

Managing a Career Over Time

A professional is called on to make decisions related to job and career throughout his or her life. From the time we leave school until the time we retire, we are faced with a continuous string of questions:

- How should I approach my new assignment?
- Should I try to get the marketing research job when it becomes available next year?
- Am I spending sufficient time on my job now, or am I spending too much?
- Should I quit my job soon and go into business for myself?
- If the vice president asks me to go to Europe to open up a new plant, should I accept?

The career of Ben Jerrow rather clearly illustrates that the quality of the answers to these questions is directly related to the quality of our lives.

The approach to making these job and career decisions so far is summarized graphically in Exhibit 38-1. The alternative life style systems shown in the exhibit are extensions over time of the snapshot model introduced earlier in Exhibit 35-1. The elements in the system are, clockwise from the top, professional (P), physical (Ph), emotional (E), family (F), social (S), and material (M). In this final chapter we will discuss how this approach can be used not only to make one or two important initial career decisions, but to manage a career effectively over time.

The Decision-Making Model

The approach to job or career decision making shown in Exhibit 38-1 begins with a self-assessment process characterized by:

1. The use of multiple sources of data, which have been carefully selected
2. Thematic analysis, based on explicit logic

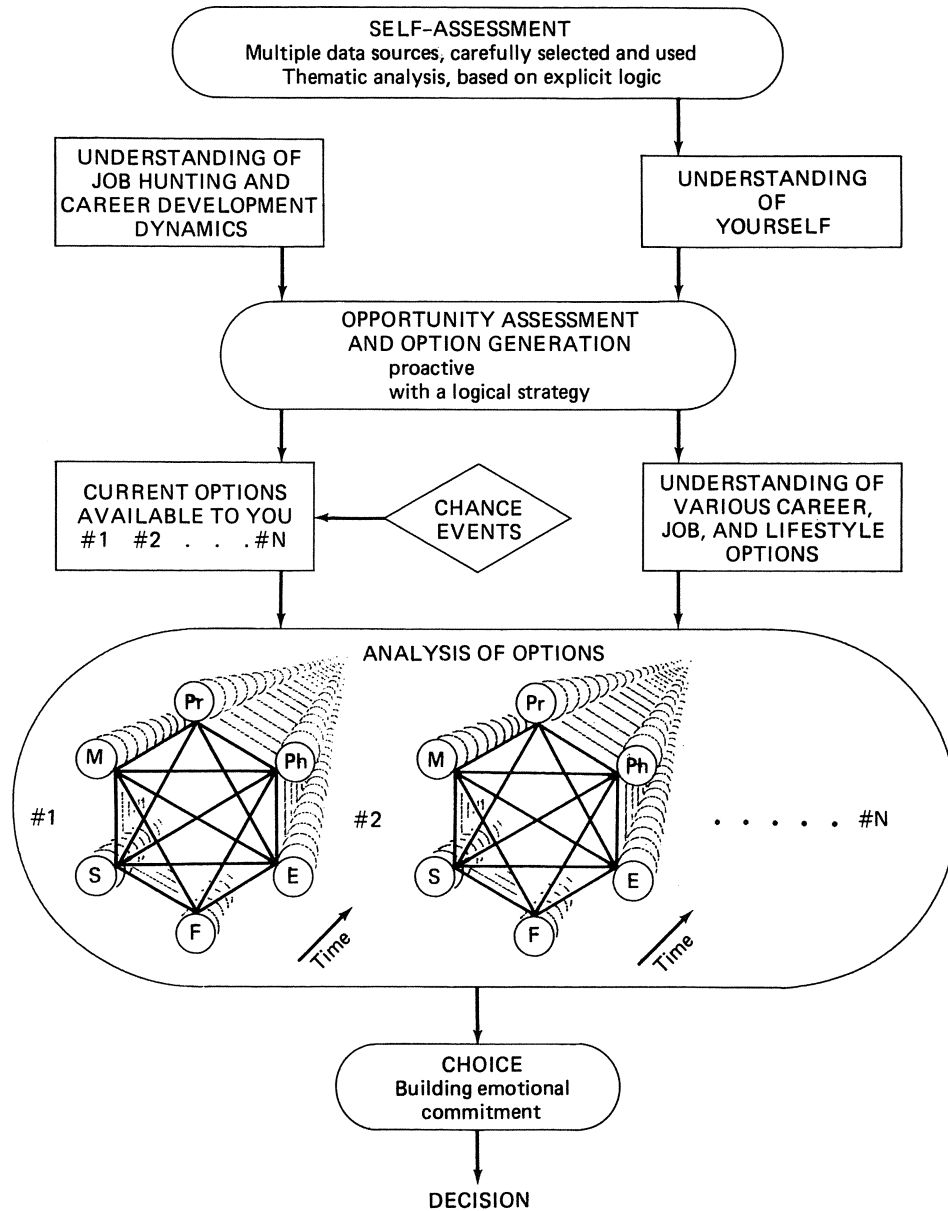
This type of process can generate the accurate self-awareness that is the cornerstone to our whole approach. Self-understanding makes systematic and effective opportunity assessment, option generation, and option analysis possible.

The approach to identifying, securing, and understanding opportunities shown in Exhibit 38-1 can be characterized as highly proactive and based on a reasonable understanding of the realities of job hunting, career development over time (career stages, adult development), and your own character. These processes can generate options that you will find attractive, and that you will understand.

The approach to the actual decision-making process shown in Exhibit 38-1 is made up of two components—analysis and choice. The analytical process is characterized by the rational examination of each option in terms of its impact on the various interdependent parts of one's life, and the projec-

Exhibit 38-1

Career and Job Decision Making



tion of the most probable events into the future for each option.

The choice process is characterized by coming to grips emotionally with each of the options and then choosing one and building emotional commitments toward it. Together these processes lead to a rational decision that one is prepared to implement.

With one modification, this systematic approach to making job- and career-related decisions can be used throughout your career. And that modification relates to the self-assessment and opportunity-assessment processes.

It obviously is not necessary, every time you wish to make a job- or career-related decision, to do the type of self-assessment outlined in Part One of this book or the type of opportunity assessment and option generation described at the beginning of Part Two. Those processes are designed to give you self-awareness and understanding of opportunities in general that can support decision making over a period of time. Only when those understandings grow to be out of date do the processes need to be repeated, in whole or in part.

Reassessment

Keeping an up-to-date assessment of yourself and your opportunities requires periodic reassessment. Our observations of people who seem to manage their careers effectively suggest that at least three different types of reassessments are needed (see Exhibit 38-2).

At least once a year it seems useful to sit down to review your performance, the satisfaction gained from work and other parts of your life, and any indications of problems that are not being addressed. This one- or two-day review might usefully be scheduled soon after a formal job performance review if your organization has a performance appraisal and feedback system. If it does not, then the ball is squarely in your court to seek out this information.

Once every three to four years, a more detailed analysis of how you and the world around you are changing can be very useful. The questions you address here are: Do any of the assumptions about myself and my opportunities used in my last complete reassessment need to be altered because of changes in the last few years? If yes, what are the changes? Do they call for some type of change in my current career or life situation?

This type of assessment takes more than a day. In structuring it, three-day to one-week career planning seminars that are offered by some companies to employees and by some consulting firms to the general public can be very helpful.

Finally, about every seven to ten years, one needs to take the time to do a complete reassessment of

the magnitude described in this book. Setting aside the time to do any of these reassessments and structuring them is extremely difficult, but this one is probably the most difficult of all. Assessment centers of the type some companies are now developing can be helpful. So can professional career counselors and structured sabbaticals (such as to a three- to four-month program at a university).

The Challenge

Many professionals get on a track during their twenties as a result of carefully made choices or of chance events and then chug along that track for a lifetime, never looking to the left or right or up. They don't ever stop the train to reevaluate their situation, even if they recognize that the ride is not as much fun as it used to be. Some people go through life this way. Others, like Ben Jerrow, have their trains derailed by a sudden boulder from the sky and are forced to do some reassessment. As you might expect, being forced into a major reassessment and change during one's mid or late career can be a very painful experience.

It's amazing how many excuses people can invent to avoid reassessment exercises. And this tendency is exacerbated by most professions and organizations, which provide people with little or no help or encouragement for reassessment. Often both individuals and organizations avoid the subject of individual career reassessment out of uneasiness—let well enough alone, don't open up Pandora's box.

Exhibit 38-2

ACTIVITY	INTENSITY	FREQUENCY	SOURCES OF INPUT AND HELP
General evaluation of year's performance and of satisfaction with various aspects of life. Any problems?	One or two days' worth of work.	Once a year	Organization-initiated formal performance appraisal. Conversations with important others in your life.
Analysis of changes in you and your opportunities. Are changes needed?	Up to a week's worth of work, at one time or spread out over a few months.	Every three or four years.	Three- to seven-day career planning seminars.
Major reassessment of self and opportunities.	Of the magnitude described in this book.	Once every seven to ten years.	Assessment centers. Career counselors. Three- to four-month university programs.

One of the biggest challenges you face in your career is to use the tools and knowledge you now have regarding career management and not to let yourself slip into a self-induced career coma. Dealing with the challenge requires awareness and self-discipline on your part, because while you may receive some help from elsewhere (more and more organizations are providing career planning workshops, assessment centers, and counselors each year, but the total amount of such services is very low), the burden rests mostly with you.

Although the amount of available support for career management is not as great as we might like it from the point of view of society, it does make career planning in one sense even more attractive for the proactive individual. Today a person who is willing and able to use the ideas presented in this book to manage his or her career has a real competitive advantage. In a world that currently

supplies considerably less money and fewer interesting jobs than people would like, competitive advantage is very important. The ideas here can give you an edge. Use them!

Assignment

Read the case material that follows, "Adult Life and Career Stage." Then read "The Life and Career of a Chief Executive Officer," (pp. 433-444). Which career and/or adult life stage model or pieces of models helps you to best understand Harold Clawson? Pick one model and, using it, be prepared to describe Harold's life. How would you summarize Harold's career and its impact on him, his family, and his life style? What do you learn from the case about managing your own career development?

ADULT CAREER AND LIFE STAGES

We all have many sides to our lives. The most obvious are the physical, the emotional, and the mental. But we also have social, familial, marital, recreational, and spiritual sides as well. Exhibit 38-3 outlines a starting list of our many facets. Each of these aspects develop and evolve over time. In some of these areas, the development seems to follow fairly consistent patterns; in other areas, it does not. Research conducted over the past three decades, for instance, shows that people's careers tend to follow predictable patterns of development. Various researchers have characterized the stages in this development in different terms, but there are a lot of similarities. On the other hand, although there is still much to learn about it, emotional development seems to be much less predictable. We don't have time to discuss all the current knowledge about the developmental processes observed in each of life's aspects, but we can consider the more common ones.

As we do, keep in mind the two-dimensional framework of the various aspects on the vertical scale and the developmental stages outlined below on the horizontal one. The image, then, is like a musical score, with each melody line repre-

senting an aspect of our lives and each bar representing a developmental stage. From bar to bar, some are in crescendo, others diminishing. But whether the melodies are salient or not, they are there and together comprise the symphony of one's life.

Exhibit 38-3

Aspects of Our Lives

- Physical
- Emotional
- Mental/intellectual
- Spiritual/philosophical
- Recreational
- Social
- Familial
- Marital
- Parental
- Professional
- Educational
- Financial
- Organizational
- Political
- Societal

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We will first present three of the major theories on adult life development and then turn to the professional aspect of our lives and the development of identifiable career stages.

Adult Life Stages

Although the changes in activity, interest, ability, and tasks that humans experience over a lifetime have been the subject of literary pieces for millennia, modern social scientists have not paid much attention to the topic until relatively recently.

Erikson's Theory

The most influential early adult life stage theoretician was Erik Erikson. In his book *Childhood and Society*, published in 1950, he identified stages of human development in terms of several psychological dilemmas that confront all individuals. The dilemmas common to young people built on the work of Sigmund Freud, the first person to begin to describe human development in terms of predictable stages. Freud left off before addressing adult development; Erikson continued to hypothesize. He believed that:

1. From early adolescence to early middle age, the key psychological task a person faced was one of *intimacy* vs. *isolation*. One had to learn to care for and be concerned for another person without fear of losing one's self. If one did not learn to do this, then life became a series of experiences in which the individual felt isolated from the rest of society.

2. In middle age, the key issue was *generativity* vs. *self-absorption*. In this dilemma, the individual had to choose between developing concern for individuals beyond one's own family, including colleagues at work and people in society, or remaining absorbed in self. Failure to develop a generative approach to life would, he said, leave one feeling stagnated and bitter.

3. Finally, in old age, Erikson saw a battle between *integrity* and *despair*. Integrity was the sense that life and all its choices and experiences had "come together," become whole and integrated. Despair was the feeling that things had not turned out as one would have liked, that one had missed a lot of opportunities—and that it was too late to do anything about it.

Again, not much was done in the field of adult development for many years. Then in the late 1970s several social scientists began publishing the results of their observations from clinical practice and formal research projects.

Gould's Theory

Roger Gould was a California psychologist who began to notice common patterns in the issues clients of similar age groups would bring to him. In his book, *Transformations*, he presents a series of assumptions which people learned in their formative years and which must be reconciled in later life, typically at predictable stages. He outlines the following adult life development themes:

16–22 *Leaving the parents' world.* False assumption: "I'll always belong to my parents and believe in their world." During this period young people move from a set of beliefs that revolves around their parents' teachings and support to developing confidence in their own ability to care for themselves and to make decisions that will affect their lives. They feel half in, half out of the family. They wrestle with learning about their independence, their own opinions, their own ability to provide, and relying on people other than family members.

23–28 *I'm nobody's baby now.* False assumption: "Doing things my parent's way, with willpower and perseverance, will bring results. But if I become too frustrated, confused or tired or am simply unable to cope, they will step in and show me the right way." Although people in this period are feeling their autonomy, they are still learning what "works" in the world, and confront the notions that people who play the game by the rules do not always get rewarded, that there is no one best way to do things, that others cannot do for us what we cannot do, and that rationality does not always win. They also are learning about commitment to spouses, to children, to work—and the responsibilities that all these carry—and in so doing, are learning many new roles they will play in society.

29–34 *Opening up to what's inside.* False assumption: "Life is simple and controllable. There are no significant coexisting contradictory forces within me." Having spent nearly a decade establishing oneself in a family and work, an individual now begins to look internally and to question whether or not the commitments and responsibilities assumed were really independently chosen or were mere extensions of parental guidance. People in this period typically begin to confront the difference between the intellectual (rational) and the emotional; they realize that in some ways they did not want to be like their parents; they learn that others are not so neatly understood as they once thought; and they realize more fully than before that their security depends upon them alone.

	Marriage and career lives are established. Children are growing.	17–22	<i>Early adult transition (EDT)</i> . This is a critical transition in which the young man is half in and half out of his parental family. He is faced with necessity of leaving his family, but is not yet sure how to enter the adult world before him. His choices in this transition begin to form his adult self, both as he and as others will see it.
35–43	<i>Midlife decade</i> . False assumption: “There is no evil or death in the world. The sinister has been destroyed.” Gould believes that this period is centered on the question of vulnerability. In it, he says, we work to come to grips with the reality of our own mortality and with the illusion that safety can last forever. We also, he says, work to face the notion that we are not “innocent,” but that we, like others, invite others to play complementary roles to the ones we assume. That occurs most obviously in marriage, and in this period we examine these “unhealthy conspiracies” to make our own roles and our relationships more comfortable. Gould notes: “It is always unhealthy to sacrifice our identity for the stability of the relationship” (p. 280).	22–28	<i>Entering the adult world (EAW)</i> . In this period, the young man attempts to establish a link between his view of himself and adult society. He seeks assistance, often, in doing this and may become a protégé. He begins to engage in adult relationships and explores what that means to him. He attempts to establish a life structure that will at the same time be flexible, leaving him options to change, and sufficiently stable to allow him to get on with his initial choice of means for making something of himself.
44–50	<i>Post-midlife period</i> . Realization: “That’s the way it is, world. Here I am.” In this period, finite time is resigned to as reality; one feels that “the die is cast.” We become more actively involved with young adult children. We depend on our spouses for sympathy and affection. We may regret “mistakes” we made in raising our children. Money becomes less important. We attempt to reconcile what is with what might have been. Life settles down, becomes even. We accept the new ordering of things.	28–33	<i>Age thirty transition (ATT)</i> . The young male adult now feels that if changes are to be made, he had better begin, for time is passing. The life structure initiated in the twenties is reevaluated. Once fondly held dreams are reassessed in the light of several years of adult experience. Some continue on rather smoothly, but for many it is a time of stress—one struggles with how to make the changes one desires. These three periods—EDT, EAW, and ATT—together form the early adulthood or novice stage.
50+	<i>Meaning making</i> . The false assumptions of childhood have been encountered, if not all proved false. It is a period of mellowing, of making within us sense of the things that have happened both within and without. Children are seen as potential sources of comfort and satisfaction. We value spouses more. We have greater self-acceptance. There is little concern for past or future; the present is emphasized. We renew our questioning of the meaningfulness of life. And as we are concerned about our health, we hunger for personal relationships. We realize that we cannot do things as well as we once did.	33–40	<i>Settling down (SD)</i> . In this period, the male adult attempts to consolidate his experience and efforts to build a life structure that will allow him to invest heavily in the things most central to him. Becoming an expert and a valued member of society are key objectives. He is no longer a novice, but is now a full adult determined to “make it.” At the end of this period, he looks for a sense of becoming his own man—a male adult with seniority and respect. As one becomes more of one’s own man, the need for active mentors begins to wane.
		40–45	<i>Midlife transition (MLT)</i> . Now the reexamination focuses not on where one is going, but where one has been. One becomes concerned about his accomplishments and whether or not they have fulfilled his dreams and ambitions or been less significant diversions. Aspects that have been suppressed during the early adulthood period bubble up for reassessment. One wonders if the path taken thus far is really the one that is right for him. One begins to sense physical declines and being no longer young. For some, these questions bring reconfirmation, for others great turmoil and perhaps drastic changes—in career, in relationships, in activities, in the attempt to resurrect long-neglected but valued parts of the self.

Levinson’s Theory

Daniel Levinson, a psychiatrist at Yale University Medical School, and his colleagues studied the lives of fifty men from five different walks of life. His theory concludes that there are a series of transitions and periods of relative stability in adult life. Each transition examines the life structure that preceded it and evaluates its appropriateness for the next era. Transitions are often times of turmoil and stress. The stable periods are often ones of renewed commitment and focus. Levinson’s cyclical stages look like this:

- 45–50 *Beginning of middle adulthood (BMA)*. This is a period of consolidating the reassessments conducted during the MLT. Old relationships receive new attention, and new ones are developed more consciously. One settles into his new or reconfirmed view of himself and savors it. Some sense that a middle adulthood of decline and constriction have arrived; others begin to feel a deep sense of fulfillment in their lives and a mature sense of creative ability. For some, this is the most satisfying season of life.
- 50–55 *Age fifty transition (AFT)*. In this period, the issues which were brushed over or not fully treated in the ATT and MLT are brought forcefully to the fore. Levinson does not believe that it is possible to escape at least a moderate transition crisis in either the MLT or the AFT.
- 55–60 *Second middle adult structure (SMAS)*. Similar to SD, this period is one of completion and settling into. One must prepare for the next transition from middle adulthood into late adulthood. For some this is a time of rejuvenation and realization, filling out the structure outlined in the AFT.
- 60–65 *Late adult transition (LAT)*. This transition anticipates the change in structure from SMAS to late adulthood in which career changes are likely to have a significant effect on one's self and relationships. It is often a period of deep reflection. For some, this is a particularly painful change which they try to avoid.
- 65+ *Late adult era (LAE)*. One must now decide not only the meaning to one's previous existence, but also begin to establish the new structure formulated in LAT. Much more needs to be learned about this period.

Career Stages

Four very useful and comprehensive theories of career stage development were identified by Miller and Form; Super; Schein; and Dalton, Thompson, and Price. We will outline these theories and then ask you to consider them in the life of a person who has lived through them all.

Miller and Form

In 1951 these two pioneering researchers identified five career stages and attempted to describe career development patterns throughout a person's lifetime. They found it useful to think of career development in these terms:

- 0–15 *Preparatory work period*: From the time we are born, we are socialized by our parents,

by our schools, and by the experiences we are exposed to in our immediate environment into a set of views about the world of work. These views and values tend to follow us into our adult working careers. Young people develop their attitudes as they do their first work (chores and homework) in limited doses. Not only do parents and teachers affect this formation, but so do one's peers and social cliques. One of the main features of this preparatory socialization was the American cultural injunction to "make good." They note that most young people were socialized with what they call the four main values of Puritanism: (1) It is man's duty to know how to work and how to work hard; (2) success in work is evidence of God's favor; (3) the measure of success is money and property; and (4) the way to success is through industry and thrift.

15–18

Initial work period: This period is a temporary one consisting of the time when one gets the first part-time job until one accepts full-time, year-round employment. One knows that the initial jobs are temporary and therefore there is a lack of commitment to each position. The common goals are to make "spending money" and to "prepare oneself" for something else. Psychologically, they note, the common agendas are to manage the transition from school to work, to gain independence, to demonstrate an ability to work hard, to learn how to get along with people, to get money as a symbol of independence, and to get a good track record. Most of the occupational frustration comes from work values held as a result of social class membership, expectations of reward based on educational achievement, a decline in the generally accepted intrinsic value of work (see Puritan value 1 above), and expectations of specific monetary rewards for work.

18–34

Trial work period: The trial period begins when one takes the first "permanent" job—and yet the period is marked often by considerable changing of jobs. Finally, after trying several different jobs, one "finds himself," "steadies himself," or perhaps just "resigns himself" to a more long-term position. Miller and Form characterize six distinct types of career orientation that begin to form in this period: (1) the ambitious worker who has confidence he can move up; (2) the responsive worker who fulfills the career expected of him by others; (3) the fulfilled worker who has attained his occupational goal; (4) the confused worker who is uncertain about past and future decisions and whose career pattern is erratic; (5) the frustrated worker who feels thwarted; and (6) the defeated worker who

views himself as a failure. Common to all these is the cultural imperative they call the "American career stereotype" of a young, ambitious man who with average intelligence, but high character, unbounded determination, initiative, and hard work climbs from the "lowliest jobs" to higher income levels which signify "success."

35-65 *Stable work period:* This period is characterized by long-term commitment to "the kind of work that I've always wanted" or to the resignation that one will not find it. Not everyone, Miller and Form state, will continue in one stable work period throughout the rest of their careers. There are many reasons why one stabilizes in one company or job: (1) realization or rationalization of the trial period goal, (2) advantages gained by seniority; (3) age; (4) higher levels of income; (5) family responsibilities; (6) home ownership; (7) friendship ties; (8) institutional ties; (9) identifying with the company and community. The emotional tasks faced in this period relate to redefining occupational goals that may have been achieved or will never be achieved, to waiting for promotions in informal seniority systems, to doing work for which one is overqualified which no longer is stimulating, and to changing personal and family interests which may no longer fit the job. Some will enter another trial period, although Miller and Form say little about why.

65+ *Retirement period:* Anthropologists claim that the elderly have four common psychological goals: (1) to live as long as possible until the troubles of old age exceed the benefits of living; (2) to remain active in personal and group affairs; (3) to protect the privileges accumulated over the career; (4) to withdraw from life honorably with high prospects for the next life. Some do not accept the withdrawal in the fourth goal and hence develop a negative attitude toward retirement.

Super's Theory

Six years later, in 1957, Donald Super and his colleagues published an expanded career theory that built on the earlier work of Eli Ginzberg, his colleagues, and of several other researchers and psychologists. Eli Ginzberg and his colleagues had outlined an occupational choice sequence they felt was an irreversible process. Each stage in this process was influenced, they said, by four factors: (1) the reality of the occupational environment, (2) a person's educational experience, (3) certain personal and emotional characteristics, and (4) a person's values. These four factors, especially the tradeoffs between the first two factors and the last two, shaped the decisions a per-

son would make in the *fantasy, tentative, and reality* stages of career development. Super expanded Ginzberg's theory as follows:

- 0-14 *Growth stage:*
Fantasy substage (4-10): fantasy, role-playing
Interests substage (11-12): emphasizes likes
Capacity substage (13-14): emphasizes abilities
- 15-24 *Exploration stage:*
Tentative substage (15-17): makes tentative choices
Transaction (18-21): enters labor market
Trial (22-24): begins working
- 25-44 *Establishment stage:*
Trial substage (25-30): may change occupation
Stabilization substage (31-44): tries to settle down
- 45-66 *Maintenance stage:*
Holding on to what one has
- 65+ *Decline stage:*
Deceleration (65-70): beginning to retreat from work
Retirement (71-): moves out of career

Super's theory outlined activities characteristic of periods covering one's entire lifetime, but most of his work and focus was on the exploration stage.

Schein's Theory

Ed Schein of MIT finds the following theoretical framework most useful:

1. *Preentry and entry:* The person prepares for work by exploring the possibilities and making a choice.
2. *Basic training and initiation:* One is socialized by the people in the organization into the formal and informal rules and norms of behavior in the organization.
3. *First assignment and promotion:* One establishes one's reputation as probable managerial material or as one who will "level off."
4. *Second assignment:* One either continues toward further advancement or continues to level off.
5. *Granting tenure:* One is admitted to the inner circles of the organization as a permanent member.
6. *Termination and exit:* One withdraws from the organization.
7. *Postexit:* One tries to come to grips with a life style in which the career plays a very reduced or very different role.

Perhaps the most distinctive characteristic of Schein's scheme is the conical view of organization structure which he takes to describe the

movement of individual careers within organizations. There are, he says, three directions of movement: (1) *up*, which approximates the conventional notion of promotion up a hierarchical ladder; (2) *in*, which describes the movement of a person from the outer circles at entry to the inner circles later on; and (3) *around*, in which person moves from one functional area to another in job rotation assignments. Each promotion, of course, may involve one, two, or all three of these kinds of movement.

Dalton's, Thompson's, and Price's Theory

These three researchers from Brigham Young University have studied the careers of thousands of people, many of them engineers, and report the following typical pattern:

Stage One: Apprentice. The individual must learn how to make the transition from school to organizational life, how to be an effective subordinate, and how to live within the informal and formal social system of the organization. This stage is critical because the novice learns values, beliefs, and habits of organizational and interpersonal life that he will use throughout his career.

Stage Two: Independent specialist. One begins to work without supervision. In order to develop one's abilities to contribute and one's reputation, one works hard to build competence, often by specializing. One of the main tasks of this stage is to take the initiative for one's own work so that one is no longer dependent upon supervision for decisions about what needs to be done.

Stage Three: Mentor. One becomes concerned not only about one's own work, but also about the work of those who follow. One of the main tasks here is to move from a frame of mind that focuses on doing to one which focuses on managing the work and development of others—to coaching and directing rather than producing.

Stage four: Sponsor. One becomes involved not only with the objectives and activities of face-to-face subordinates, but also with the goals and work of large groups or systems of groups of people. Sponsors begin to ask about the goals of the organization or how the organization fits into the rest of society—and to take initiative for answering those questions.

One way to summarize the work of Dalton and his colleagues is to note that each stage in their theory describes an increasingly broad perspective of the work that needs to be done and of the people involved in doing it. In stage one, for instance, the apprentice focuses on his boss and the demands he places on the new employee. In

stage two the full-fledged employee is now interested primarily in his own work. In stage three, his view expands to include the activities of those immediately around him. And in stage four, the sponsor is concerned about the work of hundreds, thousands, perhaps hundreds of thousands of people.

These researchers also note that individuals do not necessarily move through all the stages. Some people (probably Driver's steady-state types) prefer to remain in the independent specialist stage, and others may not move from the mentor to the sponsor stage.

Summary

This case has introduced very briefly the main points of several major adult life stage and career development theories. You may have noticed similarities in them (see Exhibit 38-4). We would expect this of theories that attempt to describe similar phenomena. For instance, Erikson's generativity vs. self-absorption dilemma may be viewed as a psychological task facing a person near the end of the Dalton independent specialist stage. The individual who opts for "generativity" is likely to move on to Dalton's mentor stage, while the person who chooses "self-absorption" is likely to remain an independent specialist. Similarly, Levinson's EAW stage has many of the same characteristics of Super's establishment trial period stage.

One relatively common feature of the theories we have reviewed is a cyclical pattern. Levinson, for instance, holds that adults experience alternating periods of stability and transition. Miller and Form agree that many careers are characterized by alternating trial and stable work periods.

We believe that people have a basic internal tension between stability and variety. Although we all vary in our personal preferences for a balance between these two psychological states, we all tend to reexamine the current state (whether it be variety or stability) with an eye toward moving toward the other one. Thus, if our lives and/or careers have been stable and orderly for a while, we begin to get bored and to think about introducing some change or variety. If our lives have been filled with change, we may seek periods of stability to consolidate our perspectives and feelings. Perhaps you can identify additional steps in a cyclical pattern of adult life and career stage development. We encourage you to do this, and to note how they relate to the development of the various human aspects outlined in Exhibit 38-3.

Exhibit 38-4

A Brief Comparative View of Selected Major Adult Stage Theories

Theorist	Age						
	10	20	30	40	50	60	70
Adult Life Stages							
Erikson	Intimacy vs. isolation		Generativity vs. self-absorption		Integrity vs. despair		
Gould	Break away	Mastery	Questions	Resigned	Mellowing		
Levinson (Stable Transitions)	EAT	EAW	SD/BHOM ATT	BMA MLT	SMAS AFT	LAE LAT	
Career Stages							
Miller and Form	Preparation	Trial Initial	Stable	→			Retirement
Super	Growth	Establishment Exploration		Maintenance		Decline	
Schein	Preentry	Entry Initiation	Promotion Watershed (Up or level)	Tenure	Termination	Postexit	
Dalton et al.	Apprentice		Independent specialist	Mentor	Sponsor		

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My first goal was to be a school teacher. There were very few jobs in Cache Valley, and Salt Lake City wasn't much better. Ninety percent of the people were engaged in agriculture or manual labor. If one didn't have land that meant he worked as a farmhand for somebody else. Without capital, one couldn't own land.

There were ten children and fifteen acres in my family, so what was I to do? I had to prepare for something. The most lucrative job in those days, other than farming, was school teaching, unless one could get to the very rare jobs in a bank. The banks seldom had turnover. School teaching, while it was not lucrative, really, was a white collar job and it had something more in it than muscle work. The best job I could hope for at teaching was \$65 a month.

So began James Harold Clawson as he reflected at age 80 on his life and career as an auditor, manager, and chief executive officer of one of the United States' major private utilities. That statement was perhaps the best simple summary of the motivation that propelled Jack Clawson from a modest and isolated farm community to the paneled boardrooms of corporate America. His story is neither unique nor common; it reflects the imprints of great individual drive and of serendipitous luck. It also reflects the subtle and intricate ways in which career can become life and life become career. Mr. Clawson's family knew him as Harold; his business associates called him Jack. Yet in spite of this superficial separation of roles, whenever he was asked about his life, the dilemmas he faced, or the emotions he felt, Mr. Clawson always began to explain by describing what was happening at the company. He was loyal yet independent; demanding yet understanding, intense yet calm. By almost any standard, he was successful.

The Early Years

Harold Clawson was born in 1899 in Providence, near Logan in the northern, mountainous part of Utah. Automobiles were still in their infancy; airplanes were yet to fly. William McKinley was president, the Spanish-American War barely

ended. Harold was the second in what was to be a family of ten children—eight boys and two girls. His father had 15 acres of land, but could not make a living out of them alone. So he worked at a variety of odd jobs, working now as freighter hauling stone by wagon team from the local quarry, then as laborer, always doing his farming on the side. His mother was hardly educated at all, but worked hard and had a great love for her children.

Harold grew up farming, milking cows, and attending a small rural school. In the summer of his twelfth year he contracted an unusual fever that refused to go away. He felt weak and lethargic; he could not walk more than a half-mile without resting. When the Scouts went off hiking, they took a horse for Harold to ride. From that summer on, he did not feel physically strong. He did not grow so tall as his brothers and tired more quickly at physical labor. Some foods did not sit well in his stomach, and he began to have abdominal pains.

Consequently, Harold began to spend more time reading and thinking. His favorite uncle, Leo, attended Utah State University and then became a local school teacher. He brought books home from the school library for Harold to read—a new book each week.

I was under his influence for about five years. He got me started in seeking an education and in doing well in my studies. He was a teacher for awhile in the school to which I went, and so that he wouldn't show any favoritism, he really held me to a higher standard than the others. When I was 15 he unfortunately died from the bad effects of sickness contracted during his youth.

In his local high school (an academy that included two years of college work), Harold did very well. He was outgoing and popular. He took up tennis, and in his junior year won an oratorical contest. His senior year, he defeated the high-status and well-to-do candidate from Logan in the student body presidential election by talking quietly to all the students from the various small farming towns that surrounded Logan, collecting their support for a rural ticket.

This case was written by Assistant Professor James G. Clawson as a basis for class discussion rather than to illustrate effective or ineffective handling of an administrative situation. Copyright © 1979 by the President and Fellows of Harvard College. Harvard Business School case 9-480-036.

Harold worked during his summer vacations as a laborer at the local sugar factory. He remembered clearly the advice of Mr. Campbell, the foreman:

He came up to me where I was working, sweating it out—I wasn't too strong physically—and he said, "Harold, my boy, it's a lot easier pushing a pencil than it is pushing these shovels. It pays better, too!" That impressed and encouraged me quite deeply.

While Harold was at the academy, the nation entered World War I. Expecting to be drafted, he enlisted voluntarily and was sent to Officer's Training School in Waco, Texas, in the fall of 1918. He took correspondence courses at the academy to add to his credits while he was gone. The war ended a few months later, and Harold returned to school. By virtue of his earlier work and the correspondence courses, he was able to complete the six-year course for teacher certification in five years.

He no longer intended to teach, but thought it wise to have the training and credential just in case. In the meantime, his thoughts had turned to law so much that the academy yearbook predicted he would become a judge.

In the fall I enrolled at Utah State. There I met Parley Peterson and George B. Hendricks (professors of accounting and finance). Both of them were very strong on postgraduate work. I was in a formative stage as to what I was going to do. I didn't have any money and thought mostly of getting a job. If somebody had offered me a hundred dollars a month I probably would've postponed or given up going off to Harvard.

Peterson and Hendricks dissuaded young Clawson from going into law ("there were too many starving lawyers") and encouraged him to think about the Harvard Business School. Harold's older brother Charles had gone there that year, so the idea was not altogether new. He applied and was accepted. About that time, Harold also applied for a Rhodes scholarship, but did not receive the appointment.

After finishing his college program at Utah State in June 1920, Harold went to southern Idaho to work on a dry farm and to prepare for Harvard. He took with him the accounting and finance texts (acquired from his brother) written and used by Business School faculty and read them line by line, underlining as he went.

I spent the summer growing and harvesting wheat on a big farm. All my spare time I spent reading these first-year books and some of the reports that had been written by students for the management classes. I went to HBS well prepared. I figured I had to dig

because Utah State at that time was not rated too high academically.

The Harvard Business School and First Job

Harold Clawson went to the Harvard Business School in the fall of 1920, and having read many of the texts used at the school, he did well his first year. He was often able to quote and argue the professor's point of view, since the texts he had read the previous summer were written by the same faculty that he had as instructors. No particular professor was influential in Jack's development, though he had very high respect for all of them.

Jack did not have a lot of time for extracurricular activities at the Business School. He focused his studies on finance, accounting, and auditing and was consistently at the top of his classes in these areas. Jack dated only occasionally (usually a girl from the New England Conservatory of Music) and took trips to Marblehead beach, the theater, or the symphony. One of Harold's classmates noticed that Harold's initials were J.H. and took to calling Harold "John Harvard." Another friend shortened that to "John" and later "Jack," the nickname that stayed with him throughout his professional life.

Jack financed his degree with a mixture of funds—summer jobs, part-time work at Widener Library, and borrowing from his father and other sources. The library work was ideal for him because he was able to study at work and was also able to see what books his classmates were checking out and later read them. During the summer between his first and second years, Jack lived in the campus dorms for about \$6 per month. He earned his living expenses and savings by working first in a packing house and then as the editor for the Camp Devens Citizens Military Training Camp newspaper. When he finished school, Jack had about \$2,000 in education debts.

Jack began his job search with the usual campus recruiters. He interviewed with one of the Big Eight public accounting firms that came, and it first appeared that he would go to work for them, but they delayed their decisions until after graduation. So Jack followed up on interest expressed by the engineering, management, and investment firm of Stone and Webster of Boston. Jack had a great interest in traveling, so when Stone and Webster recruiters described the company's far-flung holdings and the job of a traveling auditor, Jack accepted their offer. He went home for a month and then reported to his

senior traveling auditor in Houston, Texas, to begin work.

Jack and his senior companion traveled the country auditing the company's electric, gas, and street car system holdings. He learned "the ABCs" of these businesses in those early assignments, but he felt his performance reviews were mixed:

One senior man I went out with said I wasn't much good, but another said I was a humdinger. So I went to the head of the department and asked which one of these men was right. He said I was doing just fine, excellent in fact. So I was okay.

On the auditing circuit, Jack occasionally dated women in the towns where he was working. In one midwestern city he met a banker's daughter who was eager to get married, but their religious backgrounds were so different that Jack decided not to pursue the relationship in spite of his fondness for the lady.

After two years of heavy traveling and extremely long hours, Jack was exhausted. He told the company he was going home for the summer to regain his health. Harold spent a month in Logan chopping wood and farming. By then, he felt renewed enough to return to work on the auditing circuit. He established a regular program of exercise and health care which he followed rigorously thereafter.

After a year and a half I got a call which said that our team of auditors out in Seattle needed another man, would I leave the circuit I was working on and go to Seattle? So in January 1924, I left Columbus, Georgia (where I was working), crossed the snow-covered plains and mountains and came down into Seattle, where the roses were still blooming.

Leora Gibbs

On his way to Seattle, Harold stopped off in Logan and had his first date with Leora Gibbs. Leora was the second of three daughters of a struggling family in Cache Valley. She was very outgoing and full of spunk—qualities which Harold liked and felt complemented his own quietness and reserved manner. Leora was teaching school near Logan at the time.

Harold came to see her during his summer vacation the following year, and they were engaged. The next year, 1925, Harold was reassigned to Boston. On his way east, he stopped in Logan and married Leora. They honeymooned across the country.

Harold spent one week in Boston, found his wife an apartment, enrolled her in a finishing

school, and went to Florida and Texas on a three-month auditing trip. He had become a senior auditor himself, and his new circuits included the entire United States, Nova Scotia, and Puerto Rico.

I left her alone. I told her she was just a young girl and needed to learn more about the world and to get a little Boston culture. So she went to a finishing school. It was a choice experience and she learned a great deal, including expression, oratory, and social graces. She mixed with some very fine people.

Having gone to college and studied to be a teacher with the idea of helping people to learn and to excel in all things, and having been through fine colleges and a good education, I had a high sense of the responsibility and the opportunity to help my wife to excel in those things. I got her interested in going to school in Boston, and later in Seattle I encouraged her to take a class here at the University of Washington from an excellent professor in child training. She took copious notes, and we both read them and studied them together. I wanted my wife to be able and capable in all things. I wanted her to have her own personality, to do the things in life that *she'd* like to do. She sometimes feels like she's been treated *too* independently, but I think that the woman *should* have a real degree of independence. I believe that couples can help each other and be useful to one another.

In the fall of 1926, Jack (in Boston) was about to begin a six-month tour of companies in the southern states. Their first child was soon to be born. Leora felt that six months was too long to be alone, so she decided to return to Utah. They were packed and scheduled to leave on diverging trains in the early afternoon. At eleven o'clock the phone rang. A man for whom Jack had worked in the South was now in Seattle, needed help, and wanted Jack to come out. Sudden though it was, the change in plans was more than appealing to both Jack and Leora, so they changed his tickets and headed west.

In Seattle they had an audit force of five men and needed another senior man to work with the other senior man for about six months. So, in an hour we were on the same train and headed in the same direction. Instead of a sad parting, it was a celebration traveling west together.

Moving to Seattle

Jack's first boss in Seattle left shortly thereafter and was replaced by a man who was unfamiliar with the work. Jack was in the uncomfortable position of having to work for a man who knew less than he. Jack was asked to stay beyond his six-month assignment. Then in 1928, Stone and

Webster put Jack in charge of that small but permanent auditing operation. He was responsible to the company for all the audits of the West Coast holdings including the principal one, Puget Sound Power and Light Company (PSPL).

That (auditing work) was very interesting, because it included innovative processes of suggesting improvements. It was not merely seeing if everything was in order and that all the money was accounted for. It was more finding shortcuts, things that were taking up too much time or wasting money and that sort of thing. The reports were all, "what can be done to better performance, reduce costs and improve profits?"

When we came to Seattle I had reached a point where being away from home for long periods of time, two or three months at a time, was distasteful. I didn't intend to stay with the traveling when I got married. I had figured I would continue traveling for two or three years. Leora and I had agreed on that. I missed her terribly. It makes me almost weep to think about it, some of those long weeks away from her. (*Tears.*) I don't want to think about it. It wasn't easy.

It was hard on our marriage. Lorie had to take care of the boys, but she was good about it. We used to talk about it. When we came to Seattle, I traveled some, but seldom on weekends.

We recognized, looking ahead, that there were many people in the accounting department, but that there were only a few people in the auditing department of which I was head. Both roads led to the top of the company. In auditing, one had only a few competitors. Plus the work was a fine learning process. Those people in the accounting office had their daily routine work, and seldom saw the whole picture as the auditors did. I highly recommend the auditing approach for an ambitious person.

The public library was very close to my office. At five o'clock when work was over, instead of going home I would go right over to the library and stay there until ten o'clock when the library closed, then take a street car home. I'd leave the house about seven (A.M.) and get home after ten. I did this every weekday for about two years. I went through every accounting book and auditing book in the Seattle Public Library. I also obtained the questions on every Washington State CPA examination for the previous ten years, and without reference to the answers (which were available in other books) I worked the answers to all the questions and compared my work with the suggested answers.

At one time, I signed up in a coaching class for CPA examinations. After listening to two lessons and the students who didn't know very much what it was all about—asking simple questions about things that I knew backwards and forwards—wasting my time, I just gave up the fee I'd paid to join the class and went back to the library. By the time I sat for the examination I had it cold.

The big depression of the 1930s caused a heavy (20%) reduction in staff, but that did not have a

debilitating effect on PSPL. The Holding Company Act of 1935, however, had a much greater impact on Stone and Webster. As a result of that act, the company had to divest itself of most of its holdings. The reduction in holdings meant the elimination of the auditing department to which Jack Clawson was attached.

The man who was the head of the department was one whom I liked very much, a Mr. Bissell. He was a high-type individual who encouraged improvement and growth. The other men in the department, who were my seniors, were rather ordinary people. I had realized that I was every bit as capable as any of the thirty of them and perhaps more so. I was a CPA and had a Harvard Business School background, which none of them had.

It looked like I would shortly be out of a job, so I went to Mr. Bissell and said: "You have a highly qualified auditing force here. Why don't we set up a public accounting firm specializing in auditing public utilities around the United States?" He was not a CPA, and couldn't quite see hanging his hat on a single CPA to put up a firm as I had proposed. I wanted to go out and take a swing at it because I knew we were really good at auditing public utilities.

In the meantime, however, the treasurer of PSPL argued successfully with his management, over the course of three or four months, that they needed a senior auditor, and so Jack became an employee of Puget Sound Power and Light Company.

Opportunities for Career Advancement

One year later, the treasurer of PSPL instructed his head accountant to draft a plan to centralize the accounting systems for all its companies. The accountant spent about four months on the project, but when he brought in his report the treasurer felt that it was inadequate. Furthermore, he disagreed with its recommendations. He handed the assignment to Jack. The other man failed, Jack believed, because he did not have an overall perspective of the company. Jack knew that his Stone and Webster experience had given him that perspective. He wrote up the plans in one month, including the use and assignment of various personnel, and took it in to the treasurer's office. The treasurer thought the plans and proposals were "just great," and then asked Jack to go ahead and implement them. Jack, at 37, was made the assistant treasurer, in charge of the Auditing Department.

It was that little knowhow from auditing that helped me. There's a little saying, "An expert is a man eighty miles from his home." When one goes out and audits companies one after another all over the country, he is keeping up on all the latest procedures and practices. I saw a little benefit here, or a little better way there.

Pretty soon one can say in an office, "Well, you could be doing this." And they say, "Well, you're sure smart to think of that." You're just learning and copying from the places you've been. Pretty soon I came to know all of the best practices in the utility industry, and had become an "expert" in the judgment of others.

That operation focused the attention of the company on me. First, there had been the dilemma whether or not to keep me. Then when I put this reorganization together, the president and the treasurer both were very pleased. I took over the whole financial system then, making a big jump from just being kind of an "outsider" into head of all the departments underneath the treasurer. I had about 150 people working for me.

That same year a Public Utility District (PUD) law was passed granting any county the power to condemn private utility companies and to take over their operations. Almost immediately, about two-thirds of the counties in the northwestern part of Washington formed PUDs and initiated a struggle for the electric power business that was to last over 25 years. During the course of that struggle, PSPL lost about a third of its holdings to municipal and various PUDs, but was able to forestall the complete dismantling of the company and a proposed merger with another Washington company. During this struggle there was a competition with the City of Seattle during which services were duplicated—power lines and poles ran down both sides of the streets. In Jack's words, "It was really a mess."

When World War II began, Jack, an officer in the Naval Reserve, received a "critical industry" deferral from serving and continued working. In 1942 he was approached by a CPA friend on behalf of Boeing, then a fast-growing airframe manufacturer, with a proposal to become a special assistant to the president. The job held the allure of being a steppingstone to any number of positions at Boeing.

I was at that time third or fourth from the top at Puget and with all of the condemnation suits (by the PUDs), it looked like the company was hanging by a thread. One local newspaper had been running cartoons with the company depicted as a big corpse being hacked to pieces. It looked like I was going to be out of a job. I was invited to dinner with the president of Boeing, his financial vice president, and my CPA friend. We had a nice discussion and the president was all for employing me. Later, I talked further with my friend who was the go-between about terms. It was about

double the salary I was getting, but the war was just starting and I told him, "I don't like to leave a job I've had for twenty years to work for two to three years in an industry that will decline drastically after the war." I told him I'd take it, but that I would need some assurance that I would be continued on with Boeing in some capacity after the war. The president of the company didn't like that and chose the other candidate. It was a big setback for me, and I could hardly live for about a week. It looked like my company was going out of business and I had insisted on something hard and sure. I should have taken my chances on my own abilities rather than ask for assurances. However, it wasn't too long after that that another individual came to me and wondered if I'd be interested in taking a high financial position in Weyerhaeuser, about the largest timber company in the world. I said, "And how!" even though it would have meant moving to another city and it was a family company. Everything was being set up and then all of a sudden I got word that the deal had died cold. I feel sure that Weyerhaeuser decided not to disturb their close relationships with Puget.

I had missed both jobs, and it looked like Puget was going out of business for sure. I felt very low. I didn't have much appetite for about three months. I thought I'd made a big mistake, especially in fouling up the Boeing offer.

Another inquiry came from Seattle-based General Insurance Company looking for a potential top executive. In this case, the president of PSPL called me in and told me that General Insurance had inquired of him about me, and he had dissuaded them from making me an offer. So I settled down to work it out with and for Puget.

In about a year, the man in line to succeed the treasurer of PSPL died suddenly of a heart attack and I moved into second place. Only two years later the treasurer retired because of illness. I took over as treasurer, working with the president of the company. The affairs of the company began to brighten. The PUDs had failed to take over and I was happy that the Boeing deal had not worked out. The war was over and Boeing was having a rough time adjusting to drastic reductions and cutbacks.

Financial Strategy

Jack had saved vigorously throughout his life. When he was traveling, he lived on an expense account and so was able to pay off his education debts within two years. He established his financial strategy early:

1. Save enough cash to cover unforeseen emergencies.
2. Carry as much life insurance as possible.
3. Protect wife and family with trusts as fast as possible.

4. Save enough to invest in income assets to cover retirement without relying on pensions.

I set goals for myself and made plans on which I was always working, revising and extending them from time to time, and by preparation, training and fortuitous circumstances succeeded considerably beyond my expectations. The main hope and goal in my occupation was to become the chief financial officer of a major corporation. I achieved it and went considerably beyond it to become the top executive of such a corporation, as well as a director in two other large corporations.

My personal financial goal was to earn and save sufficient that by wisely investing I could build up a personal estate to protect my family financially and to provide well for the time when I would no longer be employed. I continually studied and looked for promising investments with these essentials:

1. A basic, sound, noncyclical industry
2. Young, capable, aggressive management
3. Good growth prospects
4. High earnings on investment mostly retained in the business (little or no dividends, but compounding investment value)

In an unspectacular way I worked at this over my early years with a fair modicum of success. Some of my investments were good, a few were rather sorry. In fact, I almost lost my "shirt" on three really bad ones. They could have been disastrous except for special diligence on my part.

About 1950, a close, relatively young friend for whom I had done some favors and who had been an outstanding, successful businessman was asked to take over the management of a relatively small, struggling drugstore chain. He discussed the matter with me and a couple of other friends and subsequently agreed to take over the business, provided he and (we) his associates would acquire a controlling interest. The plan was to plow back all the earnings into the opening of new stores. It appeared to have all the elements for success and be very much in line with my investment purposes. I liquidated all of my investments, borrowed 25% more than that, and put it all into the business.

From the modest beginning of three small stores in the Seattle area, the company has grown to over 200 stores (in all the far western states including Alaska and Hawaii), generating over a half billion in annual sales. The original stores required an investment of around \$50,000 each; present stores, which now include not only a drug division but hardware, soft goods, nurseries, sporting goods, require an investment of over \$500,000 each. No dividends were paid for about the first ten years. However, expansion became so great that it became necessary to go public and begin to pay dividends—which at first were only stock dividends. The result of this compounded reinvestment of earnings plus inflation has produced a remarkable—not to say fantastic—increase in the market price of the original stock over the 30 years.

The stock, allowing for splits, is now selling for about 75 times its original cost. Cash dividends, which are a payout of only about 20% of earnings, are annually 200% of the cost of the *original* stock; that is, an *original* stockholder now gets back in cash *double* the cost of his investment *every year*. Of course, there were only a few in that position, but subsequent investors have done very well.

In 1965, when I was approaching retirement in PSPL (I remained on the board of directors for some years thereafter), I realized that I was building up a rather large estate which would be subject to very heavy state and federal inheritance taxes. I therefore began an orderly divestment of my holdings by liberal donations to educational, religious, civic and other organizations and to hard-pressed relatives, but principally by gift to my three sons to permit them to establish businesses or other investment pursuits, and also educational trust funds for each of our 21 grandchildren and a few other needy and worthy young relatives, retaining sufficient to assure taking care of all of our own possible needs, including such travel (mostly to our scattered family) as we may enjoy, as well as further modest contributions to family, relatives, and worthy causes.

Family Strategy

When asked about his children, Jack said: "Just ask Leora what you want to know, and she'll tell you." But when pressed gently, he continued:

I have had some rather basic principles for guiding, inspiring, and helping my children make the most of their talents and get all the education and training they possibly could. The country needed it, the church needed it, and the children needed it to have a fulfilling life. They needed knowledge and understanding and wisdom. The way to get that, of course, is to pursue a logical course of training and education and to give their best to it. However, you just don't push them into it.

Leora: And he worked with his boys on this *all the way along*, and I may say, very successfully.

Jack: You have to *lead* them so that they want to do it. Nothing is more sorry than pounding on the backs of children to get them to do this or that. The better way is to set before them patterns and inspiration to understand their natures so that they will grab a line of action and go with it. This was a very conscious effort on our part. From the time they were small, we were determined that they would make the most of their talents and abilities.

Leora was most helpful. She did a tremendous job with those little kids. As they got older my influence began to have a larger bearing on it, but in those early stages she was magnificent.

Leora: However, in those early stages, let me tell you, he'd come home from work in the evenings and after dinner he'd gather those little ones around him and sit on the sofa and tell them stories. They weren't the stories from the story books. They were stories he made up in his own mind, often as he went along, and they always had a point. They would sit there enthralled, listening to his stories.

Jack: Well, I had read a tremendous amount and knew so many stories that it was not difficult to improvise. I would remember the main plot or theme and would be able to tell it to them in an interesting way. There was always a helpful or learning point to the stories—not a heavy moral, not preachy.

We took a deep interest. We gave them full backing in Scouting and in other activities and they loved it. Along with it was always this view of developing their talents. There were many things that we encouraged them to do without ever forcing them. One boy saved his money for a long while until he could buy his own bicycle. He's now a capable businessman doing very well—partly, we think, because he went through that period of saving to buy a bicycle when money was hard to get. At an early age, they chose their own life insurance policies and kept them up.

Jack's father died in 1940, his mother in 1954. During the years in between their deaths, Jack contributed heavily to the support of his mother. His two sisters, who lived in Logan, took care of her comfort and physical needs.

Reaching the Top

Jack's belief had always been that he should use imagination and careful thought before he acted. This included for him a continuous attempt to do his own job well and to understand the demands and perspective of his boss' job. This was not always easy, since many managers in the company were not inclined to discuss their jobs with their subordinates. Jack, however, encouraged his own employees to consider and reflect on the problems that faced the treasurer's office.

During the mid-1950s, Jack, as treasurer, was traveling with the president of PSPL making presentations to stock analysts and fighting off merger attempts. The Eisenhower administration defused the furor over the PUD takeovers so that the company no longer had to worry so much about that threat. Repeated questions about the

nature of Harold's personal life and disposition during this period were always answered with descriptions of what was happening at the company. It was as if his personal life had merged into his corporate life.

While on one of the eastern trips, the president of PSPL was advised by one of the financial institutions that unless he soon made provisions for his succession, the firm would withdraw its very substantial investment. It was not apparent to the analysts who would provide the leadership of the company in the future. This was a "bolt" to both the president and to Jack. Jack had never thought of being president of the company before, and he realized for the first time that he was one of the few people in the company who was capable and familiar enough with the job to handle it.

The result of the investment firm's statement was a period of active review by the president. As the word that a successor was being selected got around, there was a lot of politicking among the senior officers of PSPL. In Jack's terms, this was characterized by a great deal of secrecy and game playing, but Jack's approach was to avoid that and to continue to attend to the financial affairs of the business.

Puget often used consultants on matters of major importance, and the succession to the presidency was no exception. At least two firms were retained to evaluate top management and their skills. The president of Puget agreed with their conclusions, and made Jack senior vice president in 1959. This promotion was an interim one designed to prepare Jack and ease the shock to the two or three people who considered themselves in line between Jack and the presidency. Jack was made president of the company in 1960. A year later, he was elected chairman of the board and chief executive officer.

Chief Executive Officer

During his incumbency as CEO, Jack felt that his most important contribution was to change the nature of executive management in the company from one of relative secrecy and authoritarianism to one of mutual participation. He felt that the other top executives, as a result of his efforts, enjoyed their work better, were happier, and performed better.

The atmosphere and work became one of mutual cooperation rather than one of hard discipline and dictatorship. That was the first big job that I saw I had to do. I was not there long enough to carry out fully the long-range planning required by the physical operations of the utility business, but we set the stage for that to go on.

When faced with difficult problems, Jack would frequently lie awake at four or five in the morning and mentally probe various alternative means of solving them. This was a very important time for him in which he could explore these action plan scenarios without the interruptions of the office routines. The pressures of his job were demanding but not debilitating to Jack.

Yes, there is a lot of stress, but there's another aspect of it. The executive who works hard and carries lots of responsibility and concerns . . . it isn't necessarily *that* which causes him to have ill health and break down as many do. It's more a matter of their personal nature or state of mind. It is true that "hard work never hurt anybody." Stress itself won't hurt you unless you let it. I don't think that the stress hurt me. I liked challenges and when I had problems that were really serious, I labored over them very hard. There were many problems where decisions had to be made. There were a lot of decisions that whichever way you went, you were partly wrong. It was as they say, "Like being caught between a rock and a hard place." There are a lot of people who evaluate what distinguishes a successful executive by his decisions. With all of the tough ones he has to make, if the majority of them are right, he's a good executive. No executive makes them all right. He is going to make some wrong, and then he is going to have to work to straighten them out. If you've made the wrong decision, and you know you've made the wrong decision, you have to know how to reverse your field and still not lose face in your organization. The best way to do it is to be frank about it and not start covering up, or somebody will find out. Then you lose faith, which is worse than being wrong and correcting your mistake.

Jack's concern with his mental agility and education focused on another aspect of working as a CEO:

As a chief executive officer, you are waited upon. You can lose touch with the normal activities of life. May I tell you what happened to me? When I was chief executive, I had secretaries and assistants to do practically everything. Before that I used to take care of all my own financial affairs, write my own letters, and checks, and everything. When I was CEO they did everything for me. I didn't do any arithmetic. Didn't need a computer, didn't even know how to use one. At one time, having been an accountant, I could add up a string of figures like nothing at all. By the time I retired, would you believe it, I could hardly remember a telephone number long enough to dial it! I hadn't kept accustomed to the relationship of numbers. I could feel it, and it was just enough of a warning to me. From that point on, I began to practice with figures and writing. I *felt* that slippage. It GOES. You get away from your skills a few years, and they leave you.

In 1965, Jack reached retirement age and stepped down from the top job. He retained a seat on the board of directors for several years and took an active role in the planning and implementation of management changes over the next five years.

Retirement

Jack had few reservations about retiring:

Look at it this way. I went through some really tough years when I was working with the president of the company. I practically had no vacations. Something was always coming up. He'd call me from New York on a Saturday evening about ten o'clock and want me to get on a plane at eleven and be back there Sunday at noon. In those days it took fourteen hours by plane to get back to New York.

That was all right. I didn't mind; it was the nature of my job, but it *was* strenuous work. There was a lot of travel. One year, I was in New York staying in a hotel for eleven out of the twelve months. It was not easy. There were lots of early and long hours.

So, having been successful in my financial strategy, I looked forward to retirement so that I could engage in other activities that were more enjoyable.

I've had no problems keeping busy. The first year we took a little vacation and rest in Europe. We spent the summer over there. Then I had lunch with the president of one of the local television/radio stations here. We became good friends, and he invited me to be on the board of directors and on the management committee of the television station.

One day the telephone rang while I was out in the garden, and I was asked if I would like to go to Iran. And I said, "Fine." The caller said, "I am speaking for the U.S. State Department, and we have a team of experts going to Iran to study its national electric system to determine what sources of energy should be used to produce electricity. They've got oil, gas, and water power. They also need to know what kind of transmission and distribution lines to put in. The team will study what the growth of the country's going to be, how big a system should be built, and related matters."

I was invited to head up the team. They needed a name and a position to deal with the cabinet-level officials in Iran. When I got over there it was more than that. I was paid well, but it was darn hard work. It was interesting, and I got a lot out of it, but it was very hard on me and Leora. It was so hot in that 119-degree weather at an altitude of 4,000 or 5,000 feet.

The following year we made a trip of about a month to South America for the Chamber of Commerce. About that time, we also made a swing with another official group for a couple of months to Japan, Hong Kong, Manila, and then down to Australia. I came back

