



Leading Change at a Business School

Dr Seán Meehan
Martin Hilti Professor of Marketing and Change Management
Dean of External Relations

History of IMEDE / IMD

- 1957 IMEDE established
- 1958 First Annual Program graduates
- 1958 IMEDE Alumni Association established
- 1972 PED program established, following tradition of Annual Program
- 1972 MBA program established
- 1973 Company sponsored, “Partner” programs introduced
- 1977 “Affiliates of IMEDE” established, predecessor to Learning Network
- 1990 IMD formed, merger between IMEDE and IMI

Observations from Professor Bob Anthony, Annual Program 1957-1958 (on IMEDE's 20th anniversary)

- When IMEDE started in 1957, it was one of the very few management schools in Europe, and the only one with a multinational emphasis
- The IMEDE program relates to the real world
- Faculty members *want* to teach at IMEDE. The environment is conducive to education
- Participants work hard
- The graduates benefit from the experience. In part indicated by the positions of responsibility that many of them attain. Perhaps equally important, the graduates are loyal
- We think there was something special about their IMEDE experience and the IMEDE colleagues

Observations from Luigi Dusmet de Smours, Dean and Director, IMEDE, 1967-1978 (on IMEDE's 20th anniversary)

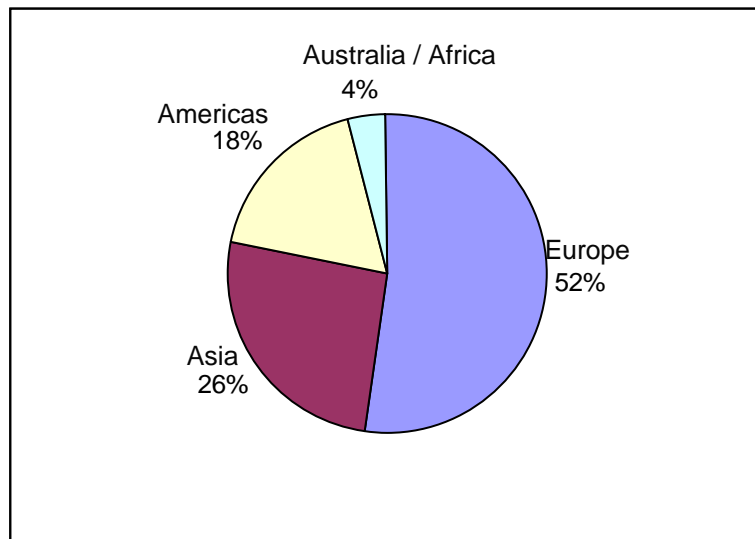
- IMEDE's objective is to be primarily a teaching institution with a strong practitioner orientation
- Strength comes from the quality of our faculty and student body
- Teaching methods and research include extensive use of the case method. They are empirical, pragmatic and practitioner-oriented
- Reputation as a school willing to experiment with high-risk programs
- Programs are highly integrated and appropriate to general management studies

IMD Today

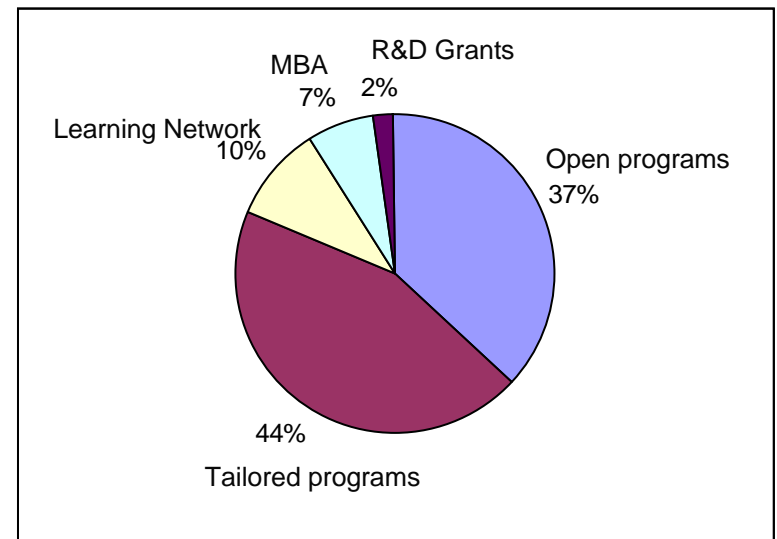
- 8,000 executives learn at IMD every year
- 20+ open enrollment Executive Development Programs as well as company-specific Partnership Programs
- 57 professors (full-time, 28 nationalities); 250 support staff employees (25 nationalities).
- 190 companies in the IMD Corporate Learning Network – (Partners & Business Associates)
- 60,000 IMD Alumni from 140 countries
- 44 IMD Alumni clubs in 30 countries

IMD: International with Diverse Sources of Value Creation

Program Participants from 98 nationalities



Diverse sources of value creation

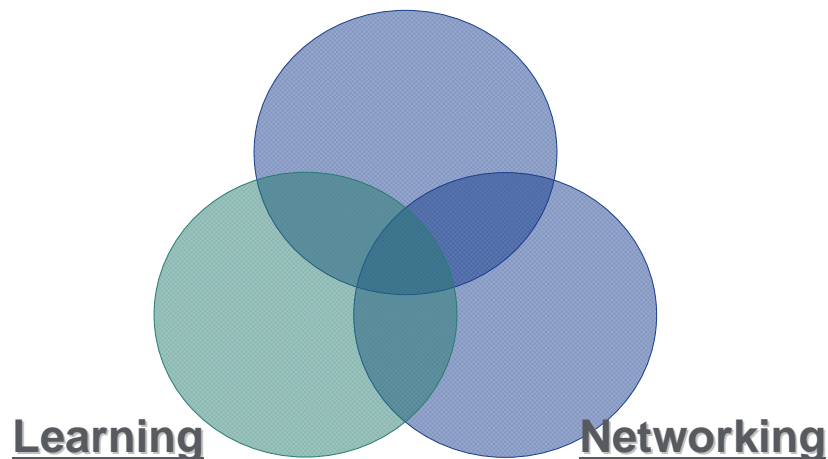


The IMD Corporate Learning Network

Corporate + Learning + Network

- An exclusive community of 190 world class companies
 - Lifelong learning
 - Global networking opportunities

Community



Consistently Positive Feedback in Third Party Rankings

The top 20 schools						
Rank in 2009	Rank in 2008	Rank in 2007	Average rank (3 years)	School	Custom Rank 09	Open Rank 09
1	1	2	1	Harvard Business School	3	1
2	1	3	2	IMD	4	2
3	3	1	3	Duke University: Fuqua & CE	1	23
3	5	5	4	Iese Business School	6	5
5	11	17	11	HEC Paris	2	17
6	8	7	7	Center for Creative Leadership	14	7
7	7	14	9	University of Pennsylvania: Wharton	6	13
8	4	-	-	Northwestern University: Kellogg	8	15
9	16	17	14	London Business School	25	6
10	16	22	16	IE Business School	28	4
10	11	11	10	Insead	5	19
10	14	17	14	University of Western Ontario: Ivey	21	9
13	27	34	25	Essec Business School	15	16
13	16	20	16	Fundação Dom Cabral	16	13
13	22	11	15	University of Virginia: Darden	35	2
16	10	9	12	Stanford University GSB	30	8
16	-	10	-	Thunderbird School of Global Management	24	11
18	9	8	12	Columbia Business School	28	11
18	19	14	17	MIT Sloan School of Management	31	10
20	11	6	12	Babson Executive Education	11	26
20	28	28	25	Esade Business School	8	26

This table is compiled from the scores underlying the Financial Times Executive Education 2009 open enrolment and custom rankings, rather than the printed rankings; both sets of data are given equal weight, but the overall result is therefore not equal to the average of the two printed figures for each school.

The New Reality



The Changing Landscape: Partnership Programs

	From	To
Constrained L&D Budgets	<ul style="list-style-type: none"> ▪ Growing and secure L&D budgets ▪ Market acceptance of the fees charged by the top tier business schools ▪ Overwhelming demand for our work 	<ul style="list-style-type: none"> ▪ Unprecedented levels of cancellations and postponements in 2009 ▪ Price pressure ▪ Limited new program funding ▪ Price is now a deciding factor in the client decision-making process
Clients are taking much longer to make their choices	<ul style="list-style-type: none"> ▪ Programs repeated out of habit, with little internal resistance ▪ Clients buying according to reputation: "If it's from ..., I can trust its quality" 	<ul style="list-style-type: none"> ▪ More formal purchasing department-led RFP processes ▪ More rigorous internal processes for our L&D contacts to justify their program work ▪ Demand for extremely detailed information regarding program design, content and the delivery team prior to making a decision
Competition is fighting hard for our space	<ul style="list-style-type: none"> ▪ High fees justified by our world-leading rankings ▪ positioned as the leader in custom program work 	<ul style="list-style-type: none"> ▪ Less willing to pay for the best when good enough is available for a much lower price ▪ Undifferentiated positioning in the market: we all say the same things about ourselves

Universal Implications

- All schools need to demonstrate value in advance
 - flawless on the fundamentals of program design and delivery
 - world-class in thought-leadership and program design: blended, pre- and post-program work, non-faculty delivery
 - more tailored and seamless client relationship management approach

The Changing Landscape: Open Programs

	From	To
Training & Development budgets are now frozen or reduced	<ul style="list-style-type: none"> Stable -to-growing T&D budgets from Key Accounts Market acceptance of the fees charged by the top tier business schools Demand for our General Management & Leadership programs incl. OWP 	<ul style="list-style-type: none"> 2009 - transfers & cancellations Higher sensitivity from HR to price for programs with focus on “Must have” program vs “Nice to have”
Clients are hesitant to stay away/travel from business in tough times	<ul style="list-style-type: none"> Steady program intake across portfolio No internal resistance to training & development 	<ul style="list-style-type: none"> Pipeline interrupted, visibility vastly reduced Fear to be seen as insensitive to economic climate Increased pressure for individuals to justify expenses to their management
Competition is fighting hard for our space and actively discount	<ul style="list-style-type: none"> High fees justified by high rankings 	<ul style="list-style-type: none"> Potential discounting, special conditions, special offers, ...

Universal Implications

- We all need to continually demonstrate value (ROI)
 - More emphasis on action learning, Project work, Team projects
 - More pre-program and especially post-program follow-up
- Executives will have increasingly less time to be away from work
 - Develop and implement more Blended learning programs i.e. distance learning & on-campus

The Required Reset

Recession

- A complete reset is needed
- No going back

Moving forward

- Not a question of Why ABC v's XYZ B-school,
rather
- Why any business school?
or (worse)
- Why Executive Development?

The name of the game is relevance and impact, not altruism

Tracking Progress with Net Promoter Score



IMD: Driving to The Next Level

Becoming....

- Best in the World in Executive Development

By....

- Building stronger relationships of lifetime learning
- Expanding global learning partner base
- Constantly innovating to stay ahead
- Striving for thought leadership where it counts
- Attracting and retaining great people