

Transforming from Unrealistic to Realistic Optimism: *Steve Jobs as an Example*



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INTRODUCTION

- Is optimism good or bad?





- **Realistic Optimism:**

- Tendency: Have leniency for the past, appreciate the present, and seek opportunity for the future (Schneider, 2001)

- **Research Gap:**

- Lack a dynamic perspective

- **Research Questions :**

- Is it possible for an individual to turn from an unrealistic to a realistic optimist?
- If this is possible, what is schema change during such transformation?



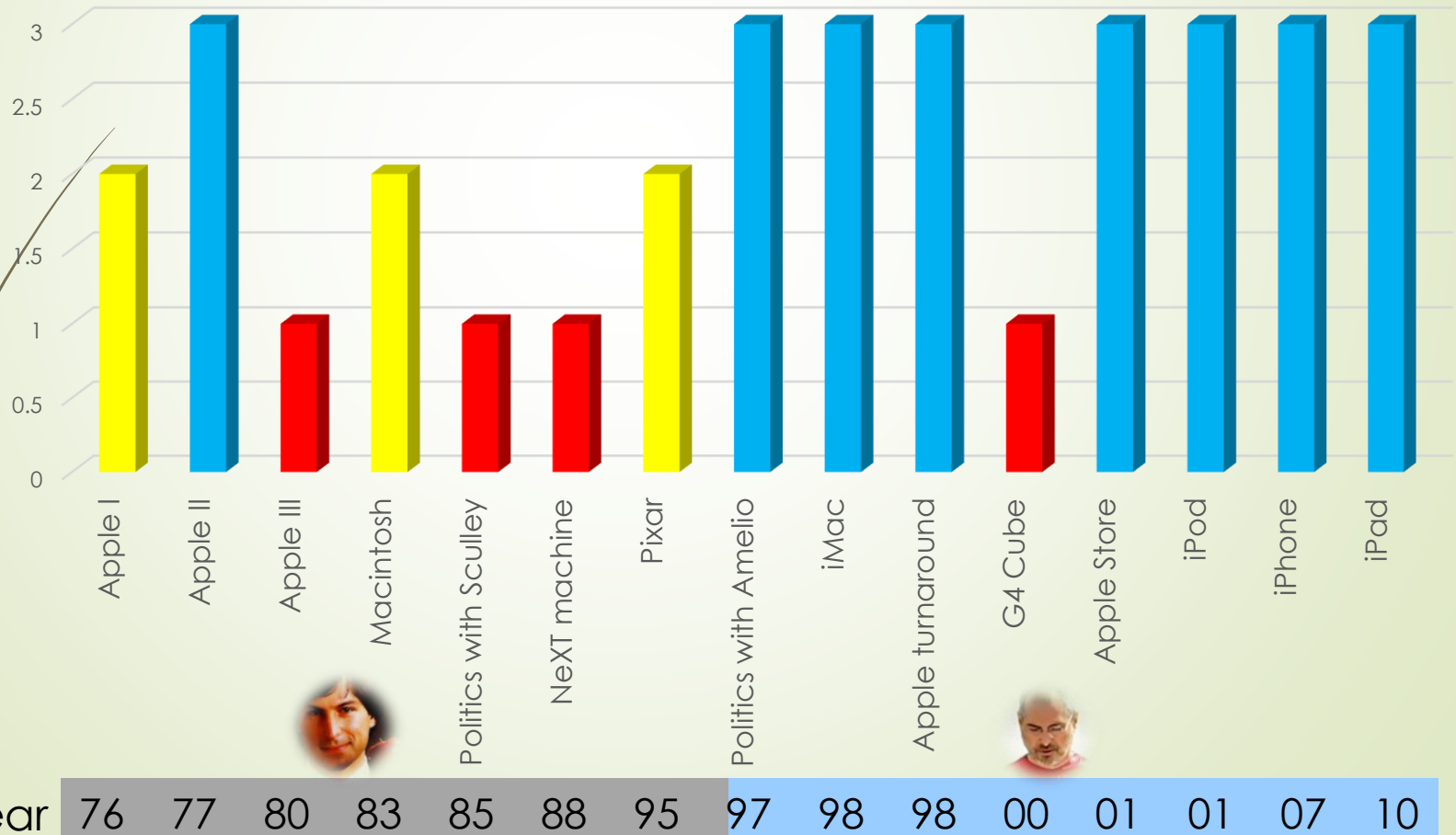
METHOD

- Single-case study
- Sampling method: Purposeful sampling
 - Case selection criteria:
 1. Optimism as a personal trait
 2. Exhibited unrealistic optimism in early years and realistic optimism afterwards
 3. Information-richness
 - Selection process: researchers + external audit review
 - Steve Jobs:
 1. Optimistic retrospectively and prospectively
 - Retrospective optimism: "Getting fired from Apple was the best thing that could have ever happened to me."
 - Prospective optimism: Jobs inspired his people to achieve the impossible.

2. Exhibited unrealistic optimism in early years and realistic optimism afterwards

Steve Jobs's Realistic Levels

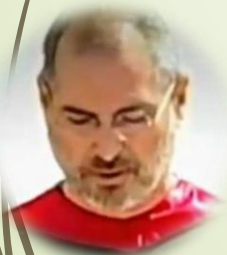
Realistic Levels


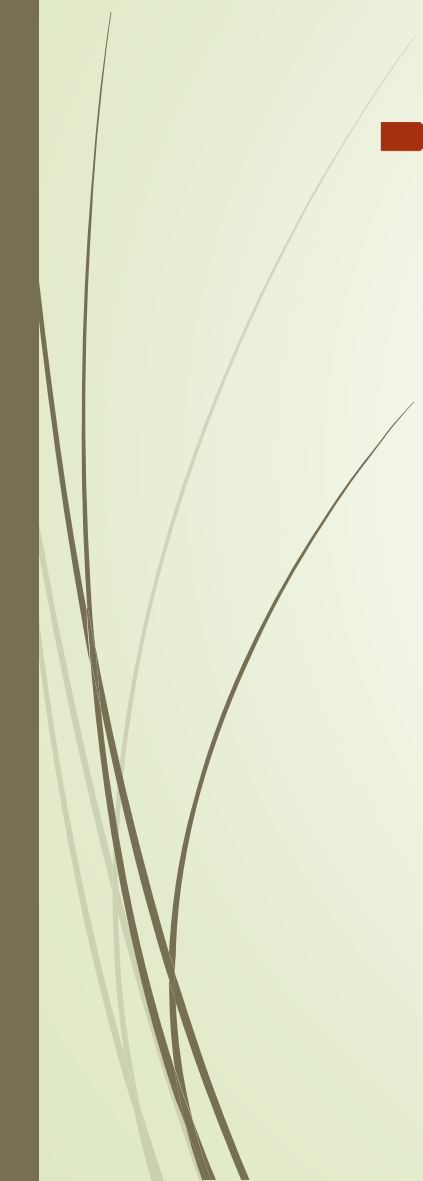


From unrealistic to realistic



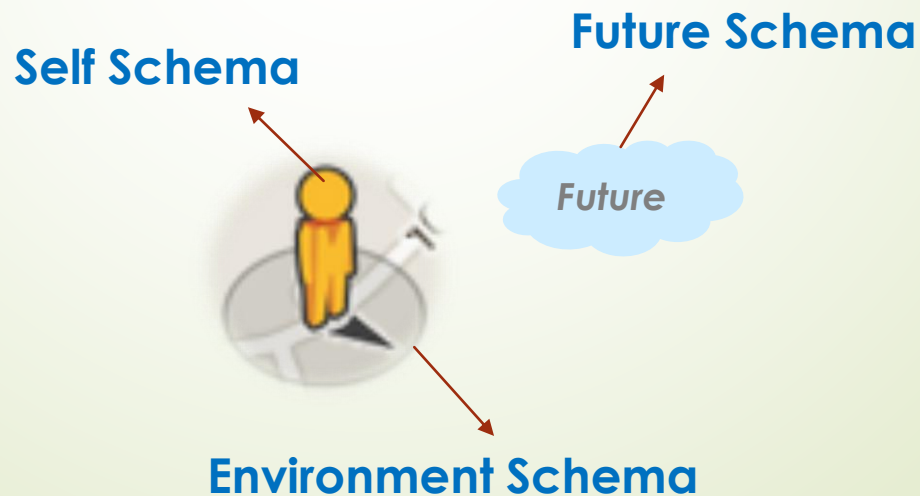
- No fans → overheated




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- Research design for scientific rigor:
 - **Construct validity:** Triangulation of multiple sources
 - **Internal validity:** Analyst triangulation, theory triangulation, external audit review
 - **Reliability:** The building of case database

FINDINGS

- ▶ Schema analysis:
 - ▶ Schema: A mental structure of preconceived ideas often involves **attention**, **interpretation** and even **behaviors**.
 - ▶ schemas are interrelated and **multiple schemas** can be applied to the same information.





Proposition 1: The schema of positive illusions tend to contribute to unrealistic optimism.


- ▶ Positive illusions consist of (Taylor & Brown, 1988):
 - ▶ Self schema: An overly positive self-view
 - ▶ Environment schema: An illusory sense of control
 - ▶ Future schema: An overly rosy outlook

- ▶ Example: Ordered to remove fans in Macintosh design
 - ▶ Self schema: Believed that he had the capability.
 - ▶ Environment schema: Believed that this was not an issue. It was under control.
 - ▶ Future schema: held an overly optimistic outlook

Proposition 2: Concerning the self-schema, *self-improvement* tends to contribute to realistic optimism.

- Self improvement:
 - Admit *self insufficiency* at present
 - Foresee the *potential better self* in the future
 - Take action to move toward potential better self
- iMac's lack of CD burning:
 - Jobs admitted his wrong decision
 - How could I do better in the music market?
 - Launched the iPod to grab the music market.
- Mechanism: **Hope**





*Proposition 3: Concerning the environment-schema, **adaptive control** tends to contribute to realistic optimism.*

- ▶ Adaptive control:
 - ▶ Admit one's lack of control
 - ▶ Space perspective: Adopt **systems thinking** to find areas to exert control
 - ▶ Time perspective: Make **mindful observation** to ride on the trend

- ▶ Apple turnaround:
 - ▶ Admitted he was not in full control
 - ▶ Ensured Microsoft Office support the iMac
 - ▶ Created new products like the iPod, the iPhone and the iPad based on the trends he saw.

- ▶ Mechanism: Increase **perceived control** in a realistic way

Proposition 4: Concerning the future-schema, *opportunity creation* tends to contribute to realistic optimism.

- ▶ Opportunity creation:
 - ▶ Face threats
 - ▶ Find hidden opportunities
 - ▶ Put into action
- ▶ The iPod challenge:
 - ▶ Challenge from smart phones
 - ▶ Turned threats into opportunities by creating the iPhone
- ▶ Mechanism: **Benefit finding**



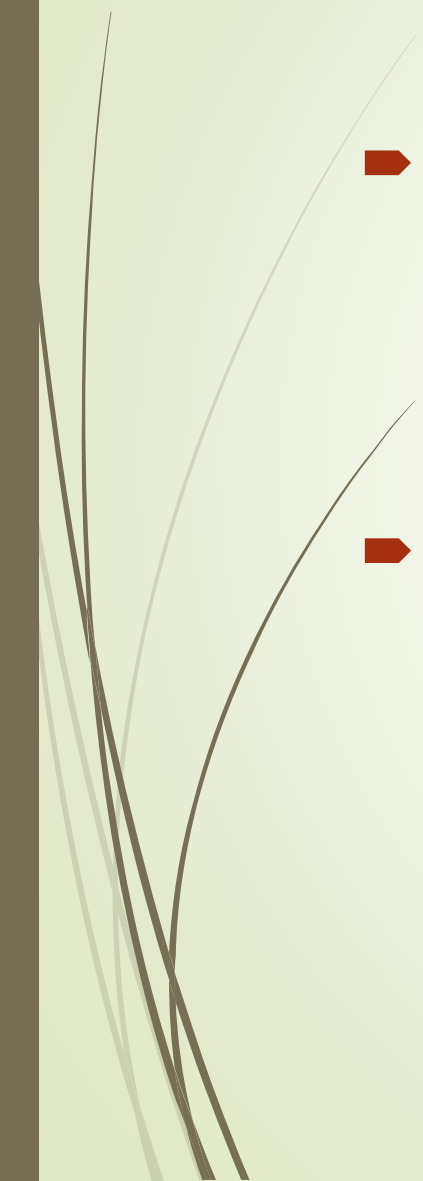
FINDINGS

- **Schema of positive illusions:** Mental structures that allow individuals to remain optimistic through illusory cognitions.
- **Schema of positive truths:** Mental structures that allow individuals to stay optimistic by seeing “upside potentials.”

	Schema of Positive Illusions	Schemas of Positive Truths
Self Schema	an overly positive self-view	self-improvement
Environment Schema	an illusory sense of control	adaptive-control
Future Schema	an overly rosy outlook	opportunity-creation



DISCUSSION

- ▶ It is important to develop ***adaptive schema***:
 - ▶ Assimilation only is not enough
 - ▶ Accommodation is essential for adaption
 - ▶ The schema of positive truths is very important for:
 - ▶ Success
 - ▶ Lasting happiness
- 

Did I learn the lesson?



➡ This time I learned the lesson!