

Interviewee 0:
Ek is nog baie dae kwaad en miskien nog steeds in ontkenning want wat ons gedoen het en hoe ons dit gedoen het, is nie as gevolg van die mense nie. Dit was as gevolg van eksterne omstandighede.
[I am still angry many days and perhaps still in denial because what we did and how we did it was not because of people. It was because of external circumstances.]

Interviewee 4:
So I guess for me the big lesson that I take away is there's not much you can do if an economic downturn is going to hit you.

Interviewee 6:
…because the XXX price was so low and no amount of operational improvement could ever deal with that so you have to face the reality that, particularly this is the experience of being in a XXX business,

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that being a price taker there are certain things you cannot control so you have to manage everything else…

4.4 CONCLUSION

In this chapter I applied micro-analysis and open coding as part of initial coding to break down the data and then conceptualise the data to describe how leaders coped during an economic downturn. Using excerpts and quoting the words of the leaders themselves enabled me to present their first-hand experiences and perspectives. The 39 categories I presented in this chapter formed the foundation for the focused coding (using axial and selective coding) stage of grounded theory, which I describe in Chapter 5.

CHAPTER 5: RESULTS - A FRAMEWORK OF COPING STRATEGIES FOR LEADERS DURING AN ECONOMIC DOWNTURN

5.1   INTRODUCTION

In this chapter, I discuss focused coding. Focused coding assists a researcher to synthesize and explain larger segments of data (Charmaz, 2006:58-60). I did this by using axial coding, followed by selective coding. First, I consider axial coding and the axial codes derived from open codes. Second, I indicate my selective codes, the conceptualisation of axial codes. Next, the selective codes are used as a basis for a conceptual framework of coping strategies for leaders during an economic downturn. Lastly, I attempt to link the literature to my conceptual framework, showing the relevance of my findings in relation to the existing body of knowledge (Henning, 2004:27).

5.2   AXIAL CODING

Axial coding is defined by Strauss and Corbin (2007:96, cited in Boeije, 2010:108) as 'a set of procedures whereby data are put back together in new ways after open coding, by making connections between categories'. Stated differently, axial coding reassembles data that were fractured during open coding (Strauss & Corbin, 1998:124). It is a more abstract process, where coding is done around categories or axes, linking categories and moving from a descriptive to a conceptual level.

Table 6 (overleaf) displays axial codes in the form of categories relating the various open code concepts. Each category is also described.

Table 6:   Axial codes derived from the initial (open) coding

Open code	Category	Description of category
Being optimistic	Individual factors	All factors on an individual level[11] that create a predisposition in respect of how organisational leaders cope during an economic downturn
Thriving on the challenge		
Being confident		
Focusing on the future		
Not depending on the organisation for identity		
Having experience		
Inter-team influencing	Team factors	All factors on an team level that create a predisposition in respect of how organisational leaders cope during an economic downturn
Team maturity		
Organisational culture	Organisational factors	All factors on an organisational level that create a predisposition in respect of how organisational leaders cope during an economic downturn
Organisational level		
Viewing the effect of the downturn as positive	Positive view of impact	The overall positive view of the economic downturn and its impact/effects on the organisation
Viewing the effect of the downturn as negative	Negative view of impact	The overall negative view of the economic downturn and its impact/effects on the organisation in a negative light
Doubting job security	Individual stressors	The specific aspects on an individual level that contribute to the stress that an individual experiences during an economic downturn
Worrying about financial security		
Feeling responsible for the team	Derived team stressors	The specific aspects on a team level that contribute to the stress that an individual experiences during an economic downturn *Continue - overleaf*

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[11] The individual, team and organisational levels in this chapter refer to the multiple levels of analysis in Organisational Behaviour. Refer to Chapter 1.

Company or shareholder expectations	Derived organisational stressors	The specific aspects on an organisational level that contribute to the stress that an individual experiences during an economic downturn
Feeling responsible and to blame		
Value dichotomy		
Survival		
Having a plan of action	Organisational plan	The plan that the organisation has to deal with the economic downturn
Basing plan of action on facts		
Focusing on the short term	Organisational goal	The goal that the organisation wants to achieve with its plan to deal with the economic downturn
Focusing on the long term		
Taking action	Organisational action	The actions that the organisation takes to deal with the economic downturn
Defining action in terms of retrenchment		
Taking fast action		
Religion/faith	Individual strategies	Coping methods that an individual uses to cope during the economic downturn that falls within the individual domain
Spousal support		
Emotional separation: depersonlizing actions		
Balancing work and home life		
Having a core team	Team strategies	Coping methods that an individual uses to cope during the economic downturn that falls within the team domain
Trusting the core team		
Dividing the pressure, aligning the vision		
Trusting the team under you		
Taking team action		
Having guidance	Organisational rationalization strategies	Coping methods that an individual uses to cope during the economic downturn by attempting to rationalize actions taken within the organisation
Doing the right thing		
Believing in the plan		
Feeling compelled to act		

5.3 SELECTIVE CODING

Selective coding, the final phase of focused coding and also of data analysis as a whole, is the process of integrating and refining categories as set out in axial coding (Strauss & Corbin, 1998:143). I applied selective coding by identifying core categories that emerged from axial coding, grouping similar axial codes into these core categories. Once again, the various core categories are described in tabular form, as shown in Table 7.

Table 7:   Selective codes

Axial codes	Core category	Description of core category
Individual factors	Influencing factors	Factors that create a predisposition in respect of how organisational leaders cope during an economic downturn
Team factors		
Organisational factors		
Positive view of impact	Overall view of the impact of the economic downturn	The overall view of the economic downturn and its effects/impact on the organisation
Negative view of impact		
Individual stressors	Stressors	Aspects that contribute to the stress that an individual experiences during an economic downturn
Derived team stressors		
Derived organisational stressors		
Organisational plan	Organisational response to economic downturn	How the organisation chooses to act in response to an economic downturn
Organisational goal		
Organisational action		
Individual strategies	Coping strategies	Coping methods that an individual uses to cope with stressors during the economic downturn
Team strategies		
Organisational rationalization strategies		

5.4 BUILDING THE FRAMEWORK

A conceptual framework is defined as a visual or written product, one that explains, either graphically or in narrative format, the key factors, concepts or variables under study and the relationship among them (Maxwell, 2005:33). Mouton and Marais (1988:136) distinguish between three types of conceptual frameworks: '...typologies that basically have a classification or categorization function, models that, apart from classification also suggest new relationships heuristically, and theories that, apart from the preceding functions (classification and heuristics), also fulfil an explanatory and interpretive function.'

Mouton and Marais (1988:137) warn that the borders between models and theories are often extremely vague. Figure 34 indicates the most important characteristics of typologies, models and theories, as well as the relationship between them.

Figure 34:   Summary of types of conceptual frameworks
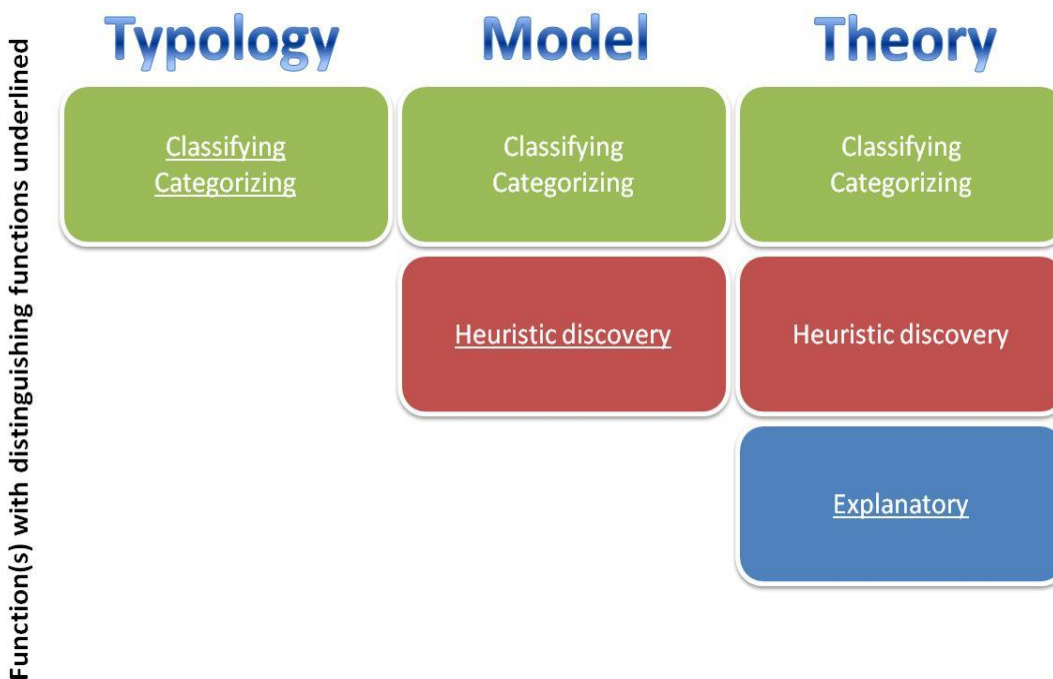
Source: Mouton and Marais (1988:134)

Based on this classification, I propose a conceptual framework that fulfils the function of a model, going beyond the mere classification and categorising of concepts. The functions of a model, according to Mouton and Marais (1988:141), are the following:

- 'Models identify central problems or questions concerning the phenomenon that could be investigated further.
- Models limit, isolate and systemize the domain that is investigated.
- Models provide a new language in which the phenomenon may be discussed.
- Models provide explanation sketches and the means for making predictions.'

Therefore, although the conceptual framework of coping strategies for leaders during an economic downturn is presented in the form of a model, it does fulfil an explanatory function by suggesting relationships between concepts, although not in such a comprehensive fashion as would be the case with a theory in terms of Mouton and Marais's (1988:134) classification. A theory, according to Kerlinger (1973:9, cited in Mouton & Marais, 1998:142), is 'a set of interrelated constructs (concepts), definitions, and propositions that present a systematic view of phenomena by specifying relations between variables, with the purpose of explaining and predicting the phenomena'.

Mouton and Marais (1988:137) argue that the borders between models and theories are often extremely vague, and are often merely a matter of degree. In fact, they point out that a model can also be referred to as a precursive theoretical model. Maxwell (2005:34) presents a similar argument, but is of the opinion that any conceptual framework *is* a theory, however tentative or incomplete it may be. To this end, it might be argued that my conceptual framework, as shown in Figure 35 (overleaf), may be regarded as a theory, but for the purposes of answering the research question, a conceptual framework in the form of a model would suffice.

Figure 35: Conceptual framework of coping strategies for leaders during an economic downturn[12]
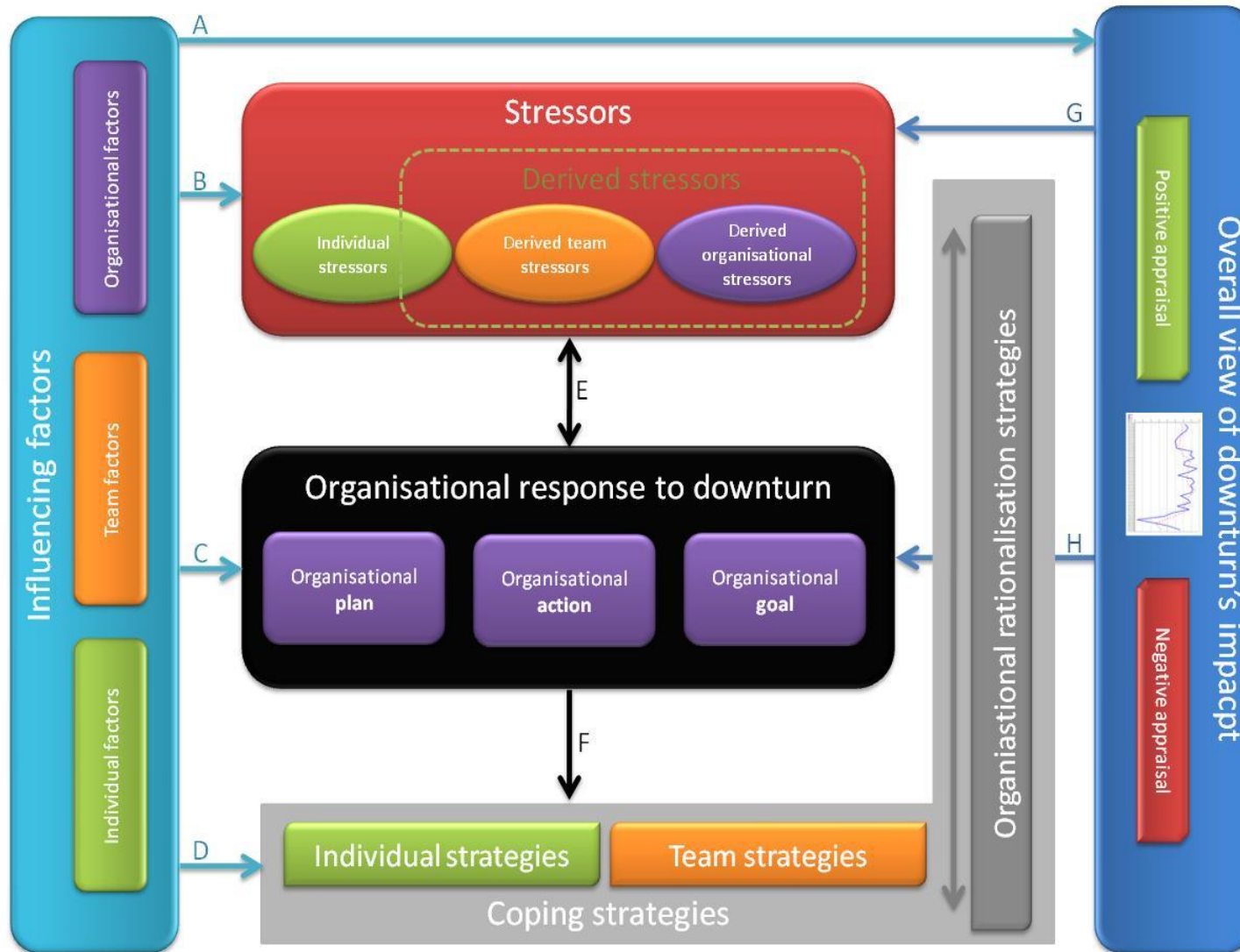
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[12] Hereafter referred to as 'the conceptual framework'.

5.4.1   Influencing factors

There are several factors that could create a particular predisposition in respect of how organisational leaders cope during an economic downturn. Firstly, there are **individual factors**, such as being optimistic and confident, thriving on the challenge of the economic downturn and focusing on the future. In addition, the experience that the individual has (in general, and in specific, with dealing with an economic downturn) and the extent to which the individual depends on (or in this case does *not* depend on) the organisation for identity also played a role in how leaders coped during the economic downturn.

Secondly, there are **team factors** that influence how leaders cope during an economic downturn. Team factors such as the maturity of the team and inter-team influencing may play a role. For example, where the core team[13] within which the leaders operated during the downturn was mature, the leaders tended to draw on support from the team. Where the team was more immature, the leader drew more on individual coping strategies. The dynamics within the core team (I termed it inter-team influencing) may influence the mood within the team, as well as the overall appraisal of the downturn (positive or negative). In addition, the extent to which leaders influence other team members, combined with the team's maturity, could determine to what extent leaders use team coping strategies in relation to individual coping strategies.

Thirdly, **organisational factors** such as the organisational culture and the organisational level on which the leader operates creates a predisposition with regard to how organisational leaders cope during an economic downturn. Regarding the organisational level, although all respondents in this case were members of a mine or mining group's South African executive committee, they were technically at different levels of the organisation. In the case of a South African mining organisation, the executive committee members are the ultimate authority in the organisation responsible to the shareholders and on a higher organisational level relative to their counterparts in

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[13] The core team refers to the executive committee.

international mining organisations. South African executive committee members in the international organisations report to the mining organisation's international executive committee. Leaders on a relatively lower level of their organisation, such as South African executive members of an international mining organisation, tended to focus more on individual stressors, and less on derived stressors than their counterparts, South African executive members of a South African mining organisation, with whom the proverbial buck stops.

Organisational culture also played a role in this case; for example, one organisation where respondents emphasised the strength of the organisational culture[14] did not retrench any employees, based on its organisational culture[15] of 'looking after each other'. Not only may organisational culture affect the organisational response to the downturn, it also may influence the proportion of individual, team and organisational rationalization coping strategies that leaders use.

Individual, team and organisational factors, as shown in the conceptual framework, may therefore influence the overall way in which the effect of the downturn on the organisation is viewed (for example, an individual factor such as thriving on the challenge or a team factor such as inter-team influencing, indicated by Arrow A in the conceptual framework), which stressors feature more prominently (for example, individual stressors and derived stressors influenced by organisational level, (Arrow B), the organisation's response to the downturn (for example, affected by organisational culture, Arrow C) and which proportion of individual, team and organisational rationalization coping strategies leaders used (for example, organisational culture, or team maturity, where more individual strategies are likely to be used where the team is

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[14] Refer to Section 4.3.9.
   Interviewee 5:
   I think it's ah, XXX is a fantastic culture. It's a really nice place to live. And to, to work rather. It is live here rather.
[15] Refer to Section 4.3.9.
   Interviewee 5:
   I mean nobody was, not even, not even the lowest levels… not one person were retrenched through this period. We were down in some plants for six months and, and that again is a management culture and a management decision in our company. We, we look very well after each other, and after our business.

less mature, or where the culture is less supportive, Arrow D). This, however, does not suggest that all leaders experience the same specific influencing factors as indicated here, but merely that individual, team and organisational factors may play a role in how leaders cope during an economic downturn.

5.4.2   Overall view of the impact of the economic downturn

The overall view of the impact of the downturn refers to how the leaders view the economic downturn and its effect on the organisation. Leaders saw the effect on the organisation as **negative**, noting, for example, a loss of contracts, the negative impact on cash flow, a reduced ability to sustain capital projects, increased cost and decreased access to working capital as some of the negative effects. This list of negative impacts is not exhaustive, but reflects the views of the respondents.

However, leaders also saw the effect of the downturn on the organisation **positively**, seeing it as an opportunity, for example, to revisit strategy and structure, gain access to an increasing pool of human resources, optimize procurement and potentially engage in discounted acquisitions.

Assessing the effect of the economic downturn on the organisation as positive or negative should not be seen as mutually exclusive – although leaders were aware of the negative effects, they also highlighted the positive effects that the downturn had on the organisation. It is important to note that this refers to how the leaders saw the overall effect of the downturn on the organisation, and not on them as individuals. This overall assessment or view of the effects of the downturn on the organisation, however, had an impact on how the organisation responded to the downturn (for example, whether the organisation should retrench or not, hire from the extended resource pool, etc., Arrow H) and also which stressors (individual, team or organisational, Arrow G) feature more prominently for each individual.

5.4.3 Stressors

Stressors refer to aspects that contribute to the stress that a person experiences during an economic downturn. There are **individual stressors**, the specific aspects on an individual level that will contribute to the stress of the leader. Individual level stressors refer, for example, to doubting job security and, closely related, to worrying about financial security, aspects related specifically to each individual leader.

Secondly, leaders felt **derived stressors** that had an impact on a team and at the organisational level more acutely than individual stressors. Although the stressors (individual and derived) all refer to individual stress, individual stressors did not seem to be the biggest contributors to the individual leaders' stress during an economic downturn, but rather stressors that are derived from the distress of others. **Derived team stressors** create stress that a person experiences, not because of himself,[16] but rather because of a responsibility he felt towards the team. Leaders felt pressure to direct the team and the organisation. Leaders often 'pulled' trusted colleagues from their past companies into new positions which meant they had a trusted team, but it also created or at least amplified the responsibility that the respondents felt toward their team members during the downturn, contributing to their stress.

Derived organisational stressors include pressure from the company or the shareholders and their expectations of the leader, feeling responsible or to blame for what happens with the organisation and the individuals working there, and experiencing a dichotomy between values (personal and organisational values) and individual actions. A specific derived organisational stressor is evident in the fact that the respondents likened their individual experience and emotions to that of an executioner, an officer in a concentration camp during the Holocaust or a participant in a war. This is closely related to the stress of feeling responsible or to blame for what happens with the organisation and the people working there, but it expresses a deeper sense of emotional stress that the individual leaders experienced: likening their influence on the

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[16] I refer to leaders in the masculine because all the respondents in this study are male.

organisation and its people to that of someone controlling life and death. Once again, the leaders did not refer to it as an individual stressor, but rather individual stress (in other words, experienced by the person) derived from the distress of others that the leader perceives himself to be (at least partially) responsible for.

It was interesting to note that the derived stressors seemed to be more important and stressful to the leaders than individual stressors influencing only themselves. This is also what they mostly attempted to cope with during the downturn. Note that, although all stressors (individual and derived team and organisational stressors) are individually experienced stressors, they stem from different sources: the individual, team and organisational levels.

Again, I do not want to suggest that the specific individual stressors and derived team and organisational stressors are the same for all leaders as experienced by the respondents in this study, but merely that individual leaders may experience not only stress originating on an individual level, but also stress derived from team and organisational stressors.

5.4.4   Organisational response to economic downturn

The organisational response to the downturn consists of actions taken to achieve a specific goal, based on a plan on how to deal with the organisational downturn. Firstly, the short- and long-term **organisational goals** are considered. In the short term, organisations focused on surviving, focusing on the critical, immediate actions that would ensure that the organisation was able to withstand the downturn. In the long term, the organisation needs to position itself to be ready for the upswing; it needs to have a vision and ensure that the people in the organisation are prepared to be in business in the long run.

Secondly, an **organisational plan** is derived on how to achieve these short- and long-term goals. This plan of action should be based on facts: the state of the markets and

industries, the core of the problem, etc., focusing on specific problems in the organisation versus the generic threat of the economic downturn.

Thirdly, the plan should be implemented by taking specific **organisational actions**, whether it is to reduce capital spending, reduce costs (for example, by means of retrenchment) or other, more strategic actions (such as attempting to control the market). Organisational action in response to the economic downturn is often defined in terms of retrenchment, often *ex negativo*. Where organisations retrenched, respondents focused mostly on their coping with this organisational action. If organisations did not retrench, respondents were proud of this organisational 'non-action', but often also focused on coping with the threat of retrenchment in the organisation.

The organisational response to the downturn not only relates to stressors that have an impact on leaders, but because of this link with stressors, it also influences the coping strategies used. For example, if retrenchment is an organisational action during the downturn, the leader in the organisation concerned may experience different stressors (Arrow E) from those experienced by a leader in an organisation that does not retrench and this therefore influences the coping strategies that the leader might use to cope (Arrow F), as well as subsequent organisational responses (Arrow E).

5.4.5   Coping strategies

Coping strategies are methods that a person uses to cope with stressors, in this case, during an economic downturn. Different coping strategies were identified that leaders might use in combination with each other. Firstly, **individual coping strategies** refer to strategies that fall within the individual domain or level. This includes religion, balancing work and life, spousal support in the form of providing a sounding board or when, for example, a spouse takes over decision-making responsibilities at home, as well as emotional separation in an attempt to depersonalize actions.

Secondly, **team coping strategies** are methods where a person draws on the core team and/or the team reporting to him to cope better with stressors. This includes, first of all, the mere fact of having a core team and not facing all the challenges alone. Trusting this core team is an important element in team coping, particularly because being part of a core team allows for sharing the pressure. In addition, leaders also indicated the importance of trusting the team that reports to them, which enabled these leaders to focus on their own actions during the downturn.

Lastly**, organisational rationalization strategies** refer to strategies that leaders use to cope with the stressors during the economic downturn by attempting to rationalize their actions brought about by the organisation's response to the economic downturn. This may take several forms, for example, feeling compelled to act in the interest of organisational survival during the downturn, having to convince themselves that they are doing the right thing, seeking guidance, and believing in the organisational plan of action and then rationalizing their actions against this plan.

The specific coping strategies mentioned here are based on the experiences of the respondents in this study and the list may therefore not be exhaustive. However, the findings suggest that, in addition to individual coping strategies, leaders may also use team and organisational rationalization strategies in order to cope with the stressors during an economic downturn. In addition, a combination of coping strategies seemed to be used to cope with a combination of individual and/or derived team and organisational stressors and one should not incorrectly presume that, for example, individual coping strategies are merely used to cope with individual stressors.

5.5   LINKING THE CONCEPTUAL FRAMEWORK WITH THE LITERATURE

In this section I first offer a broad overview of existing coping theories, after which I relate elements from the conceptual framework of coping strategies of leaders during an economic downturn with theoretical concepts found in the literature, using the conceptual framework as a guideline.

5.5.1 Overview of prominent existing coping models

Lazarus and Folkman, who are generally regarded as leaders in the field of coping research (Somerfield & McCrae, 2000:620) developed their model of stress and coping with their now-classic article on 'An analysis of coping in a middle-aged community sample' (Folkman & Lazarus, 1980). Their book *Stress, appraisal and coping* (Lazarus & Folkman, 1984), together with the late 1970s work of Moos, Pearlin and Schooler formed the basis for a proliferation of subsequent coping research (Somerfield & McCrae, 2000:620). A review of coping literature across disciplines reveals the central role that Lazarus and Folkman's (1984) Cognitive Theory of Stress and Coping played and continues to play in coping research, forming the theoretical base for a multitude of studies (for example, those of Amoit, Terry & Jimmieson, 2006; Armstrong-Strassen, 2006; George, Brief & Webster, 1991; Scheck & Kinicki, 2000; Torkelson & Muhonen, 2004). For this reason I start this section of linking the literature review with my conceptual framework with a brief overview of Lazarus and Folkman's (1984) stress and coping model as depicted in Figure 36 (overleaf).

Figure 36:   Lazarus and Folkman's stress and coping model
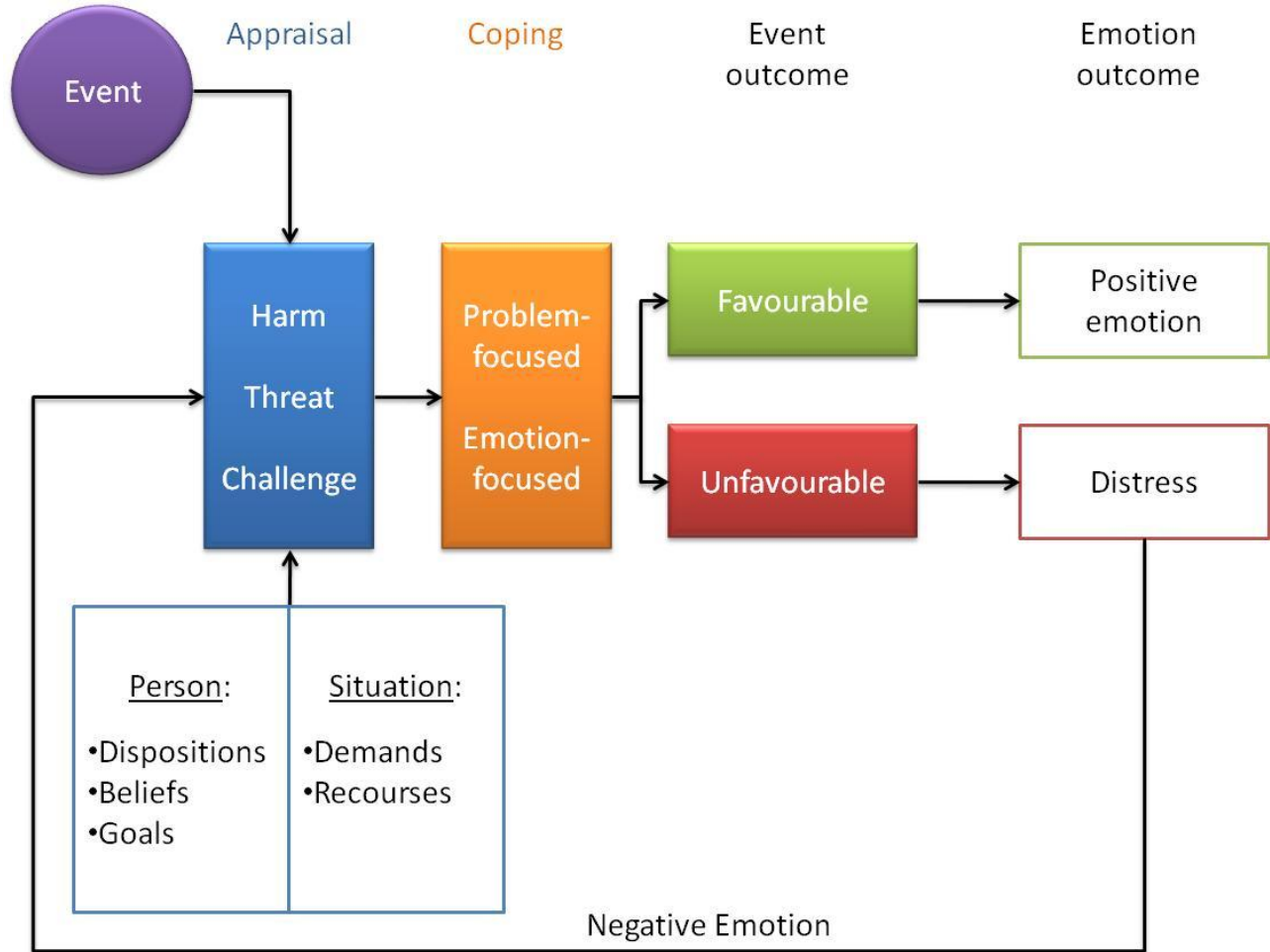
Source: Lazarus and Folkman (1984)

5.5.1.1.Appraisal

Appraisal as a concept is necessary to understanding coping as, according to Lazarus and Folkman (1984:22), although environmental demands and pressures may produce stress in significant numbers of people, individuals and groups differ in their reactions towards this stress. Folkman (2008:5) states that their Cognitive Theory of Stress and Coping (Lazarus & Folkman, 1984) 'has always been and continues to be an appraisal based model'.

Lazarus and Folkman (1984) distinguish between two forms of appraisal: primary and secondary appraisal. Primary appraisal refers to an evaluation of an event's personal significance as irrelevant, benign-positive or stressful. Irrelevant events have no implication for a person's well-being, while benign-positive events preserve or enhance well-being (or promise to do so). A stress appraisal includes identifying

- harm: some damage or loss has already been sustained by the individual (Lazarus & Folkman, 1984:32);
- threat: some harm or loss is anticipated, but has not yet taken place (Lazarus & Folkman, 1984:32); or
- challenge: which has much in common with a threat, but whereas a threat centres around potential harm and is characterised by negative emotions, a challenge centres around the potential for gain or growth and is typically characterised by pleasurable emotions. Threats and challenges are not necessarily mutually exclusive (Lazarus & Folkman, 1984:33).

When an event is appraised as stressful it calls for the mobilization of coping efforts.

Secondary appraisal refers to the evaluation of options for coping. According to Lazarus and Folkman (1984:35), this refers to more than a mere intellectual exercise in 'spotting all the things that might be done'. It rather refers to a complex process of evaluating which options are available, the probability that an option will accomplish what it is supposed to, and the probability that an individual can apply a specific strategy or combination of strategies effectively.

Lazarus and Folkman (1984) state that personal and situational factors may influence the appraisal of an event as stressful or not.

5.5.1.1.1.   Personal factors influencing appraisal

Personal factors influencing appraisal include commitments and beliefs. Firstly, according to Lazarus and Folkman (1984:56): 'Commitments express what is important

to the person, what has meaning for him or her. They determine what is at stake in a specific stressful encounter.'

Commitments influence appraisal through guiding individuals into or away from situations that can threaten or challenge them. Commitments also shape cue-sensitivity, which refers to people's sensitivity to facets of a situation, and perhaps more importantly, commitments influence appraisal through their relationship with psychological vulnerability. The potential for an encounter to be harmful, threatening or challenging is directly related to the depth of a commitment. Therefore, the deeper the commitment, the greater the potential threat, harm or challenge, but also the greater the drive towards action to reduce threats and sustain coping efforts (Lazarus & Folkman, 1984:57-58)

Beliefs are 'personally formed or culturally shared cognitive configurations' or 'pre-existing notions about reality which serve as a perceptual lens'. They determine what a person sees as fact and the environment and they shape the understanding of meaning of these facts in appraisal (Lazarus & Folkman, 1984:63). Beliefs about a person's personal control, both in general[17] and in specific situations,[18] plays a major role in determining the degree to which the person feels threatened or challenged in a stressful encounter. In addition, existential beliefs, such as faith in God or some natural order of the universe that enables people to 'create meaning out of life, even out of damaging experiences, and to maintain hope' (Lazarus & Folkman, 1984:77), also play a role in appraising events.

Although beliefs and commitments appear similar, they are quite different, as the following excerpt from Lazarus and Folkman (1984:77) indicates:

> Beliefs concern what one thinks is true, whether or not one likes or approves
> of it, whereas commitment reflects values, that is, what one prefers or

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[17] 'The extent to which people assume they can control events and outcomes of importance' (Lazarus & Folkman, 1984:66).
[18] 'The extent to which a person believes that he or she can shape or influence a particular stressful person-environment relationship' (Lazarus & Folkman, 1984:66).

considers desirable. Commitments have a motivational-emotional quality, but beliefs are affectively neutral. They do not necessarily contain an emotional component. This is not to say that beliefs have no relationship with emotion or commitment. Beliefs can give rise to stress emotions, as when they underlie threat appraisals (e.g. the world is hostile or dangerous), and they can be used to dampen or regulate an emotional response (e.g. belief that supportive others exist). In these instances, beliefs lead to or regulate emotions, but by themselves they are not emotional. They become emotional only when an encounter also involves a commitment to a value or an ideal, another person, or a goal, or when physical well-being is endangered.

5.5.1.1.2.   Situational factors influencing appraisal

Lazarus and Folkman (1984:77) identified the following situational factors that might influence appraisal: the novelty of a situation, predictability, temporal factors, ambiguity and timing.

Firstly, the novelty of a situation refers to the extent to which a person has direct or indirect previous experience. A novel situation is only interpreted as stressful if it is previously associated with harm, danger or mastery. Novelty in itself might be experienced as a threat. General knowledge might assist a person to interpret a novel event and cope with the uncertainty of a novel event, but direct or vicarious experience with the encountered demands is necessary to develop the specific coping skills required to deal with the demand. If a person is aware of this lack of experience, it might increase the sense of threat.

Secondly, predictability, which is an important theme in stress research, implies that there are 'predictable environmental characteristics that can be discerned, discovered or learned' (Lazarus & Folkman, 1984:85), or provides a type of warning that something harmful is about to happen. Predictability has mostly been used in connection with animal research and therefore the term 'event uncertainty' is rather used in the case of

stress and coping in humans. Not knowing whether an event is going to occur or not may lead to a drawn out process of appraisal and reappraisal, creating feelings of helplessness and confusion.

A third situational factor that may influence appraisal is temporal factors such as imminence,[19] duration[20] and temporal uncertainty.[21] Imminence provides people with more or less time, for example, to think about, plan for, reflect about or attempt to avoid a specific stressful event, while the duration of a stressful event is important, because it either wears a person down or the person might get used to a situation. Temporal uncertainty is stressful when a threatening signal indicates that an event is imminent, which then again raises the question of *how* imminent?

Ambiguity is a fourth factor that may influence event appraisal. Ambiguity differs from uncertainty, as it refers to a lack of situational clarity, whereas uncertainty refers to a person's confusion about the meaning of the environmental configuration. Ambiguity may influence event appraisal in a dual fashion: it may be regarded as threatening and a person might attempt to counter it, for example, by seeking more information, or it might be seen as advantageous, where a person might, for example, maintain hope.

Lastly, the timing of stressful event in relation to the life cycle may influence appraisal – normal life events may become stressful when they occur 'off time' in relation to a person's life cycle or in relation to other events at a given time.

5.5.1.2. Coping

Lazarus and Folkman (1984:150) distinguish between coping 'that is directed at managing or altering the problem that causes the distress and coping that is directed at regulating emotional response to the problem'. In general, they posit that emotion-

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[19] 'Imminence refers to how much time there is before an event occurs' (Lazarus & Folkman, 1984:92).
[20] 'Duration refers to how long a stressful event persists' (Lazarus & Folkman, 1984:98).
[21] 'Temporal uncertainty refers to not knowing when an event is going to happen' (Lazarus & Folkman, 1984:101).

focused coping is more likely to be used when an event has been appraised as uncontrollable, where nothing can be done to modify the harmful, threatening or challenging environment. Problem-focused coping is more likely to be used when a situation is more open to change.

5.5.1.3. Coping resources

Coping resources refer to resources on which people may draw in order to cope, and include the resources that are primarily properties of the person, such as, health and energy, positive beliefs, problem-solving skills and social skills, as well as more environmental resources, such as social and material resources.

5.5.1.4. Outcome

Adaptational outcomes affected by coping and appraisal, and which are commonly regarded as important for researchers, are social functioning, morale and somatic health (Lazarus & Folkman, 1984:223). Ultimately, coping is looked at in view of the outcome of coping in these three areas, although the relationships between social functioning, morale and somatic health are complex, and a positive outcome in one area does not necessarily suggest positive outcomes in all areas.

5.5.1.5. Other coping classifications

Although Lazarus and Folkman's (1984) Cognitive Theory of Stress and Coping was the most prominent theory in coping research, there are many other coping models. Skinner, Edge, Altman and Sherwood (2003) provide a comprehensive overview of various classifications of coping categories beyond the original emotion-focused coping vs. problem-focused coping identified by Lazarus and Folkman (1984). A summary is provided in Table 8 (overleaf):

Table 8:   Summary of coping category classifications

Distinction	Definition	Author
Emotion-focused coping vs. problem-focused coping	'Coping that is aimed at managing or altering the problem causing the distress' vs. 'coping that is directed at regulating emotional responses to the problem'	Lazarus & Folkman, 1984, p. 150
Problem-focused coping vs. emotion-focused coping vs. appraisal-focused coping	'Dealing with the reality of the situation seeks to modify or eliminate the source of the stress' vs. 'handling emotions aroused by a situation responses whose primary function is to manage the emotions aroused by stressors and thereby maintain affective equilibrium' vs. 'primary focus on appraising and reappraising a situation… involves attempts to define the meaning of a situation'	Moos & Billings, 1982, p. 218
Responses that modify the situation vs. responses that function to control the meaning of the problem vs. responses that function for the management of stress	'Responses that change the situation out of which the strainful experience arises' vs. 'responses that control the meaning of the strainful experience after it occurs but before the emergence of stress' vs. 'responses that function more for the control of the stress itself after it has emerged'	Pearlin & Schooler, 1978, p. 6
Approach vs. Avoidance	'Cognitive and emotional activity that is oriented either toward or away from threat'	Roth & Cohen, 1986, p. 813
Engagement vs. Disengagement	'Responses that are oriented toward either the source of stress, or toward one's emotions and thoughts' vs. 'responses that are oriented away from the stressor or one's emotions/thoughts'	Compas et al., 2001, p. 92

Control vs. Escape	'Proactive take-charge approach' vs. 'staying clear of the person or situation or trying not to get concerned about it'	Latack & Havlovic, 1992, p. 493
Primary vs. secondary vs. relinquishment of control coping	'Efforts to influence objective events or conditions vs. efforts to maximize one's fit with the current situation vs. relinquishment of control'	Rudolph et al., 1995
Assimilation (vs. helplessness)	'Transforming developmental circumstances in accordance with personal preferences'	Brandtstädter & Renner, 1990, p. 58
Accommodation (vs. rigid perseverance)	'Adjusting personal preferences to situational constraints'	Brandtstädter & Renner, 1990, p. 58
Alloplastic vs. autoplastic coping	'Coping directed toward changing the environment' vs. 'directed toward changing the self'	Perrez & Reicherts, 1992
Volitional, effortful, controlled vs. involuntary, automatic coping	'Responses to stress that involve volition and conscious effort by the individual' vs. 'responses that are automatized and not under conscious control'	Compas et al., 1997
Behavioral vs. cognitive coping	'Taking action or doing something' vs. 'mental strategies and self-talk'	Latack & Havlovic, 1992, p. 492
Social vs. Solitary	'Utilize methods that involve other people or . . . be done alone'	Latack & Havlovic, 1992, p. 492
Proactive coping	'Efforts undertaken in advance of a potentially stressful event to prevent it or modify its form before it occurs'	Aspinwall & Taylor, 1997, p. 417
Direct vs. indirect coping	'Coping in which an individual emits an overt motor behavior to deal with a stressful event' vs. coping in which 'the organism responds to the stressful event by enlisting the aid of a conspecific'	Barrett & Campos, 1991, p. 33

Source: Skinner *et al.* (2003:226)

The purpose of this study is therefore not to add to the multitude of coping classifications, but rather to understand coping in the context of the economic downturn, also drawing on established literature, as outlined in the next section.

5.5.2   Relating the conceptual framework with the literature

Due to a general lack of research on coping in the specific context of an economic downturn, and more specifically the coping of leaders during an economic downturn, I focus on coping research done in the workplace in general when linking the literature to my conceptual framework. In addition, most research done on coping and stress in the workplace does not have an organisational behaviour perspective. I therefore also draw on more general coping research, taking a broader, more multi-disciplinary view of coping in this section, while relating it back to the conceptual framework.

5.5.2.1. Influencing factors

As can be seen in Lazarus and Folkman's (1984) Cognitive Theory of Stress and Coping, there are factors that influence the coping process, particularly individual and situational factors influencing the primary and secondary appraisal of an event as either harmful, a threat or a challenge. However, in my conceptual framework, influencing factors refer to more than factors influencing appraisal – the framework includes factors that may influence the process of coping as a whole. This includes influencing the appraisal of events, as in Lazarus and Folkman's theory, but also includes influencing how leaders see the effect of the downturn on the organisation (in addition to their appraisal of the downturn in respect to their own well-being), the response that the organisation might have to the downturn, and ultimately the coping strategies used to cope during a downturn.

In addition, from the axial and selective coding, it became clear that there were not only individual factors that influenced the process of coping, but also team and

organisational factors. These influencing factors are discussed in more detail in the sections below.

I would like to start by discussing **individual influencing factors**. There seems to be wide support in the literature for the argument that individual factors play a role in the coping process, particularly in the workplace. In fact, most studies focusing on predispositional factors, antecedents or determinants of coping focus only on individual factors. Judge, Thoresen, Pucik and Welbourne (1999), for example, examined how personality characteristics influenced managerial coping with change. They identified seven dispositional constructs that were, to varying degrees, related to successful coping to organisational change. These dispositional constructs are

- locus of control, a person's perception of control of his or her ability to exercise control over the environment (Rotter, 1966, cited in Judge *et al.*, 1999:108);
- generalized self-efficacy, 'the belief in one's capability to organize and execute the courses of action required to produce given attainments' (Bandura, 1997:3, cited in Judge *et al.*, 1999:108);
- self-esteem, 'the extent to which an individual believes himself [or herself] to be capable, significant, successful and worthy' (Coopersmith, 1967:4-5, cited in Judge *et al.*, 1999:109);
- positive affectivity, an underlying personality disposition generally associated with a positive world view (Judge *et al.*, 1999:108);
- openness to experience, 'generally associated with intelligence, perceptiveness, creativity, imagination, tolerance, culturedness, and inquisitiveness' (Goldberg, 1992, cited in Judge *et al.*, 1999:109);
- tolerance for ambiguity, 'the tendency to perceive ambiguous situations as desirable' (Budner, 1962, cited in Judge *et al.*, 1999:109); and
- risk aversion, 'the propensity of individuals to seek out or avoid risky scenarios' (Kahneman& Tversky, 1979, cited in Judge *et al.*, 1999:110).

Judge *et al.* (1999:118) group these seven constructs into two independent factors. The first was labelled 'Positive Self-Concept', combining locus of control, positive affect, self-

esteem and self-efficacy; and the second was labelled 'Risk Tolerance', composed of 'openness to experience, low risk aversion and tolerance for ambiguity'. Both factors were positively related to coping with change. The collective factor of Positive Self-Concept seems similar to the individual factors identified in this study, for example, being optimistic, confident and not depending on the organisation for one's identity.

O'Brien and Delongis (1996:801) found, in a study using a sample of undergraduate students, that personality is a significant predictor of coping responses. Even more relevant, they found that coping responses are a joint function of dispositional tendencies (such as personality) and situational demands (O'Brien & DeLongis, 1996:801). Similarly, a meta-analysis by Connor-Smith and Flachsbart (2007), examining the relationship between personality and coping, found that personality[22] may directly facilitate or constrain coping, or indirectly affect coping by influencing stress exposure, stress reactivity or perceptions about coping resources (Connor-Smith & Flachsbart, 2007:1099). This is in line with the conceptual framework. Firstly, in the sense that more than individual factors may influence coping, such as team and organisational factors, which are in a sense the immediate situation in which the leader operates. Secondly, the importance of the context is also in line with both the conceptual framework (where the situation is represented by the economic downturn and its effect on the organisation) and Lazarus and Folkman's (1984) theory's emphasis on event appraisal.

Although in general there seems to be support for the notion that individual factors influence coping, I provide a more in-depth discussion linking the literature with specific individual factors identified in this study that influence how organisational leaders cope during an economic downturn.

Being optimistic was identified through axial and selective coding as an individual factor that influences how leaders cope during an economic downturn. Optimism, which

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[22] These researchers used the five-factor model of personality, namely neuroticism, extraversion, openness to experience, agreeableness and conscientiousness.

is seen as an adaptive personality trait to stress, can be defined as 'an explanatory style that attributes positive events to personal, permanent and pervasive causes and interprets negative events in terms of external, temporary and situation-specific factors' (Seligman, 1998). Nes and Segerstrom (2006:248) found that dispositional optimism has important implications for how individuals respond to stressful situations. Optimism was found to be positively associated with approach coping strategies and negatively associated with avoidance coping strategies. Approach coping strategies are coping strategies that aim to eliminate, reduce or manage stressors and their emotional consequences in some way, whereas avoidance coping strategies aim to avoid, ignore or withdraw from stressors and their emotional consequences. Table 9 below provides examples of these types of coping strategy, according to the approach/avoidance coping classification.

Table 9:   Examples of coping strategies

	Problem-Focused Coping	Emotion-Focused Coping
Approach Coping	- Planning - Seeing instrumental support - Task-orientated coping - Active coping - Confrontive coping	- Cognitive restructuring - Seeking emotional support - Turning to religion - Acceptance - Positive reinterpretation
Avoidance Coping	- Problem avoidance - Behavioural disengagement	- Denial - Distancing - Mental disengagement - Wishful thinking - Social withdrawal

Source: Nes and Segerstrom (2006:236)

Iwanaga, Yokoyama and Seiwa (2004) found a similar relationship between optimism and coping, but also found that optimists showed lower stress than pessimists to begin with, in addition to optimists' being more prone to use approach coping strategies.

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However, they could not confirm that pessimists prefer to adopt avoidance coping strategies. The relationship between coping and optimism was also confirmed in an organisational setting where optimism was positively related to problem-focused coping strategies in sales organisations (Strutton & Lumpkin, 1993).

It seems that optimism as an influencing factor is confirmed to be important in coping. See Hatchett and Park (2004) and Nes and Segerstrom (2006) for a review of studies linking optimism and coping.

Being confident was another individual factor identified through axial and selective coding to be an individual influencing factor. The respondents in the current study indicated that they were confident that they would be able to survive the economic downturn (see Sections 4.3.4 and 4.3.19). Luthans, Youssef and Avolio (2007:28) claim that efficacy and confidence are, in essence, the same construct – they define efficacy as 'one's conviction (or confidence) about his or her abilities to mobilize the motivation, cognitive resources and courses of action needed to successfully execute a specific task within a given context'. Efficacy has long been associated with stress and coping. Bandura, in his extensive theory and research on efficacy, early on already studied efficacy (or confidence) in relation with stress and coping, although he focused mostly on the physiological outcomes of stress – see, for example, Bandura, Taylor, Williams, Mefford and Barchas (1985), and Bandura, Cioffi, Taylor and Brouillard (1988). Coping self-efficacy, 'a person's self-appraisal of their ability to cope with environmental demands' (Pisanti, Lombardo, Lucidi, Lazzari & Bertini, 2008:239), became a regularly used term and research focus in coping research, although scant evidence was found of this in an organisational setting.

Having experience, another individual influencing factor that was included in my conceptual framework, may be connected to having confidence, as past mastering of a particular kind of event may lead to higher confidence in a person's ability to cope with such a situation again.

With regard to **focusing on the future**, respondents not only indicated that they focused on '*the gold at the end of the rainbow*' (Interviewee 7), but also said that they were hoping for a better future and overcoming obstacles to reach this future state, '*overcoming those obstacles and thriving and succeeding out of them*' (Interviewee 6). This notion seems similar to hope and resiliency, two constructs linked to coping in the literature. Snyder, the most widely accepted theory builder and researcher on hope in the positive psychology movement, defines **hope** as 'a positive motivational state that is based on an interactively derived sense of successful (1) agency (goal directed energy) and (2) pathways (planning to meet goals)' (Snyder, Irving & Anderson, 1991, cited in Snyder, Rand & Sigmon, 2005:258) or simply 'the process of thinking about one's goals, along with the motivation to move toward (agency) and the ways to achieve (pathways) those goals' (Snyder, 1995:355).

Lazarus (1999:655), when discussing hope in the context of coping, defines hope more simply as 'to believe that something positive, which does not presently apply to one's life, could still materialise, and so we yearn for it'. He points out that there is very little research on hope and coping (Lazarus, 1999:655) but draws on personal and clinical experience to discuss hope as a vital coping resource.

Since then, hope has been researched in the context of coping, but mainly related to coping with physical illness – see Chu-Hui-Lin Chi (2007) and Dorsett (2010) for examples of recent research. The role of hope has received much attention in the workplace since the emergence of Positive Organisational Behaviour (POB).[23] Luthans, Van Wyk and Walumbwa (2004) recognise the importance of hope, specifically for South African organisational leaders, as well as its role in Human Resources Development (Luthans & Jensen 2002). Research on the influence of hope on how leaders cope in an organisational setting (during a downturn) is, however, lacking.

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[23] Positive organisational behaviour was first defined as 'the study and application of positively oriented human resource strengths and psychological capacities that can be measured, developed and effectively managed for performance improvements in today's workplace' (Luthans 2002a:59).

Resiliency is defined by Masten and Reed (2002:75) as 'a class of phenomena characterized by patterns of positive adaptation in the context of significant adversity or risk'. Luthans (2002b:702) claims that it also includes bouncing back from positive but potentially overwhelming events (for example, greatly increased responsibility), which also seems to be confirmed by the literature as a factor that influences coping. Specifically, research focuses on resilient people's use of positive emotions to cope with negative experiences (Tugade & Fredrickson, 2004). Strümpfer (2003:70) found that resilience advanced fortigenesis to assist people in coping in the work context and preventing burnout.

The fact that respondents indicated that they **thrived on the challenge** presented by the economic downturn may be related to the generally positive individual influencing factors discussed above. This can be linked to Lazarus and Folkman's (1984) primary appraisal of an event as a threat, challenge or harm. The fact that it seems as if leaders in this study generally appraised the economic downturn and its effect as a challenge, would (drawing on Lazarus and Folkman's (1984) Cognitive Theory of Stress and Coping) therefore indeed influence the coping process, for example, the respondents' choice of coping strategies.

In contrast with the wide support and cover in literature for individual influencing factors, there seems to be a lack of research on the influence of other factors, such as **team and organisational factors,** on coping in the organisation during a stressful event. This is perhaps due to the fact that, according to Robinson and Griffiths (2005:206), there has been little research on the topic of coping with stress in an organisational setting: although there is ample research on stress and coping in the workplace, it seems to be focused on the individual, without viewing the individual in the context of the organisation. There are, however some studies that specifically recognise the influence of organisational factors. Länsisalmi, Peiró and Kivimäki (2000:549), for example, found that **organisational culture**[24] does not only seem to moderate the appraisal of stress,

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[24] Schein (1990:11, cited in Länsisalmi *et al.* 2000:529) defines organisational culture as 'a pattern of basic assumptions invented, discovered or developed by a given group, as it learns to cope with its

but it also contains what they term collective coping responses to stressors. With regard to the influence of **organisational level**, Olson and Tetrick (1988:383) suggest that the coping strategies vary depending on the individual's level within the organisation, mainly due to the difference in control that is experienced on different levels. They posit that lower level employees have less control over a situation and therefore are more likely to distance themselves from the stressful event and its consequences. Managerial employees have more control over a situation and may typically respond by seeking more information. This seems similar to what is proposed in the conceptual framework, although in the current study all the respondents were high level, managerial employees, but on varying levels, relative to the organisation as a whole.

5.5.2.2. Stressors

'The literature is replete with stressors at the individual level' and most models of stress in the workplace focus on individual stressors, according to Koslowsky (1998:32). He provides a list of individual stressors, as shown in Table 10.

Table 10:   Individual stressors

| Subjective stressors	Objective employee characteristics	Job stressors
• Perceived stress • Pay adequacy • Perceived hostile environment	• Type • Occupational categories • Commuting time/distance • Business travel • Relocation and retirement	• Job demands • Role pressures • Responsibility for people • Relationship with supervisor • Overload, underload and monotony

Source: Koslowsky (1998:32)

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problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, is to be taught to new members entering the organization as the correct way to perceive, think, and feel in relation to those problems'.

In line with Koslowsky's remark, a review of the literature seems to confirm the focus on individual stressors. However, it does seem that stressors in the workplace are increasingly classified on various levels apparently similar to those of the conceptual framework. For example, Furnham (2005:365) distinguishes between internal-to-the-person and external-in-the-environment sources of stress. Internal-to-the-person causes of stress are listed as neuroticism, locus of control and Type A behaviour. External-in-the-environment sources are, for example, occupational demands intrinsic to the job, role conflict, role ambiguity, over- and underload, responsibility for others, a lack of social support and lack of decision-making participation.

Cooper, Dewe and O'Driscoll (2001:28) also distinguish between individual (within-person) sources, and environmental sources of stress (these include job-specific sources and organisational sources of stress). Individual sources of stress, in their classification, refer to dispositional states and traits such as Type A behaviour or neuroticism, similar to what Furnham (2005:369) suggests. They then concur with the classification of Cartwright and Cooper (1997:14) of work-related stressors as a representation of environmental sources of stress in the workplace. Cartwright and Cooper's (1997) dynamics of work stress is indicated in Figure 37 (overleaf).

Figure 37:   Dynamics of work stress
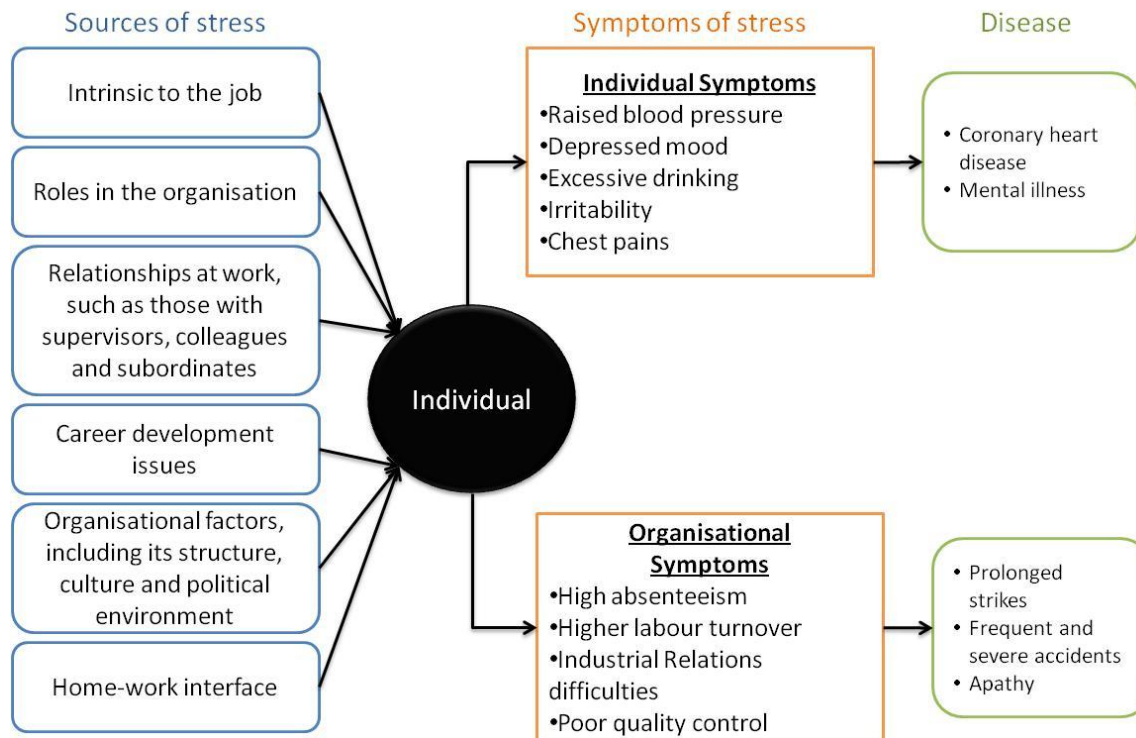
Source: Cartwright and Cooper (1997:14)

Cooper (1984) compared ten countries, including South Africa, and found that a lack of autonomy, work overload, interpersonal conflict, the work-home interface and work underload were among the causes of stress for executives.

It is clear that individual stressors feature prominently in the literature, but also that there is a tendency to classify stress on various levels, distinguishing between individual and environmental or organisational stressors. The conceptual framework, however, uses the multiple levels of Organisational Behaviour, but mainly distinguishes between individual stressors and derived stressors on a team and organisational level. Individual stressors in the conceptual framework do not refer to, for example, Type A behaviour, as in other classifications mentioned, but rather to specific aspects on an individual level that contribute to the stress that a person experiences. In general, individual stressors refer to sources of stress that affect only an individual. Specifically, in the context of stressors relevant to leaders during an economic downturn in this case, **doubting job**

security and the related **worrying about financial security** were identified as individual stressors. Although these leaders did not actually experience job loss or a loss of financial security themselves, they appraised the threat of the possibility of loss as stressful, in line with the appraisal-based model of Lazarus and Folkman (1984).

Latack, Kinicki and Prussia (1995:319) state that job loss leads to a loss of income and financial strain. In addition to economic effects, job loss is also associated with negative psychological and physiological effects such as depression, reduced self-esteem, emotional trauma, reduced subjective psychological well-being, and physiological manifestations of stress, such as high blood pressure, hypertension and physical illness. Job loss is also associated with lower levels of social connectedness and social experiences.

In contrast with individual stressors, **derived team and organisational stressors** refer to the individual stress experience brought on due to factors that do not necessarily relate to the individual, but rather relate to the team or the organisation, and an individual then experiences derived stress. Once again, the threat of retrenchment was an important cause of stress. Where the threat of job loss caused individual stress, the threat of retrenching, as well as the actual act of retrenching others in their team and the organisation, was the main cause of derived stressors for leaders during the economic downturn. These leaders felt responsible, particularly for their team, but also for the organisation, its people and their survival. They felt the pressure from shareholders who expect not only the survival of the organisation, but also growth. Lastly, they felt a dichotomy between their values and their actions, or perceived actions. Therefore, although the threat or reality of retrenchment was the main underlying cause of derived stress, it was the emotionally charged interpersonal experiences during the downturn, whether these related specifically to retrenchment or to the downturn in general, which caused derived stress for the individual leaders.

In a non-empirical study using a literature review, Molinsky and Margolis (2005) studied the psychological challenges that people encounter when they perform what they term

'necessary evils'. They define necessary evils as 'those work-related tasks in which an individual must, as part of his or her job, perform an act that causes emotional or physical harm to another human being in the service of achieving some perceived greater good or purpose' (Molinsky & Margolis, 2005:245). Actions and impending actions taken during the downturn meet the criteria for necessary evils as set out by Molinsky and Margolis (2005:247):

- **A valued objective requires that they be done, therefore making the action necessary.** In the case of the economic downturn, the organisational goals of short-term survival and thriving in the long term after the downturn are in line with this criterion.

- **They inflict ineradicable harm, therefore entailing evil.** Where organisations retrenched employees, this criterion was met. Where organisations did not retrench, more subtle harm was inflicted, for example, through forced leave and temporary plant closures. Even the threat of actual harm in itself could have caused harm.

- **They are integral to the role of the performer, making them mandatory.** As executive members in an organisation, the role of the leaders in this case entailed making the decision to perform necessary evils, and also to actually perform these necessary evils, even if only on a high level.

Molinsky and Margolis (2005) propose four psychological states that affect people and how they experience the performance of the necessary evil:

a) The extent to which people **feel personally responsible** for causing harm or discomfort influences the intensity of their experience of guilt: the greater people's subjective experience of responsibility, the more intense the experience of guilt (Molinsky & Margolis, 2005:251). Experienced responsibility is a factor of the causal role a person plays in creating the conditions for the harmful act, the extent of involvement in carrying out the act and the legitimacy of the act. This may explain why leaders felt specifically responsible for the fate of their team members: the leaders themselves were often the reason their team members joined the

organisation or the team (see Section 4.3.17)[25] and they therefore felt they played a significant role in creating the conditions where their team members could be harmed. Leaders also felt responsible for or to blame for what was happening in the organisation and its people, a derived organisational stressor in the conceptual framework (see Section 4.3.16).[26] In addition, it might also explain why leaders frequently turned to what I term 'organisational rationalization strategies' in the conceptual framework, to cope with stressors. They may be attempting to legitimize their acts by indicating they *had* to act in order to save the company[27] and also attributing the cause of the downturn and hence the resulting actions as out of their control[28] (see Section 4.3.39). This is an attempt to lessen their experienced responsibility and therefore their experienced guilt.

b) Molinsky and Margolis (2005:253) also propose that the less *justifiable* a person perceives the act to be, the more he or she will experience guilt, as well as sympathy. Once again this is a factor of the causal role played by an individual to bring about the circumstances that necessitate the harmful act, the legitimacy of the act and importantly, the harm-to-benefit ratio. As with experienced responsibility, perceived justifiability also may explain why leaders used organisational

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[25] ***Interviewee 6:***

But there were also the people that I brought on board…who on my word had come on board this...come on board the company, left other companies and careers and joined this company. **So their future was very much my responsibility to get them to understand where the risks were**. (my emphasis)

[26] ***Interviewee 2:***

…you are going to talk to XXX, for what it's worth, **we collectively were partly to blame for this whole thing** because we could just see we need something to happen, let's put it that way. (my emphasis)

[27] ***Interviewee 5:***

So, and, and knowing also that you often get into a position where **you often don't have a choice**, um (…) but you, a company often, um, has no choice but to do certain things under very, very, very stressful times. (my emphasis)

[28] ***Interviewee 0:***

Ek is nog baie dae kwaad en miskien nog steeds in ontkenning want wat ons gedoen het en hoe ons dit gedoen het, is nie as gevolg van die mense nie. **Dit was as gevolg van eksterne omstandighede.** [I am often still angry, and perhaps in denial about what we did and how we did it, but it was not because of the people. **It was because of external** circumstances.] (my emphasis)

rationalization strategies, convincing themselves that they were 'doing the right thing' (see Section 4.3.37)[29] in order for the organisation to survive.

c) **Experienced task difficulty**, according to Molinsky and Margolis (2005:253), affects people's experience of performance anxiety and cognitive load. How difficult an individual experiences the execution of the harmful act to be depends on the complexity of the task and the frequency with which the task occurs. Having experience, an influencing factor in the conceptual framework, seems to support this. Experience gained during a previous downturn, as well as other challenging business situations, was indicated as a factor influencing how leaders coped with this downturn. As one respondent explained, it is a '*capacity that builds in you as a leader*'.

d) **Experienced palpability** influences guilt, sympathy, cognitive load and performance anxiety (Molinsky & Margolis, 2005:254). People can experience palpability on various levels, for example, cognitively, through a rational understanding of the harm being caused, or emotionally, through experiencing others' suffering. Palpability is a factor of the frequency with which the necessary evil occurs, the magnitude of harm and benefit, the saliency of harm and benefit and the identity of the target of harm or benefit. The last factor seems relevant in this case. When a person who performs a necessary evil act has strong identity relations with the target of the act, either through personal relationships or role identification, the harm caused is more vivid and intense for the performer of the act than if a target is unknown or unrelated. This may explain why leaders used an individual coping strategy such as emotional separation (dehumanizing actions) to cope with the stress during the downturn. Leaders attempted to separate their emotions from their actions by being rational, hiding their own emotions and cognitively separating themselves from other people in the organisation (see Section 4.3.29).[30]

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[29] *Interviewee 1:*

*The way I interpret that **was what's right and what's wrong?** Do – do and that's linked to values and all those kind of things. To make decisions in this difficult time, and still, or to use the values of the business and your personal values to – to **form the backbone of all your decisions**, helped me a lot.* (my emphases)

[30] *Interviewee 0:*

Een ding wat dit aan my gedoen het is dat ek onbetrokke geraak het by mense as gevolg hiervan. Ek wil nie meer hoor van X, Y en Z en hoe dit met sy kat of hond gaan nie. As gevolg daarvan het

Wright and Barling (1998), in their grounded theory study of the post downsizing effects on downsizers, also found guilt to be an important theme, as Molinsky and Margolis (2005) did, and derived stressors in the conceptual framework. People who retrenched ('retrenchers') in their study reported that, together with an increase in work load, feeling guilty was the immediate outcome of the retrenchment effort. This in turn led to emotional exhaustion, decreased well-being, also spilling over to their home, causing work-family conflict. This ultimately led to loneliness or organisational and social isolation. According to Wright and Barling (1998:346), in this conceptual model, loneliness is the result of guilt, and alternatively role overload, resulting in less time for interaction with people within the organisation. Their conceptual model is depicted in Figure 38.

Figure 38:   Conceptual model of post-retrenching effects on retrenchers
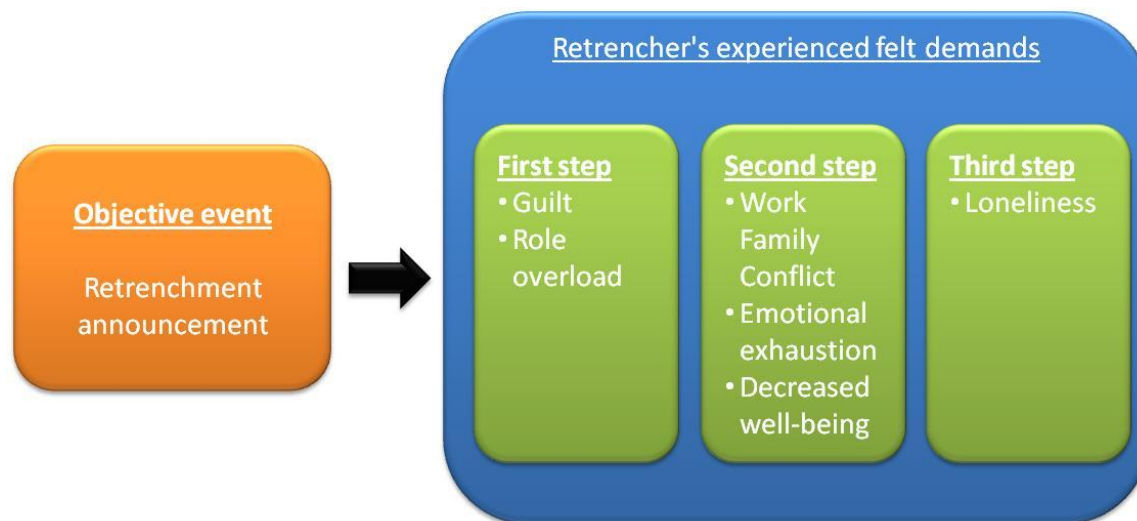
Source: Wright and Barling (1998:349)

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ek miskien in my onderbewusyn net besef dat ek nie meer betrokke kan wees by ZZZ se besigheid wat nie 'n sukses is nie en hom raad gee nie, want hy is dalk die volgende persoon wat moet gaan. [One thing that it did to me is that I became detached from people because of this. I do not want to hear about X, Y or Z and how his cat or dog is. Because of this I perhaps unconsciously realised that I cannot be involved any more with ZZZ's business that's not a success, giving advice, because he may be the next person that must go.]

Molinsky and Margoli (2005) point out the need for future research on how individuals can construct the tasks of performing necessary evils to minimize their negative effects, as well as the coping strategies professionals use to deal with guilt, sympathy and performance anxiety, so that they stay at tolerable levels of intensity. The conceptual framework, in my opinion, answers this in part, as many derived stressors, often due to factors mentioned above, had to be dealt with during the economic downturn. Individual, team and organisational rationalization strategies are aimed at doing just that: coping with the stress derived from others, often caused by leaders' having to decide on and perform necessary evils.

5.5.2.3. Organisational response to downturn

Raghavan (2009), in a study of how *organisations* survived during the economic downturn, focused specifically on organisational actions taken during the downturn. He found that firstly, almost all organisations in his study (in the Information Technology and manufacturing sectors in India) started with drastic **cost reductions**, going beyond typical cost saving activities such as reducing travel cost. This is in line with the reactions of the organisations in the current study whose plants were 'mothballed' and people were retrenched. Secondly, organisations focused on using the opportunity to focus on **operational excellence**. During relatively quiet periods, especially manufacturing organisations focused on reducing waste, for example. As was indicated in my study, virtually all the companies in Raghavan's (2009) study also cancelled or put on hold all capital expenditure. Thirdly, companies cut salaries, **reduced headcount** in an effort to save cost, once again in line with the organisational response to the downturn in my study. Lastly, organisations **revised their strategy**, particularly with regard to their customers, in an attempt to gain a broader customer base.

5.5.2.4. Coping strategies

Coping strategies in the conceptual framework refer to methods that individuals use to cope with the stressors during the economic downturn. As with stressors, the focus of

coping strategies has historically been looked at from an individualistic perspective, although there has been increased criticism against this preoccupation (Muhonen & Torkelson, 2008:451). I firstly discuss **individual coping strategies**, already touching on a more collective approach to coping strategies through spousal support, and then move on to team coping strategies and lastly to organisational rationalization coping strategies.

The leaders in this study used various coping strategies during the downturn that fall within the individual domain, including religion, emotional separation and balancing work and life, as well as spousal support, as has already been mentioned.

A review of the literature reveals that there is a growing body of research on **religious coping** (Ano & Vasconcelles 2005:461; Bänziger, Van Uden & Janssen, 2008:101; Pargament, Smith, Koenig & Perez, 1998:710; Pargament, Zinnbauer, Scott, Butter, Zerowin & Stanik, 1998:1336; Ross, Handal, Clark & Vander Wal, 2008:454) and, according to Graham, Furr, Flowers and Burke (2001:3), prayer and faith in God have been indicated as two of the most common coping resources.

Religion, according to Pargament, Koenig and Perez (2000:521) has five main functions in coping:

- Meaning: In the face of negative or perplexing experiences, religion offers frameworks to understand and interpret these experiences.
- Control: When a person experiences events that go beyond his or her control and resources, religion offers an avenue to achieve a sense of control.
- Comfort/spirituality: Religion provides a person with comfort, linked with the desire to connect with a force beyond the individual (spirituality).
- Intimacy/spirituality: Religion is often a mechanism to foster social identity. Intimacy with others is often gained through spiritual means.
- Life transformation: Religion may also assist people in making important life transformations, changing values and finding new sources of significance.

In addition to being an individual coping strategy, as religion is depicted in the conceptual framework, it has a more complex relationship with coping than is reflected in the framework. According to Pargament *et al.* (1998:1336), religion can be part of every element of coping (for example, appraisal, coping strategies or outcomes); it can shape the coping process and in turn be shaped by the coping process.

Religion is used in various ways to cope. The first is self-directing, which refers to a person's responsibility to resolve problems, where God has given people the freedom and the means to direct their lives. The second, in contrast with self-directing, involves that individuals may transfer the problem-solving responsibility to God. The third style of religious coping, collaboration, is the style indicated by respondents in this case (see Section 4.3.27),[31] where the problem-solving responsibility is shared by both the leader and God.

Although several authors illustrate the importance of workplace spirituality (Ashmos & Duchon, 2000; Dent, Higgins & Wharff, 2005; Duchon & Plowman, 2005; Fry, 2003; Harrington, Preziosi & Gooden, 2001; Sheep, 2004), a review of religious coping literature reveals that religion is not often studied in the context of the workplace.

Spirituality and religion, although related, do not mean the same thing (PinaeCunha, Rego & D'Oliveira, 2006:214). While religion often looks outward, depending on rites and rituals, spirituality looks inward (Marques, Dhiman & King, 2005:82), having more to do with life's deeper motivations and emotional connections (McCormick, 1994:5).

In the workplace, the promotion of formal religion is often opposed, whereas spirituality as a workplace practice is accepted (Duchon & Plowman, 2005:810; Garcia-Zamor, 2003:356). Mitroff and Denton (1999:89) support the view that religion is inappropriate in the workplace. However, Hicks (2002:384) argues that a rejection of religion in the

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[31] *Interviewee 1:*
   And I ask for help and guidance and what I must do and what's the decisions I must make and all those kind of things. That it must be the right one and not for my personal interest but for the business. Or for the people, and that's the way, I'm, I'm – that's my life and I, I think that's, that's helping me to be a strong person.

workplace is in contradiction with an important element of workplace spirituality: bringing the 'whole self' to work. This view is reflected in the fact that respondents in this case were hesitant to mention religion as a coping strategy, as if it was not acceptable in the workplace.[32] However, this does not mean that religion is not an important coping strategy, but rather that it may be an under-reported strategy in the work context.

While the **work-life balance** is often indicated as a *source* of stress (Cartwright & Cooper, 1997; Wright & Barling, 1998), respondents included it as a *strategy* to cope with stress during the downturn. Respondents indicated that they balanced work with their life outside of work, playing a sport for example. The concept of leisure acting as a means of coping is not new and even sport spectatorship has been shown to be a means of coping with stress, particularly among male managers (Iwasaki, Mackay & Mactavish, 2005:21).

Spousal support is another individual coping strategy leaders employ during an economic downturn. It was classified as an individual coping strategy, even though it involves others (the spouse), because the leaders used this strategy outside of the organisation. Spousal support could be regarded as a type of social support specifically provided by the leaders' wives. Schaefer, Coyne and Lazarus (1982, cited in Lazarus & Folkman, 1984:250) distinguish between three types of function of social support: emotional support (for example, reassurance, being able to rely on another person and confide in that person), tangible support (instrumental or direct aid, for example, doing a job, providing money) and informational support (providing information, advice or giving feedback). Respondents indicated tangible support,[33] emotional support,[34] as well as

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[32] *Interviewee 1:*
   That's maybe what they do not want to hear, but my religion is quite important. You need something that you can fall back on.
[33] *Interviewee 5:*
   I've got...my wife doesn't work, we're very lucky. So she looks after the home. So when I get home I don't need to make decisions. So you can go and do your sport or whatever and the rest of the time she...runs the house. So it's actually a bit of...a cop out in having to make decisions. It's actually quite nice to get somebody else to just do that for you. And, ah, but she enjoys that as well. So it's, it's …
[34] *Interviewee 1:*
   …you still need to talk to somebody. Somebody to get – just moral support from or – from the

informational support.[35] Although social support is generally viewed as a coping resource, it is classified as a coping strategy in the conceptual framework.

Coping, and more specifically coping strategies, has been almost exclusively studied from an individualist perspective. Individuals, according to Lyons, Mickelson, Sullivan and Coyne (1998:581), 'have been portrayed as functioning rather independently in the appraisal of the stressor as well as in the mobilizing of resources necessary to overcome, manage, or eliminate the stressor'. Monnier, Hobfoll, Danahoo, Hulsizer and Johnson (1998:248) support this view and argue that most traditional coping theories and empirical work, including that of Lazarus and Folkman (1984), explores and 'even idealize[s]' individual, problem-solving coping strategies. More recently, Marin, Holtzman, DeLongis and Robinson (2007:953) have mentioned that, although there is a growing interest in the social dimension of coping, individual coping styles remain the primary function of research, often focusing on couples and families. Coping as a more social phenomenon has mainly been discussed in the context of social support as a coping resource (Lawrence & Schigelone, 2002:686), as seen in the preceding paragraph. However, Lyons *et al.* (1998:582) are of the opinion that the social dynamics of coping go far beyond the simple notion of social support. I concur with this statement, as it is clear from the axial and selective coding of the data and ultimately the conceptual framework that team coping strategies played an important role in how leaders coped during the economic downturn.

Team coping strategies go beyond the individual, moving into the team domain, where the individual forms part of a group/team. In this study, having a core team that these leaders could trust and taking team action, for example, were identified as means of coping. *Relationship-focused coping,* referring to 'modes of coping aimed at managing, preserving, or maintaining relationships during stressful periods' (O'Brien & DeLongis, 1997, cited in Marin *et al.,* 2007:953) is one example of a more socially oriented view of

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outside and my case, I use my wife for that. Not that she's got a clue what's going on in the business, but just somebody to listen. And she was willing, listening.

[35] *Interviewee 1:*

And when I mention it to her she will tell me something and then I think about it and say: but maybe she's got a point and then I test it in a different way within the team.

coping. However, it does not reflect team coping strategies as used in the conceptual framework, as team coping strategies used the fact that a person was part of a team as a coping strategy as opposed to attempting to manage team relationships. Similarly, the dual-axis (Hobfoll & Dunahoo, 1994:52) and later the multi-axis model (Dunahoo, Hobfoll, Monnier, Hulsizer & Johnson, 1998:142) of coping, with pro-social-antisocial, active-passive and direct-indirect dimensions do not seem to be in line with the team coping strategies of the conceptual framework. Monnier *et al.* (1998:249) describe the dimensions of the multi-axial model of coping as follows:

> The active-passive dimension depicts the degree to which individuals are active in seeking their goals or passive-avoidant. The social dimension depicts the degree to which individuals act in terms of their social interactions while seeking their goals with pro- and antisocial behavior defining the two ends of the continuum. (…) The direct-indirect dimension of coping may not so much predict coping outcomes as it does describe cultural and gender differences in coping style and circumstantial constraints versus allowances for direct action.

The multi-axial model of coping is depicted in Figure 39 (overleaf).

Figure 39:   Multi-axial model of coping
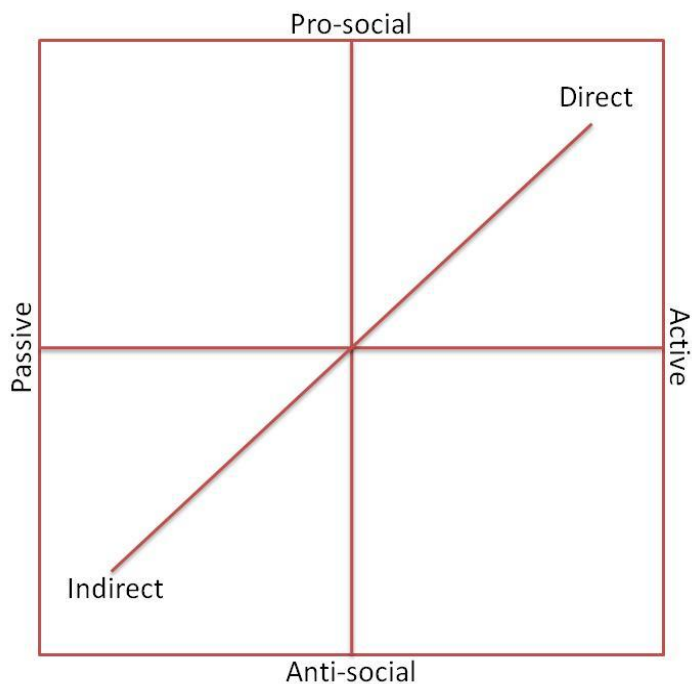
Source: Dunahoo *et al.* (1998:142)

Although the pro- and anti-social dimensions of this model capture a social dimension, moving away from a completely individual-focused perspective, the model fails to cover the complex social nature of the team coping strategies found in the current study.

However, Lyons *et al.*'s (1998) concept of *communal coping* seems to be more aligned with team coping strategies, although it was not developed or used in the work context, but rather for couples, families or communities. Communal coping 'is a process in which a stressful event is substantively appraised and acted upon in the context of close relationships' where 'one or more individual perceive a stressor as "our" problem (a social appraisal) vs. "my" or "your" problem (an individualistic appraisal), and activate a process of share or collective coping' (Lyons *et al.*, 1998:583)*.* Individual and social coping processes are depicted in Figure 40.

Figure 40: Individual and social coping processes
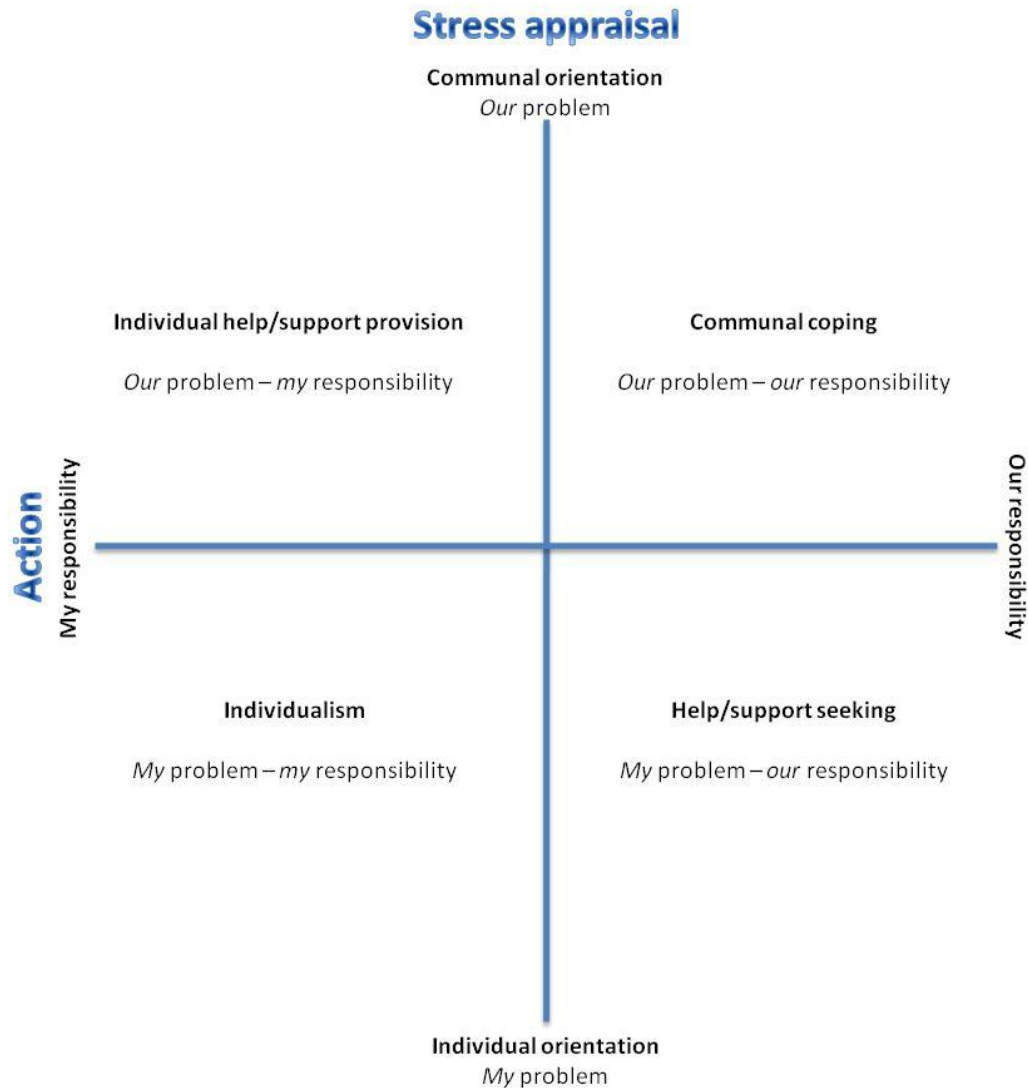
Source: Lyons *et al.* (1998:586)

Communal coping has three components. Firstly, there is a communal coping orientation where at least one person in the social unit believes that joining together to deal with a problem is beneficial, necessary or expected. Secondly, there is some form of communication about the details and circumstances of the situation. Lastly, there is cooperative action where individuals collaborate to reduce the negative impact of the stressor.

Being part of a core team that they could trust was important, acting as a team to address a team problem.[36]

It is interesting to note that, although several studies indicate that men are more prone to use individualistic coping strategies and women tend to use more social coping strategies (Hobfoll & Dunahoo, 1994; Muhonen & Torkelson, 2008), this study seems to contradict this argument, as the men in this case strongly indicated their dependence on their team in coping in the downturn.

It must be noted that a team coping strategy, such as dividing the pressure among team members during the downturn, in addition to collective action to solve a problem, may also be regarded as instrumental social support in a more individualist view of coping.

Organisational rationalization strategies have already been discussed to some extent when explaining why leaders experienced derived team and organisational stressors, where leaders attempt to justify their actions in a 'the end justify the means' argument and lessen their experienced responsibility by attributing their actions to events beyond their control. However, I would like to make a few additional comments, particularly on the relationship between organisational rationalization strategies and other elements of the conceptual framework. Leaders attempted to convince themselves that they were 'doing the right thing'. Folkman (2008) revised the original stress and coping model of Lazarus and Folkman (1984) to include what she terms 'meaning-focused coping'. Meaning-focused coping is 'appraisal based coping in which the person draws on his or her beliefs (e.g. religious, spiritual, or beliefs about justice), values (e.g. "mattering") and existential goals (e.g. purpose in life or guiding principles) to motivate and sustain coping and wellbeing during a difficult time' (Folkman, 2008:7). The revised model of stress and coping is shown in Figure 41 (overleaf):

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[36] *Interviewee 7:*
    None of us can operate independently to achieve what we want to achieve. We definitely all have to rely on each other for each of our contributions to make sure that the sum of our contributions feed to the whole.

Figure 41:   Folkman's revised stress and coping model
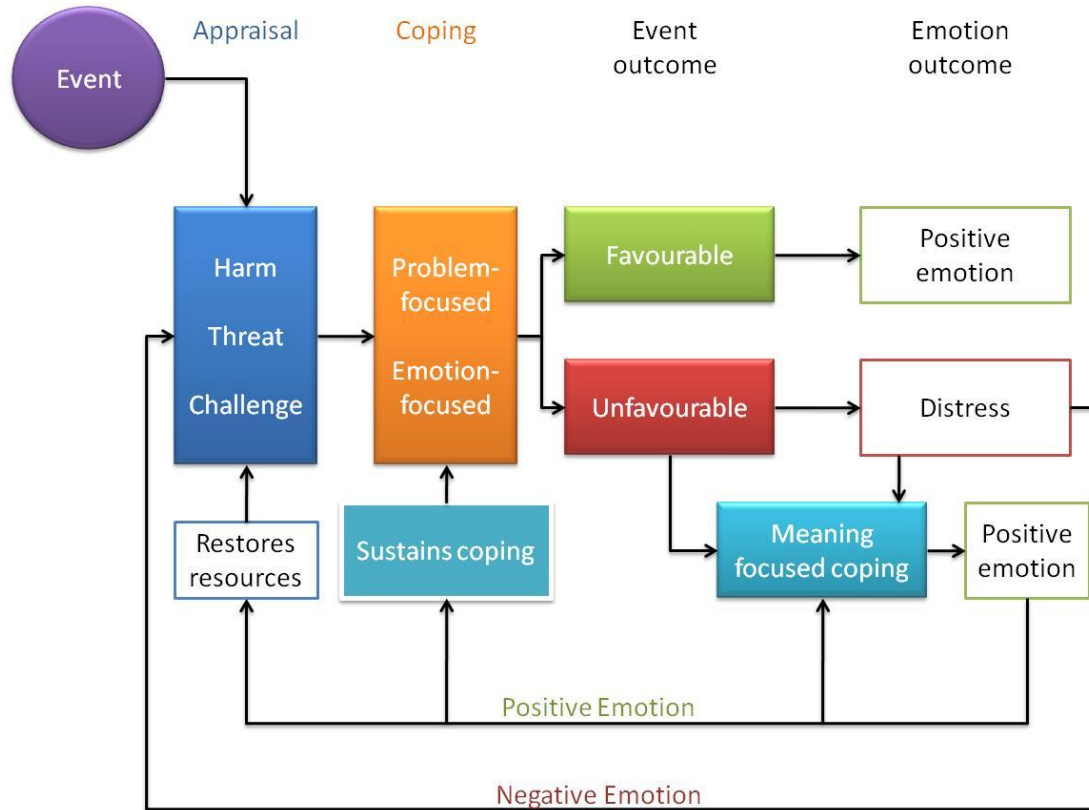
Source: Folkman (2008:6)

According to this revised model, meaning-focused coping generates positive emotions and their underlying appraisals. These emotions and appraisals in turn influence the stress process by firstly restoring coping resources and secondly providing the motion needed to sustain problem-focused coping over time. Although the model has not been tested in the work context, meaning-focused coping seems relevant in respect of organisational rationalization coping strategies. Five types of meaning-focused coping are identified:

- **Benefit finding** defined as 'the positive effects that result from a traumatic event' (Helgeson, Reynolds & Tomich, 2006:797, cited in Folkman, 2008:7). This may be why leaders viewed the effect of the downturn as positive, seeing it as an opportunity, for example, to revisit strategy and structure and better access to

resources[37] and also why they put in an effort to convince themselves that they were doing the right thing, that the benefit outweighed the cost.

- **Benefit reminding** is distinguished from benefit finding as 'effortful cognitions in which the individual reminds himself/herself of the possible benefits stemming from the stressful experience' (Tennen & Affleck, 2002, cited in Folkman, 2008:8).

- **Adaptive goal processes** are relevant, because the mere fact that one has a goal creates a sense of mastery and control and provides a sense of meaning and control (Folkman, 2008:9). It was important for leaders to believe in their agreed plan of action and they rationalized their actions against this plan with a specific goal[38] (indicated in the conceptual framework as the organisation's response to the downturn).

- **Reordering priorities** is, according to Folkman (2008:10), a common response to stressful events. This may be why the short-term goal of survival became the primary goal of actions, and thriving after the downturn became a secondary goal.

- **Infusing ordinary events with positive meaning,** perhaps less relevant in the current study, refers to people enjoying ordinary events and attempting to feel good in stressful times by doing so.

One could say that the leaders in this study attempted to rationalize their actions during the downturn through an attempt to find meaning in their actions: by believing that their actions were necessary for the greater good – the goal of the survival of the company, that it was in fact the right thing to do and that they were compelled to act due to circumstances beyond their control.

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[37] *Interviewee 6:*
 The downturn presented more of an opportunity rather than a threat to us. Because with the collapse in global economy, mining projects went on the back burner so our mining projects became one of the few that was looking at some very serious projects so we were able to attract very serious resources into it. Engineering resources.

[38] *Interviewee 0:*
Aan die einde van die dag moet 'n mens aan die strategie wat daar is glo. Ongeag, of ten spyte van, die afleggings was daar altyd 'n groeistrategie. [At the end of the day one must believe in the strategy that was set. In spite of the layoffs there was always a growth strategy.]

5.5.2.5.Overall view of the downturn's impact

The reason leaders may have regarded the effect of the economic downturn as positive and its impact on the rest of the coping process can be discussed in relation to meaning-focused coping. Folkman (2008:8) claims that benefit finding could be a maladaptive coping strategy if it hinders important problem-focused coping, such as information finding and decision-making. However, this does not seem to be the case with the leaders in this study, who apart from viewing the effects of the downturn in a positive light, also clearly acknowledged the negative effects that the downturn had on the organisation, for example, in the form of a loss of contracts, its negative effect on cash flow and reduced access to capital. The fact that the leaders based their plan and therefore their subsequent actions on facts[39] illustrates this.

5.6   CONCLUSION

In this chapter, I have attempted to illustrate how, though axial and selective coding, I arrived at a conceptual framework of coping strategies for leaders during an economic downturn. In addition, I described my conceptual framework, based on empirical research, and linked the literature to my conceptual framework, both to enrich the conceptual framework, and to show the relevance of my findings in the context of the existing literature.

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[39] *Interviewee 6:*

…the ability to analyse it, break it down, understand the drivers, will allow you to cope better. If you can't see it, if it's just a black cloud, it's very hard to cope with it and if you can unpack it… it generally [is] people that can unpack it, identify the real threat and the real drivers and then focus on those, as opposed to those who see the cloud of threat.

CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

6.1 INTRODUCTION

I conclude this study by highlighting the most prominent insights and contributions of the study, and make recommendations based on them. I indicate the limitations of the study against which the results should be viewed. Finally, I suggest some directions for future research.

6.2 DISCOVERIES, CONTRIBUTIONS AND RECOMMENDATIONS

In view of Folkman and Moskowitz's (2004:768) opinion that new methodologies and new ways of thinking about coping within a specific context will assist this field of study to mature, I believe that this study makes a contribution towards both the field of coping research and that of Organisational Behaviour. This was done by investigating coping in a specific context (the economic downturn from 2009 to early 2010) using alternative methodologies (grounded theory as opposed to coping scales) and exploring coping from multiple levels (the individual, the team and the organisational levels). I made some unexpected and interesting discoveries in the course of this study, which made my research journey quite exciting. These discoveries, as well as the related contributions and recommendations of the study are discussed below.

6.2.1 Discoveries

I made the following discoveries in the course of the study:
- Studying coping on multiple levels of organisational behaviour (individual, team and organisational level) provides valuable insight into the coping of individuals (leaders) in the context of an economic downturn (in this case, the economic downturn in the period from 2009 to early 2010).

- Positivity played an important role in how the leaders coped during the economic downturn. Not only was it evident that the leaders attempted to frame the impact of the downturn on the organisation as positive, despite its obvious negative impact, but they also highlighted that individual factors such as being optimistic and confident, thriving on the challenge of the economic downturn and focusing on the future assisted them in coping during the downturn.

- Some of the leaders revealed that their religion (faith, belief, spirituality) had assisted them in coping during the economic downturn, although there was some indication that they did not perceive religion to be an acceptable corporate coping strategy, as they appeared to be apologetic about it and seemed to think that religion was something that should not be mentioned within the organisation.

- The leaders' perception of their relative level in the organisation (in terms of organisational hierarchy) influenced their coping. Leaders on a relatively lower level of their organisation (such as the South African executive members of an international mining organisation) tended to focus more on individual stressors and less on derived stressors than their counterparts (the South African executive members of a South African mining organisation). This finding may be linked to their perceived control over their own situation within the organisation.

- Individuals as leaders do not merely have to cope with individual stressors, for example, doubting their own job security, but often they face more pressing issues: they have to cope with derived team and organisational stressors.

- How the organisation chooses to respond to the downturn, its goals, plans and actions, not only related to the stressors that had an impact on the leaders, but also influenced the coping strategies that the leaders used.

- Leaders defined organisational action in response to the downturn in terms of retrenchment[40]. It was almost as if the economic downturn was viewed synonymise to retrenchment, possibly due to widespread job losses in the mining industry during the economic downturn (refer to Table 1) and the fact that the mining industry typically revert to retrenchment in turbulent times. This happened both in the case where organisations did indeed retrench employees, and where organisations did

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[40] Downsizing, layoffs.

not retrench employees. In the latter case, organisational action in response to the downturn was defined *ex negativo* in terms of retrenchment.

- Leaders resorted to individual strategies to cope with the stressors during an economic downturn, but also to team strategies, where trust played a prominent role.
- Leaders attempted to rationalise their actions in an attempt to cope with stressors during the economic downturn; for example, they convinced themselves that they were 'doing the right thing' and that they were compelled to act in the interests of organisational survival.

6.2.2   Contributions

The main objective of this study was to develop a guiding framework that South African leaders can employ in order to cope with adverse conditions such as an economic downturn. It does not mean that other country's leaders might not benefit by it. In addition, I attempted to answer the following research questions:

- **How do South African mining leaders cope during an economic downturn?**
- **How can organisations assist South African leaders to cope better during an economic downturn?**
- **What does a strategic coping framework for South African leaders consist of?**

The main objective was reached by the development of a conceptual framework of coping strategies for leaders during an economic downturn, as illustrated in Chapter 5. The research questions can be answered through a study of this conceptual framework, not only to understand how South African mining leaders cope during an economic downturn, but through this understanding, also to apply the knowledge on a practical level to cope better with adverse conditions. In addition, through some recommendations as set out below, organisations can, based on the conceptual framework, assist leaders to cope during an economic downturn.

I believe that this study manages 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 (2000:624), who appeal to researchers to focus on coping responses to specific situations within a specific context instead of general coping strategies.

In addition, this allowed me to look at coping on multiple levels (the individual, team and organisational levels), moving beyond the dominant individualist perspective of coping which has recently received an increasing amount of criticism (Muhonen & Torkelson, 2008:451). This study therefore contributes to both the field of coping research and the field of Organisational Behaviour.

I believe that my conceptual framework also contributes to the **theory** of both the coping and Organisational Behaviour fields of study by defining and relating concepts in the form of a model to facilitate a better understanding of individual coping on multiple levels within the organisation.

Lastly, this study contributes on a practical level, providing leaders and organisations with a better understanding of how leaders cope in an organisational context during adverse conditions such as an economic downturn. This understanding facilitates several recommendations, as discussed in the following section.

6.2.3   Recommendations

This study's discoveries and contributions can lead to recommendations for both leaders and organisations.

Leaders are provided with a guiding framework that they can employ in order to cope with adverse conditions such as an economic downturn. Likewise, organisations can use the guiding conceptual framework to assist South African leaders to cope better during an economic downturn.

The following recommendations are made:

- Organisations, specifically managers and leaders, should be vigilant to maintain a continuous proactive environmental analysis strategy where potential opportunities and threats in the environment are constantly identified and monitored (Lynch, 2000:105). This will allow individuals within the organisation to prepare and act timeously in the event of an economic downturn or other problem. More importantly, leaders should remain open to information gained from environmental analysis.

- Leaders should proactively attempt to develop positive attributes within the organisation, and specifically within themselves. Luthans *et al.* (2007:213) propose that what they call positive psychological capital, which includes hope, optimism, self-efficacy and resiliency, is open to development. These positive psychological capacities correspond with several individual influencing factors that create a predisposition in respect of how organisational leaders cope during an economic downturn, for example, being optimistic (optimism), being confident (efficacy) and focusing on the future (hope, resiliency). In the light of this, organisations can develop these capacities to assist them and their leaders in coping with adverse conditions. For example, hope is said to be developed through goal-setting, participation and contingency planning for alternative pathways to attain goals (Snyder, Irving & Anderson, 1991, cited in Snyder, Rand & Sigmon, 2005:258).

- Organisations should embrace the concept of workplace spirituality. According to Duchon and Plowman (2005:809), a workplace can be considered to be spiritual when it 'recognizes that employees have an inner life that nourishes and is nourished by meaningful work that takes place in the context of community'. Van der Walt (2008:22) lists various studies confirming significant relationships between spirituality and work-related phenomena, as indicated in Table 11 (overleaf).

Table 11: Relationship between workplace spirituality and work-related outcomes

Work-related phenomenon	Researcher	Period
Organisational performance	Neck & Milliman	1994
	Thompson	2002
Organisational commitment	Milliman, Czaplewski, Ferguson	2003
Job involvement	Milliman, Czaplewski, Ferguson	2003
Ethicality	Giacalone & Jurkiewicz	2003
Emotional intelligence	Hartsfield	2003
Self-efficacy	Hartsfield	2003
Intrinsic, extrinsic and total work reward	Kolondinsky, Giacalone & Jurkeiwicz	2004

Source: Van der Walt (2008:22)

In addition, the present study has shown that religion, an important element of workplace spirituality, according to Hicks (2002:384), can play an important role in coping during an economic downturn. Giacalone and Jurkiewicz (2003:85) found that the degree of individual spirituality influences whether an individual perceives a questionable business practice as ethical or unethical, possibly tying in with what I termed the "value dichotomy" (refer to Section 4.3.18) as a derived organisational stressor and the belief that one is "doing the right thing" (refer to Section 4.3.37) as an organisational rationalization coping strategy used by leaders.

- Organisations and organisational leaders should carefully consider the selection, composition and team development of their executive teams due to the important role that team coping strategies have been shown to play in coping during an economic downturn. In addition, the culture of the organisation and the team should support teamwork and trust. Hence, active efforts should be put into place to develop this.

6.3 LIMITATIONS OF THE STUDY

Like all studies, this one also has limitations that should be taken into consideration when viewing the results:

- All respondents in this study were white males. However, women represented a mere 0.01% of top management in mining in 2001 and 9.3% in 2006, with the gender distribution remaining fairly constant between 2006 and 2008. In addition, mining lags behind the all-industry average, with black representation of 28.5% at top management level in mining in 2008 (Wait, 2010). In view of these statistics, this limitation should be noted, but should also be seen in the context of the lack of employment equity at top management level in the mining industry.

- Although I am confident that the timing of the study was such that potential bias due to recall was limited, and that the study was done during the downturn where respondents could clearly convey their thoughts, feelings and behaviour related to coping during the downturn, it should be stated that data collection for this study was done during November and December 2009, at the end of the downturn. However, I am convinced by the responses from the respondents that, at the time, they saw themselves as still being in the downturn.

- The relatively small sample may not be representative of all the leaders in the mining industry and may not be applicable to other individuals or individuals in other industries. However, the depth of information gained from the sample may make up for this limitation to form the basis for future research.

- The aim of this study was to provide a guiding framework in the form of a conceptual framework that South African leaders can employ in order to cope with adverse conditions such as an economic downturn. I used a conceptual framework in the form of a model, not formulating substantive or formal theory, although my conceptual framework does venture into the realm of a theory.

6.4 OPPORTUNITIES FOR FUTURE RESEARCH

The findings and limitations of the study imply several opportunities for future research:

- The model in the form of a conceptual framework of coping strategies for leaders during an economic downturn can be tested in other industries for its relevance and comparative results may yield further insight into the model and may allow for its expansion.

- The model in the form of a conceptual framework of coping strategies for leaders during an economic downturn can be elevated to a theory, focusing more on explaining concepts and their relationship to each other.

- The effectiveness of coping strategies for leaders in the mining industry can be researched to gain a better understanding of the relative effectiveness of different strategies in different situations.

- The conceptual framework can be researched on various levels in the organisation, comparing the coping strategies of leaders with the coping strategies of employees on lower levels in the organisation.

6.5 FINAL CONCLUSION

My research journey has taken me to various destinations to finally reach this point, the final conclusion of my study. I hope that I have contributed to the body of knowledge in the fields of coping and Organisational Behaviour, and that the journey will not end here, but will continue to build on the foundation laid through this study.

> Vision is the ability to see beyond the boundaries of your own confinement.
>
> (A.L. Horn, 2009: pers.com.)

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Appendix A: Example of an institution's informed consent form

Faculty of Economic and
Management Sciences
**Department of Human
Resource Management**

**Informed consent for organisation to participation in an academic
research study**

Dept. of Human Resource Management

Coping strategies for leaders during an economic downturn

Research conducted by:

Ms. M. van Zyl (28470924)

Cell: 082 928 3022

Dear **Example representative**

Selected individuals from **XXX** are invited to participate in an academic research study conducted by Marlise van Zyl, Doctoral student from the Department of Human Resource Management at the University of Pretoria.

The purpose of the study is to understand how mining leaders cope during an economic downturn.

Please note the following:

1) This study involves personal interviews as part of a qualitative study. Responses in this study will be treated as strictly confidential, and no individual or their company will be identified based on their responses.

   a) Participating mining houses will be listed in the sampling section of the study. However, respondents' identities and mine affiliation will be treated as confidential to ensure that neither the specific individual nor their specific organisation can be identified based on their responses.

   b) Any information that could link a respondent to a specific mine shall not be utilised in this study.

   c) No confidential mine related information that might come about during the interview shall be utilised in this study.

2) Your organisation's participation in this study is very important to us. Your organisation may, however, choose not to participate you may also stop participating at any time without any negative consequences.

3) I am requesting the following assistance from your organisation:

   a) A Personal interviews lasting +/- 2 hours each with 2 individuals in your company.

4) The results of the study will be used for academic purposes only and may be published in an academic journal. I will provide you or your organisation with a summary of my findings on request in accordance with the confidentiality agreement stated in paragraph (1) above.

5) Please contact my study leader, Prof Yvonne du Plessis at Yvonne.duPlessis@up.ac.za or 083 305 6227 if you have any questions or comments regarding the study.

6) Also feel free to contact me at marlise.vanzyl@gijima.com or 082 928 3022 should you have any questions or concerns.

Please sign the form to indicate that:

- You have read and understand the information provided above.
- You are authorized to give consent for individuals from **XXX** to participate in the study on a voluntary basis.
- You give consent for individuals from **XXX** to participate in the study on a voluntary basis.

_____   _____

Authorized representative's signature   **Date**

Appendix B: Example of an individual's informed consent form

Faculty of Economic and
Management Sciences
**Department of Human
Resource Management**

**Informed consent for participation in an academic
research study**

Dept. of Human Resource Management

Coping strategies for leaders during an economic downturn

Research conducted by:

Ms. M. van Zyl (28470924)
Cell: 082 928 3022

Dear **Example respondent**

You are invited to participate in an academic research study conducted by Marlise van Zyl, Doctoral student from the Department of Human Resource Management at the University of Pretoria.

The purpose of the study is to understand how mining leaders cope during an economic downturn.

Please note the following:

7) This study involves personal interviews as part of a qualitative study. Responses in this study will be treated as strictly confidential, and no individual or their company will be identified based on their responses.

    a) Participating mining houses will be listed in the sampling section of the study. However, respondents' identities and mine affiliation will be treated as confidential to ensure that neither the specific individual nor their specific organisation can be identified based on their responses.

    b) Any information that could link a respondent to a specific mine shall not be utilised in this study.

    c) No confidential mine related information that might come about during the interview shall be utilised in this study.

8) Your participation in this study is very important to us. You may, however, choose not to participate you may also stop participating at any time without any negative consequences.

9) I am requesting the following participation from you:

    a) A Personal interviews lasting +/- 2 hours each.

10) The results of the study will be used for academic purposes only and may be published in an academic journal. I will provide you or your organisation with a summary of my findings on request in accordance with the confidentiality agreement stated in paragraph (1) above.

11) Please contact my study leader, Prof Yvonne du Plessis at Yvonne.duPlessis@up.ac.za or 083 305 6227 if you have any questions or comments regarding the study.

12) Also feel free to contact me at marlise.vanzyl@gijima.com or 082 928 3022 should you have any questions or concerns.

Please sign the form to indicate that:

- You have read and understand the information provided above.
- You give your consent to participate in the study on a voluntary basis.

_____

Respondent's signature   **Date**