

PAUL POLMAN: PROFILE

‘Nestléd’ in Levers!

Unilever's strategy to hire an outsider is a step in the right direction



Paul Polman brings in a wealth of experience unprecedented at the CEO level at Unilever

Behind 400 brands across 14 categories; behind employment to 180,000 people in more 150 countries and behind an entity worth \$84 billion, there is just one name – Unilever, which could lay claim to the title of FF-MCG (*Frankenstein of Fast Moving Consumer Goods; er... ok, we made that up!*). Founded in 1884 as Lever & Co., Unilever is one of the few global companies, which have stood the heat of three long centuries. What is even more remarkable is that all their CEO appointments have been insider stories.

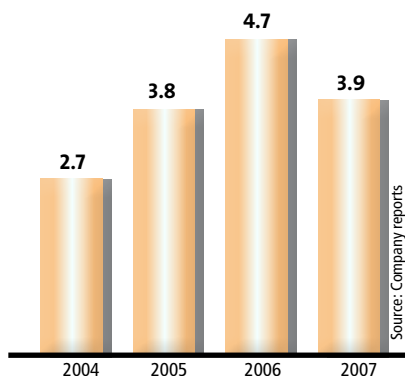
Till now that is. Patrick Cescau, who held the mantle of Group CEO for the last four years, was expected to retire by the end of this year. Since March 2008, analysts were betting upon one of four internal candidates to be promoted at the helm of the organisation. And then came the real shocker. With the announcement of second quarter results came the news of it roping in Paul Polman, arch rival

Nestlé's Executive VP and Head of Zone, Americas as Group CEO. How easy will it be for this 52-year-old Dutchman to fit into Cescau's shoes?

Polman, an alumni of University of Northumbria at Newcastle, UK, started his career with Procter & Gamble (P&G) in 1979, where he spent a sterling 27 years

During the Cescau years...

Revenue trends of Unilever Inc. (€ billion)



of his life. He bid adieu to P&G in 2006 as Group President, P&G Europe. His next big move was at Nestlé as its CFO and within two years of his appointment at Nestlé, he was elevated to his current post. On the occasion of his appointment, Michael Treschow, Chairman of Unilever asserted, “Paul is a great talent with significant international experience and an excellent track record.”

Cescau, who joined Unilever in 1973, assumed the responsibility of Group CEO in 2005, precisely when Unilever issued a shock profit warning. Cescau was instrumental in turning around the fortunes of the company as he sold business units and sliced down the brands accounting for approximately 7% of turnover. He also played a pivotal role in changing the Unilever's governance model. More recently, Cescau announced plans to chop 20,000 jobs, thereby reducing the workforce by 11% to scale its recovery plans & outdo rival P&G.

According to James Amoroso, independent marketing analyst, “Paul will be focused upon accelerating the change that is already taking place.” This includes the changes both at the front-end involving customer interaction as well at the back-end. Polman should also focus on making the right acquisitions, which will not only add to the weight of Unilever's product portfolio, but also increase the valuation of the company.

Amoroso also warns that “Polman must also make sure that key managers stay on board.” According to him, Unilever has had two major internal upheavals in the past and therefore, Polman should first get familiarised with the Unilever culture and then make attempts to modify it. Because of Polman's association with Nestlé and P&G in the past, he has intensive knowledge about Unilever's strengths and weaknesses.

Breaking the age-old tradition of internal CEOs, Unilever has put forth a brave front by roping in Polman. It may look like a display of leadership vacuum within, but may actually prove to be a defining moment in its corporate history. **B&E**

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