

HUL's 'leadership moments'

The FMCG major is dead serious about the feedback sessions for its performance appraisals



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Leena Nair, executive director (Human Resources) of Hindustan Unilever (HUL), calls it "leadership moments". Each of the company's leaders at all levels goes through such defining moments seven times a year. That's when they open a dialogue with people reporting to them about their performance.

"We call them leadership moments because it's all about listen-

ing, sharing and accepting feedback, and taking responsibility for the next step in your junior's career. They are make-or-break moments for all our leaders because they have to learn to handle these skillfully," Nair says.

India's largest fast moving consumer goods company, which has just won the Best Employer award in a Hewitt survey, says handling performance appraisals is the most important cog in the wheel of its employee practices because it goes a long way in establishing the company's reputation as an employer that cares for its people.

That's what came out very strongly in the Hewitt report that was the culmination of extensive

dialogue with 50 randomly chosen employees in the company.

That the company takes its leadership moments seriously is evident from the extensive training that is given to all leaders on how to handle these performance feedback sessions. Many leaders have fallen off the "lister" (the term for extremely talented people who are on the fast track to success) category just because they couldn't handle these feedback sessions with the required empathy.

At the heart of the robust performance appraisal system is, of course, the methodology and the transparency. "Half the job is done if employees believe it's a transparent and fair system," says Nair.

That explains why all managers are plotted on a nine-box leadership matrix named LDT (Leadership Differentiation Tool) that sees how well the key resources of the company have been developed by managers. The position is then communicated transparently and career paths are shared.

Then there are mechanisms like the GPS (global people satisfaction) survey that cover everyone in the company and seek their feedback on points like employee engagement, information sharing, leadership, boss-subordinate relationship, teaming and collaboration and so on. The move isn't just a management fad, since over 99 per cent employees responded to the GPS

survey last year.

There is a more to HUL's efforts to improve its employee-friendly brand. Every management trainee, for example, is given a tutor, coach and mentor who guide them during the training period. A mentor is typically a senior management member including Management Committee members. There is a leadership moment here as well, as all trainees are encouraged to give feedback on their coaches. This feedback is taken as a significant input on the senior leadership delivery on grooming talent or leaders in the organisation.

HUL also takes great pride in the fact that it has been able to encourage employees to commit to volunteer one hour for each day that the company has been in this country. An initiative called HUL Sankalp has helped build a network of around 70 NGOs that provide multiple volunteering opportunities. Employees are encouraged to volunteer with

their families and friends and contribute in terms of time, expertise, material and donations.

There is another vital initiative that HUL has taken for its employees—something that goes much beyond performance appraisals. It's called the "personal vitality" initiative. The company has devised a vitality index, which is the measurement of the personal vitality of individual employees based on four parameters—the Body Mass Index (BMI), blood pressure, blood cholesterol and blood sugar.

For each employee, these four parameters are measured and a scoring is done on a vitality index scorecard. The lower the score, the better the personal vitality of the employee concerned. A score of 0 to four puts you in the green zone, a score of five to six puts you in the amber zone and a score of seven and above puts you in the red zone. Each employee is intimated his or her personal vitality score or colour zone

while confidentiality is assured. The first burst of this exercise was completed in just two to four days.

In the second stage, employees were encouraged to improve their personal vitality scores by conducting workshops all across the company's locations, arranging events like Vitality Exhibitions, Family Day, Walkathons, nutritional menu counselling and so on. Through interactive sessions, the employees have been taught about the concept of BMI, its measurement, ways of improving lifestyle, healthy and controlled diet to avoid or reduce obesity as well as exercises for weight management.

The result of all this is evident. Despite being a favourite poaching ground for Indian companies, HUL has managed to keep its attrition level at less than five per cent over the last four or five years against the industry average of 15 to 18 per cent. Very few, it seems, would disagree with Hewitt's choice.