

# 'Winning battle of mind key to market victory'

## For High-Performing Co, It's Important To Have Growth Mindset: HUL's Outgoing CEO Mehta

Namrata.Singh  
@timesgroup.com

**Mumbai:** When Sanjiv Mehta took over as the MD & CEO of Hindustan Unilever (HUL) in October 2013, the brief given to him by then Unilever chairman, Paul Polman, was that India shouldn't be dilutive to Unilever in margins. Today, HUL is 500 basis points (100bps = 1 percentage point) accretive to Unilever. Having met those objectives, what influenced him to retire now? Quoting cricket legend Vijay Merchant, Mehta said, "Leave when people ask 'why', and not 'why not'." Mehta, 62, who has worked for over three decades with Unilever, describes his tenure at HUL as "satisfying". He will reflect on his next move after he passes the baton to his successor Rohit Jawa in June end. "I am looking forward to my next innings — to do something different. And contribute in a different way. There's so much more to do in life," Mehta, who is already on the boards of Danone and AI, told TOI. Excerpts:

### What are your thoughts as you retire?

We were a Rs 25,000-crore turnover company 10 years back, and now we are at Rs 58,000 crore, our ebitda (earnings before interest, taxes, depreciation and amortisation) has increased by Rs 9,600 crore, and our market cap has gone up by 5X to over \$70 billion. But more satisfying than the numbers is that I'm leaving behind a company in a much stronger shape from all dimensions. We have strengthened our performance culture, our competitiveness, our capabilities and the teams I am leaving behind — the management committee, for example — on an individual and on a collective basis would be clearly one of the best top teams any company or CEO can hope for. From these lenses, I can look back and say it's been very satisfying.

### What philosophy has guided your leadership style?

A philosophy I ingrained very deeply when I was running the Unilever business

in Middle East & North Africa during the Arab Spring is when you look after your people, the people will look after your business. It has held us in good stead and was apparent during Covid. Second, pursue the 'harder right' than the easier path. Third, what is good for India is good for Hindustan Unilever. For a high-performing company, it's extremely important to have a growth mindset. I always say, first, win the battle of the mind before you win the battle in the marketplace.

### Have you met the targets you set out to achieve when you became CEO?

I wanted to regain HUL's status as one of the most valuable companies in the country. The brief given to me by Paul Polman (former Unilever

our field staff. As a nation, we need women's participation in the workforce to at least double — it is currently in the 20s. I want a company like HUL to always be a beacon for these practices.

### HUL's volume growth trajectory is a bit concerning...

My focus has always been on volume-led profitable growth, but one should look at it in the current context, where commodity price hike was unprecedented and it is still at elevated levels. When you see the price growth in our numbers tapering off, that does not mean that prices have gone down, but it means that further increase is not happening. There's no reason why volumes will not return. More so when com-

## CEO FOR DECADE: MEHTA MANTRA

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— Sanjiv Mehta |  
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CEO) was that we can't be dilutive to Unilever in margins. Today, we are 500 basis points accretive to Unilever.

### Any regrets?

No regrets per se. Of course, one always feels that we could have done more. One should have a healthy dissatisfaction with the status quo or the achievements. One should always be paranoid, be passionate about raising the bar on growth and not be sitting back on your laurels.

### Would you have been happier had you left HUL as a fully gender-balanced organisation, a target which is still some time away?

We were at 18% when I joined, and now we are at 45%. Fifty is a nice milestone, but the culture shift has happened — whether it is un-stereotyping or accepting that women can do all jobs as well as men. Now, our focus is moving to the blue-collar workers and

commodity prices start to go down. Grammage additions have not happened as much as we would like it to be.

### But consumption habits usually revert with a lag...

There has been a marked shift in the market volume growth. If the prices remain stable, and ideally go down, there would be a pickup in volumes a quarter or two down the road. It's difficult to predict, but in the next couple of quarters, if this trend continues, volumes will improve.

### Your advice to your successor Rohit Jawa?

He's an experienced leader. He has worked in different markets. I'm certain he'll do a very good job. My job is to only give him the perspective, the history and the insights which I've accumulated over the years, but he will bring his own style of leadership and will certainly take the business to new heights.