

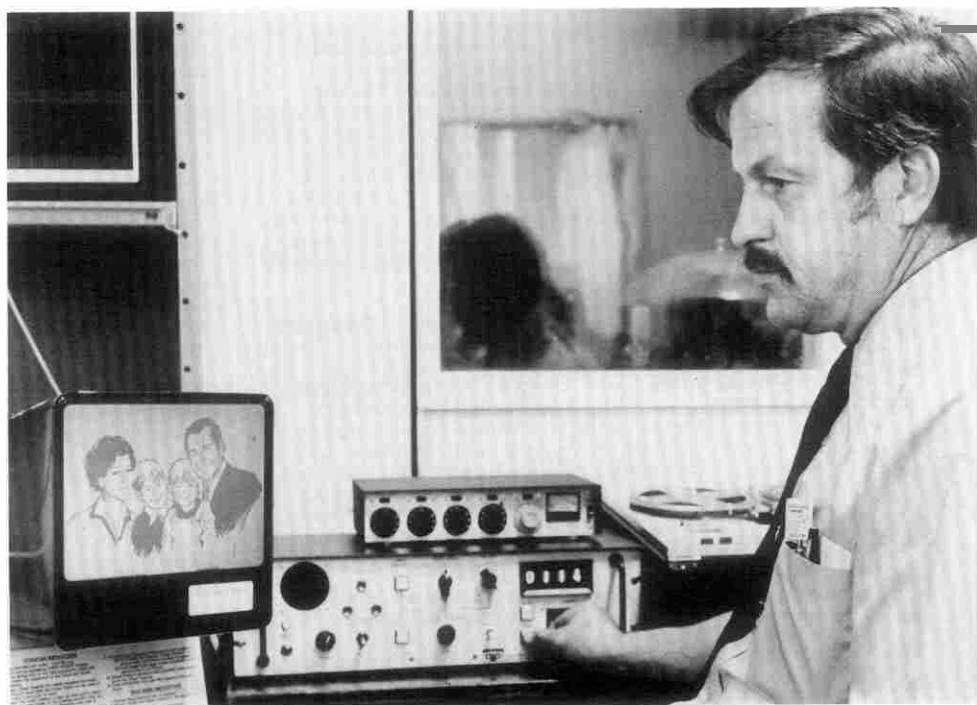
Using an Audio-Visual Format For Training Insurance Agents

at Northwestern Mutual Life

Keyte L. Hanson

As the seventh largest life insurance company in the United States, the Northwestern Mutual has gained a reputation of having one of the finest sales organizations in the life insurance industry. There are approximately 3,500 full-time agents representing the company. Each agent is associated with one of 113 general agency offices or one of the 275 district agency offices located throughout the United States.

Since our field management personnel operate as individual entrepreneurs on a commission contract basis, they are given a great deal of flexibility in the way they recruit, train and supervise the agents in their agency. It is the responsibility of the Home Office Educational Division to provide the field with the best tools and



"The acceptance of this audio-visual communication system as part of our training program has been beyond our original expectations . . ."



"With the high cost of production work and consultation fees on the outside, we organized our own production facility in-house . . ."



programs possible. We feel this agency system has paid off since our agents consistently rank high in the number qualifying for sales achievement recognition as well as educational attainment.

The Problem

In 1968, a new and innovative sales training program was introduced to our field force. It incorporated a multimedia package for training agents in the use of our "Planned Incomes" procedure. This is a comprehensive method of selling life insurance using a programmed personal need approach. The training course used many creative items including a wooden-block model of the sale, stick-on labels, memory pegs, mnemonics, audio-cassette instruction and programmed learning material.

The training program which we developed proved to be very effective, but it also was not without problems. The kit contained way too much material. It was cumbersome to work with. It was very expensive to produce and was difficult to administer. Because of these problems, the agents became bogged down in the training process and they lost sight of the intended objectives. It became

apparent that we had to seek other solutions and yet provide the kind of training desired.

Since the new training kit was very innovative and extremely imaginative, it was not accepted by some of the "old-timers" who were not used to such a departure from the conventional approach to training. The program contained such a tremendous amount of information that we suffered from "overkill." Many of the trainees found that it was much too time-consuming and some were overwhelmed by all of the material in it.

Since the kit incorporated a large number of different items, it was expensive to produce. Making revisions also became very expensive. The logistics of assembling the kit and maintaining inventory was a headache. Our

supply department found it difficult to administer the ordering, purchasing, stocking of items and assembling the kits for shipment. The cost of shipping also was a problem. These and other factors caused us to reassess our thinking concerning the methods employed in providing this training.

It was also apparent that some of our field management personnel were better equipped to do certain kinds of training than others. For example, many of our general and district agents have been very successful salespeople in their own right. As a result, some were very good at providing sales training but they were not as good at carrying out the basic educational programs or satisfying other needs of their new agents. The more routine functions which were repeti-

tive by nature were the most difficult for the majority of general agents and district agents to handle. This caused concern since it led to cutting corners and avoiding some of these functions when new agents joined the team. It was decided that something had to be done to solve the problems mentioned concerning the Planned Incomes training program and also solve the problems described in providing the more routine education and training programs conducted by the field management personnel.

The Solution: A/V

By 1971, we were firmly convinced that there was a need for us to move in a new direction. Extensive research and experimentation were conducted to evaluate training media, various hardware

systems, as well as countless "off-the-shelf" educational and training programs. We became convinced that there were great advantages to using an audio-visual format for some of the things we wanted to do and we explored the possible use of video installations in each agency office. We also evaluated various filmstrip as well as audio-tutorial systems as possible alternatives. Each had its own distinct advantages but cost considerations and other factors in our situation prohibited some choices for the time being.

It was at that point that the Norelco Company announced the new PIP (Programmed Individual Presentation) machine. We looked into the possibility of using this equipment and we viewed a demonstration of an early prototype model of the equipment. This equipment offers some unique advantages which seem to provide us with the solution to many of our problems. In December, 1971 we announced to our field the availability of the PIP equipment and converted much of our training material to this format.

Initially, we decided to use this audio-visual system because it offered many of the advantages we were looking for, including the use of combined sight and sound. Our first programmed individual presentation was the Planned Incomes Program which was described earlier. The complete kit was reduced to film and audio tape along with a binder containing supplemental trainee materials.

Advantages

The PIP system has its own private viewing screen and it utilizes a compact visual cassette containing super-8 millimeter film and a standard audio cassette. The machine is easy to operate and it can present a number of subjects in an interesting way.

We took the best of the training material in our Planned Incomes Program and added full color to

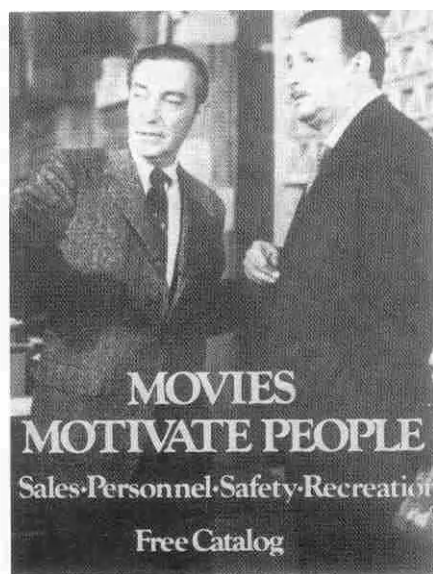
the artwork. It was then photographed in 35mm slides and converted to the super-8 filmstrip form. Other training materials were also incorporated on the filmstrip, but the complete kit now took a reusable format whereas in the original version each kit was used up by each trainee.

What were the other advantages? It was very inexpensive for us to put the program on film and audio tape. The training program could be used over and over, thus further saving expenses. It was compact and easy to control. We eliminated the need for an inventory of bulky and numerous items which were previously included in the training kit. The visual format, reinforced with audio instruction, proved to be very effective. Therefore, we eliminated many of the obstacles which were encountered in the use of the original Planned Incomes Program and it was enhanced with further advantages using this media. Also, because the machine was modern and different, it stimulated a great deal of interest which led to increased activity and participation in this study program.

The PIP audio-visual communication system provides unique advantages for our particular situation. There are, of course, the obvious teaching advantages of an audio-visual format. With a picture being worth a thousand words and this system providing the opportunity for 3600 pictures on each 50-foot super-8 film cassette, it is a powerful tool. The audio instruction reinforces the visual image and the pulsing for the machine is recorded on a separate track of the audio tape.

This combination of separate film and audio cassettes provides for the flexible advantage of a variable speed, all the way from a single frame at a time to as many as 32 frames per second. We can thus utilize a conventional filmstrip format or include full mo-

ROA FILMS



MAIL COUPON FOR FREE CATALOG	
ROA: Please send me the Free Catalogs I have checked.	
☐ Award-Winning 16mm Films for Business and Industry	
☐ 1976 Entertainment Catalog... 16mm Films for Employee Recreation	
Name _____	Phone _____
School/Organization _____	
Street _____	
City _____	State _____ Zip _____
ROA FILMS • 1696 N. ASTOR ST. MILWAUKEE, WI 53202 • (414) 271-0861	

Circle No. 172 on Reader Service Card

tion pictures as well as animation sequences. This allows for an exciting and interesting presentation that is unique and different.

We have also found that this format lends itself very well to the presentation of programmed instruction material. For example,

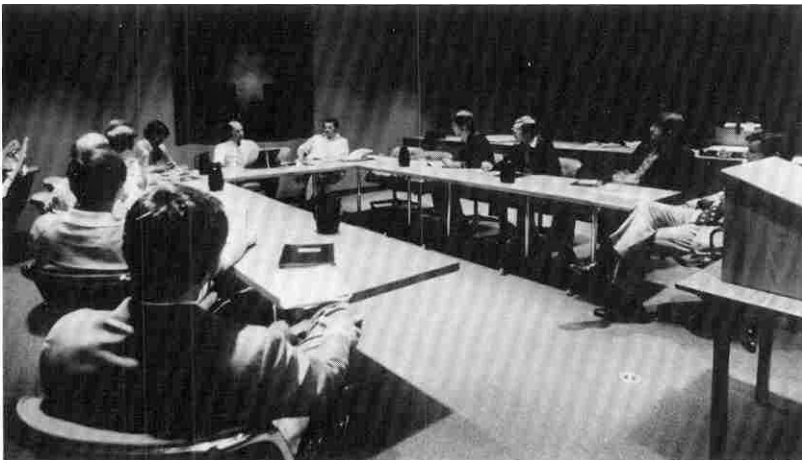
teaching an agent how to complete an application form can be easily and effectively accomplished. We can now provide programs of the routine and repetitive nature on a self-instructional basis. This saves the time and avoids the frustration of our field management personnel

who were burdened by this chore previously.

Another advantage was the inexpensive nature of the hardware and the comparative ease with which the material can be produced. The machines had an original cost of approximately \$375 each, which was an investment on the part of each individual agency office and not an expense of the company. With the high cost of production work and consultation fees on the outside, we organized our own production facility "in-house," and we now do all but the film lab work. We utilize the talent of our on-the-job company photographer and his assistant for the photographic work. We also use the talents of our company artists and forms people for layout and design work. The sound work is done in our own facility which is of very modest proportions but adequate for our needs. Assistance is provided by the Communications Division in the production of the sound masters and the tape duplication work. Often we use company employees for the subjects in our pictures and for the narration on the soundtracks. Occasionally, we hire professional voices for some of the soundtracks.

All of the production aspects of this system are coordinated by one full-time staff person with an assistant. All others mentioned are used on an occasional, as available, part-time basis. We estimate the average production cost for development of a single program of less than 30 minutes in length to be somewhere between \$1,000 and \$2,000 depending upon how elaborate each program is. The cost for producing the copies of each program including all parts is as follows: the visual cassette is approximately \$2.75 with the film cost around \$4. The audio cassette, using our own high-speed duplicating equipment, costs less than \$1 per cassette. Adding the cost of labels, assembly and shipping, we

Finding the best environment for business meetings isn't easy.



The Multimedia Forum exhibiting at the ASTD National Exposition

Audio and videotape recording, television, film and slide presentations make meeting at The Multimedia Forum effective. Business meetings ranging in size from 6 to 425 people can be accommodated. A full-time staff of meeting producers, engineers and audio-visual specialists is available.

The Multimedia Forum is adjacent to the 730-room Crown Center Hotel, operated by Western International Hotels. Crown Center also features one dozen fine restaurants and an extraordinary shopping complex, located just 12 blocks from downtown Kansas City.

THE MULTIMEDIA FORUM

Crown Center
Post Office Box 1435
Kansas City, Missouri 64141
816/274-8311

Circle No. 180 on Reader Service Card

have found the actual total cost to produce a visual cassette and audio tape to be less than \$10.

We currently have over 250 PIP machines in our agency offices with at least one located in practically every general agency and machines located in most of the larger district agency offices as well. This makes it possible to amortize the cost of the development of the program over a production run of 200 to 250 copies.

In evaluating the use of such a system in your organization, you should consider development resources and costs, production capabilities and expenses and the number of outlets that will use the programs you provide. This will help you determine the cost-benefit ratio and the justification in making the choice.

Another benefit of this decision to use this system was the fact that

we now experience standardized training going to all agencies.

We have now developed a number of programs for our specific needs. We have also converted a significant number of motion-picture films to the PIP format. This is done by selecting certain frames from the motion picture film either on an individual frame basis or in a series. Doing this we can re-create the entire presentation mixed with single frames and motion-picture sequences, breaking up the presentation so that it is not tiresome. The entire soundtrack remains intact on the audio tape. Using full motion picture speed there is about a three minute maximum capacity on a 50-foot super-8 film. But using a mixture of single frames and motion combined gives you a limit of 30 minutes on the C-60 audio cassette. Currently, we have converted approximately 30 motion picture films to the PIP format and we have also produced 20 additional programs covering a variety of subjects. A synopsis of our PIP programs accompanies this description.

The Results

The acceptance of this audio-visual communication system as a part of our training program has been beyond our original expectations. We have found the agents look upon this method as a modern way to learn and it is unique and different so that it is not classed with other teaching or entertainment media such as is the case of conventional text or programmed instruction material or television programming.

The machines are compact and sufficiently portable to allow the training media to be transported to an individual as needed. The cassettes are also compact and easy to store.

The Larry Wilson Counselor Selling Program is an example of a program which was in an audio-visual format originally. We converted it to the PIP format and

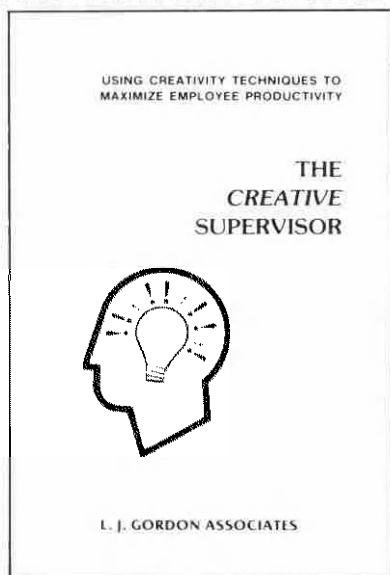
it has worked extremely well in our situation. This meant our agencies, which each had a PIP machine already, did not have to buy other equipment to use this program. We have found that the field management personnel like PIP as an aid to their training program. As long as it is not used to replace the individual face-to-face training but merely to supplement it, the results desired are being obtained.

As one of the first companies to use this new system, we were among the pioneers in the development of programs for it and we had to learn as we went along the way. Originally, we also experienced some difficulty with the machine from a mechanical standpoint, but most of these problems have been largely overcome at this point in time. Further improvements in the mechanical aspects of the equipment and experience in production of programs have made the PIP system an integral part of our training program. Perhaps the most significant problem facing us now is the demand for more programs and the great desire to produce the multitude of programs being requested by the field. We look upon this demand as an exciting challenge and an opportunity for us to fulfill a need in an effective way.

Although PIP may not fit all organizations or situations, in our circumstance with the number of agency offices spread throughout the country, it fits our present needs very well!

USE PIP

Keyte L. Hanson, C.L.U., is superintendent of education and field training in the Agency Department of the Northwestern Mutual Life Insurance Co., Milwaukee. He is responsible for the administration of the company sales training program for agents. After graduation with honors from Brigham Young University, Provo, Utah, he was a licensed representative of the National Association of Security Dealers. Hanson joined NML as a full-time agent in 1960.



Effective, low cost training tool for your productivity improvement programs. Explains how to apply creativity techniques on the job. Single copy price \$1.50 prepaid. 60¢ handling charge plus postage if invoiced. Attractive quantity discounts. 16 pp 6" x 9". Order today or send for free brochures describing complete line of Creative Training Guides.

L. J. GORDON ASSOCIATES
Creative Training Guides, Inc.
P.O. Box 395
URBANA, ILL. 61801
Phone: 217 352 9660

Circle No. 182 on Reader Service Card