

## face to face

**HARISH MANWANI**, chairman of HUL

# 'No matter what business you are in, you will get disrupted'

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**MUMBAI:** In a digitally driven world, the fundamental assumption is that all businesses will get disrupted, no matter what business it is. Do companies have the capabilities to survive and remain relevant? Harish Manwani, who retires as chairman of Hindustan Unilever Ltd (HUL) later this year after a 40-year career with the company, tells Mint India's largest listed consumer goods company by sales has remained relevant. HUL is among India's top five companies by market capitalization with market capitalization of ₹3.25 lakh crore. The Indian arm of Anglo-Dutch Unilever Plc remains the No. 1 employer of choice on B school campuses even as new sunshine sectors have emerged. Edited excerpts from an interview:

**We are seeing disruption in every field due to the advances in technology. How do you stay relevant?**

What was relevant 40-years ago when I joined and even now is that you cannot underestimate the importance of people, which is leadership and talent. So, to me what's most important is that we were the Employer of Choice then and even now. That according to me is the reason why the company has done what it has done—the market cap, the growth. The second is reputation. People often forget, that the most important asset we own as a company is our reputation. The difference now is that it can be destroyed within a second with a click of a mouse, if you don't do the right thing. But, even 40-years ago, it was the same thing. So, managing reputation, building leadership and talent development, haven't changed.

**A lot has changed..**

Today, all change is exponential. It is a highly technology, digital driven world. The fundamental assumption you have to make is that no matter what



business you are in, you will get disrupted.

**Can you explain what you mean by disruption in the context of the consumer packaged goods sector?**

The thing about disruption and exponential disruption is that it's often not visible. When you are small and you double your business, you are still small and you double it from there; that's exponential, but it's still small. If you are a big business, you don't notice this small change. But before you know it, this small change will begin to impact you. So, my point is that there is a point of inflection that will happen in businesses. In FMCG, what is fundamentally changing is where people buy and what people are watching.

**Today's millennials are not looking at being lifers within a company. How does that impact companies like HUL which has been built by leaders like yourself who have spent a lifetime within one company?**

We should not expect the new generation who has plenty of opportunities and are thinking differently to spend a lifetime in one company. The shift has to be from employee loyalty to employee commitment and employee engagement. In other words, you may be working for five years in this company. I want you to have 110% engagement for that period. I want you to be engaged, I want you to be engaged. It's not loyalty. In addition to that, if you happen to be here for 25 years, that's good. But, the most important thing is commitment, not loyalty.