A THEORY OF TEMPORAL ADJUSTMENTS OF THE EVALUATION OF EVENTS:

ROSY PROSPECTION & ROSY RETROSPECTION

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ABSTRACT

This article presents a theory of people's evaluations of personal events in their lives. The main thesis is that people's anticipation of certain types of events and their recollection of these events are in many cases more positive than the experience of the actual event. We conceptualize this phenomenon as a constellation of three distinct processes: Rosy Prospection (the tendency for people to anticipate events as more favorable and positive than they describe the experience at the time of its occurrence), Dampening (the tendency for people to minimize the favorability or pleasure of events they are currently experiencing), and Rosy Retrospection (the tendency for people to remember and recollect events they experience more fondly and positively than they evaluated them to be at the time of their occurrence). Using principles of information processing, we identify the key cognitive processing mechanisms that we believe produce the "rosy effect." We then develop a regression model that describes how people

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evaluate events. We next describe the cognitive and motivational factors that we believe produce the effect. We conclude with a discussion of the implications of the rosy effect for social and personal effectiveness and well-being.

Judith anticipates with pleasure the upcoming annual conference of her profession. She thinks that it will be fun to see everyone. She anticipates catching up with her colleagues, seeing some of her former students, hearing some interesting papers, discussing her successful career and dancing at the division's party all night long. However, during the course of the anticipated event, she finds that many of her colleagues and students are not there, the papers were mostly boring, lots of people are equally successful and the band is only mediocre.

Robert is telling his brother about his fishing trip to the Baja last year. He describes how the fishing was great, the food was excellent and the weather was glorious. However, in reality the fish were small and hard to catch, the food made Robert slightly sick, the weather was windy, and the sea choppy.

What is happening here? It seems as if our expectations and recollections of certain types of events are different from the reality of the experience at the time of its occurrence. And, it appears that our evaluation of the future and the past is more positive than our reports of the moment.

Although it is tempting to conjecture that people's perceptions accurately reflect both the positive and negative aspects of events they experience, lots of research suggests that this is not true. Numerous authors over the years have argued that perceptions are inaccurate and more specifically that expectations (anticipation) and memory (recollection) are filled with biases, errors and illusions (e.g. Bartlett, 1932; Fiske & Taylor 1991; Greenwald 1980; Tversky & Kahneman 1986; Taylor & Brown 1988; Loftus, 1980; Taylor & Crocker, 1981; Nisbitt & Ross, 1980). The impact of these types of cognitions have been studied in the fields of decision making (e.g., Fischoff & Beyth, 1975; Kahneman & Shell, 1990), personality (Greenwald, 1980), social cognition (Taylor & Brown, 1984), and organizational behavior (Staw & Ross, 1987).

However, our title and opening examples suggest a specific content and evaluative direction for some of these perceptions. The thesis presented here is that people's anticipation of certain types of events and their recollection of these events are in many cases more positive than the report of the event when it occurs. We see the phenomenon as a constellation of three distinct processes. We label these processes:

"Rosy Prospection" is the tendency for people to anticipate events as more favorable and positive than they describe the experience at the time of it's occurrence.

"Dampening" is the tendency for people to minimize the favorability or pleasure of events they are currently experiencing or events that have occurred very recently.

"Rosy Retrospection" is the tendency for people to remember and recollect events they experience more fondly and positively than they evaluated them to be at the time of their occurrence.

Collectively, we refer to the operations of these processes as a "rosy view." The purpose of the following paper is, first, to define the scope of these three processes. The rosy effect does not occur for all events and we specify it's contextual constraints. Second, we attempt to describe the causes of a rosy view. We believe that the rosy view is produced by cognitive processes that operate during the evaluation, anticipation, and recall of events. The cognitive processes that we describe are higher-order information processes that affect decision-making and the evaluation of events. These higher-order processes often entail the use of heuristics and can lead to biases. Our analysis of these cognitive processes derives from a general information-processing model (cf. Anderson, 1985), that includes basic components, such as stimuli, attention, encoding, judgment, and retrieval processes. Some of the mechanisms suggested are relevant for two or all three of the rosy processes whereas some are unique. Third, we describe alternative or competing hypotheses. That is, we describe related phenomena and explantions. Finally, we discuss the implications of the phenomena for a person's general sense of well-being as well as its effect on particular processes such as decision-making and learning.

SCOPE OF INQUIRY

Our general hypothesis is that people anticipate certain types of events and recollect these types of events to be more positive than when they are actually experienced. To understand this hypothesis more fully we need to elaborate on a few points.

First, the effect we are describing is not a sampling effect. A sampling effect occurs when people are asked to anticipate the future or recall the past and they simply select or sample events that should be or were seen as positive. In other words they choose positive events to anticipate or recall; and "forget" events that are less positive. There is evidence for this type of selective sampling and recall of positive events (cf. White, 1982; Wagenaar, 1986), but that phenomenon is not the focus of this paper.

What we are suggesting is that people evaluate certain events less favorably at the time of their actual occurrence than when they anticipate them, and when they recall them at a later point in time. Thus, our thesis is that the evaluations of events that people experience are subject to transformations over time. Our prediction is that events that we currently experience are

dampened relative to our anticipation of them and our later recollection of the event.

Second, the focus is on relative and specific declines in evaluation. By relative we mean that an event that is expected or recalled as positive is less positive at the moment—not that anticipated or recalled positive events are experienced as negative. By specific we mean that the transformation of the evaluation is limited to that event and not to more general evaluations. Whereas having a rosy view for a particular event *may* have an impact on one's general well-being we are not suggesting that people are always unhappy with their present state relative to thinking about their future or their past. Thus, a rosy view is not a reflection of a person's overall well-being, even though it may contribute to one's general happiness along with other factors. This is a point to which we will return.

Finally, our hypotheses apply to events that are generally positive, events where we are active participants and have some control, and events for which there are not highly evaluative outcomes. These characteristics are common to many types of personal and professional experiences in individual's lives. A more detailed discussion of these types of events is presented in following sections.

Key Assumptions

Underlying our hypotheses are some general assumptions about the subject matter which is the focus of our theory. One key assumption is that the label, "event" refers to a bounded temporal sequence of activity and behavior. This conceptualization is consistent with a large body of research in cognitive social psychology suggesting that people store information in terms of cognitive structures such as schemas or scripts (Markus & Zajonc, 1985; Taylor & Crocker, 1981; Fiske & Taylor, 1991). These events are seen as distinct from other temporal concepts such as "moments" or "periods" in our lives. Moments are brief components of an event, whereas periods are sets of events that form a longer and more distinct segment of our lives (Schooler & Hermann, in press). For example, a moment may be the experience of smelling a rose or looking at a sportscar passing by. A period may be one's childhood or graduate school.

We also assume that an event is composed of "aspects" which reflect attributes of the event. For example, the weather, the fish, and the food would constitute aspects of a fishing event. Individuals have evaluative associations for these aspects, with the implication that changing, forgetting or reconstructing various aspects of an event can change the overall evaluation of the event.

Finally, we assume that a person combines and integrates their assessment of the numerous aspects of the situation and then attaches an overall favorability rating to an event (Fiske & Taylor, 1991). This assumption is

consistent with a large body of research that suggests that people make immediate summary evaluations of entities in terms of favorability. Indeed, pleasantness/favorability/goodness are primary affective judgments (Zajonc, 1968; Osgood, Suci, & Tannenbaum, 1957). Of course, people make other, second-order evaluations of events, but we are concerned with a person's assessment of the overall favorability of an event.

Stimulus: Context Factors

Before we present our analysis of the rosy view as determined by cognitive, information-processing factors, it is important to identify aspects of the stimulus situation or context that are central in the development of rosy views. Below we describe particular aspects of the event that serve as boundary conditions for the development of rosy views.

Positive events. A rosy view is most likely to occur when the event is initially evaluated as positive. Highly negative events may have fundamentally different properties (Clark & Isen, 1982) in terms of the mechanisms that influence evaluations. For example, negative events tend to be infrequently anticipated and are reported as more vivid than positive events. The store of negative material in memory is less extensive and less well integrated into our schemas (Isen, 1984; 1987). And as we mention later, some of the mechanisms that produce a rosy view for positive events operate differently for negative events.

Personal involvement. The rosy phenomena is most likely to operate for events in which people are personally involved, rather than for events that people are observing or are detached from. We believe that involvement is fundamentally important for some of the motivational and cognitive processing that produces a rosy view. For example, knowledge about the self is more affect-laden (Bargh, 1982; Ferguson, Rule, & Carlson, 1983) and therefore self involvement is critical for the effect to occur.

Self-contained. A rosy view is most likely to operate on events that are self-contained. Self-contained events are events that do not have extensive and important sequelae or repercussions that are intimately linked to the event. Of course, we realize that all events have an inevitable aftermath or repercussion, but our theory focuses on events that do not have important sequelae because research has indicated that these consequences influence anticipation and subsequent recall (Linton, 1982). That is, events that become highly entwined with other events will influence recall in some ways that are independent of our phenomenon of interest. These "other" events do not negate the rosy effect, they may simply confound it.

Weak outcome dependence. Rosy phenomena are more likely to operate on events that are not strongly outcome-driven. For example, the experience

of taking a Legal Bar examination or going to a football game would be strongly colored by the outcome of the event (pass or fail, win or lose). Events that have inherent positive or negative outcomes (even if they may not last long—such as a football game defeat) pre-empt the "transformational process" that we hypothesize to occur. These transformational processes are internally driven by cognitive and motivational processes independent of external evaluation. For example, Kahneman and Snell (1990) and others have suggested that the anticipation of outcome driven events is highly influenced by the probability of the occurrence of good or bad outcomes and the recall is influenced by both the likelihood of this outcome and the positive or negative nature of the outcome.

Key Decisions. Very important decision situations (i.e. purchasing a new home, choosing an occupation) often include various processes such as information search and integration which may be independent of rosy interpretations. Also, when events are framed as involving a very important choice, various biases (Kahneman & Tversky, 1984), personal attributes and psychological mechanisms entailing the evaluation of alternatives may operate (Abelson & Levi, 1985) that may override or dilute a rosy view. For example Tversky and Griffin (1992) argue that important decision processes involve a search for reasons, arguments and justifications and such processes are distinct from the evaluation of events. In many cases such rational and reasoning type activities will tend to routinize and depress some of the mechanisms we believe contribute to a rosy view.

However, not all decisions are "key" or "important" or involve the invoking of highly rational reasoning activity (Beach, 1991). Quite the contrary, most decisions involve more scripted and schema driven processes and we will argue that such processes are indeed susceptible to a rosy view.

Personal control. We believe the rosy process is more likely to occur where people believe they have some control over the event. Events regulated by external circumstances or social expectations (e.g a visit to the Doctor) restrict one's freedom and personal control and in many instances dictate the evaluation of the event.

In summary, the rosy phenomena that we describe, rosy prospection, dampening and rosy retrospection, are more likely to occur for events that are generally positive, that are relatively self contained, mostly free of significant implications, and for events where people are actively involved and have some control over how the event unfolds.

Identifying the above conditions has a number of advantages. First, and perhaps most important, it allows us to be precise about the subject matter of our theoretical propositions. The literature contains numerous constructs related to optimism and nostalgia (which we will discuss later) that may at first appear to be similar to our rosy hypothesis. The theory presented here

is new and as such its contextual boundaries need to be clear in order to distinguish it from other processes and to define starting points for empirical investigation.

Second, we believe that the context conditions we describe occur frequently and characterize the broad range of social life. We take trips to the acquarium, get involved in a discussion group at church, spend a day at a book fair, go to a nice restaurant for lunch, take a weekend vacation, go boating, or visit an art gallery. This is the stuff that composes much of everyday life.

Third, the contextual factors described above divorce the rosy view phenomenon from the questions of (1) what leads to general happiness and (2) whether people are constantly more disappointed with the present than they are with the past or the future. Such general evaluations of momentary happiness include assessments of moments, periods and events as well as positive, neutral and negative segments of activity. They include active and passive events, ones that had outcomes and ones that did not. Current well-being involves assessment of past, present and future at the moment. It involves events that recur frequently and repetitively over time as contrasted with an expectation and recollection of one event (Strack, Argyle & Schwartz, 1992). General evaluations of happiness are a far more inclusive process than the rosy view.

In short, our intention is to focus on a circumscribed phenomenon. In this way we can (and will) differentiate a rosy view from other constructs and be more specific about how and when it operates. We will not be concerned with questions like "are you better off now than you used to be" or "do you anticipate being happier in the future than you are now." While there are various mechanisms that might explain the answers to such questions they are beyond the purview of this paper.

THEORETICAL ORIENTATION

Both cognitive and memory processes operate to produce a rosy view. Specifically, our analysis is based on the elements and processes of information processing theory (Anderson, 1985). Cognitive information theory is a theory of the mind of the individual actor. The essential elements of the information-processing approach are presented as a list of general principles (see Anderson, 1985; Hastie, 1986; Wyer & Srull, 1986; for more extensive treatments) which function as the basis for the operation of the cognitive process that produce the rosy view phenomenon. Sutton (1992, p. 5) for example, in discussing people's recollection of a visit to Disneyland argues that the features of human information processing will prompt people "to remember and report the pleasant feelings that they experienced at the park and forget and fail to report the unpleasant feelings that they experience." It is these types of phenomena that our rosy perspective attempts to explain.

Cognitive Information Processing Theory

The fundamental material of the information-processing approach is information (Wyer and Srull, 1986; Srull and Wyer, 1989). Information is typically represented as a list of features. For example, personal events are represented as a list of features or aspects that may be segmented or parsed in the manner discussed earlier.

Concepts such as personal events, are represented as nodes labelled with a word or phrase, (e.g., "my trip to Disneyland") and relations between idea nodes are symbolized theoretically as links in a network. For example, a trip to Hawaii represents a general concept node and the features include aspects of the event such as plane travel, hotel accommodations, golf, sun bathing, dining out and swimming.

Information is stored in memory in one of several alternative structures. The most common is a list of concepts, wherein each concept is linked to one or two adjacent nodes. There are also referent event categories and goal categories. That is, particular concepts may be combined to form larger categories. For example, a particular trip may be conceptually linked to other vacations in a more general hierarchical structure. However, the special focus of our research is in the linkages within a single concept (e.g., a particular trip).

Information is available according to simple spreading activation principles. Activation spreads from a currently active location in a knowledge structure to other nearby locations; the spread is rapid and the amount of activation of proximate locations is inversely related to the number of locations; and it diminishes sharply with the distance from the source of activation (Anderson, 1985). Thus, accessing an event (anticipation or recollection) results in a web of knowledge that is dominated by related aspects.

An executive monitor controls the information-processing system by operating on goals and plans organized into a control structure hierarchy (Wyer & Srull, 1985). The goal will influence the type and level of information accessed (Devine, Sedikides and Fuhrman, 1989). It is our contention that goals differ for when one describes events in the future, present and past. Partly as a result of these goal shifts, we observe differences in information used to make evaluations.

The information processing system tends to behave economically to accomplish its goals by expending a minimum amount of time and processing resources. This tendency gives rise to heuristics or cognitive shortcuts that facilitate information processing but often produce inaccurate judgments and biases (Tversky & Kahneman, 1974). For example, instead of recalling the specific, idiosyncratic aspects of an event, people may rely on a generalized stereotyped sequence of events to facilitate recall. We believe that some of these shortcuts operate to produce a rosy view.

There is also a distinction between information that is "active" (part of what Wyer and Srull, 1986, call the work space) and information that is stored in

more permanent memory. The active information is usually composed of events occurring at the moment. And, negative information is more likely to be found in the active space than in this permanent memory system.

Although analyzing all of these principles is beyond the scope of this article they do help to provide an understanding of how and why rosy interpretations occur. In the following sections we provide a more precise explanation of the ways in which the rosy phenomenon can be conceptualized and the specific cognitive and evaluative mechanisms that operate to produce it.

Evaluation Mechanism: A Regression Model

Given the above principles, it is important to describe the specific ways the transformation in the evaluation of an event takes place. Our analysis is built upon a multiattribute regression model. This model is a convenient and parsimonious way of representing the key features of the phenomenon. In the regression model of psychological judgment or lens model, (Brunswick, 1955; 1956; Stephenson, Busemeyer, & Naylor, 1991), information dimensions known as cues are evaluated, weighed and combined using an additive, linear model to form an overall evaluation. In line with the cognitive information processing view presented above, events are seen as information that is mentally represented as a concept node containing aspects or features. An individual's overall evaluation of an event is computed as a weighted evaluative summary of the list of aspects.

The model is based on the assumption that individuals rely more heavily on some attributes (cues) than on others when making evaluative judgments about an event. The linear model can be constructed to reflect the differential weights an individual attaches to these various cues. Given a sufficient number of evaluative or judgment events, a regression analysis can be performed in which $K = 1$ to n cue dimensions are treated as predictor variables and the person's evaluation is treated as the dependent variable or criterion, Y.The resulting regression equation represents the policy of the person:

$$Y = b1X1 + b2X2 + \ldots + bnXn$$

Where Y is the best prediction the equation can make of the person's overall evaluation, given the values $X1, X2, \ldots, Xn$ on the respective cue dimensions; and $b1, b2, \ldots, bn$ are the weights (i.e. the regression slopes) given to the cue dimensions that will maximize the multiple correlation between the predicted and actual summary evaluation. These weights are assumed to reflect the relative influence of the cue dimensions on the individual's evaluation.

There are a number of similarities between the rosy view phenomena and the general lens model. First, the aspects of an event are similar to cues. Both aspects and cues are information dimensions which people evaluate more or

less positively. Second, the set of aspects or dimensions used to make an evaluation can change in composition over time. Some aspects or dimensions (*Xs*) may be dropped or added. Third, aspects have weights. That is, some aspects have a greater or lesser impact on the evaluation than others (bs). And finally, the aspects, their evaluations, and their weights are combined to form an overall judgment of the event (*Y*).

Thus, events are composed of aspects which are evaluated and combined to form an overall evaluation of the event. Using this regression model as a way to represent the rosy view suggests four different cognitive processes that should produce changes in one's evaluation of events over time.

Changes in aspect evaluation. Prior to and after an event we may evaluate certain aspects of the event more positively than we do when it occurs (reflected as changes in the evaluation of a given *X*). If one represents aspects as the cues to be combined to form an overall evaluation, then the evaluations of most aspects may be higher before and after the event than during the event. For example, if a person's summer vacation is a function of the following aspects: weather, accommodations, food, and scenery, the evaluation he or she attaches to any of these aspects should change over time with more positive evaluations appearing before and after the event compared to during the event.

Selective sampling. We hypothesize that negative aspects are generally not anticipated or recalled (certain types of *Xs* are excluded before and after an event). Thus, the set of aspects (or predictors) changes over time in such a way that negative aspects are not anticipated before the event or drop out after the event. Such a shift in the set of aspects (*Xs*) will result in a more positive overall evaluation before and after the event than during the event. For example, a tourist may not anticipate losing luggage or may forget about the bad food on a vacation.

Construction and reconstruction. The obverse of not including or dropping negative aspects that might have or actually occurred is to add positive aspects or cues that do not or did not occur (Xs that didn't happen are present before and after an event). We anticipate and recollect positive aspects that do not happen. Again, we utilize a set of aspects (Xs) before and after an event that are more positive than those that are salient during the experience. For example, a vacationer may anticipate a lovely full moon that does not occur or remember a flattering comment that was never actually spoken. We expect that such "aspect intrusions" will reflect prototypical event schemas. That is, people's prototypes for certain events may intrude upon their anticipation or memory of actual events.

Differential weighting. Finally, people tend to augment the positive aspects of an event and downplay the negative aspects. For example, people emphasize or weight factors in multiattribute tasks in a self-enhancing fashion. The

ambiguity associated with events that have not yet occurred or have occurred in the past may provide fertile ground for the development of differential weighting of positive and negative aspects. This process is comparable to a change in the beta weights (bs) we apply to aspects when we make overall judgments. We are suggesting that before and after an event the weights applied to positive aspects are greater than they are in the present. For example, a person may retrospectively increase their weights for positive aspects of an event, such as food or weather, that were weighted as less important at the time of the event. This selective weighting would enhance the overall evaluations of the event that are generated before and after the occurrence of the event.

In summary, if we combine the four processes outlined above (see Table 1) we would predict the effect presented in Figure 1.

We should note that the form of the curve presented in Figure 1 represents only one possible reflection of a rosy view; there are many others. For example, anticipation may be more positive than reflection or the reverse. The drop or ascent before and after the event may not be at the same rate. However, in general, the curve suggests that the evaluation is relatively stable before and after the event but immediately prior, during and immediately after the event our positive evaluations are depressed and/or negative evaluations are magnified, which produce a dampening effect. Because motivation and affect are important and essential components of cognitive processes (Tetlock & Levi, 1982) we now turn to a discussion of some specific cognitive and motivational explanations for rosy evaluative processes.

Cognitive and Motivational Explanations: Prospection and Retrospection

The mechanisms outlined below were derived from the large literature on social-cognitive information processing (Markus & Zajonc, 1985; Fiske & Taylor, 1991). We narrowed our inclusion and selection of mechanisms in our theory in two ways. First, these mechanisms involve processes and operations that may be represented in terms of the information-processing model outlined earlier. Second, these mechanisms produce the rosy effect by operating on one or more of the four processes outlined in Table 1. That is, these cognitive-motivational processes lead to changes in the evaluation of an aspect(s) of an event; changes in the weighting of aspects; construction and or reconstruction of events; and selective inclusion of aspects of an event.

The mechanisms are divided into two groups. The first group operates on individuals' prospective and retrospective evaluations of events. We discuss prospection and retrospection together because we believe that similar processes operate before and after events to produce rosy evaluations. We believe that prior to an anticipated event and following the experience of an event, availability, self-enhancement, and story-construction operate to

Table 1. Four Processes Producing a Rosy Effect

Process	*Before & After*	*During*
1 Changes in the evaluation of specific aspects (e.g. weather)	More positive evaluation of aspects	Less positive evaluation of aspects
2 Selective Sampling—Omission of negative aspects (e.g. bad food)	Fewer negative aspects	More negative aspects
3 Story Construction—Inclusion of positive things that never actually take place	More positive aspects	Fewer positive aspects
4. Differential Weighting—Positive aspects have higher weights than negative aspects	More pronounced	Less pronounced

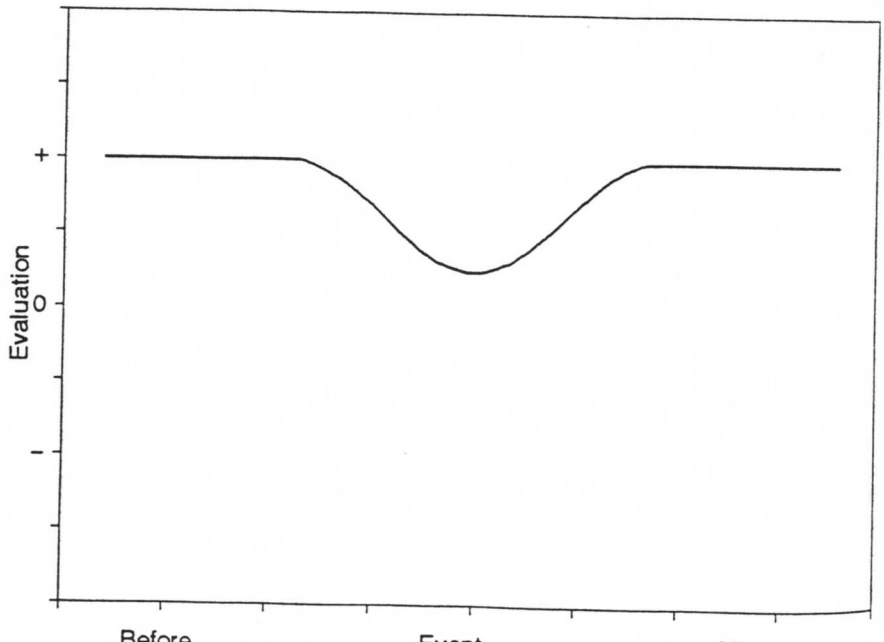

Figure 1. Predicted Effects of the Rosy View Phenomenon on the Overall Evaluation of Events at Three Points in Time.

enhance the evaluation of the event. These processes may operate simultaneously or independently, with the relative ease with which these processes may be invoked determining the probability of their occurring. Our prediction is that the more processes that are involved, the greater will be the rosy effect. The second group of mechanisms operates on individuals' evaluation of current events. During an event, distraction, point-of-view and regret operate to depress an individual's evaluation of an event. Again, we think that the ease with which these processes may operate determines the likelihood of their being invoked. We should note that distraction is an unique process in the sense that it is largely driven by the environment and external factors' whereas the other processes emanate from cognitive and motivational processes.

Self-enhancement biases. A large literature in cognitive social psychology suggests that individuals engage in a variety of self-serving or self-enhancing behaviors and cognitive activities. A number of labels have been used to describe the tendency for people to enhance themselves. Taylor and Brown (1988) label this tendency, "positive illusions" and suggest that people view themselves more favorably than others, believe that they are more likely to experience and be the recipient of positive events and good news than are others, and perceive themselves as having more control over events in their lives than other people do. Most individuals possess an overly positive view of the self (Greenwald, 1980; Taylor & Brown, 1988; Weinstein, 1980). For example, people tend to remember their successes rather than failures (Silverman, 1964) and to recall their task performance more positively than it actually was (Crary, 1966). Together, this constellation of phenomena suggests that people will tend to view the future and remember the past positively, especially for events that are personally involving.

Anticipating and remembering events that one is personally involved with is a way of enhancing self-regard. When a person anticipates events to be more favorable or remembers personal events more positively, positive regard increases. To the extent that events are salient, important, and involving, the motivation to enhance the favorability of the event should increase. Taylor and Brown (1988, p197) say of anticipation "the future will be great, especially for me" while Loftus (1980, p145) says of memory "the major reason that we distort the truth is to enhance our own self esteem."

Why should self-serving biases have a greater impact on the evaluation of events that a person anticipates or recollects rather than immediately experiences? We think the answer lies in the ambiguity of the event. To the extent that the event is ambiguous or uncertain, self-enhancing interpretations of events can occur (Thompson & Loewenstein, 1992). Events that a person is currently experiencing are less ambiguous and more data-driven than are events that have yet to occur or have occurred in the past. Minor errors in

judgment, interpersonal gaffes, or inappropriate actions are present and apparent at the moment but are not anticipated or recalled. Evaluations of events that have yet to occur, are remote, or are otherwise not in working memory require more inference and schema-driven processing. To the extent that individuals rely on schema-driven processing of a personally involving event rather than data-driven processing, the evaluation of the event should be positive. Thus, events in the future and past are more ambiguous than recent or currently-experienced events, and ambiguity permits and facilitates a focus on the self. And ratings of the self tend to be positive.

Availability. Availability is a cognitive heuristic that describes the tendency for people to base their estimation of the relative frequency of an event or instance on the ease with which information may be brought to mind (Tversky & Kahneman, 1986; Kahneman & Tversky, 1984). We suggest the availability heuristic is also used when people evaluate the favorability of an event. To the extent that positive aspects of the event are more salient, more frequent, and otherwise brought more easily to mind, the event is evaluated more favorably. For example, Matlin and Stang (1978) suggest that the Pollyanna effect (positive future expectations) is due to such a mechanism.

We hypothesize that the availability heuristic operates in a fashion such that positive aspects of future and past events are more easily brought to mind than are negative aspects. In contrast, for current events, the ratio of positive to negative aspects will not be as great, resulting in a less favorable overall evaluation of the event (Sutton, 1992). We think that three subprocesses are important in producing this effect. First, the availability heuristic is more likely to be invoked when people attempt to project future events or evaluate events of the past than when they evaluate the present. If we are uncertain about what will happen we are more likely to fill in or construct the future using inference mechanisms and schema-driven processes. Because memory structures are more elaborate for positive events (Fiske & Taylor, 1991), people will be more likely to fill in or construct the future with good aspects of an event (which are more available) than bad ones. And, negative features are not as readily incorporated into existing memory structures compared to positive features (leaving positive aspects more available). In contrast, evaluation of current events do not necessitate retrieval from long-term memory. Individuals may rely more on on-line (Hastie & Park, 1986) or peripheral cues, such as current inconveniences or obstacles when they evaluate an event that is occurring at the moment or has just occurred.

Second, we think that events that have yet to occur or have occurred in the past tend to have a more internally consistent cognitive structure than events that are more current. Simply, there may be more inter-item links between positive aspects of an event. Also, there could be stronger links between the entry or access memory node and the positive aspects of the event. This

explanation suggests that the mental representation of aspects for future and past events are constructed in a fashion that permits the positive aspects of events to be retrieved more readily (Wyer & Srull, 1989).

Third, information that is still "in process" is more detailed and less subject to both distortions and biased evaluation. This current information is active and negative aspects and evaluations are difficult to discount or dismiss. On the other hand, the stored information that is available for use to construct a future and interpret the past tends to be positive.

Story-construction. The availability explanations focus on the type of information that is used in evaluations (i.e. the selection of aspects) rather than re-interpreting or changing the positiveness of aspects of events that actually happen. In contrast, a story construction explanation suggests that the rosy effect is partly due to the way in which schema are constructed. Events in the future and in the past can be more easily written or re-written to conform to stereotypical, or idealized temporal sequences of events. Schemas are more internally evaluatively consistent than are data and become more abstract with experience (Anderson, 1982; Anderson, Kline & Beasley, 1979). Taylor and Brown (1988) cite numerous studies that suggest that reports of the future represent what people would like to happen or what is seen as socially diserable and attractive. For example, in anticipating or recollecting a vacation, a person can retrieve a general vacation schema ahead of time, or reconstruct the aspects of the actual event in a fashion that is more consistent with the general schema after the fact. These constructions are likely to include numerous positive aspects while events occurring at the moment or recently-experienced events are less susceptible to such construction and reconstruction.

A good example of reconstruction was demonstrated in a study by Barclay and Wellman (1986). They instructed people to keep daily records of personal events which were collected by the experimenters. At a later point in time the subjects were asked to rate various statements about these events. Subjects were presented with actual events they had previously recorded as well as "foils" (events that did not actually occur). The further away the person was in time from the event, the more likely they were to rate as true those events that had never actually happened. Our thesis is that people will be more likely to reconstruct events to include positive aspects that never really happened and that this tendency will be greater as the temporal distance between the event and time of recall increases.

Story construction not only influences what is included and excluded but also can change the affect for the aspects that actually occur. The fish that might be caught or is recalled as caught is seen as larger, the seas as calmer, and the beer as better than it is evaluated at the moment. Thus, aspects of events become positively accentuated as a result of their emphasis or centrality

in a story. The already positive aspect becomes more positive and the weight applied to that aspect also is elevated.

Situational and Motivational Explanations: Dampening of Present Events

The positive evaluation of current events seems to be dampened by different processes. We believe that the processes that lead current events to be dampened relative to past or future events are different from the cognitive and motivational processes that produce rosy prospection and retrospection.

Cognitive distraction. One reason that may cause present events to be dampened is that unpredicted, external things may occur. People are not able to attend to the positive aspects of their present situation because they experience a variety of distractions that dilute the event. Distractions are not a product of cognitive activity, but instead are naturally produced by a noisy environment. The phone rings, someone interrupts a conversation, a baby cries, the car starts running rough, a siren sounds and so on. These distractions may be minor but they deflect one from concentrating on the pleasure of the moment and they tend to be neither anticipated or recalled. Thus, these negative events form part of the aspect set in the present but not in the future or the past.

A good example is provided by Sutton (1992) in his description of one's current experience of a trip to Disneyland. "Episodes of anger or the blues may be provoked by hot weather, screaming children, high prices, sunburn, mediocre food, absence of alcoholic beverages, employees who express obviously phony good cheer and attractions that do not fulfill expectations" (p. 281) yet as time goes by these aspects are forgotten or changed in their evaluations.

Point-of-view principles. Our perceptual point of view is different in the present from the future and the past. When we look back on the past, the focus of our perceptual field is ourself, we as the person "engulf" the field (Heider, 1946) This is also true when we project ourself into the future. In contrast, in the present, our environment engulfs our perceptual field. Differences in perceptual point of view have dramatic implications for attributions for events (Regan & Totten, 1975; Schneider, Hastorf & Ellsworth, 1979; Ross & Nisbett, 1991; Jones & Nisbett, 1972), and perceptions of personal control. In general, we perceive ourselves as having more control over our lives and less control over the environment. Yet, in the present, our focus is on the environment, where we focus on others and momentary circumstances over which we may have little control. Again, the aspects included on which evaluations are based are different in the present than in the future or the past.

When the environment is salient in the present, it is hard to deny or dismiss negative aspects of the event. They are present, relevant, obtrusive and salient. As information moves from the active processing mode to the storage mode,

many of these items will be forgotten. When schemas (based on stored information) about future events are called up, these negative aspects are absent. When we recollect the event itself they are also absent, resulting in rosy views of the future and past.

Our tendency to view ourselves positively also combines with this point of view perspective to produce rosy evaluations. More specifically, when we think of the future and recollect the past, we, as the actor, tend to be the focus of the story or event. That is, we focus on ourselves, and as such we tend to have positive information as salient aspects of the event. In contrast, when we are currently involved in an event, the external environment is salient. Thus, the type or information and aspects used for evaluation of the future and the past tend to be positive, especially when we contrast this information with our environmental focus at the moment (which is likely to include some negative aspects).

Regret and disappointment. Regret is the label used to refer to the tendency of people to consider courses of action and circumstances that could have occurred when they evaluate actions or events that have already occurred (Bell, 1982; Loomes & Sugden, 1982). To the extent to which more favorable circumstances could have occurred (but did not), a person feels regret. For example, to the extent to which the resort does not look like the photo on the brochure, we are disappointed by the absence of things that we favorably anticipated. Similarly, people are usually unfavorably disposed toward things that they did not anticipate. Loewenstein (1988) argues that when an event is far away in the future people will "savor" it (view it positively) but as the event becomes imminent they will become more pessimistic because of a desire to avoid disappointment which is likely to occur. Thus, the present is more likely to include unfilled expectations and unanticipated events. Because this information has not yet been subject to storage and selectivity biases or parsed to form a story, it is relevant and salient and tends to dampen our appreciation of the moment.

In summary, we believe there are some mechanisms that result in rosy evaluations of the future and past as well as some mechanisms that dampen the moment. Table 2 lists these mechanisms. However, before we move on

Table 2. Cognitive Processes That Operate During Three Different Temporal Aspects Associated With Event

	Temporal Period		
	Prosection	*Experience*	*Retrospection*
Cognitive Processes	self-enhancement availability, story construction	cognitive distraction point-of-view biases regret & disappointment	self-enchancement availability, story construction

to a discussion of the implications of our ideas we present some potential conflicting or contradictory ideas.

RELATIONSHIPS WITH OTHER THEORIES & CONSTRUCTS

In the following sections we discuss theories and constructs that one might initially believe to be relevant for understanding a rosy view. In some cases people have presented ideas that make similar predictions as the rosy view. In other cases, there are theories or constructs which suggest effects that are opposite or contrary to a rosy view. However, in both sets of circumstances, we believe that a rosy view is different in some fundamental way.

Similar Ideas or Predictions

The general notions of optimism and nostalgia have been with us for a long time. The initial research on optimism suggested that people have a positive view of the future. Surveys tended to suggest that people spend a substantial amount of time thinking about the future. For example Gonzales and Zimbardo (1985) report that more people are oriented to the future than the present or past. Surveys also suggest that the majority of Americans are hopeful and confident that things will be good in the future (Free and Cantril, 1968). And Tiger (1979) has argued that optimism is an integral part of thinking about the future.

The above focus on optimism however, does not adequately account for the rosy view. Optimism does not specify the types of events involved—it tends to focus on general well-being. It also focuses on comparisons of events or evaluations that recur over time. For example, survey questions measuring optimism might concern an estimate of ones health or economic well-being now compared to a projection of the future. Or a question might ask for a comparison of how well one will feel, or be economically, compared to others. This area of inquiry, while suggestive and supportive of rosiness is really conceptually distinct and only moderately useful.

The work by Taylor and Brown (1988) is somewhat more specific than the research on generalized optimism. They argue that people are prone to use positive illusions and that illusions are prevalent in normal human cognition. They go on to argue that illusions are "pervasive, enduring and systematic," and stem from a desire to have a positive view of the self. However, research on positive illusions primarily focuses on general assessments and comparisons between oneself and others; whereas a rosy view is primarily concerned with the evaluations of specific events and comparisons over time not people.

Perhaps the constructs that are closest to our rosy view have been presented by Loewenstein and Linville (1986) and Loewenstein (1988). Loewenstein

argues that people utilize a process of "savoring" a desired situation. He argues that optimism is pleasurable in and of itself and that savoring raises already positive expectations—it is "deriving pleasure from a desired outcome before it occurs" (Loewenstein & Linville, 1986 p. 4). Note that savoring refers to the heightening of already positive expectations (similar to rosiness).

Loewenstein (1988) also demonstrates that as we approach an actual event people begin to lower their positive expectations in an attempt to avoid disappointment (which is seen as inherently aversive). Thus, Loewenstein argues that our positive evaluations are already starting to drop before the event actually occurs while a rosy view focuses on the evaluation during and after it occurs. Loewenstein's ideas are similar to some of our rosy constructs and explanations (e.g., disappointment due to unmet expectations) but they are still less precise and inclusive. While Loewenstein does focus on positive events, he says little else about the attributes of the events and his analysis stops short of the experience of the event itself.

The research and theory concerned with social memory also presents some similar ideas to those of rosy retrospection. The early work by Bartlett (1932) suggests that remembering involves active reconstruction and more current work suggests that people selectively search and recall and change the interpretation of past events so that they and the events are seen as positive (Greenwald, 1980, Taylor & Crocker, 1981).

Again, such processes tend to be cast in a general form. Nostalgia is seen as a general form of rosy recollections involving a wide class of events and numerous causes. Loftus (1980) argues that positive memories help our self esteem by picturing ourselves in a positive set of circumstances and scenes. Others such as Sutton (1992) have suggested a socially oriented construction mechanism that helps us "look good in the eyes of others". Ross (1989) argues that we use a social comparison method to infer our positive past.

Perhaps the most relevant recent work for understanding retrospective rosiness comes from Fiske and Taylor (1991), Tversky and Griffin (1992), and Strack, Argyle and Schwartz (1992). Fiske and Taylor (1991) argue that the memory of events involves a construction of people, constructs and schema. Our implicit theories about others and ourselves provides a positive perspective as do our generalized constructs and schema such that we end up with a cognitive summary which is usually abstract and positive. It is this summary construction which is used for subsequent evaluations.

Tversky and Griffin (1992), building on earlier work of Strack, Schwartz, and Geschneidinger (1985) and Schwartz and Strack (1985) suggest that recalling memories provides an endowment effect, a contribution to one's mood at the moment and that such endowments can be positive or negative depending on the event being recalled. They go on to argue that the effect of such an endowment is dependent on the similarity of the moment with the past. If it is similar (a repeated event or experience) a contrast effect may occur. If it

is dissimilar, endowment prevails. While we will discuss some of the issues concerned with repeated events and constructs in the next section, it is sufficient to say here that they are not part of the theory of a rosy perspective. We are concerned with one event viewed at three points in time.

In summary, there have been ideas presented in the literature that are similar to a rosy view and this work has contributed to our thinking. However, the key assumptions and specific types of events that are part of our theory have not been articulated to date.

Alternative Interpretations

The literature discussed above focuses on general views of optimism and nostalgia that are in some ways similar to our own. The ideas discussed below are distinctly different in some very key ways either in terms of the phenomenon they explain, the causes suggested or the effects predicted.

First, habituation principles suggest that people habituate over time such that initially positive events become less positive with repeated exposure (Brickman, Coates & Janoff-Bulman, 1978). The basic principle in this argument is that individuals grow accustomed to, or habituate to a state. One difference with this position from our view is that habituation is concerned with repeatedly tracing one's evaluation of a particular event as it recurs over time. That is, a person has multiple exposures to an event and evaluation is assessed after each exposure. For example, the evaluation of a pay raise will be more positive the first week it appears in the pay packet than in following weeks. The distinction between habituation and a rosy view is that rosy processes focus on the evaluation of a single event over three points in time. That is, the rosy view perspective compares evaluations of the event before and after (i.e. two occasions when the event is absent) with the present evaluation. Thus, these processes are fundamentally different.

The habituation effect does, however, suggest some interesting research related to a rosy view. For example frequency of anticipation or recollection of a single event may change evaluations. If one thinks on multiple occasions about how an event will unfold or recalls it on numerous occasions the act of repetition may affect the evaluation. Also, events that one has experienced frequently may be different from those that are more unique in terms of whether rosy effects occur with the same intensity. The habituation effect would suggest a dampening of evaluation over time while frequency of exposure effects would suggest that evaluations would become more positive over time (Zajonc, 1960; Tesser, 1978). The effects of the frequency of anticipation, experience and recall on evaluations needs to be assessed in research on this topic.

Second, there is a large body of literature that suggests we strive for consistency in our evaluations (Abelson, 1983; McGuire, 1985). This position would seem to suggest that affective evaluations of events would be consistent

over time, rather than undergo transformations as we suggest. However, the literature on cognitive balance tends to focus on consistency among multiple elements at a given point in time rather than consistency of one item across time. In that sense it is also fundamentally different from our analysis. Nonetheless, a consistency interpretation would suggest that evaluations would stay the same rather than change over time, that people are motivated to maintain this consistency and that such consistency is pleasurable.

A somewhat different view of consistency is suggested by Taylor and Brown (1988). They argue that our beliefs "may change radically in response to the temporary conditions and then drift back again to their original state" (p. 202). These ideas are based on the notion of "cognitive drift" (Walster & Berscherd, 1968) and suggest that retrospection will come in line with prospection as a result of a desire for consistency. We believe such a consistency mechanism may occur and future research may suggest it as an additional cause of prospection and retrospection.

Third, one might argue that self-presentational effects are the major explanation for a rosy view. That is, rosy prospection and retrospection are simply stories that people generate for others. By presenting oneself in a favorable manner one can gain social approval and enhance their own regard (Schlenker, 1980). We would agree that the audience influences one's goal, which in turn influences the story that is constructed or reconstructed. And, in many cases, this would result in positive evaluations of anticipated and recollected events. Certainly, the work of Sutton (Sutton & Rafaeli, 1988; Sutton, 1991) suggests that expressed emotions can be socially prompted or designed to manipulate a social audience in a positive way.

However, we believe that the rosy phenomenon is independent of self-presentational concerns. Although people often recount or recollect past events in contexts that involve others, this is not always the case. Much of our musing about the future and past occurs in isolation. In fact, the research by Loewenstein (1988) specifically controls for self presentation and still uncovers positive expectation effects (savoring—or prospection). And Greenwald and Breckler (1985) reviewed evidence that shows positive self evaluations are just as strong under private conditions as public ones. The work by Tesser and Moore (1986) and Tetlock and Manstead (1985) reports similar findings.

Also, it would seem that people would be subject to social pressure to have positive views for immediate events as well as future or past events. That is, a social construction argument would not predict a dampening of current evaluations unless it could present evidence that the type of audience in the present differed in some systematic way from the audience where we discuss the future and the past and that the different audience in the present required a less positive evaluation. So, while social construction may enhance our evaluations of stories about the future and the past it is not the only explanation for such effects and it does not encompass the dampening of the present.

Fourth, we believe that the rosy effect occurs for positive events but not for negative events because the psychological processes operate differently for anticipated negative events. For example, a self-focus bias would suggest that our anticipation and recollection of negative events will be less negative than our evaluation of the event at the time it occurs. That is, because we focus on ourself more in prospection and retrospection than we do at the moment, and we strive to maintain positive self perceptions, the present would be *more* negative than the anticipation or recollection. This prediction is similar to our rosy view. However, a deflection or distraction from the moment mechanism suggests that anticipation and recall evaluations will be more negative than the evaluation of the moment. That is, distraction would deflect the negativity of the moment and the present would be *less* negative than prospection or retrospection. In other words, some of the mechanisms that focus on extremity of the feeling will operate one way whereas those that focus on positivity will operate the opposite way for negative events (See Figure 2).

Fifth, we believe the rosy view occurs independently of the duration of the event and or the extremeity of feeling experienced during the event. Recent work by Varey and Kahneman (1992) and Redelmeier and Kahneman (1992) has suggested that variables such as the intensity of negative or positive feeling experienced during an event combined with the evaluation of the last part of the event (e.g., a good or bad ending) influence the overall evaluative recollection of the event. While we would agree that these processes occur we would again argue that they are distinct and probably independent of the rosy view. However, the idea that the most positive evaluation of a moment during an event becomes the best predictor for the overall evaluative recollection of the event is in line with our thinking and may be important for us to pursue.

Finally, people might interpret our rosy perspective as simply an individual difference variable. Some people are rosy, some are gloomy (Watson & Clark, 1984). Those people that are gloomy would supposedly be happier with the moment than thinking about the future or the past (Baron, Russell & Arms 1985; Bower, 1981). Thus, some people might argue that gloomy people would show an effect exactly opposite of the rosy effect.

Undoubtedly, there are individual differences in the extent to which the rosy perspective operates (Loewenstein, 1988). Some people will show lower positive evaluations of the future, present and past than others. For example, based on the current literature we would suspect that depressed people would be more accurate and less susceptible to rosiness (Taylor & Brown, 1988). However, we constrained our analysis to events that were generally seen as positive experiences before the event occurred. Gloomy people may simply have far fewer events that fit in that category. But we would argue that for those events that do fit in that category, the rosy effects would still appear. They may be less pronounced but they should still occur. The fact that gloomy people initially anticipate that many events will be negative is independent of the rosy view phenomenon.

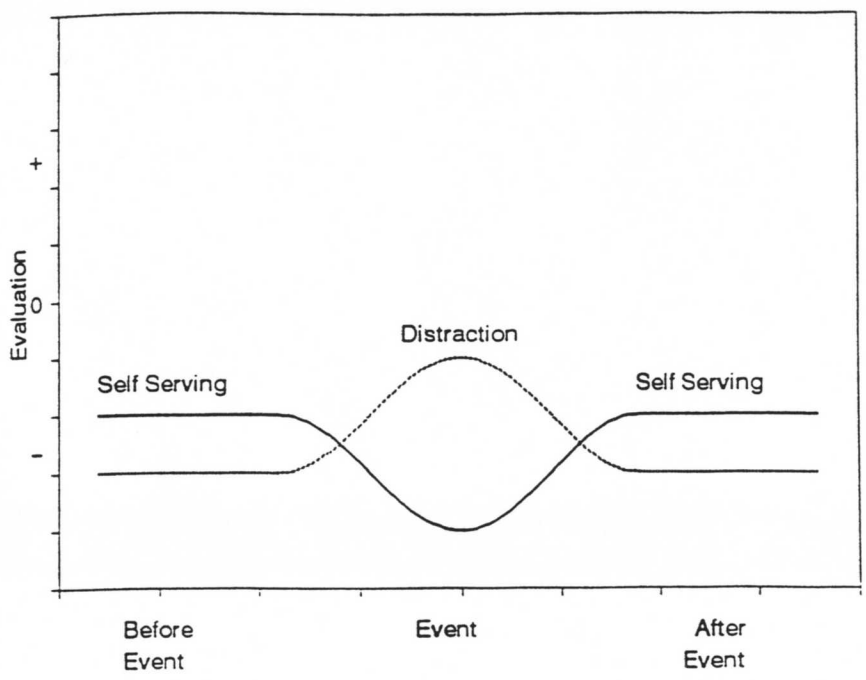

Figure 2. Predicted Effects of Different Rosy View Mechanisms on the Evaluation of Negative Events.

CONSEQUENCES & IMPLICATIONS

If people's evaluation of events in their lives are in fact characterized by principles of rosy prospection and retrospection, what are the implications of these mechanisms for research and practice? We will briefly discuss these two issues in the final section of the paper.

Research Issues

A challenging task for researchers will be to identify the exact cognitive mechanisms that produce rosy views. Such research will require more sophisticated methodologies than simple paper and pencil measures. In recent years, research on social cognition has developed a set of tools and methods that allow for much greater precision. For example, researchers use reaction time measures as a method of inferring mental representations of concepts. Similarly, clustering measures in free recall can provide insights about relationships among concepts, or aspect of events. In addition, research

endeavors may also borrow tools from researchers who study affect and emotion (cf. Taylor & Fiske, 1991). Much of the recent work on positive affect has developed techniques to both manipulate and assess mood and emotional expressions (e.g., Isen, Daubman & Nowicki, 1987; Rhodes, Riskind & Lane, 1987; Salovey & Birnbaum, 1989).

The decision research has also evolved new techniques and tools for assessing cognitions and utility (see *OBHDP*, August, 1992). For example researchers have used information boards (e.g. Dukerich & Nichols, 1991), or computer based information acquisition systems (e.g. Bettman, Johnson & Payne, 1990) along with process tracing techniques (e.g. Payne, 1982) to assess the types of information used and the processes involved when making decisions. In addition, various techniques using predecisional exercises have been developed to help people make choices by deliberating on expectancies and utilities (Gollwitzer, Heckhausen & Ratajczak, 1990). All of these techniques may be useful in studying rosy phenomena.

Our own research employs a variety of methods. People are asked to actually describe how they see the event in the future, the present and the past. We use content analyses and ratings of these stories to assess affect as well as cognitive mechanisms (e.g. self-focus). We also ask people to list and rate the favorability of aspects of the event. We measure their overall evaluation of the event directly through a set of Likert scales and we also attempt to assess the cognitive mechanisms through scales. In this way we have at least two methods of measurement for each construct.

Some of the more difficult aspects of the research involve the choice of an event that fits our criteria, obtaining willing subjects and obtaining multiple measurements before, during and after an event. At the moment we are conducting and analyzing studies involving student's evaluations of a Thanksgiving vacation, people who participated in a three week biking trip and a group of senior citizens who went to Austria for a week. Initial analyses suggest that the rosy phenomenon does occur and that many of our conjectures about its causes are correct. We turn now to a discussion of some of the practical implications of having a rosy view.

Practical Issues

One obivous issue for discussion is whether a rosy view is good for our health. Recent research suggests that overly-positive and biased favorable evaluations of the self are functional in avoiding depression and negative affect, providing a sense of personal control, and self-esteem (Taylor & Brown, 1988). It is difficult to find evidence suggesting that overly-positive and admittedly biased self-evaluations have undesirable consequences other than a slightly distorted perception of reality. It is important to note that such conclusions, however, are based on studies of individual psychological well-being and have largely

ignored the interpersonal and organizational context in which individuals operate.

Our hypothesis is that whereas rosy prospection and retrospection may contribute somewhat to individual well-being, they may have detrimental effects in interpersonal and organizational contexts. (Tyler & Hastie, 1992). First, to the extent that evaluations of future events are used as a basis for making decisions, this could lead to suboptimal choice. Individuals may evaluate upcoming events (or interpret past events) as more favorable than warranted. A large literature suggests that people are over-confident and to the extent that confidence is attached to the expectation of favorable circumstances, this can lead to ineffective decision-making (Neale & Bazerman, 1991). A second related issue concerns the ability of people to revise their behavior as a function of feedback from the environment. The processes of rosy prospection and rosy retrospection suggest that individuals may be unlikely to revise the evaluations of their behaviors and actions appropriately because they remember them more favorably than they actually were. Failure to adjust to feedback is generally believed to be dysfunctional in a number of regards (Einhorn & Hogarth, 1978; Balzer et al., 1989). Rosy mechanisms may help to explain why people often seem to repeat the mistakes of the past.

This latter issue is apparent in the literature discussing changes in utility in the decision making process. Traditional decision theory assumed "that the utility that the individual expects from a particular decision is the utility realized when the decision is made" (Cyert & DeGroot, 1986, p. 129). However, as Varey and Kahneman (1992) point out the expected utility is different from the experienced utility as is the recollected utility (Redelmeier & Kahneman, 1992). As Lowenstein & Linville (1986) suggest, most decisions are partly based on expectations (future estimates of utility) which in turn are partly based on memory (recollections of the past utility). We believe that the rosy view may be one of the mechanisms that will help us to understand the revision of utility over time and, in that regard, will further our understanding of decision making. For example, a rosy view might help in our understanding of why people stick with a course of action even when other alternatives may be objectively more favorable (Staw & Ross, 1987).

Social situations may also augment the operation of these basic rosy processes. One example of this may be the "group think" phenomenon (Aldag & Fuller, in press; Janis, 1982). When individuals in a group have to evaluate a future course of action, the presence of rosiness may inhibit the discussion of negative aspects of a course of action and lead to poor group choices. Thus, changes in individual and group utilities over time are important elements in the decision process.

In summary, there may be both positive and negative implications of rosy evaluations. For example, a rosy view may contribute to people's general sense of well-being. Depending on the robustness of the phenomenon this

contribution may be important for understanding reactions to stress, coping mechanisms, prosocial behaviors and good mental health (Brief & George, in press). But less positive implications are available as well. Rosy retrospection, for example, may suggest some reasons or circumstances where people learn less from experience than they could or should. Constantly rewriting the past in a favorable light may mean we don't adjust to the demands of the future.

We believe the rosy effect occupies an important position in the study of organizational cognition, because it involves an understanding of cognitive information-processes, affect, and decision-making behavior. These processes are the very part and parcel of the classic triumvirate: cognition, affect, and behavior. Research on the integration of these processes represents an important challenge for the organizational researcher, but one that will surely advance theory and inform practice and application.

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