

How to stay relevant for those who pay your lunch

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IMD / Real learning
Real impact



The Magic of Three



My Plan for this Session

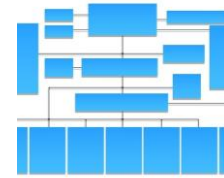
(but we can take it any direction you prefer)



Share (a bit of)
research and
reasoning on
CCLB



Showing results
of your survey
(you did very
well!)



Implications for
Development
Opportunities in
Organisations

Our participants
regularly rate the
customer-orientation of
their company as C+.
For years.
Why?

WHY SHOULD WE CARE?

Market-orientation creates value:

- Market orientation improves profitability
- Market-orientation drives customer satisfaction which drives stock returns

Companies lose market-orientation over time

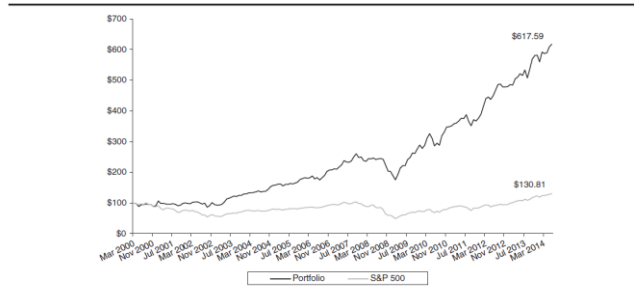
(scissor effect):

- After initial market success, they turn inwards (efficiency & profitability gains)
- Customer needs shift/ expectations rise

Organisational behaviours for market-orientation have been identified.

So, what can **individual leaders** do to keep companies sustainably market-oriented?

FIGURE 2
Cumulative Returns on \$100 Invested in Customer Satisfaction: Portfolio Versus the S&P 500 (April 2000 Through June 2014)

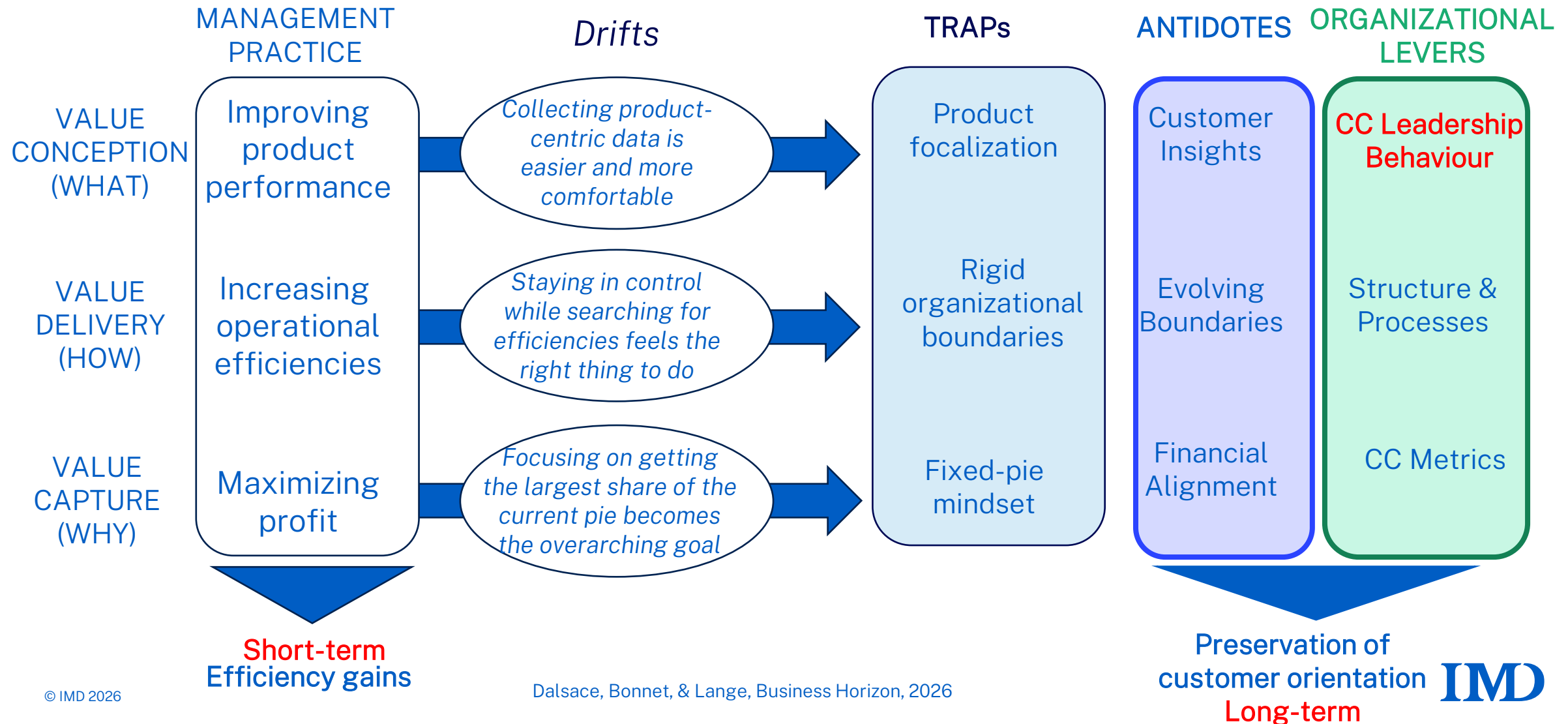
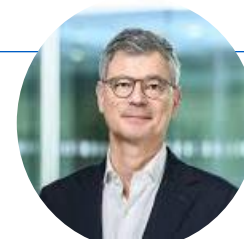


*Deshpande & Webster, 1989; Galbraith, 2005; Kohli & Jaworski, 1990; Narver & Slater, 1990

** Fornell, et al 2006; Fornell, et al 2016; Ittner et al, 2009; Lim et al 2020; Otto et al, 2020; Sorescu & Sorescu, 2016

*** Bonnet, Lange, & Dalsace, 2021; Dalsace, Bonnet, & Lange, 2025

The 3 sides of a business model ... and the silent value erosion over time.



Behaviour creates the Culture.

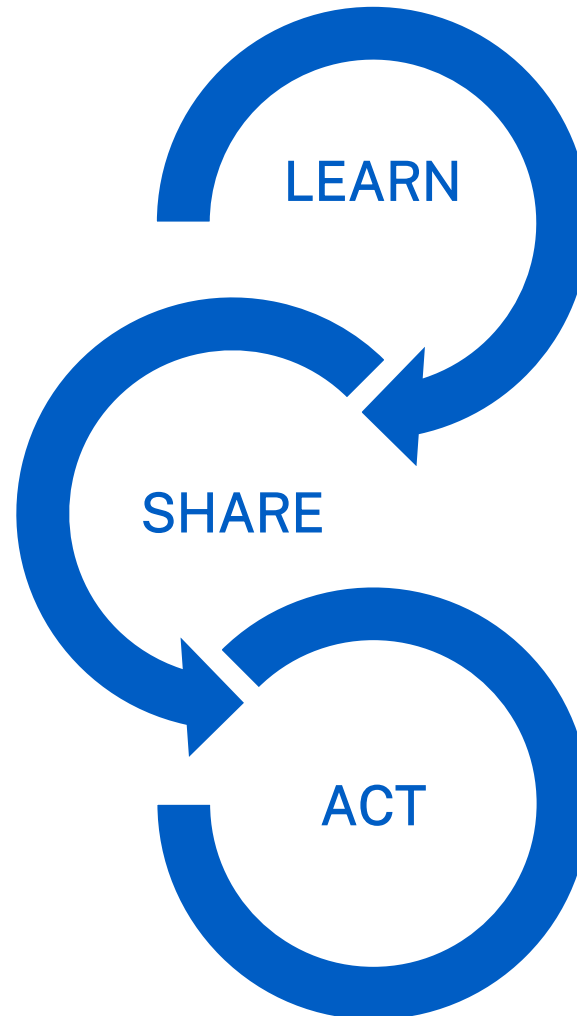
Does your Culture create Value?

Effective internal Communication

- Q6 Diversity of channels
- Q7 Meeting focus

Enterprise Mindset

- Q8, 9, 10 Test and enrich cross-functionally
- Q11, 12 Navigate team vs organisation



Information Intake

- Q1 External pattern recognition
- Q2 Intentional source selection
- Q3 Exploration tenacity

Information Elevation

- Q4 System thinking
- Q5 Strategic thinking

Agency and Initiative

- Prioritizing
- Taking accountability

Testing and Learning

- Risk taking
- Run experiments

Taking Stock: The CCLB Inventory

Design of CCLB Inventory

Three 3 categories – 14 questions

1. Learning (5 questions)
2. Sharing (7 questions)
3. Acting (4 questions)

Pairs of **Direct** and **Circumstantial** Questions (impression management)

- Direct: Desired behaviour
- Circumstantial: Behaviour under pressure

Separating Aspiration from Reality

Controlling for Impression Management

Each item is asked with a pair of **Direct** and **Circumstantial** questions.

- Direct Question: “I always listen”
- Circumstantial: “People have told me that I am a good listener”

Read out:

- Direct Questions are (usually) answered with higher scores (“Virtue Signalling”)
- Circumstantial questions (usually) reflect the actual behaviour.

Is there a gap between aspiration and reality?

- Direct Q Value – Circumstantial Q Value = Delta

LEARN

Underclaiming

LEARN	Direct	Circumstantial	Delta
Q1 External Pattern Recognition	3.7	3.7	0.0
Q2 Source diversity	3.8	3.7	0.1
Q3 Exploration tenacity	3.4	3.9	-0.6
Q4 System Thinking	3.4	4.1	-0.7
Q5 Strategic Thinking	4.2	3.7	0.4

Interpretation of Delta	
Negative	Humility bias/ underclaiming
0 -0.40	Aligned
0.41 - 0.8	Aspirational
Bigger 0.8	Overclaiming

SHARE

Aligned

SHARE

	Direct	Circumstantial	Delta
Q6 Div Channel	4.2	3.6	0.6
Q7 Meeting Focus	3.5	3.9	-0.4
Q8 T& E Cross-function	4.1	3.9	0.2
Q9 T&E Cross-function	3.7	3.9	-0.2
Q10 T&E Cross-function	3.9	3.9	0.0
Q11 EM Team vs. Org	4.2	2.5	1.7
Q12 EM Agency	3.8	3.6	0.3

Interpretation of Delta

Negative Humility bias/
underclaiming

0 -0.40 Aligned

0.41 - 0.8 Aspirational

Bigger 0.8 Overclaiming

ACT

Aspirational

ACT	Direct	Circumstantial	Delta
Q13 Prioritizing	4.0	3.6	0.5
Q14 Accountability	4.0	4.0	0.1
Q15 Risk/ Challenge	4.4	3.0	1.4
Q16 Reality testing	3.6	3.9	-0.3

Interpretation of Delta	
Negative	Humility bias/ underclaiming
0 -0.40	Aligned
0.41 - 0.8	Aspirational
Bigger 0.8	Overclaiming

An illustration of a person with extremely long arms, wearing a dark blue suit and a black hat, standing on the edge of a cliff on the left and reaching across a wide gap to the edge of another cliff on the right. The person's arms are stretched taut, and their head is positioned in the middle of the gap. The background is a light blue sky with several white clouds. The cliffs are brown and the ground below the gap is a light blue color.

Closing the Gap: 5 Developmental Opportunities

1. Empathy Immersion Labs

BUILDS: Learn — Insight Generation

WHAT

Embed leaders from ALL functions, incl. Finance, Supply Chain, HR, R&D in customer context:

- Ride-alongs with frontline/sales teams
- Sitting in live customer service calls
- Co-design sessions with end users

Ideal: Debrief with behavioral coach

WHO

Senior, mid-level leaders and emerging leaders (Levels 2–5)

Ideal:
20% of leader population per year (1-2 years for complete population)

2. Cross-Functional Market Intelligence Rituals

BUILDS: Share — Insight Dissemination

WHAT

Monthly 60-min structured forum where leaders from ALL functions must bring:

- 1 new customer information (data or observation)
- 1 implication for their functional area
- 1 proposed response or experiment

Facilitator rotates monthly across functions.

Outputs tracked and linked to quarterly performance review.

WHO

Population:
All people managers (Levels 1–5)

Format:
Business unit teams of 15–25
Frequency: Monthly (12x per year)
Pilot: 3 BUs in Month 1–3
Full rollout: Month 4–12

Champion network:
1 HR partner per BU

3. Humble Learning Reviews

BUILDS: Learn + Act — Insight Generation & Responsiveness

WHAT

Structured After Action Reviews (AAR) applied to customer-related decisions that underperformed:

- What did we assume about customer needs?
- What signals did we miss or ignore?
- What would we do differently?

Key design principle:

- Role modelled first by C-suite/ExCom publicly to create psychological safety for honest review below.
- Facilitated by HR/ external facilitator (not line management).

WHO

Population (3 tiers):

- Tier 1 — C-suite/ExCom: Quarterly AAR 4 reviews/year, 10–15 executives
- Tier 2 — Senior Leaders (L2–3): Bi-annual AAR 2 reviews/year,
- Tier 3 — Mid-level managers (L4): Annual AAR 1 review/year

4. Courageous Decision Simulations

BUILDS: Act — Responsiveness

WHAT

High-stakes, real-data business simulations requiring cross-functional teams to:

- Diagnose a declining product category or defecting customer segment
- Analyse real competitor encroachment using live data
- Make AND defend a strategic recommendation to senior leadership
- Debrief focuses on BEHAVIOUR (moments of hesitation, deference, groupthink), not just on the quality of the answer.
- Recommendations feed into actual planning processes to maximize stakes.

WHO

Population: Senior leaders (L1–L3) + high-potential L4

Cohort size: 20–25 (cross-functional teams of 5)

Frequency: 2 simulations per year

Presentation panel: 3 ExCom members per simulation (creates genuine accountability)

Year 1: Pilot with 2 cohorts

Year 2: Full rollout

5. Market-Oriented Leader Profiles for Talent Processes

UNDERPINS ALL THREE BEHAVIOURS: Learn · Share · Act

WHAT

Embed Leadership Behaviours as formal, measurable leadership competencies across all people processes:

- Assessment centers: Add behavioural diagnostic to senior selection
- Succession planning: Weight market-orientation track record alongside P&L
- Performance reviews: Include market-orientation KPIs (team insight generation rate, cross-functional sharing frequency)
- Hi-Po identification: Market-oriented behaviour as explicit selection criterion
- 360° feedback: Leadership behaviour rated by direct reports annually

WHO

Population: Entire managerial pipeline
Impact from Day 1 of hire
Process touchpoints per year:

- Assessment centres for external/internal candidates
- Succession reviews: 2x/year, top leaders
- Annual performance review
- 360° feedback: L1–L3 leaders,
- Hi-Po programmes: 30–50 per year

HR team responsible: CHRO + HRBP network

External validation: Annual benchmark vs peers

What is your take?
Please share at your
tables.



Meet Joshie, the Giraffe