## Contents

1 DSM: From Dutch State Mines to Chemicals Company ........... 1  
   1902: The Founding of Dutch State Mines ........................... 1  
   2014: Transformation into a Life Sciences and Materials Sciences  
       Company ........................................... 2  
   Four Strategic Episodes ......................................... 3  
   1902 to 1965: Mining (with Gradual Build-Up of Chemical  
       Activities) ........................................ 5  
   1965 to 1975: Hurry-Up from Mining to Base Chemicals  
       (First Transformation) ................................ 12  
   1975 to 1995: Diversification and Expansion ....................... 20  
   DSM in the Early 1990s ........................................... 28  
   References .................................................... 29  

2 Transforming a Business School ...................................... 31  
   Creating a New Management School ................................. 31  
     The View from Within Nestlé .................................... 31  
     The Situation of the Harvard Business School ................ 32  
     Agreeing on a Concept for an Executive Development Institute  
       ....................................................... 32  
     Defining the IMEDE Mission .................................... 34  
     The Creation of the IMEDE Campus and First Expansion ...... 35  
     Governance at IMEDE .......................................... 36  
     The IMEDE Executive Education Programs ...................... 37  
     The Annual and PED Programs .................................. 37  
     The MBA Program ............................................ 38  
     IMEDE Program Philosophy .................................... 39  
     Functional Programs (MMS, Sales, Finance, M&A) ............. 40  
     Building the IMEDE Faculty ................................... 40  
     Assigning Faculty to Programs .................................. 42  
     The IMEDE Research Orientation ................................ 43  
     Recruiting IMEDE Participants ................................. 43  
     Building In-Company Program Capability ...................... 44  
     Early Experiences with In-Company Programs ................. 44  
     Sulzer Seminar Series ........................................ 46  

xv
The DSM Caprolactam Workshop ........................... 112
The Learning from the Pilot Workshops ....................... 113
The DSM Marketing Day 1991 ................................. 113
The Concepts of ‘Managing the Strategy Dialogue’ ............. 115

7 Embedding Business Strategy Dialogues as a Core Process .... 119
A Second Pilot Study: Polyethylene .......................... 120
Training Facilitators ..................................... 122
The Diffusion of BSDs Across DSM ............................ 124
Linking to Other Functions .................................. 126
Revamping DSM’s Planning: First Design ..................... 126
BSDs and Strategic Value Contracts ........................... 131
References ............................................. 133

8 Contributing to Business Strategy Dialogues ................. 135
Contributing to the ABS BSD Pilot ............................ 136
Contributing to the DSM Polyethylene (PE) BSD Pilot ........ 138
Contributing to the DSM Curver-Rubbermaid BSD .......... 139
Assisting DSM in the Creation of Its Own BSD Process .... 140
DSM’s Need for More Trained Managers and Moderators .... 142
The DSM Facilitators Course ................................ 143
Developing the Strategic Management Course ............... 144
Taking the SMC Program In-House ............................ 147
Evolving the SMC Faculty Team ............................... 149
SMC Expansion Abroad ..................................... 149
Program Management and Organization at DSM ............. 151
Responsibility for Program Content .......................... 151
Making the SMC Sustainable ................................. 152
Role and Contribution of SMC Programs ..................... 153

9 Experimenting with Corporate Strategy Dialogues to Focus and Explore ................................. 155
DSM in 1993 ........................................... 155
1994–1997: Clarifying the Corporate Strategy ................ 158
1998: Gist-Brocades ....................................... 172
Reflection: The Explorative Phase ............................ 174
References ............................................. 175

10 Branching Out Beyond Strategy ............................. 177
Launching the Advanced Industrial Marketing Program .... 177
Selecting the Delivery Institution and Team .................. 179
Learning Dialogue Behavior in a Parallel Stream .......... 187
From Strategy to Leadership ................................. 188
11 The Big Decision: Exit Petrochemicals? ............................ 197
   ‘Vision 2005’ .................................................. 197
   Reflection 1: DSM as a Learning Company .......................... 209
   Reflection 2: From ‘Exploration to Exploitation’ and the Path-
   Dependency of Strategy ........................................ 214
   References ..................................................................... 215

12 Leveraging Faculty Learning Cycles ........................................ 217
   Engagements as Learning Laboratories ................................. 217
   Learning from IMEDE/IMD Sulzer Programs .......................... 218
   The Learning from the ICI Market Focus Initiative .................. 218
   Serono Experience as Introduction to Biotechnology ............... 220
   Developing Healthcare Industry Expertise ............................. 221
   Conceptual Learning Brought to DSM ................................. 223
   DSM as a Learning Laboratory for Faculty ............................ 226
   Conceptual Learning from DSM ......................................... 229
   Faculty Take-Away from DSM Involvement ......................... 231

13 Completing the Transformation of DSM ................................. 233
   Introduction ................................................................... 233
   Accelerating ‘Vision 2010’ ............................................. 239
   Execution of the Strategy .............................................. 240
   Reflection 1: The Learning Cycles of Evolutionary Transformation . 242
   Reflection 2: DSM’s Evolutionary Transformation ................. 247
   References ..................................................................... 253

14 Lessons for Academia and Business ................................. 255
   Impact on DSM as an Organization ..................................... 256
   DSM Initiatives Seen as a Series of Waves ............................ 258
   Impact of DSM ‘Waves’ on Participating Academic Institutions .... 263
   Impact on IMD .......................................................... 264
   Impact on Babson College .............................................. 266
   Lessons for Academic and Business Institutions Alike ............. 268
   Lessons for Businesses Interested in Long Lasting Relationships
   with Business Schools .................................................. 268
   Lessons for Academic Institutions Interested in Building Long-Term
   Relationships with Business ........................................... 280
   Lessons for Business School Faculty ................................... 282
   Why Could the DSM Relationship Endure for More than 25 Years? . 283

15 The Seven Traits of a Successful Company .......................... 287
   Introduction .............................................................. 287
   The Seven Traits ......................................................... 288
   1. Long-Term Orientation ............................................. 288
   2. Evolutionary Perspective ............................................ 290
<table>
<thead>
<tr>
<th>Contents</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Stakeholder Orientation</td>
<td>291</td>
</tr>
<tr>
<td>4. Sense of Community and Identity</td>
<td>293</td>
</tr>
<tr>
<td>5. Stewardship</td>
<td>295</td>
</tr>
<tr>
<td>6. Learning Organization</td>
<td>297</td>
</tr>
<tr>
<td>7. Conservative Financing</td>
<td>298</td>
</tr>
<tr>
<td>Conclusion and Comparison with the Relevant Literature</td>
<td>299</td>
</tr>
<tr>
<td>References</td>
<td>302</td>
</tr>
<tr>
<td>About the Authors</td>
<td>305</td>
</tr>
<tr>
<td>List of Interviewees</td>
<td>307</td>
</tr>
<tr>
<td>Glossary</td>
<td>309</td>
</tr>
<tr>
<td>Index</td>
<td>313</td>
</tr>
</tbody>
</table>
From Coal to Biotech
The Transformation of DSM with Business School Support
Jeannet, J.-P.; Schreuder, H.
2015, XIX, 322 p. 74 illus., 58 illus. in color., Hardcover
ISBN: 978-3-662-46298-0