



Tea and Sustainability at Unilever: Turning Over a New Leaf (B)

“We were formidably placed to win; both as a first mover and as the catalyst of an industrywide transformation.”¹

— Michiel Leijnse, Lipton Global Brand Development Director, Unilever

Introduction

It was a good thing that Paul Polman had become an expert in compartmentalization in his more than three decades in corporate leadership. If he were any less focused, he could easily be distracted by the relatively small but still substantial number of employees walking around the office with surgical masks on after the World Health Organization declared the H1N1 virus (more commonly known as swine flu) a global pandemic the previous week.²

Fortunately, Polman could shut the door to his office and devote all of his attention to one of the first major decisions he would make in his nascent tenure as chief executive officer of Unilever. It was June 2009 and an initiative to sustainably source tea for Unilever’s major tea brand, Lipton, had been successfully rolled out. Now Polman wondered if there were opportunities for Unilever to sustainably source products at an even grander scale.

On the surface, it seemed like a straightforward decision. But after 25 years of experience in executive roles at Procter & Gamble and another five as chief financial officer of Nestlé, Polman knew few of these decisions ever were. Having just started in his current role six months earlier,³ it seemed somewhat surreal to be considering taking Unilever in a direction that had the potential to immortalize him as one of the most forward-thinking executives in history.

Published by WDI Publishing, a division of the William Davidson Institute (WDI) at the University of Michigan.

©2015 Michael Cooper, Gaurav Dighe, Matthew Gacioch, and Rebecca Spellissy. This case was written under the supervision of Andrew Hoffman, the Holcim, Inc. professor of sustainable enterprise, by graduate students Michael Cooper, Gaurav Dighe, Matthew Gacioch, and Rebecca Spellissy at the University of Michigan. This case was created to be a basis for class discussion rather than to illustrate either the effective or ineffective handling of a business situation.
