

TABLE TALK

Reimagining HUL for a digital age

HUL Chairman Sanjiv Mehta talks about how the FMCG major is being transformed

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Sanjiv Mehta is unfazed by disruptions even as he admits that the Covid-19 pandemic is sweeping in its dimension as a health, economic and societal crisis rolled into one. Mehta, 61, Chairman & Managing Director of consumer goods behemoth Hindustan Unilever, and a 29-year veteran of the multinational, has tackled cataclysmic events right through his career.

Within a year of joining his first job at Union Carbide, "it was a baptism by fire for me when I was sent to Bhopal to be a part of the crisis team." The Bhopal gas tragedy had occurred in December of 1984 and he saw the crisis at close quarters. "How do you react to a crisis? How do you lead a team? How do you engage with the communities during the crisis? So a lot of things got instilled in me during those days," he recalls. Later, he was Chairman of Unilever, Bangladesh, during the second Gulf War. "There was a lot of antagonism against Western companies because there was the feeling that the war was unjust, unfair. And we were the lightning rod being one of the largest multinational Western companies in Bangladesh, so one had to steer that," he says. When he was Chairman of Unilever for North Africa and the Middle East, the Arab Spring engulfed the region.

We are conversing with Mehta virtually as the pandemic has put paid to a convivial chat over a meal. Mehta, sipping coffee from a mug with Bru emblazoned on it, recalls the sheer anarchy in Egypt during the Arab Spring, where Unilever had a huge operation. To keep the business going, Mehta's team did things which were counter-intuitive, "but at the core of it was looking after our people."

Mehta says they asked the company wholesalers in Egypt to loan whatever spare cash they had and the company in turn distributed it to loaders, salesmen and others in the system in need. They collected food and brought it to the factories. "Many factories were being burned down. It was our own

workers, three shifts a day, who were protecting the factory," he says. Mehta asked the Cairo-based managing director to increase ad spends and distribution of Unilever products and the group emerged out of the crisis with double digit growth.

Jewel in the Unilever crown

Mehta's Unilever journey, transitioning to larger roles and responsibilities – from Bangladesh to Philippines and then the MENA region, which comprised 20 countries from Oman in the east to Morocco in the west – meant, in Mehta's words, that "Unilever had been getting me ready for bigger roles. So, if a crisis hits, it doesn't faze me." HUL, after all, is the jewel in the Unilever crown. One thing seared into Mehta's memory from his earlier stints was that if you look after the people, they will look after the business.

Mehta took over as Chairman in October 2013 when HUL had a market cap of under ₹1 lakh crore. HUL has now hit ₹6.5 lakh crore in market cap in less than 8 years. Ask Mehta about HUL watchers observing that he was not a typical HUL head as he is an accountant and not an MBA, he



Unilever

bristles just a little. "Well, those people who made the statement did not know me. You need to have a very good understanding of different levers of business. In my career, though I'm a chartered accountant by training, I've worked in sales, in marketing, in supply chain, in mergers and acquisition... so I have worked in different domains, besides my core skills of accounting and

finance. And before I came into India, I had been a Chairman of different Unilever companies for 11 years. So in many ways, I had been trained by Unilever to come and head Unilever's crown jewel.

And the other important bit is, I am completely Indian at heart." Successive chairmen of HUL have been reinventing the company for their times. On Mehta's plate now is the reimagine HUL agenda. "It's part of the journey to ensure you remain relevant to the context," explains Mehta. The work on reimagining HUL began around five years ago.

In 2015 HUL unveiled a concept called winning in many Indias, which started by recognising that India is not a homogeneous entity. "So, we broke up India into 15 clusters, which were relatively homogeneous. Our strategy and execution today is distinct for each cluster. The strategy in Tamil Nadu will be very different from the strategy in UP or Bihar. The per capita consumption is different, the categories are in a

different stage of evolution, the competitors are different. So what this did was this brought in a level of complexity. But I always treat it as high density lipoprotein (HDL), the good cholesterol," he says, laughing. Earlier, a HUL brand manager or category head used to make one pan-India strategy. "Now we were asking him to make 15 strategies. This couldn't work unless you provided him with data, technology and analytics. Now a chief data officer is a part of my top leadership table. The pandemic has accelerated our reimagine HUL journey," adds Mehta.

Early life in Mumbai

We ask Mehta about his early life in Mumbai and the homecoming to the city he grew up in. Mehta avers that his is a quintessential Indian middle class family; his parents grew up in a part of Punjab which is now in Pakistan, close to Lahore. They

migrated to Kanpur having lost nearly everything. Mehta's father started working while he was still studying and qualified to join the Reserve Bank and moved the family to Mumbai. "So I was a middle class boy from Mumbai, who loved playing cricket and grew up in a family where the values of hard work, integrity and education were ingrained. And those have held us in good stead. And I think to a large extent, we were influenced by our dad," he says.

Mehta wanted to be a cricketer and had moved to Bhadra High School, among the best schools in Mumbai for cricket. But, he realised that he didn't have the talent to make it big; but he had a head for numbers, which led him to be a CA. But, he continued a cricket connection as he did his articleshop under NKP Salve, former Union Minister and a former president of the BCCI. Among the toppers in the CA exam, Mehta had plum offers coming his way: Unilever offered him a job with Lipton in Kolkata while Union Carbide offered one in Mumbai, so he plumped for the latter. But, serendipitously, he was to join Unilever later.

Mehta's wife, Mona, is a CA as well, but, as Mehta points out, she's a corporate banker and not in a consumer goods company. "While our educational background is similar, I think we are pretty diverse individuals, but with similar set of values. And our daughters are not following our footsteps," says Mehta, with a fond smile.

Their twin daughters, Naina and Roshni, are both studying in the US, the former at Harvard Business School and Roshni in a dual master's programme at Harvard Kennedy School. Ask Mehta if it was tough bringing up twins, he says, "The first one year is tough, because it's a multiplier impact. One baby would sleep, the other would get up. And we didn't have our mothers with us. But, thankfully, we got some very good help. And after the one year, then it became lovely. You know, it's a very special bond that twins have, which is very exceptional." Our one hour with Mehta is up and brings to a close a conversation as stimulating as the Bru coffee he has been sipping.



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