

Unilever's approach to leadership

[Business](#), [Leadership](#)



The fundamental approach to leadership at Unilever has been evolving in the last twenty years from traditional leadership development systems to the current sophisticated Standards of Leadership model, and it continues to evolve. During this evolution in the early 2000s, Leadership Growth Profile (LGP) emerged as the most important stage in bridging corporate growth strategy (Path to Growth) and leadership competencies. Unilever's Path to Growth integrated strategy combined marketing, supply chain, customer development, and other key organizational assets.

One of its primary targets was effective enterprise culture aimed at encouraging employees to demonstrate winning behaviors in the marketplace through their mindset, passion, and motivation. In the long run, the company was willing to knit major activities for (a) growth in the international markets with behaviors that deliver this growth, and (b) the use of leadership competency as an important tool in winning from the competition. Unilever's Leadership Growth Profile was the most important component of strategic redirection in the field of human resources. It combined the following elements: 1.

To create a growth vision (growth served as the key criteria for employees' behaviors at Unilever); 2. To drive growth through implementation and to energize others for growth; and 3. To secure employees' commitment to growth. By defining the new set of LGP competencies and using them for management development, performance reviews, and recruitment, Unilever tried to change managers' behaviors and to increase behaviors which were linked to achieving strategic goals for growth (Figure 2). Unilever's Corporate Purpose Statement at that time described what Unilever aspired to be, as

well as expressed its values and beliefs? and pointed out Unilever's focus on local culture within a global framework. In this multi-local multinational company, foreign subsidiaries were able to draw on the resources of a global corporation and bring together global scale and local relevance. Leaders Into Action was one of the senior programs targeted at developing the behaviors aligned with Unilever's competency model. While measuring cultural change was not easy, the program was yielding tangible results. Employees and line managers both detected improvements in the LGP, and surveys indicated increased outcomes. Managers looked at things from different angles, were more aware of themselves and others, were more empowering and delegated more, were better at holding others accountable, were courageous and persistent, were more open and trusting, were more collaborative, and were better at coaching. Unilever's fundamental strategic pattern for growth in Russia combined several key components, such as delivering sustainable value in large categories, trading the markets up, working the consumer pyramid, and building core competencies as competitive advantage.

The critical element in this strategic effort was talent management with distinctive emphasis on developing great local business leaders. Turnover rates in the Russian subsidiary were below market average; and surveys were positive on effective behaviors. Unilever Russia Academy made a great start in developing Russian managers as the next generation of Russian business leaders. According to former Chairman of Unilever Russia/Ukraine, it has been Unilever company-policy to actively foster the common-sense spirit and fruitful benefits that accrued with leadership, and specifically the

distinctive leadership concept of servant leadership, as a way of doing business. He emphasized the global need to develop business leaders who had a strong sense of ethics and morality. Citing his own company, Unilever, as a typical benefactor, this top executive emphasized servant leadership as not just the right thing to do, but as a business imperative. At Unilever Russia/Ukraine, management talked to its people about developing their vision and what they wanted to grow towards and applied servant leadership as a highly effective management tool, as well as a moral compass for dealing with and reducing some of the crises the corporate businesses faced in emerging markets.