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Sent: Monday, April 24, 2017 5:58 AM
Subject: Learnings Week 177

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Dear Friend and Colleague,

[REDACTED]

This week I was part of the people plan process, and the Career Master class. In the people plan process, we discuss what an employee has achieved as results, what he or she has done to achieve results over time, behaviours, energy, drive, and potential to grow in the organization. We also discuss development needs of the employee. In the Master class we discussed the changing world around us, the concept of a shelf life for managers, the savings needed to maintain current life style and the value of a company brand. I also met many employees who were asking about the business, what we need to do, how do we keep morale up etc.

As I went through the week, one thought struck me. Many studies talk of 'what makes a company great' and invariably most of the analysis leads to great leadership, great products, access to something critical in the industry or a first mover advantage. I believe that GREAT EMPLOYEES make a bigger difference and as I went through the week and the questions asked of me, I asked myself, how I would define a GREAT EMPLOYEE?

I am over simplifying but am doing so to make a simple point. Great employees have the ABC characteristics.

A stands for Alignment.

The great employee align quickly to the needs and direction of the company. The profitability question and the cutting of unprofitable lines is the question I get asked the most. We are on a journey to get our cost structure right, to cut unprofitable lines and put the business on the road to long term success. I believe we do not have a choice but to do this correctly, any other route will hurt us both in the short term and long term. An employee might not always agree with everything the organization does, but if he /she is not committed to the company agenda, then he/she is diminishing the chances of success and survival of the company. I worked Mumbai market last week, our price to trade in Kurkure Namkeens is better than Balaji, but we are not selling at all in the market. A GREAT EMPLOYEE will align to the organizations interests quickly and be the ambassador of the change needed to win.

B is for Basics

Great employees do not need reminders on the basics. The basics of a job have to do with time, being on time in office, closing things on time, not delaying things. Time is a competitive advantage in today's world and every great employee will recognise that. Basics is also about the job at hand. We have 60

customer facing managers in Gurgaon. A customer facing role demands that the manager spend time in the market with customers. Here are the stats on this set of basics. The average shows that this group travels only 6 months of the year. That needs significant improvement if we want to impact customers. Next the average number of days travelled is 9.8 days. A good customer facing manager should have at least 14 customer facing days. Of the 60 customer facing managers, as many as 24 customer facing managers have travelled less than 6 days a month. There is no substitute for doing the basics right if you are a GREAT EMPLOYEE.

C is for Challenge

Every GREAT EMPLOYEE challenges the system to do the right thing. In the past week, I have heard people say, I cannot challenge because I will be misunderstood. We have the opportunity to get another 17 crores in tax breaks but we don't challenge the concerned people to wake up. We could get Lays delisted from the Railways business because someone involved is not completing a simple letter but the next function doesn't want to challenge the concerned person. A brand manager doesn't do his basics and no one challenges the person because it is another functions job. Each example I have given here is a true incident. Why does this happen? Employees are worried about hierarchy and their own reputation and hence they do not challenge. They feel that if they challenge another function, then the senior manager in the other function will pick on him/her in performance evaluation. We cannot improve if we as a company if we do not challenge each other to improve.

So, that's my view of a GREAT EMPLOYEE for you, both leaders and followers in PepsiCo can do a lot to be GREAT EMPLOYEES by practicing ABC.

Thank you and all the best, welcome your feedback.

Wr,
Shiv