

MANAGERS' ATTITUDES TOWARDS THE FUTURE

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Purpose: The article discusses the results of a survey conducted amongst managers of Polish enterprises on their attitude towards the future.

Design/methodology/approach: The questions used in the survey concerned managers understanding of the future, their level of optimism, the number and impact of unexpected events (surprises), the effects of uncertainty, the possibilities of influencing the future, the planning and prediction horizons, and the frequency of discussions about risk in their work.

Findings: The presented research results were aimed at identifying general attitudes and opinions of managers. At the beginning of the article the notion of attitude towards the future is discussed. In the next part of the article, the goal and subject of the research are presented, followed by the questions to the managers and the statistics of the responses given. In the analysis of the results, attention is drawn to the existing connections between the examined features, in particular the relationship between age and seniority of the respondents and their perception of opportunities and threats.

Research limitations/implications: Measuring attitudes towards the future is a complex task. The questions only partially describe this complexity. It seems, however, that the sufficiently large sample on which the research was carried out makes the distribution of answers to the questions quite interesting.

Originality/value: The regularities presented in the article can be used in the design of further research on the perception of opportunities and threats and they are important in the decision-making process and planning within organizations.

Keywords: attitude, future, threats, surprises, formulating strategies.

Category of the paper: Research paper.

1. Introduction

An attitude in psychology is defined as a tendency to respond to a given object. An object can be a person, thing or event. Reactions are positive or negative and are understood broadly as an assessment or view of the existing state of affairs (including worldview). The sources of attitudes are varied - from beliefs and feelings to intentions. A change in attitudes is possible

by changing the internal system of values, but also changing needs, motivations and through additional information about objects.

An attitude towards the future is a particular type of human attitude in which fears and hopes on the one hand, and experience and imagination on the other, reveal themselves. In the business context, attitudes towards the future are expressed not only in the approach to planning, the way of making decisions or inclination to risk, but also have an impact on the assessment of opportunities and threats in the sectorial and macroeconomic environment.

In Polish, the adjective “przyszły” (future) in the 15th century meant “supposed to come, come, happen” but also “that which came and already exists somewhere” and “resulting”. The term future was derived from “szedł”, which is the past form of the infinitive verb “iść” (Bańkowski, 2000, p. 965; Boryś, 2008, p. 500). Currently, Polish dictionaries give the following meanings of the term: future as a time that will or is supposed to come and future as what will be, what will come, what one expects (*Universal Dictionary of the Polish Language*, 2003, vol. 3, p. 819). The English adjective *future*, like the French *futur*, comes from the Latin *futurus*, which is the participle of the future time of the verb *esse*, i.e. to be. The source here is the root *fu-*, essentially meaning “to grow, to become” (*The Oxford Dictionary of Word Histories*, 2004, pp. 222-223).

Thus, etymological analysis allows at least two different interpretations of the term “future”. According to the first one, future means something that is coming, looming. This can be called a fatalistic interpretation of the future. According to the second interpretation, future is understood as something that comes out of what was and is; as something that happens. That is why it can be called an evolutionist interpretation of the future.

According to the fatalistic interpretation, future is something ready. Just as the world is a reality, the future will be a reality regardless of human aspirations. In this sense, the future comes and fulfils itself. It is predetermined, and man can only discover their fate or destiny.

According to the evolutionary interpretation, future results from the present and the past. It is anchored in what was and comes from what was. It does not fulfil as much as it becomes. In the social context, it is the result of a combination of group and individual decisions. It can be said that the future is a sequence of movements of a great game, whose players, strategies, outcomes and rules are constantly changing over time.

We can distinguish a temporal, a reistic and an event-driven concept of the future (Rolbiecki, 1970, pp. 16-33). In the temporal concept of the future, the reference is time (Latin *tempus* – time). The future is defined as that part of the conventional timeline which is yet to happen. The reistic concept of the future concerns the whole or fragments of the future world (Latin *res* – thing). The future is the things that will exist. The event-driven concept of the future refers to events (Latin *eventus* – event). Events relate to states and changes that take place on a specific ground. Thus, we refer to a kinetic event understood as a change or process or to a static event, understood as a state, or continuance. The future is a sequence of ongoing and changing events.

The above concepts cannot be considered completely disjointed. The key issue in understanding the future as well as the present and the past is the concept of time. Views in this context can be described by distinguishing two different and overlapping classifications (Augustynek 1979, pp. 160-186). The first classification has an ontological character and concerns the definability of temporal relations on sets of objects (relational and absolutist theories). The second classification is epistemological in nature and speaks about the relation between objects and the cognitive subject (subjective and objective theories). The imposition of these two classifications makes it possible to distinguish four theories of the future: relational-objective, relational-subjective, absolute-objective and absolute-subjective.

2. Purpose and subject of research

The aim of the research was to recognize the relationship between the assessment of the company's environment and the attitude of the managerial staff towards the future on the one hand and the assessment of the threats and level of internal security of the company on the other. The research was supposed to answer the question to what extent attitudes towards the future influence risk assessment, what is the degree of consistency of individual assessments and the degree of compatibility between the subjective assessments of the management staff on the subject of strategic security¹.

The research covered the senior management of commercial enterprises. In most cases, these were small or medium-sized companies located in the region of south-eastern Poland (Małopolskie and Podkarpackie voivodships, partly Silesian). Number of surveyed enterprises: 338. Employment structure: up to 10 people (24%), 11-50 people (33%), 51-250 people (20%), over 251 people (22%). Sales revenues of the surveyed enterprises: up to PLN 1 million (23%), PLN 1-10 million (34%), PLN 10-50 million (21%), over PLN 59 million (22%). The dominant business profile of the surveyed enterprises: production (23%), services (51%), trade (26%). Out of the total of 576 respondents, 94% occupied a managerial position with an average management span of 9 and a targeting range of 37 people. The remaining 6% of respondents were people in advisory positions. 50% of respondents were responsible for the entire company, 20% for marketing, 12% for production, 10% for finance, 5% for supplies and 3% for staff. The structure of seniority of respondents: up to 5 years (14%), 6 to 15 years (42%), over 15 years (44%).

¹ The results presented in this article are part of the research, which was partially published in (Cabala 2010 and 2012). These studies were financed from the funds of the KBN grant no. 0431 / B / H03 / 2009/37.

3. Findings

Presented below are the results of the research obtained from the expanded version of the questionnaire, which included questions about the nature of the future (question 1), optimism (question 2), numbers (question 3), impact of surprises (question 4), the effects of uncertainty (question 5), the impact on the future (question 6), the planning horizon (question 7), predictions (question 8) and frequency of discussions on the subject of risk (question 9).

Question 1. The question formulated in the questionnaire was: “Which of the following sentences about the future is closer to you (please choose one option): 1) the future is embedded in the past, future events have their source in the past and result from it directly or indirectly, 2) the future is open and independent of what was before; it is the result of the realization of people's intentions, the effect of free choices”. Among 504 respondents, the first variant of the answer was chosen by 296, the second by 190 (18 did not provide an answer).

Question 2. In this question, the so-called ‘fate ladder’ was used to determine the degree of optimism (Siciński 1975, pp. 168-169). The respondents were asked to assess their own life situation and the external situation on a 9-degree scale. The evaluations covered the past, present and future (in 5 and 20 years). A given person is optimistic if the difference between the sum of assessments of his/her own life situation (in the past, present and future) and the sum of assessments of the situation in the environment is not less than zero. A difference less than zero means pessimism. Of the 445 managers who answered these questions, 74% were optimistic.

Question 3. To the question of how often you encounter surprises (sudden, unexpected events) of significant importance for the company's operations, 59% of respondents stated that it happened rarely, whereas the remaining 41% of respondents stated that it occurred often or very often (N = 494).

Question 4. To the question whether surprises in business have a positive or negative impact on the company's activity, 57% of respondents indicated a negative impact (N = 478).

Question 5. The next question in the questionnaire was: “Do you think that unpredictability (uncertainty of the future) is more a source of opportunities or threats?”. Of the 480 responses given, 61% indicated threats and 39% indicated opportunities resulting from the uncertainty of the future.

Question 6. The managers also answered the question to what extent the effectiveness of long-term decisions (important for the development of the company) is determined by dependent factors (fully controllable, over which we have influence) and independent factors (uncontrolled, independent of our actions). Respondents gave their answers in percentage so that the sum would be equal to 100%. The average distribution of responses was 56% for independent factors and 44% for dependent ones (with a standard deviation of 19%). Out of 481 answers to this question, 259 (i.e. 54%) indicated that the share of dependent factors is

higher, 82 (17%) that the share of dependent and independent factors is equal, and 133 (29%) that the share of dependent factors is lower.

Question 7. "For what period of time do you think it is possible to effectively formulate a company's strategy (development planning)? The average calculated from the responses was 4.5 years (standard deviation 2.8).

Question 8. "For what period of time can the situation in the business environment of your company be predicted based on the trends and regularities observed so far?". The average calculated on the basis of the answers to this question was 2.1 years (standard deviation 1.9).

Question 9. The question regarding discussion of risks was so formulated: "How often do you discuss potential risks from the company's environment with your employees?" The distribution of responses was as follows: never (5%), very rarely (14%), rarely (18%), often (45%), very often (19%). A question was also formulated concerning the frequency of conversations on the subject of threats with external partners. The distribution of responses in this case was as follows: never (23%), very rarely (26%), rarely (27%), often (21%), very often (3%). The answers show that conversations with business partners about risks are clearly less frequent (answers never, very rarely or rarely were indicated by 76% of respondents) than with subordinate employees (37% in total).

4. Analysis of research results

The first question referred directly to the two interpretations of the future given in the introduction. The answers provided indicate that the majority of managers surveyed (i.e. 61%) are advocates for an evolutionist interpretation of the future (the future is open and can be shaped). The remaining (39%) respondents supported the fatalistic interpretation (the future is determined).

The research results indicate that the degree of optimism (question 2) decreases with the increase in the seniority of the people surveyed. For managers with a work seniority of up to 10 years ($N = 168$), the average difference between the assessment of their own life situation and the assessment of the external situation was 4.9; for managers with work experience of 10 to 20 years ($N = 138$) 4.3 points; for managers with an experience of over 20 years ($N = 139$) 1.96 points. Independently from of the survey of managers, similar questions were asked to 219 students, for whom the average difference was 6.24. It can be clearly seen that the level of optimism decreases with the age of the respondents.

The results of the research also indicate an interesting regularity. People who showed pessimism (who rated the external situation higher than their own life situation) were less likely to support the fatalistic concept of the future (i.e. 34%) than optimists (43%). This is a statistically significant result (value of $p = 0.043$ in the chi-square test).

The assessments of the negative impact of surprises were clearly in line with the recognition of uncertainty as a source of risk. While 68% of those surveyed who said that uncertainty is a source of risk also considered surprises to have a negative impact on business, only 32% of those surveyed who said that the future is a source of opportunity said that surprises had a negative impact (statistically significant: $p < 0.01$ in the chi-quadrant test).

Answers to question 5 (whether unpredictability is more a source of opportunities or threats) were strongly related to professional experience (probably also to age) of the respondents. In addition, 219 students were asked the same question. The vast majority of them (78%) recognized that the future is a source of opportunities. The distribution of responses due to seniority (age) of respondents is shown in Figure 1.

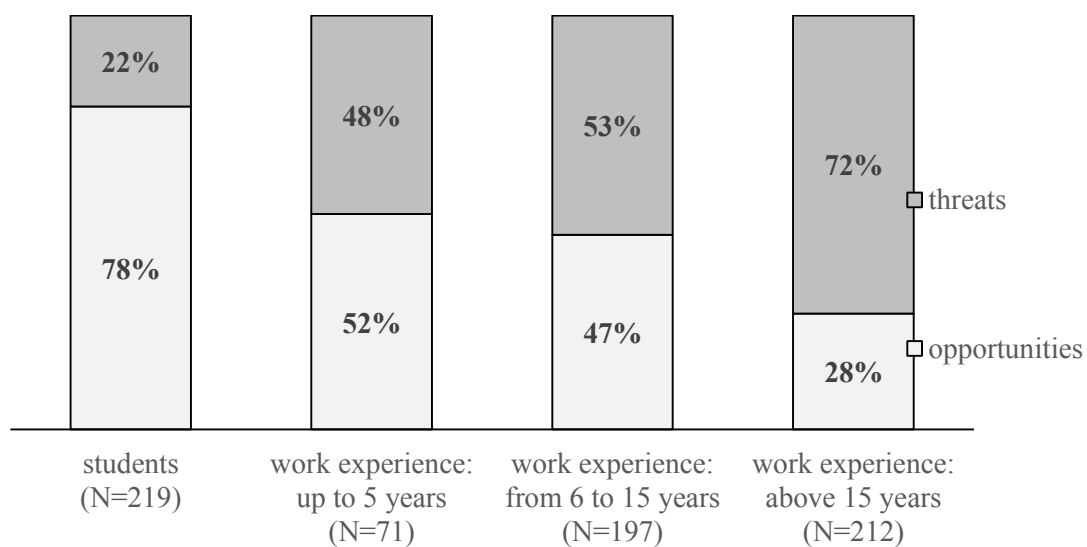


Figure 1. Opinions of respondents on opportunities and threats due to seniority.

The respondents who claimed that the effectiveness of long-term decisions is determined mainly by dependent factors (question 6), indicated that the future is a source of opportunities more often than those who considered the importance of dependent factors to be less relevant. Opinions on the share of dependent and independent factors were also linked to responses on the strategy horizon and forecasting.

The average horizon of strategy formulation (question 7) was almost 5 years, and the average period of extrapolation of trends (question 8) was slightly more than 2 years. The difference between these two averages is statistically significant. Moreover, the respondents claiming that the period for which a strategy can be effectively formulated is longer than 5 years were much more likely to believe that the effectiveness of long-term decisions is influenced by dependent factors.

5. Final remarks

Measuring attitudes towards the future is a complex task. The questions only partially describe this complexity. It seems, however, that the sufficiently large sample on which the research was carried out makes the distribution of answers to the 9 questions quite interesting.

Even professionals, who by definition should be managers, are not fully consistent and coherent in their opinions. Difficulties in identifying interdependencies between various manifestations of attitudes towards the future result from many reasons, which undoubtedly include the imperfection of the measurement instrument and the specificity of the conditions under which research is conducted. There is also another reason, which seems to be dominant in this case – the nature of the research object, i.e. the future.

The issue of understanding the future is closely related to understanding the present and the past. When we ask about the future, we ask whether and how what was and what is – will be. We also ask if and how there will be something that does not currently exist, or even more – something that has never existed. This brings us to the limits of human knowledge. A question about something that has never existed is a question impossible to formulate. However, we may ask about conditions more or less favourable to the emergence of something completely new, conditions favourable to the emergence of new, ground-breaking solutions.

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