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Context to the nugget

Sudhir speaks about the four pillars of culture at HUL - Action, Values, Courage and Truth. He also speaks about how that these elements of culture are percolated through the organization. He traces these elements to the various strains of genetic code of the Anglo Dutch parent. He speaks about how when he spoke to some of the senior alumni of HUL, they shared stories of their experiences which eventually clustered around these 4 pillars.

Transcription

Deepak Jayaraman (DJ): And just moving to culture, you spoke about culture in the context of entrepreneurial professionals, but in the book you also talk about the four pillars of culture: action, values, courage and truth. Talk to us a little bit about how these get reinforced on a daily basis.

Sudhir Sitapati (SS): In the early 2000s we were having a really bad time as a business and our CEO Chairman at that time Vindi Banga came to one of our annual conferences and said guys it's time to go back to our values, they are action, caring, courage and truth. Those were the four values he said and all of us had a rollicking time with that. So, every time in the canteen we would keep making fun and it just sounded like jargon and that's how it sounded and maybe we could have phrased it better and sometimes there's something but now when I was... I interviewed many, many people and one of the techniques I do in market research is not ask people about the values but ask them what their favourite memory is about HUL, right, what are your stories that you remember? And when I grouped those stories, I found quite perplexingly and I told Vindi this and I also admitted to him that I laughed but a lot of those stories were coming in the buckets of action, which is the same entrepreneur professional thing, a caring which kind of demonstrates itself mainly in terms of employees who are either ill or who passed away in the course of service, courage which is standing up and again goes back to mavericks of standing up to power and speaking truth to power and truth which is basic honesty. So, these were the four stories that came. So, people didn't express them as values, I kind of synthesize back to something that I had heard as a young manager and when I think about some of these stories and why do these four values, right? Because values, you know, all companies have values; Enron had written its values all over its offices so it doesn't mean anything, right? It's just a management jargon. So, values are only values when people speak the... even if they don't use the word action, caring, courage and truth they must live those values. So, the reputation of these stories across generations tells me that people have lived these values and these are some kind of...

When I reflected deeply on what is the cause of the values actually a lot of these are values of Unilever. Unilever itself is a unique company which gave these values to HUL 70-80 years ago and then values reinforce themselves. And Unilever's history itself is interesting because it had on the

one hand an English company with William Lever, who was... he was a really ruthless businessman, eccentric and a serious philanthropist and a philanthropist not just in giving money but he created a space called Port Sunlight where he was very involved in the well-being of their workers. The Tatas and so on have been inspired by the Port Sunlight model of management. So, the genetic code of Levers has this caring element and this action element coming from its English heritage and this very Calvinistic Dutch honesty and truth to power was a Dutch genetic strand that came in. So, these are actually values that are pretty true to many of the Unilever companies. I would in all humility say that that's probably the reason for HUL having these values.

DJ: But back to let's say your reaction when Vindi Banga spoke about those values. Now for a minute if we assume that is typically the reaction of people when the leader speaks about values, how do you ensure that from a transmission... in your case you happened to research for the book and you had the luxury of collecting stories and seeing them fit into these four buckets. But how do you ensure that as a leader when you're transmitting values it's not seen as jargon, but people live it.

SS: So, I think there are two answers to it. The more superficial answer is it's a kind of branding answer, I think action, courage, caring and truth could have been better branded. For example, in the organization that I run right now, which is Foods and Refreshments we have four values and I call it rebellious integrity, which I think is a better way of understanding what integrity means. Integrating doesn't mean following the book, it means questioning the book all the time but always doing things which are in the interest of the business. So, there is certainly in value speak because values have become so much jargon one must think a little bit about how one communicates it. But ultimately DJ I think that values should not be communicated, it doesn't actually matter whether people know what the values of the company are and what those words are. They just have to live themselves and you've got to see enough expressions of it all over the organization and you've got to be clear as senior management what is it that the core values of this company that have made it great are and you have to find enough symbols or signs of it across. So, you have got to find it. I think it's a mistake to say that do people repeat the values. That doesn't mean anything right, but do people live it even if they don't know that those are the company values and providing you are snooping around the organization enough to know that this is happening at periodic intervals or it's not happening and you are truthful about it, I suspect that's the better way to inculcate values.

DJ: But if I may persist how do you get deliberate about perpetuating the values? I hear you that just saying ABCD are not going to cut it, that's not the way values get transmitted, not even in a family context, that's not the way kids pick up your values. But how do you get deliberate as a leadership team to perpetuate these values?

SS: I think there are only two things DJ. One is recruitment both into the company and to the teams that you are in. So, you must be clear that you must recruit people with the values and character that you are really looking for and two is you have to live it? I mean if you live it and your senior teams live it then everybody sees it. So, if you don't find enough evidence of it in the organization, you're not living it, you're not doing enough, you might be talking about it but you are not doing enough about it.

DJ: Got it. But I was just wondering back to our discussion before we started this conversation around stories, if there was sort of a structured approach to... one is living it of course, it is hygiene but in the way that gets percolated through the organization, I was wondering if there was a systematic approach?

SS: See, I don't know if there is a systematic approach to storytelling but I think shared tough experiences are generally good cauldrons in which stories emerge. So, if you are able... that you can

structurally do something about it. If you have people sharing difficult physical experiences or periods of time etc., rural stints and so on and so forth those tend to call, camaraderie comes in, people open up, and stories come up. So, that is something you can... So, one of the things that I personally like to do a lot of with my teams is to push them to go to markets and consumers all the time. I think when you are outward facing and have those kinds of experiences, go somewhere deep and meet some consumer somewhere. Those are the kind and you go with two brand managers go and they sit and they talk or you go to the sales guy. There was a really nice story that M K Sharma who was our former Vice Chairman and Chairman of ICICI gave me in the book, which is in those days, we don't have it now, he wrote a long story about how an excellent piece of legal work he had done and he had cracked some case in Jabalpur and when he came he found a letter which was a reprimand letter, which is he said the only reprimand letter I got in my life and it said that you went to Jabalpur but you didn't go and have dinner at the house of the salesman there. So, that is the... we don't have that tradition anymore but he made that point saying that it's my only reprimand in my entire... and a reprimand is a pretty serious thing and was run after doing a really great piece of work.

Reflections from Deepak Jayaraman

DJ: If this topic is of interest do tune into my conversation with Indranil Chakraborty, Author of 'Stories at Work' also an HUL alumnus where we talk in length about how we can use power stores to drive the culture of the organisation. Thank you for listening. For more please visit playtopotential.com. If you are deriving value for the content and want to show your gratitude to the podcast, I request you to pay it forward by contributing to an organization I am supporting – Antarang Foundation. It helps 1000s of children from challenging backgrounds play to their unique potential. Please visit the pay it forward section to know more.

End of nugget transcription

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Sudhir Sitapati - Nuggets

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About Deepak Jayaraman

Deepak seeks to unlock human potential of senior executive’s / leadership teams by working with them as an Executive Coach / Sounding Board / Transition Advisor. You can know more about his work [here](#).

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