

In 1955, a meeting took place in a hotel room in New York City bringing together the two senior-most executives of Nestlé—Jean C. Corthesy (Swiss) and Enrico Bignami (Italian), joint-managing directors of the Swiss-based food multinational—and two faculty members of the Harvard Business School—Professors C. Roland Christensen and George Albert Smith, Jr.<sup>1</sup> It is unlikely that the four participants in that hotel room could imagine then that out of their meeting would eventually emerge the creation of an executive development institute, IMEDE, located in Lausanne, Switzerland, which would become one of the most respected management development institutes anywhere in the world. The initiative would, some 30 years later, attract international firms for the delivery of special In-Company seminars aimed at specific strategic initiatives. How this capability was developed at IMEDE, and how it eventually would come to the attention of the Dutch company, DSM, will be the focus of this chapter.

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### Creating a New Management School

#### The View from Within Nestlé

Nestlé, based in Vevey, Switzerland, had already grown into a global company employing some 150,000 people and reaching sales of about USD 12 billion. During a senior management meeting in June of 1955 in Frankfurt, Germany, the need to develop more general managers to run this growing company was raised.

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The purpose of Chap. 1 was not to create a detailed, all-encompassing history of IMEDE and its successor Institute, IMD. Instead, emphasis was put on the steps, developments, decisions and conditions that eventually lead to and contributed to the creation of capabilities for In-Company programs that later became the main reasons for DSM to pursue a collaboration.

<sup>1</sup> Harvard Business School website.

Jean Corthesy and Enrico Bignami, both present, supported the idea and arranged for a discussion with some younger managers. Following the meeting in Frankfurt, Corthesy and Bignami traveled to Australia together and used the long trip to discuss the suggestions made by their German managers. Although Nestlé had organized many internal courses, the company soon realized that the existing effort was not going to address the pressing need for more managerial talent.<sup>2</sup>

It was at this point that Corthesy, who had spent much of the Second World War period with the Nestlé operations in the US, utilized his contacts with the Harvard Business School (HBS) to reach out to its Dean, Stanley F. Teele. The pair traveled another 10,000 km from Sidney to Boston. Their idea was to enlist the faculty of the Harvard Business School as consultants for the management courses; it was not the original intent to have any active teaching involvement by HBS faculty.<sup>3</sup>

## **The Situation of the Harvard Business School**

At the time of the Nestlé initiative, HBS was still a largely US-centric business school and the majority of its MBA students were from the States, with the intent of joining large US firms. Likewise, the HBS faculty consisted almost entirely of US citizens with teaching and research focused on the country's firms and economy. Dean Teele was known to consider this a weakness as he observed that US companies were increasingly becoming international in response to Europe emerging from the war's devastation. Apparently, a number of HBS faculty had seen military service in Europe during the Second World War and were eager to help. Thus, when Corthesy from Nestlé contacted HBS, Dean Teele was already wondering how he might engage his faculty to "think across borders."<sup>4</sup>

## **Agreeing on a Concept for an Executive Development Institute**

According to several sources, there were some initial contacts between senior HBS faculty and senior Nestlé executives.<sup>5</sup> Several models were discussed and the HBS faculty advised Nestlé about how to structure such a program. HBS indicated that the school could not involve itself directly but was prepared to give advice on the educational philosophy, notably its case study method. Because it proved difficult to find HBS professors willing to relocate to Switzerland for an extended period of time, it became clear to Nestlé executives that they needed to push HBS into a more

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<sup>2</sup> Source: HBS and interview with Pierre Goetschin.

<sup>3</sup> Enrico Bignami, "Birth and Development of IMEDE," comments made on the occasion of the 20th Anniversary of IMEDE. Enrico Bignami was Managing Director of Nestlé and Vice-Chairman of the Board from 1953 to 1968.

<sup>4</sup> Source HBS, and interview with Pierre Goetschin.

<sup>5</sup> Source HBS Centennial website, and interview with Pierre Goetschin.

extensive involvement and beyond a mere consulting relationship. Because the company was prepared to self-finance the effort, there was a turnaround and HBS was convinced to make at least some core faculty available, as an initial start-up and for a limited period.

It was at this time that HBS appointed a young faculty member, Professor C. Roland (Chris) Christensen (1919–1999), to step in. Christensen had been on the HBS faculty for less than 10 years.<sup>6</sup> He had not yet reached tenure or promotion to full professor and quickly came to an agreement with Nestlé's Corthesy and Bignami. He agreed that some HBS faculty would come to Switzerland to teach in the program but not exclusively, thus opening up the opportunity for faculty to join from other US business schools. As later reported by HBS, Nestlé accepted three points that were important to the Harvard professors. First, Nestlé agreed that at least one-third of the participants were going to be from companies other than Nestlé to more closely resemble the idea of an HBS open-enrollment seminar. Second, the program would be strong regarding basic managerial and functional skills and not only focus on topical issues. Third, the program would employ the case method as the main instructional methodology. Finally, Christensen also insisted that the envisioned program could not be just 1 or 2 months long, as initially planned, but had to be much longer; eventually a period of 9 months was agreed upon. Professor Pierre Goetschin has said:

C'est à ce moment-là que Christensen est apparu. Il était jeune professeur, il n'était même pas un professeur ordinaire, il était ce que l'on appelle un chargé de cours ici chez nous, il travaillait déjà dans le General Management, mais ce n'était pas le principal responsable du General Management, mais enfin apparemment, c'était un homme avec un avenir. Et le Doyen pensait que c'était une bonne chose d'associer ce garçon qui déjà était enthousiaste de la méthode des cas et l'appliquait fort bien dans ses cours.<sup>7</sup> (Translation: It was at this moment that Christensen suddenly appeared. He was a young assistant professor, not one of those senior full professors. He was someone we would call a course assistant. He was active in the area of general management, and yet he was not the Department Chair for the area. However, this was clearly a person with a future. The Dean at Harvard thought that it would be a good idea to bring this young lad into the project who was already an enthusiastic supporter of the case method and had already become quite adept at teaching it in his own courses.)

The school, named *Institute pour L'Etude des Methodes de Direction de L'Entreprise (IMEDE)* opened in Fall 1957 for its first class of participants.<sup>8</sup> And finally, what is often forgotten, and came almost as an aside, the language of instruction had to be English as none of the invited faculty would be able to teach in any other language—no small issue as the school was to be located in the French-

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<sup>6</sup> Christensen Foundation website. C. Roland (Chris) Christensen, 1919–1999, Faculty 1946–1990, full professor 1958, visiting IMEDE 1963–1964, 30 years on Advisory Board. Source: <http://www.hbs.edu/teaching/about-the-center/c-roland-christensen.html> (accessed November 28, 2014).

<sup>7</sup> Pierre Goetschin, Professor IMEDE/IMD (1923–2000), interview conducted by Dominique Turpin, Professor and current IMD President).

<sup>8</sup> The first programs ran from Fall through Spring and the first cohort started in Fall 1957 and graduated in Spring 1958.

speaking part of Switzerland. This, as it turned out, was a major advantage for the development of IMEDE in attracting international participants from all over the world. Christensen was to remain close to IMEDE, joining as a visiting professor in the 1963–1964 academic year and serving on its HBS Visiting Committee for many years.<sup>9</sup>

The conditions imposed by Christensen and the HBS faculty was to shape much of the later development of IMEDE. The insistence on the case method meant that the school's entire pedagogy was based on discussion and oriented towards real, practical business problems. The emphasis on functional issues, rather than solely on current affair topics, also led to a strong managerial orientation, but from the view of the general manager. The managerial orientation, the practical focus and the general management approach were substantial departures from how business had historically been instructed, both by the majority of the newly emerging business schools in the US, as well as the economics and business universities in Europe, largely dominated at the time by the economics and law disciplines. The learning style of the case method engendered an interactive teaching style very much appreciated by participants, even though most had been formerly taught with the traditional lecture style.

## Defining the IMEDE Mission

Reflecting on the school's mission from its inception, Derek Abell (IMEDE Dean from 1981 to 1989) commented at the 25th anniversary celebration in the school's alumni magazine:

The Mission of IMEDE is no different today (1982) then 25 years ago when the school was founded. It is to serve the international business community by developing management resources and by furthering the state of the art of management. IMEDE is committed not only to the teaching of managers, but also to developing solutions to management problems. This second and important part of our mission signifies a substantial commitment to understanding management problems through a distinct and extensive process of research and heavy investments in the development of teaching materials.<sup>10</sup>

From this mission flowed the emphasis on the use of teaching as a way to communicate with the management community, while at the same time learning from them. It was obvious that an interactive teaching style based on case discussions would be a key element of that teaching mission.

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<sup>9</sup> IMEDE used academic years for its contracts, similar to the custom in the US. Most dates mentioned in this chapter also refer to academic years.

<sup>10</sup> "IMEDE's Mission and Activities," by Derek F. Abell, *Size-Up Alumni Magazine*, May 1982: 8–11.

## The Creation of the IMEDE Campus and First Expansion

Because the new school could not be housed near the Nestlé head office in Vevey, a site in Lausanne-Ouchy was selected.<sup>11</sup> The site at Bellerive, very close to Lake Geneva, provided an ideal start. A villa, dating back to the eighteenth century, sat on a large property, which had been acquired in 1956 by the City of Lausanne, as a result of an inheritance (Fig. 2.1). In 1961, the Canton (state) of Vaud and IMEDE could acquire the property and in 1969 IMEDE became the sole owner, which included a large carriage house.<sup>12</sup> The villa, or ‘Residence’ as it was later called, was converted to house in one wing a classroom that initially accommodated some 40 participants. To make room for the large blackboard space necessitated by the case-teaching faculty, this classroom had the curious arrangement of a large board that, when pulled down, covered the entrance so that any latecomers had to enter the room through the windows! The rest of the building was converted into faculty and staff offices.<sup>13</sup> The carriage house was used for the restaurant and kitchen and study group rooms, as well as a small library.

From this humble beginning, the campus was later expanded. In Spring 1971, the Corthesy building was added behind the residence creating space for one large amphitheater style classroom seating about 60 participants and a smaller classroom on the third floor (Auditorium C) for about 30 participants, plus additional faculty offices and group meeting rooms.<sup>14</sup> This infrastructure, allowing the housing of two large programs simultaneously, and one smaller group, was to remain the IMEDE campus until 1989 when the Bignami building, containing three new classrooms and faculty offices, was inaugurated.

IMEDE operated on a day-campus format: participants arrived in the morning for their classes, had lunch on campus and returned to their hotel rooms or rented apartments after the end of the afternoon sessions. Since there were several hotels with sufficient room capacity in the Lausanne-Ouchy area, all within walking distance, IMEDE benefited from a type of ‘walking campus’ that included a radius of about 15 min. The proximity of these hotels created a US campus-like condition but, in contrast to US executive programs, participants could enjoy hotel-quality residences.

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<sup>11</sup> It was rumored that Bignami from Nestlé heard about the property through his dentist.

<sup>12</sup> “History of Property on Chemin de Bellerive,” by Frederic Paux, General Secretary of IMEDE 1970–1979.

<sup>13</sup> The term ‘Residence’ was introduced by Dean Derek Abell (Dean 1981–1989).

<sup>14</sup> The building received its name ‘Corthesy’ after one of IMEDE’s co-founders, J. C. Corthesy, passed away in 1976. The building’s dedication in Corthesy’s name took place in 1977 when his son Henri attended the MBA program as a participant.



**Fig. 2.1** The Bellerive Property 1950 (approx.). *Source:* Copyright© 2014 IMD

## Governance at IMEDE

There were three main elements to IMEDE's governance: (1) the faculty and school administration, (2) the advisory Board with mostly HBS professors, and (3) the Board of Trustees. Administratively its Dean, in turn supported by an administrative officer, led IMEDE. The Dean was usually a faculty member, often coming from HBS, such as Harry Hansen (1979–1981) or Derek Abell (1981–1989).<sup>15</sup> The head of administration, or Director of Finance, was frequently recruited from the Nestlé staff.

IMEDE's Board of Trustees was usually chaired by the Chairman of Nestlé's Board or its CEO, and joined by a senior executive from Roche, as well as some members of the Cantonal administration and local university community. And finally, the separate Board of Advisors (Visiting Committee) always included several HBS professors, such as Roland C. Christiansen or John McArthur, who was part of this group for several years. Since members of this group tended to serve for many years, and were intimately acquainted with IMEDE and its culture, there was a high degree of stability and consistency, which in turn contributed towards a very particular culture, steeped in executive education.

Established under the patronage of, and in cooperation with, the University of Lausanne, IMEDE was nevertheless financially and administratively independent.

<sup>15</sup> Previous IMD Deans were: Clark Myers (Ohio University) 1957–1960; Thomas A. Graves (Harvard Business School) 1960–1964; Chaffee Hall 1964–1966; Pierre Goetschin (ad interim, IMEDE) 1966–1967; and Luigi Dusmet (University of California) 1967–1978.

Its association with the University was more symbolic and supported the validity of its MBA degree. IMEDE had always maintained its own revenue stream based on program fees. However, there was a regular annual deficit and it was Nestlé who balanced the books each year.

We were fortunate to have been beneficiary of major contributions over the years from the Nestlé Corporation. In recent years, these have been supplemented by funds generously donated by a number of other institutions. But if we are to fulfill our mission effectively, these needs will be growing over the years ahead. It is a fact that investments in the underpinnings of management education have been far less in Europe than have been in the United States<sup>16</sup> (Derek Abell).

During the 1980s, the IMEDE Board expanded considerably. By 1989, the Board included CEOs from some 18 companies, including firms from Switzerland, the US, the UK, Denmark and even Japan, as well as academic representatives and members of the Cantonal Government.

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## The IMEDE Executive Education Programs

### The Annual and PED Programs

For the first ten years or so, IMEDE only offered one program for future general managers (Derek Abell).<sup>17</sup>

In line with the initial plans, IMEDE's first program consisted of a 9-month Annual Program (AP).<sup>18</sup> The opening class in September 1957 consisted of 35 participants from 15 countries. In this program, a single cohort, eventually growing to 60 executives were admitted annually and spent the next 9 months together in the same classroom with a small number of faculty members in residence. With a focus on general management, the AP program remained the major activity until Spring 1971, when the last class of 62 participants graduated (Fig. 2.2).

In line with changing expectations of sponsoring companies, the program was converted to the 19-week long session named Program for Executive Development (PED) with the first running taking place in the Fall 1971. With the shortened program, IMEDE could now offer two sessions annually, although the overall focus and orientation remained unchanged.

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<sup>16</sup> Ibid.

<sup>17</sup> "IMEDE's Mission and Activities," by Derek F. Abell, *Size-Up Alumni Magazine*, May 1982: 8–11.

<sup>18</sup> The name Annual Program (AP) came in use only after it was changed into a shorter PED (Program for Executive Development) in 1971. Prior to that, the program has simply been known as 'IMEDE.'





**Fig. 2.2** IMEDE Annual Program Class First Classroom in Residence Building (early 1960s).  
Source: Copyright© 2014 IMD

## The MBA Program

In 1972, another major step was taken in IMEDE's development—the start of its MBA program.<sup>19</sup> As Professor Xavier Gilbert remembered, the program started rather small<sup>20</sup>:

Since IMEDE at that time did not have the authority that it could launch an MBA program, its leadership at that time decided to call it Program for Junior Executives (PJE). Conceived as a 12-month program running from January to December, the first class was relatively small, something less than 30 participants. Only as of 1975 did IMEDE use MBA as

<sup>19</sup>Dusmet, Luigi. "IMEDE: An Historical Sketch." *Insights into the History, Activities and Aspirations of IMEDE (1957–1977)*. IMEDE, Lausanne, 1977: 13–18.

<sup>20</sup>Interview with Xavier Gilbert, Professor at IMEDE and IMD, 1972–2008.



program title, and the graduates of the first three years were offered certificates changed retroactively that carried the MBA title. The idea for the MBA program came from the Harvard Visiting Committee and both Harvard and Nestlé believed that such a program would connote academic respectability.

Equipped with two new classrooms in the Cortesey Building, the parallel running of a PED session with a 12-month MBA program became possible. The MBA program took over the smaller classroom on the third floor of Cortesey, while the PED program moved to the larger amphitheater-type classroom, named Cortesey Auditorium, on the ground level.

“When we started with the MBA program on the third floor of Cortesey, it was a flat room with those chairs-tables typically used in US college education. Once the cohort exceeded the capacity of that room, we moved back to the former AP room in the Residence as it could house up to 50 participants with improvements”<sup>21</sup> (Gilbert). The MBA program graduated 28 participants in 1972, 29 in 1973, 26 in 1974 and 46 in 1975.<sup>22</sup>

## IMEDE Program Philosophy

Its foundation as an Executive Development Institute for experienced managers always set IMEDE apart from other management programs that were grown out of MBA programs. It also meant that the underlying interest, orientation and teaching mission remained focused on managers rather than students. This practical and managerial orientation, going back to the very beginning of IMEDE in 1957, would become an important ingredient in the later transition to company-specific executive education programs described later in this chapter. Equally, the IMEDE MBA program was heavily influenced by the history of IMEDE’s AP and PED programs and was always characterized by a strong managerial orientation.

The educational philosophy always concentrated on assembling, in the classroom, multinational, multicompany, multifunctional and multicultural groups of participants assuring a unique blend and quality of IMEDE programs.<sup>23</sup>

In the late 1966, a shorter summer Program for Senior Executives (SEE) was added and ran during the summer month when the AP Program was not in session. A review of that program content provides a sense of the orientation of the IMEDE faculty.<sup>24</sup> The main topics covered were:

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<sup>21</sup> Initially, the classroom in the Residence could hold only about 40 participants. The capacity was enlarged in the late 1970s when the MBA cohort expanded.

<sup>22</sup> Source: 1988 IMEDE Alumni Directory.

<sup>23</sup> Dusmet, Luigi. “IMEDE: An Historical Sketch.” *Insights into the History, Activities and Aspirations of IMEDE (1957–1977)*. IMEDE, Lausanne, 1977: 13–18.

<sup>24</sup> Source: IMEDE SSE Brochure (1969).

- Financial Controls
- Marketing
- Environmental Analysis for Top Management Decisions
- Planning Corporate Strategy
- Organization and Leadership
- Quantitative Tools

This material was taught with an integrative point of view from top management, or what IMEDE faculty referred to as a ‘general management viewpoint.’ The listing of these course streams was similar to the 19-week PED middle-management program.

### **Functional Programs (MMS, Sales, Finance, M&A)**

In the late 1960s, IMEDE began to add a number of functional programs to its portfolio. The first such program was the Marketing Management seminar offered in 1968, followed by several other 1- to 2-week long offerings. Regularly offered were Marketing programs and some in the areas of Finance, Operations and Merger and Acquisitions (M&As). These programs were typically staffed with faculty who were teaching in those functional areas, augmented with former visiting faculty who were familiar with the IMEDE approach and its audiences.

### **Building the IMEDE Faculty**

The initial faculty team that started IMEDE was recruited largely from HBS and Stanford University in the US. This group was small, only about a half a dozen faculty members in residence for 1 or 2 years at a time. Soon, faculty members were recruited from other business schools with similar orientations and teaching approaches to HBS. Western Ontario was such a school, and some faculty members were also recruited from other US universities who either had close ties to HBS or had been in its MBA or doctoral programs. This ensured that the teaching philosophy of the core faculty team remained consistent and true to the original ideas as laid down by Christensen and his founding colleagues.

Following the initial start-up years, some faculty were recruited for longer periods, but it was not until the mid-1970s that IMEDE began to recruit recently graduated European faculty with a strong ‘Boston connection.’ Those professors were quickly integrated into the IMEDE teaching style and became the core of the IMEDE faculty during the 1980s. With the expansion into the MBA program, the faculty team in residence doubled and stabilized to around 15–20 professors. In 1971, there was only one permanent faculty member, the rest were all visitors who stayed 1 or 2 years. By around 1980, the annual visiting professors group accounted for less than half of the faculty. Later, some of the early visiting professors returned



**Fig. 2.3** IMEDE Faculty 1987. *Source:* Copyright© 2014 IMD. *Pictured from Left to Right:* Joe D'Cruz, Visiting Professor from University of Toronto (Marketing and Strategy). Xavier Gilbert, IMEDE Professor (Strategy). Marcel Dunant, IMEDE Professor (Communication). Jack Wood, IMEDE Professor (Organizational Behavior and Leadership). Jim Ellert, IMEDE Professor (Finance). Pierre Goetschin, IMEDE Professor (Business and Economic Environment). Jan Kubes, IMEDE Professor (Strategy and MBA Projects). Werner Kettelhoehn, Visiting Professor (Strategy). Kurt Schaer, IMEDE Professor (Finance). Jean-Pierre Jeannet, Visiting Professor from Babson College, (Marketing). Chris Harling, IMEDE. Professor (Management and Organizational Behavior). Derek Abell, Dean of IMEDE. Chris Parker, IMEDE Professor (Organizational Behavior and Leadership). Peter Killing, Visiting Professor from Western Ontario (Strategy). Paul Strebel, IMEDE Professor (Finance). *Not pictured:* Robert Collins (Manufacturing) and Kamran Kashani (Marketing)

regularly to IMEDE and took on the role of adjunct faculty, and a few of those eventually returned to the institution full-time (Fig. 2.3).

This change from an all-visiting faculty to a permanent one did not take place without a struggle. Luigi Dusmet, Dean for the period of 1968–1978, was not keen on having ‘permanent residents’ on the faculty. With strong arguments both from the Visiting Committee and Nestlé management, IMEDE eventually changed its practice. Harry Hansen who assumed the Deanship in 1978 had the clear mission from the Board to turn IMEDE into a full-fledged business school with a permanent faculty.

“Over the years, the IMEDE visiting faculty alumni numbered nearly 100 visiting professors. Of these, 25 have come from Harvard Business School, 12 from the University of Western Ontario, seven from Stanford and an equal number from the University of Virginia’s Darden School and from Dartmouth’s Tuck School”<sup>25</sup> (Derek Abell). In 1971, five Europeans joined the faculty, three of them straight out of US Ph.D. programs. In mid-1970s, three additional European faculty members joined, some of them were to make IMEDE their careers.<sup>26</sup>

<sup>25</sup> Ibid.

<sup>26</sup> Professors Xavier Gilbert, Robert S. Collins and Kurt Schaer.

Faculty recruiting was in the hands of the Visiting Committee that always included some HBS representation. For decades, Professor Christensen was a member of this group, as was someone from the HBS Dean's office (John McArthur played this role for many years), a member of the IMEDE faculty-in-residence and a member of Nestlé's senior management team (Jacques Paternot was the representative for several years). This committee tended to invite candidates to the HBS campus in Boston and played a key role in assuring a consistent philosophy, even though by the 1980s there were no active HBS faculty members teaching at IMEDE.

## Assigning Faculty to Programs

The faculty at IMEDE always worked in teams; the two core teams consisted of the MBA program faculty and the PED program faculty. Both joined in to teach the Seminar for Senior Executives (SSE) in the summer. Because the MBA program went on all year, and the PED had two 19-week sessions, the workload was judged to be about the same. Probably because the MBA program always started in January, and the visiting faculty had academic year appointments from June to June each year, the regular, or permanent, faculty tended to be centered on the MBA program and most visitors, coming for 1 or 2 year terms, were inclined to teach in the PED program.

For additional programs, such as a functional program in Marketing, IMEDE regularly invited back former visiting faculty who had returned to their own institutions, creating a cadre of 'permanent visitors.' Some, such as Professor John Murray (Trinity, Dublin) continued to return over the years. This allowed the faculty to be expanded when necessary and to assure that all faculty members in a given program were employing the same approach, resulting in more coherent and consistent programs.

As a result of a faculty decision, compensation had settled into a fixed annual salary for teaching; no additional compensation was made for the participation in other executive seminars. Visiting faculty invited for specific teaching in seminars, however, were compensated on a per-diem basis.<sup>27</sup>

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<sup>27</sup> This policy was adopted in the mid-1970s and was maintained into the 1990s, when a more detailed workload control system was adopted that made it possible to better measure the workload of each faculty member and compensate some for teaching above a minimum required level. For more details on this, see Peter Lorange, President of IMD 1993–2008, *Thought Leadership Meets Business: How Business Schools Can Become More Successful*. Cambridge: Cambridge University Press, 2010.

## **The IMEDE Research Orientation**

Research undertaken by IMEDE faculty members differed considerably from that done in typical European economics programs or universities at the time. The bulk of the activity consisted of writing detailed cases that were anchored in the European, or occasionally Latin American, environment. When IMEDE was founded, most teaching material was US-centric, written at HBS, and did not involve European business context. Over the years, IMEDE had assembled a body of several 100 cases.

Without the case-based research, it would have been difficult for the IMEDE faculty to achieve a considerable knowledge of European business environments and to become relevant in the eyes of the practitioners who populated their courses. Although there were some topics that tended to be more lecture oriented, the vast majority of the faculty was steeped in running lively case discussions, leveraging the knowledge and experience of the executive audience into the flow of the conversation.

While case research was institutionally supported, each faculty member carried out an individual research agenda aimed at more traditional publications—journals or books—and participation in academic conferences.

## **Recruiting IMEDE Participants**

IMEDE participants were recruited from mostly European companies and sponsored by their firms. A typical class combined many different nationalities in one classroom, as well as different industries. Although Nestlé used to sponsor the most participants in any given group, these participants were themselves coming from different businesses, regions and were from a variety of countries. IMEDE faculty had developed a skill to teach across different nationalities, both in the executive and MBA programs; a skill that was well engrained in the faculty teams by the mid-1980s.

The necessity of teaching international executive audiences for whom English was a second language also had its effects on the organization of the daily teaching schedule. The typical longer-term IMEDE programs (PED, MBA) had all run with three sessions per day, often requiring participants to absorb three different class preparations each day (a schedule initially adopted in the functional programs). But in the early 1980s, it became clear that with managers for whom English was not their mother tongue, three preparations every day were not manageable. Subsequently, changes were made in several programs to move towards two longer, half-day sessions per day. This model was easily adopted into company-specific programs, where the time was very short and there was even less opportunity for self-reflection. Compared to the initial teaching approach, this represented a considerable shift.

## Building In-Company Program Capability

### Early Experiences with In-Company Programs

In line with HBS tradition, IMEDE did not initially offer any company-specific programs. Although in 1966, IMEDE ran a 1-week seminar in French for managers from the Swiss watch industry. This was the first time the Institute changed from its credo of multi-company offerings. Over time, and during the 1970s in particular, opportunities arose to offer courses—usually shorter than the standard IMEDE programs and often given in a series of five in a week—for one, individual company at a time; the materials and content subject matter were identical and were used for a variety of different firms.

“Possibly one of the first truly In-Company seminars held at IMEDE was for Shell around 1975. By that time the third floor classroom in Corthesy was available again, after having moved the MBA program back to the Residence. Pricing was less than CHF 10,000 per day. Little marketing was necessary as clients walked in the door” (Gilbert). Other programs were offered for McKinsey, ITT Europe, Airbus Industries and Dentsu. Alvar Elbing, on the faculty at IMD at that time, was a strong proponent of these programs.<sup>28</sup>

The first large program series was conducted for GE Europe; a contract for a Sales and Marketing program for their European sales executives was signed in early Fall 1980. This program was placed under the direction of Professor Kamran Kashani,<sup>29</sup> who had joined IMEDE as a full-time faculty member shortly after the contract signing. The program was designed for sales executives and was intended to broaden their perspective to Marketing and Strategy. The 5-day program ran about three times annually, for 3 years, and was priced at CHF 35,000 per week. Eventually, the program fee was raised to CHF 50,000 per week towards the end of the cycle. “At the initial fee of CHF 35,000 per week, we thought we were making money!” (Kashani).

Kashani believed that General Electric (GE), although known for its own internal management development center in Crotonville, NY, was one of the first large corporations who wanted to break out of only using internal training. Rather than sending all of its European sales executives to the US for programs, the European operations, based in Brussels, preferred to do this in Europe. Over the years, this became a strong trend and more and more companies turned to business schools for entire programs, not only for sending individual participants for personal growth.

The GE program not only represented the first large program series, it also resulted in significant of case material development. At the time, Dean Harry

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<sup>28</sup> Professor Robert S. Collins even remembers a program in the 1960s for the Swiss watch industry association. This was for an industry association, however, and not a single company.

<sup>29</sup> Kamran Kashani, member of Faculty and Professor of Marketing and Strategy 1980–2012, since 2012 a Professor Emeritus.

Hansen negotiated funding for five cases and Kamran Kashani developed these cases in less than 4 months. One case, entitled *Mediquip SA* dealt with the situation of a lost sale of medical equipment that became a frequently used case in many programs at IMEDE and around the world.<sup>30</sup>

Indirectly, Alto Chemicals, another well-known case series, originated from the GE program series. After having successfully led several GE programs, Kashani had a discussion with Dean Abell about his future professional development. For Kashani, “sales seemed to be a hot topic” and worth pursuing professionally as a Marketing professor. Abell wanted Kashani to think broader, beyond sales, in the direction of Sales Strategy and Marketing Strategy, a suggestion Kashani to this day considers pivotal in his professional development. Abell connected him to a former participant from the time when he ran the HBS Program on the Mont-Pelerin (above Vevey). This former participant was in a senior position at a European chemicals company and willing to connect Kashani to another executive who became the protagonist in a case, later published under the name of *Alto Chemicals*. It turned out to be a real winner and has been in use in business schools around the world to this day. “Today, we would list this case under Leadership. However, that terminology was not yet in common use in the mid 1980s” said Kashani. The use of this material added to the strength of the IMEDE executive programs and became an important element in attracting In-Company programs later on.<sup>31</sup>

When I took over as Dean of IMEDE in 1981, I saw this collection of programs that were relatively low-priced. We were not making any money with them when allocating our full cost. I appointed George Taucher to take charge of this effort and to increase the revenue from them. One day he proudly entered my office and waved a document indicating that he did just have such a new client, the Abu Dhabi National Oil Company (ADNOC), who paid without questions asked, the new, much higher price of CHF 75,000 per week (Derek Abell).

Professor George Taucher, in his role as the first formal head for IMEDE In-Company programs, negotiated the contract with the Abu Dhabi National Oil Company in the early 1980s, and also became deeply involved with programs for Italian-based Olivetti. The ADNOC programs were delivered in Abu Dhabi, whereas the Olivetti programs started at IMEDE and were later moved to the company's UK training facility.

From 1984 to 1989, Professor Robert Collins took over from George Taucher and also assumed the newly created role of Associate Dean for the period 1985–1989. Thus, he not only became responsible for programs but also played an important role in the scheduling of faculty, programs and facilities. “My assignment was, among others, to fill the Auditorium C on the third floor of Corthesy with programs that were of longer durations, 2 weeks preferably, and

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<sup>30</sup> Kashani, Kamran: *Mediquip S.A.* IMD case no. IMD-5-0395, 1988.

<sup>31</sup> This anecdote was conveyed in an interview conducted by co-author Jeannet with Kamran Kashani in January 2013.



contracted in series or annually recurring programs. For study group rooms, we could use the second floor of our restaurant building.”<sup>32</sup>

The role of In-Company program director involved, primarily, contact and negotiations with prospective clients, program staffing, space allocations and other administrative tasks within IMEDE. Both Taucher and Collins accepted these responsibilities as part of their overall faculty roles. Program design, material selection and contact with the client organization, once the program was launched, was usually done directly by the respective program faculty teams in coordination with the In-Company Program Director. Since both Taucher and Collins were also members of the faculty, and were themselves part of many In-Company program faculty teams, the entire process remained largely faculty driven.<sup>33</sup> Collins referred to the IMEDE program management as a ‘Triumvirate’ In-Company program administration and its director, the assigned program assistant and the faculty team represented the three areas. Each was in touch with the client for its particular area of responsibility and internally they coordinated their efforts to create one single integrated delivery team. This prevented the creation of silos and yet made it easy for the client to interface with IMEDE.

### **Sulzer Seminar Series<sup>34</sup>**

In mid-1984, Sulzer Brothers, a leading Swiss machinery and technology company, approached IMEDE, with a request for a series of seminars focusing on market orientation. “The Sulzer Program represented the first really large-scale contract for IMEDE,” remembers Professor Collins who was then IMEDE Director for In-Company programs, responsible for any new client requests.<sup>35</sup>

Driven by one of its Management Board members, Peter Sulzer, who had studied management in the US, the company was looking for a way to instill more of a market orientation in its management and operation. Contacts with IMEDE were also made possible through the Sulzer Corporate Planning Officer who had been a graduate of the IMEDE PED program.<sup>36</sup> After an initial contact period, Sulzer requested to expose its top 250 managers worldwide across all business, functions and support departments to an intensive learning program. Since the physical

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<sup>32</sup> Professor Robert S. Collins, Faculty member 1975–2005; now Professor Emeritus 2005 onwards.

<sup>33</sup> As the In-Company volume increased, in the early 1990s, IMD adopted a model of a full-time contracting office that handled most commercial contacts with prospective and existing clients. Once a program was agreed upon, it was the Program Faculty who were responsible for execution, including design.

<sup>34</sup> This section borrows heavily from the experience of co-author Jeannet who was part of the program design team and acted in the role of program director for most of the program series.

<sup>35</sup> Based upon interview of Professor Robert S. Collins by co-author Jeannet in January 2013.

<sup>36</sup> George Koehli, Head of Corporate Planning, IMEDE PED alumnus.

capacity of the IMEDE campus was limited, the program would have to be held in the third floor small classroom in the Corthesy building as the other two major classrooms were occupied by the main programs, PED and MBA for most of the year. With a seating capacity of about 30 participants, the initial request was to deliver a pilot and six programs, each 2 weeks long, within about 8 months. This was the largest single such contract IMEDE had ever dealt with and also stretched available faculty resources. To overcome the faculty bottleneck, IMEDE made heavy use of a cadre of former visiting professors, all used to the IMEDE teaching style, who could manage to fly in for parts of the programs. This group included Professors Murray and Jeannet, both of them would play later a key role in the DSM programs.<sup>37</sup>

Sulzer selected 'Sulzer Market Orientation for the 1990s' as the name for its program initiative. The formulation of the design mandate around the market orientation theme was significant and had wide-ranging effects. Many programs delivered by IMD up to that point had a largely functional, or general management, character as intended by the Institute's founders. With Sulzer arrived a company with a theme that cut across all functions and in several ways forced the faculty team to rethink its own contributions and much more tightly articulate them as part of the program. Cross-functional issues were included, and the notion of the 'market' as the guiding principle was introduced. While initially hardly noticeable, the change in program design from a typical PED mid-management program to the Sulzer programs amounted to a step-change. When the Sulzer program first came in, the faculty all thought 'marketing' but then learned to distinguish 'market orientation' from plain marketing, which, for many, was an important learning (Tables 2.1 and 2.2).

Delivering what turned out to be 13 two-week programs to a demanding audience of senior managers with international experience left its imprint on the faculty, who benefited enormously from the challenge. Starting at the end of 1984, the first six seminars were delivered within 6 months, significantly stretching available faculty resources. The initial (pilot) program was launched on 25 November to 7 December 1984. In 1985, six additional programs were delivered in January, February (two), March and June (two). Two additional programs were offered in 1986, two more in 1987 and one each in 1989 and 1990. Due to the tight delivery schedule, some programs had to be held at a nearby hotel where a classroom had been installed previously to satisfy IMEDE teaching styles.<sup>38</sup>

The flow of the program followed established IMEDE practice. Program opening was on a Sunday evening, commencing with an initial dinner participants seated with their first set of study group. During the first week, classes were held on Saturday morning. Saturday evening was always a social event organized by

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<sup>37</sup> Eventually, Sulzer contracted for 13 two-week programs, with the last one delivered in May 1990.

<sup>38</sup> In the early 1980s, IMD was able to collaborate with the Hotel Royal, which was within walking distance of the IMEDE campus, to build a classroom with a seating capacity for about 30 people.



**Table 2.2** Sulzer program block schedule for second week (11th Program offered)

Preliminary program Sulzer seminar Nov. 30–Dec. 11, 1987 Week 2					
Sunday, Dec. 6	Monday, Dec. 7	Tuesday, Dec. 8	Wednesday, Dec. 9	Thursday, Dec. 10	Friday, Dec. 11
		<b>The strategy/ function interface</b>	<b>Market oriented organisation</b>	<b>Putting it all together</b>	Exercise
		Soudronic	Perkins	Alfa– Laval	
	PC	JPJ	JD'C/PC	JPJ	
				Late Lunch	
<b>Negotiation for market success</b>	<b>Entering “Closed Markets”</b>	<b>Intra– preneurship</b>	<b>Selecting a competitive posture</b>	<b>Putting it all together</b>	
	Biral		Motofabrikwerk	Exercise	
PC	KS	PC	JPJ		

Legends for Professor Abbreviations

*PC* Pierre Case (Organizational Behavior)

*KS* Kurt Schaer (Finance)

*JPJ* Jean-Pierre Jeannet (Marketing and Strategy)

*JD'C* Joe D'Cruz (Marketing and Strategy)

IMEDE that included a cocktail or drinks at a wine cellar, followed by an informal dinner. Sunday was free and was often used by participants coming from different areas to explore the region. On the second week, classes ended at Friday noon.

Each day, classes started at 8:30 and ended at 17:00 h. There was a morning and an afternoon session, each with a clearly identified agenda or topic. One faculty member usually took charge of the session and had the freedom to organize the half-day. Most of the time, there was an opening discussion of a case, followed by a group session with a specified deliverable and ending with a debriefing and summary. Since the program had dedicated study group rooms available, the faculty member could set his or her own schedule as the material required. Flexible breaks were scheduled both in the morning and the afternoon and lunch was in the IMEDE restaurant at noon, with a break until 13:30. This created two equal three and three-quarter hour slots for both morning and afternoon sessions. After the end of the afternoon session, participants returned to their hotel. For Sulzer, and most other programs, the same hotel was chosen for the entire class cohort to provide for more personal contact. Participants then had two case preparations for the next day.

The majority of the Sulzer participants had engineering degrees, without formal management education. However, they had considerable management and marketing experience on an international scale. Given the nature of Sulzer's businesses, the faculty had to use many industrial marketing cases augmented by some material on technology management and strategy. This created depth in working with

industrial marketing material at a time when many business school-based marketing courses were taught predominantly with consumer material.

An important aspect of the Sulzer program experience was the need of the IMEDE faculty to jointly develop a program that integrated several aspects that had previously been taught independently. In this, Dean Abell played an important role. The theme of market orientation was not one that the faculty had extensive experience with. Marketing faculty would understand marketing orientation but Abell convinced the group that market was different from marketing. He pointed out that there were several functions in the business and that Marketing was to play the lead role (he called it quarterbacking, using a US sports idiom), and that the interrelationships among the functions were of equal importance. For Abell, the market consisted of the '4 Cs'—customers, competitors, costs and company—which he used to illustrate with the Scott Air opening case. He used to call this 'part-to-whole' and 'part-to-part' relationships but behind his back, the Marketing faculty joked about this language, however, with the benefit of hindsight, it was clearly a conceptual step-change that led the faculty to a more powerful program design.<sup>39</sup>

An additional benefit of the Sulzer program series was the inclusion of strategy using the then emerging idea of value chain analysis. At IMEDE, some faculty members, Professor Kubes and Professor Gilbert among them, had begun using a significant amount of value chain analysis in the MBA program. This material found itself into the Sulzer program and became one of the prominent features of the program. At the beginning, Professor Gilbert taught this pivotal session using the well-known *Crown Cork and Seal* case.

Since many IMEDE faculty members also had experience with the MBA program, the knowledge about business systems was shared across a broader set of faculty and not restricted to the Strategy group alone.<sup>40</sup> As the Sulzer programs continued, teaching responsibility was assumed by Professor Jeannet who was able to use the Tissot/Watch Industry material he had developed at IMEDE while teaching in the PED program. As a result of joining some sessions taught by Professor Gilbert, he became familiar with the concepts of industry analysis, a fact that turned out to be of great value for other In-Company programs later on.

The teaching material chosen for the program consisted almost exclusively of IMEDE or HBS cases. Harvard cases were used in the area of Industrial Marketing and Strategy, such as Scott Air, Kenics and Motofabrikwerk. IMEDE-written cases, the majority of the cases, were from a variety of areas reflecting the need to teach both Strategy and Marketing, as well as the various functional interfaces, such as R&D, Finance and Operations. At the time, some of the more recent cases were

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<sup>39</sup> This observation is a personal memory of co-author Jeannet and reference to Derek Abell's "Marketing as the Quarterback" in some IMEDE working paper/newsletter.

<sup>40</sup> It is important to note that IMEDE, and later on IMD, never used academic departments. Faculty members were loosely associated around certain clusters of interest and topics but the clusters had no formal structure.

Maillefer (operations), Alfa-Laval and Soudronic (strategy) and Jan-Erik Dyvi (marketing/pricing). Virtually all of these cases were in the industrial, or as it is called today, B2B sectors, and had been developed in the early 1980s about European companies and business situations.

In collaboration with the company, the faculty team (with Professors Jeannet and Sprague leading) developed an internal Sulzer case as the last exercise to be run Thursday/Friday of the second week. The case material dealt with a project about entering the Flue Gas Treatment space for exhausts at industrial sites or power plants. This case was about a project that had not yet been decided, adding tensions to the discussions. Participants received the material on Thursday afternoon and worked through the evening to prepare group presentations. These presentations were discussed on Friday morning, ending the program and bringing together most of the conceptual elements covered in the course. As it turned out, creating specific material for an ending exercise became a hallmark of many IMEDE In-Company programs.

Establishing a dedicated program administration team for In-Company programs was a practice adopted from the IMEDE public programs. Typically, this consisted of allocating an administrative assistant for all the logistic and administrative purposes—starting with booking hotels and producing the program documentation to seating charts, picture books and supporting the program while in progress at IMEDE. The program assistant worked closely with the Program Director at IMEDE, which was always the lead faculty member on the program. Contacts with the company were maintained both through the Director of In-Company Programs, the faculty member in the role of Program Director and the Program Assistant. In the case of Sulzer, the assigned company contact was Arthur Duesel, a senior manager in the training area, who worked closely with IMEDE on the first series of programs. Duesel, in particular, took care of sending mixed cohorts, both in terms of businesses, geographies and functional expertise, combined with a member of the corporate executive team to accompany each seminar. For the first wave of programs the Program Assistant was Christine Kaesermann. The role of Program Director was initially shared among several faculty members and later became the responsibility of Professor Jeannet who also taught in all 13 Sulzer programs. “With the Sulzer programs IMEDE started into a new era for In-Company programs and, possibly, for the first time we priced it right” (Collins).<sup>41</sup>

## Exxon Chemicals

Exxon Chemicals, representing Exxon’s worldwide chemicals business, through its European area office in Brussels, contacted IMEDE for a program to enhance the

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<sup>41</sup> The weekly program price for the Sulzer series amounted to CHF 100,000 per week, substantially more than previous IMEDE In-Company programs.

marketing capabilities of its European operation. With the Sulzer program series under its belt, IMEDE assigned a faculty team led by Professor Kashani, and including Professor Jeannet, both professors of Marketing, to conduct a needs assessment. Following meetings with Exxon Chemicals' senior managers from various European operations, a program was designed (one and a half weeks in length) that brought several groups of managers to the IMEDE campus in Lausanne.

Although the program thrust was not too different from the Sulzer experience, the Exxon Chemicals engagement had the effect of giving the IMEDE faculty experience with a company in the industrial chemicals sector. Previously, participants from this sector had often appeared in the mix, or in open enrollment, programs where the teaching agenda focused on issues that pertained to all industry sectors. With Exxon participants, the faculty was confronted for the first time with experienced executives from the industrial chemicals sector across Europe. The result was an increased familiarity with the language and business of industrial chemicals, something with which the typical business school faculty were, at that time, not normally familiar. Clearly, this opportunity contributed to the experience base deemed relevant later when confronting the issues of Royal DSM NV (DSM), also an industrial chemicals company at the time, although active in different segments than was Exxon Chemicals (Table 2.3).

## **Discussions About the Role of In-Company Versus Open Enrollment Seminars**

As the In-Company programs began to expand in scope and volume, discussions took place within the IMEDE faculty on the role of these activities versus the open enrollment PED and MBA programs. In-Company seminars were in competition for scarce resources, both faculty and space for teaching and group discussions. The business model applied to the In-Company seminars was based upon a fixed fee per instructional day, regardless of the number of participants, always assuming that the group could be taught as a single class cohort. By the end of the 1980s, typical fees charged by IMEDE amounted to about CHF 25,000 per seminar-day, which included use of all classrooms, meeting rooms, any technology required, lunch for all participants and the coffee breaks in the morning and afternoon.<sup>42</sup> For some other, shorter open enrollment seminars for senior managers, such as the established SEE or the rapidly growing Managing Corporate Resources (MCR), the collective revenue when run with 40 participants exceeded the revenue generated by In-Company programs. The defenders of the In-Company seminars pointed out that these programs represented an important incremental revenue stream for

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<sup>42</sup> For Sulzer, seminars that were delivered in 1987, under older contracts when the seminar fee was still CHF 100,000 per week, or CHF 20,000 per day. Source: IMEDE billing records from 1987. This daily delivery fee was later raised to 25,000 in 1990 and 30,000 in 1991, or 125,000 and 150,000 per week, respectively.



Table 2.3 Exxon Chemicals Program block schedule

Exxon Chemicals International/IMEDE Managing for Markets of the Future November 20–28, 1989						
Week 1	Monday November 20	Tuesday November 21	Wednesday November 22	Thursday November 23	Friday November 24	Saturday November 25
		<b>Understanding the market</b>	<b>Market evolution</b>	<b>Company analysis and strategy formulation</b>	<b>Getting organizational commitment</b>	Day Off
		Bavaria Manufacturing	Prime computer	DAAG	Alto Chemicals	
		KK	KK	PJ	KK/JBK	
Week 2	18:00 Opening Dinner Hotel	<b>Industry analysis</b>	<b>Industry analysis</b>	<b>Implementing strategic change</b>	<b>Managing in turmoil</b>	
		Crown cork and seal	Project teams	Johnson and Johnson	Donna Dubinsky	
		PJ	PJ	JBK	JBK	
	Sunday November 26	Monday November 27	Tuesday November 28			
		<b>Prepare presentations</b>	<b>“Exxon Day” Introduction</b>			
		Project Teams	Group Work			
		PJ	KK			
Faculty Abbreviations	<b>Industry analysis</b>	<b>Presentations</b>	<b>Group presentations</b>			
	Project Teams	Project Teams				
	PJ	Faculty	Faculty			

*PJ* Per Jenster (Marketing)  
*KK* Kamran Kashani (Marketing)  
*JBK* J. B. Kassarijan (Management and Organizational Behavior)

IMEDE at a time of consistent operational deficits and that, contrary to open enrollment seminars, the marketing and sales activities required for this business were substantially lower. Furthermore, internally there were no special payments made for participating in such seminars. Eventually, the view that this was indeed important, that it contributed to the intellectual vitality of IMEDE faculty through the learning about new issues and thus would make a financial contribution that needed to be considered, gained the upper hand.<sup>43</sup>

With weekly fees increasing steadily for In-Company programs combined with the constantly rising demand, IMEDE was able to book six to 12 months ahead.<sup>44</sup> This full order book was more predictable than the open enrollment seminars where participants had to be recruited one by one. It also added a sense of stability to our revenue stream that we had not enjoyed before (Collins).<sup>45</sup>

## The Second Expansion of the IMEDE Campus Facilities

In 1984, the IMEDE Board of Trustees (Foundation) gave the green light for a major augmentation of the Campus. In order to have more of the modern, horseshoe and amphitheater type classrooms, a major expansion was considered (later to be named the Bignami Building). Together with the expansion of the office space for faculty and administration, a large structure was to be constructed on the lakeside of the old Residence, arranged in semi-circular fashion, with three modern classrooms put in underground. This expansion would allow the conversion of the old classroom in the Residence, used for MBAs, to be used for office space. With the Cortesey building behind the Residence, a total of four amphitheater classrooms of seating for about 60 participants would be available, while still having access to the smaller classroom on the third floor of Cortesey. Together with this expansion, a total of about 30 meeting rooms were to be added, bringing the IMEDE delivery capacity from running two and one-half programs simultaneously to four and one-half programs. The 'Ecurie,' where the restaurant and the library were located, had to be equally expanded to allow all participants, and staff, to have lunch in two 60-min sessions.

Since this project represented a substantial impact on the on-going operations, it was to be constructed in phases. As it turned out, the work in the Residence and the Bignami wing required the Residence offices, and the MBA classroom, to be vacated from the beginning of the construction. As a temporary measure, a square

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<sup>43</sup> The reader should consider that during this time other leading business schools, such as HBS, had always declined such opportunities and were to enter them only at a much later time in the 1990s after IMD, INSEAD and others had already gained a substantial reputation for executing such programs.

<sup>44</sup> By 1990, the In-Company program fees had risen to CHF 125,000 per week, according to an IMD brochure published in 1990.

<sup>45</sup> Interview with co-author Jeannet, March 2013.



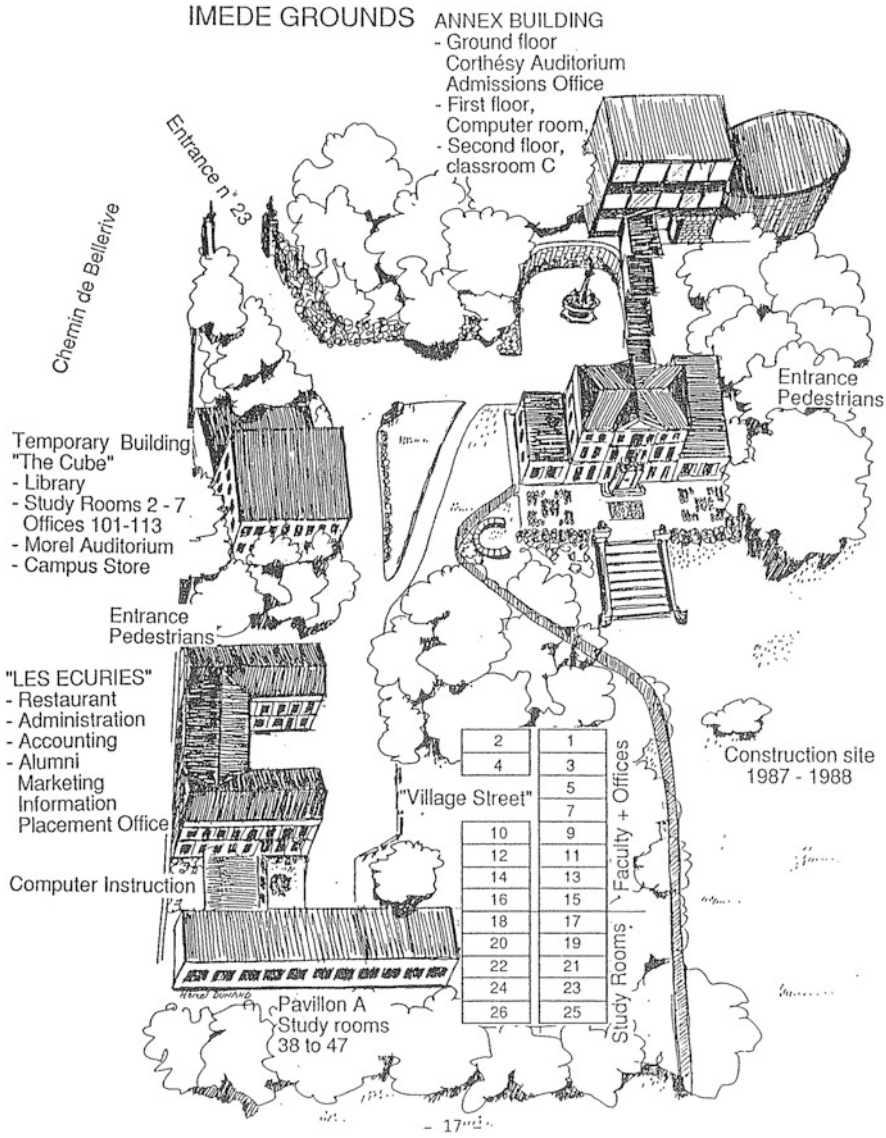
**Fig. 2.4** IMD Campus (early 1990s) View from South/Lake on Residence (First Building) and Expansion Building. *Source:* Copyright© 2014 IMD

two-level building, informally referred to as ‘Cube’, was constructed. Beginning with the renovation of the restaurant, followed later by the administrative offices located in the Residence and the MBA classroom, were all moved to the Cube temporarily. The Bignami wing became operational in January 1989 and offices in the Residence were re-populated around this time. Formal inauguration of the Bignami wing took place on 26 May 1989 (See Fig. 2.4 for a view of the new Bignami wing).

But even with the construction of the Cube, not everyone could be housed there. The expansion of the programs required still more group meeting space. A ‘Portacabin Village’ with some 30 ‘Portacabins’ was constructed that housed faculty, staff and group meeting space as needed. These construction site-type ‘containers’ were eventually removed once the Bignami wing became operational.

### **Exhibit 2–7: IMD Campus During Construction 1987 (see Fig. 2.5)**

By 1990, the IMEDE campus facilities were able to run four large and one small program, had sufficient study group rooms to allocate to each auditorium to run independently, enough seating capacity in its restaurant and also enough office space for an increase in faculty, that would coincide with the growth of its programs. This would include a substantial increase in the delivery of In-Company programs that now could be offered alongside the major IMEDE open enrollment programs, such as PED and MBA.



**Fig. 2.5** IMEDE campus drawing during construction. Temporary building ('Cube') and Portakabin 'Village Street'. Status 1987 approx. *Source:* Copyright@2014 IMD

## Summary

Although created for the specific purpose of bringing managers from many different companies together, by the end of the 1980s IMEDE had accumulated considerable experience in delivering company-specific seminars as a ‘shock treatment’ in a relatively short time frame. This was all the more impressive because the original founders, from Nestlé and Harvard, as the original academic partner, had agreed to create an Institute that would concentrate on public seminars for heterogeneous audiences. The partnership between business and academia was at the heart of IMEDE’s foundation; it was an institution that had evolved into having the capability of doing precisely what it had originally planned not to do—namely, the company-specific seminars. These programs were emerging as a major source of revenue, as well as generating new ideas and an enhanced reputation, with a committed faculty able to deliver high impact seminars.

By early 1988, IMEDE had undergone a complete transformation of its program offerings, a major change towards company-specific seminars, and a complete overhaul and expansion of its physical campus. It was at this moment, in January 1988, that IMEDE was visited by a task force from the Dutch company DSM, looking for help in increasing industrial marketing capability.

Without such a complete transformation of its own IMEDE would most likely not have been perceived as an attractive partner when DSM first scouted for academic partners in late 1997. But more about this in Chaps. 3 and 4.

From Coal to Biotech

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Support

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