

"Decision At Zenith Life"

A Unique Educational Experience

DANIEL P. KEDZIE

"I come back to this notion that the only constant in this industry or any other industry today is change, and we need a man who can understand, in a sense, the whole rate and pace of change. Whether you're talking about population or communication or information explosions, we need somebody who can continue to grow in this spot and learn from his experience. He's going to get some bloody noses, certainly. Can he learn from them is the real question when it comes to picking the right man."

DR. HOWARD W. JOHNSON, Dean
School of Industrial Management
Massachusetts Institute of Technology
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Too infrequently does a seminar involve the participants in active learning; rarely does it incorporate audience participation and a high degree of interest and a rich educational experience. Such a result was realized in the recent CLU National Seminar held in Philadelphia for almost 400 life insurance management personnel.

Participation

Prior to their attending the seminar, participants were asked to read a case

involving the selection of a president from among four fictitious vice presidents of a mythical life insurance company. The case entitled, "Decision at Zenith Life",* was brilliantly created by Abram T. Collier, General Counsel and Senior Vice President of John Hancock Mutual Life Insurance Company who recently won the McKinsey Award for the best article of the year to appear in the *Harvard Business Review*. Modeling the case after the award-winning article, Mr. Collier created characters

*Copies of "Decision at Zenith Life" and the Proceedings of the C.L.U. Management Seminar are available from the American College at \$2.50 and \$2.00 each, respectively. Discount prices for quantity orders. Address requests to American College of Life Underwriters, 270 Bryn Mawr, Penna.

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who, while admittedly fictional, became "real" in the minds of most readers. On the basis of information about the company and the personalities of the candidates, seminar participants were asked to mail a ballot indicating their choice for the presidency two weeks prior to the seminar. The return votes were then tabulated for use in the seminar where the results would be announced.

Equipped with knowledge about the company and its problems, the candidate's attributes and weaknesses, persons attending the seminar were exposed to the discussions of an outstanding panel of management experts. Moderated by Mr. Collier, the Panel included Edward C. Bursk, Editor of the *Harvard Business Review*, Howard W. Johnson, Dean of the School of Industrial Management, Massachusetts Institute of Technology, Harold J. Leavitt, Professor of Psychology, Carnegie Institute of Technology and Willis J. Winn, Dean of the Wharton School of Finance and Commerce, University of Pennsylvania.

The seminar opened with a tape-recorded interview of each of the presidential candidates who indicated their reasons for feeling qualified for the position. This served to refresh the participants' memories about the candidates and their qualifications while at the same time further animate the characterizations.

Two additional actions were taken to heighten audience and Panel rapport. About mid-way through the seminar, participants were asked to vote for their choice for the presidency. For those who had read the case previously and voted via the mails, this would be their second chance. For those who did not

vote previously, a greater sense of participation was instilled, the kind which most voters experience on a presidential election day. Because the ballot taken during the Seminar was cast after the Panel had discussed the case, Seminar participants had the benefit of authoritative opinion and careful analysis prior to their seminar vote. All attending speculated as to how the second ballot might differ from the first.

Attached to the ballot taken at the seminar was a place for the participants to address questions to specific members of the Panel. This gave the moderator and Panel a kind of controlled feed-back which helped them gauge the effectiveness of their discussions. During the break-time which followed, the ballots were counted and representative questions were culled by the moderator. The second portion of the seminar opened with the Panel answering these questions.

At the conclusion of the question and answer period, the results first of the mail ballot, and then of the seminar vote were announced. This naturally became the climax of the seminar since by this time the participants had become deeply involved and somewhat emotional about the characters and their role in the Zenith Life Insurance Company.

Interest

Because of the heavy personal involvement of the audience in shaping the outcome, if not the content of the seminar, audience interest was extremely high. Each candidate was created so as to offer substantial appeal to the audience. At the same time certain weaknesses became apparent, the importance of which

were hotly debated by both the audience and the Panelists.

Spontaneity in any Panel can lead to varying degrees of audience interest. However, when a Panel of this calibre meets and the moderator is adept as this one was, spontaneity acted to maximize audience interest. At a meeting of the moderator and Panel about one month prior to the seminar, the Panel decided not to disclose their choice for the Zenith Life Presidency until the seminar. It would then become apparent first through general questioning at the seminar, and then specific questioning later as to who supported what candidate.

Educational Content

There existed a great temptation for Panel members and the audience to discuss this case solely on the basis of which of the candidates should be elected president. While this question remained of intense interest to all, the educational value of the case and of the seminar focused around the discussion of those criteria deemed important in the selection of any top-management personnel.

As might be expected by students of management, this question led to a variety of discussions of management principles, practices, policies and myths. Beginning with questions of a general nature, the moderator educed answers to such basic questions as:

Are there common elements of leadership?

Do we really know what motivates people?

Do men make policies, or policies make men?

What information ought you have before making the decision on a new company president?

How good are selection tests?

How do you get honest information about the people who declare themselves to be candidates for executive positions?

Does it really make a difference who is selected president of a large corporation?

Should executives be selected who complement, rather than duplicate the qualities of the incumbent?

To what extent are the private lives of executives an important criteria in selecting them for promotion?

What is the ideal education and training combination for a top executive?

The response by the Panel to such questions was extremely meaningful to the audience who, it will be remembered, had indirectly decided such issues before attending the seminar via their votes for a particular presidential candidate. However, new meaning was added to the audience's understanding during the lucid, if sometimes controversial explanations to audience questions such as:

If judgment by peers is valid, please describe a valid technique for getting at it for Zenith Life?

Why doesn't the current president decide who his replacement is?

In the field of human relations in management, what is the most recent development that will enable the manager or executive to do a better job with his subordinates?

In this age of specialization, how do you develop executives who are experienced in all areas of management?

It was questions like these that enabled the audience to participate in a highly interesting and truly educational management seminar.

Nor was the event devoid of humor. When the audience had cast its vote for a candidate other than the one endorsed by Panelist Dean Winn, he closed his remarks by inviting the audience to return in two years to the management seminar which he entitled "*Crisis at Zenith Life*."

Lessons Learned

This seminar proved that the case method of instruction, long confined to small classes, can be an effective teaching technique in the very largest of groups. The prerequisites to its success are (1) an interesting, educational and well-written case (2) a thoughtful, prepared and expert panel and moderator and (3) a lot of hard work.

Interestingly, the preparations before the seminar were as extensive as they were when it was held. For this program, the case was especially written to encompass the managerial problems common to all in the hierarchy, regardless of position. "*Decision at Zenith Life*" provided the vehicle to accomplish this primarily via the areas of selection, and incidentally through the problems of education, training, procurement and other related areas.

Following the conception, writing, editing and printing of the case was its distribution to seminar participants. Copies were mailed from two to four weeks in advance to all indicating they

would attend the seminar. They were requested to read the case, mark the enclosed ballot with the choice of their presidential candidate and return the ballot for tabulation prior to the seminar. It was also decided at this time to record parts of the case for playback at the seminar. This required the securing of appropriate voices to characterize the candidates. Once chosen, the "voices" had to be rehearsed and tape recorded.

Because this type of presentation was somewhat experimental in nature, a brief meeting with the panel and moderator prior to the seminar was thought desirable. It was decided there that the panelists would not disclose their presidential choices to anyone, even fellow panel members. (Incidentally, during the seminar two panelists voted for candidate "B", one for "C" and one for "D".)

The seminar itself required the usual preparations plus extra attention to special audio details. Because discussion by the moderator and panel constituted the bulk of the seminar, an audio engineering firm was employed to maintain a consistent level of sound amplification to the audience, while simultaneously recording the event for later use in written Proceedings. The playback of the prerecorded tapes of the candidates' voices were also handled by the audio engineering firm.

While there is much to commend this educational vehicle, one caveat must be expressed: its effectiveness will vary in direct proportion to the amount of hard work expended. Those willing to expend the effort, will be richly rewarded.