*Margaret Davidson on Indra Nooyi, PepsiCo CEO*

***Leadership Accomplishments***

*Indra Nooyi is currently CEO of PepsiCo.  She originally joined PepsiCo in 1994 as the company’s chief strategist, and she rose through the ranks of the company’s executive team after making several business cases that proved essential to PepsiCo’s impressive recovery, including the company’s spinoff of Yum! Brands and the acquisition of Quaker and Tropicana.  Since she became CFO of PepsiCo in 2000, the company’s financial position improved dramatically.  According to a 2007 BusinessWeek article, PepsiCo had a 72% increase in annual revenues and more than two times the net profit, reaching $5.6 billion in 2006.  She is consistently cited as one of the most high profile women in the world, ranking #2 on Fortune’s 50 Most Powerful Women in Business and #4 on Forbes’ 100 Most Powerful Women lists in 2011 alone.*

***Early Life***

*Nooyi was born in Chennai, India, and her mother was a driving force throughout her upbringing.  Like the other children in the community where she grew up, she was pushed toward educational achievement.  She has noted, however, that her mother had a drive and ambition that went well beyond getting good grades, and this inspired Nooyi to take the path that led her to the prominent position she occupies today.  As a student, she also pursued passions outside the classroom, including being one of the first women to play cricket in India and playing guitar in an all-women rock band.  She also had a fascination with the United States, and despite her parents’ protests, she ultimately moved to the United States in her early 20s to attend the Yale School of Management.*

***Total Leadership in Practice***

*Nooyi’s personal values play a large role in the way she thinks about business.  She has made PepsiCo’s mantra “Performance with a Purpose.”  Her mission is to make socially responsible strategic choices while improving the bottom line.  Most notably, she has made it a priority to diversify the portfolio of snacks and beverages with an increased proportion of healthy foods and beverages.  As she stated in a 2007 speech, “… we bring together what is good for business with what is good for the world."*

*This philosophy also carries through to how she expects her staff to lead.  As she stated in an interview, “we want to create a company where every employee can bring their whole selves to work…we see that many people who live in the communities, the cities we work in, they come and park themselves at the door. Come to the company, they're a different person. When they leave they pick themselves up and go out again.  That's not how it should be. It should be seamless. We want to create an environment in PepsiCo where we can get the best out of everyone.”*

*Nooyi puts this principal into practice herself.  While she gained a strong professional reputation in part due to her strategic foresight, she is also widely known for bringing her whole “self” to work.  Coworkers recall her running around the halls of the office singing and barefoot – clearly not feeling a need to put up a façade because of her position.  She has even performed songs at corporate events, sharing her lifelong passion for music with all of the people she leads.  She displayed this confidence to be her authentic self early on in life.  For example, she wore a sari to her BCG interview while at Yale SOM, eschewing the traditional expectation of wearing a conservative suit – and landing the job.*

*Nooyi shows this level of integrity in her personal life, as well.  She is a wife and the mother of two children, and maintains close contact with her mother, managing to call her mother twice per day despite her busy schedule.  She notes, “At the end of the day, don't forget that you're a person, don't forget you're a mother, don't forget you're a wife, don't forget you're a daughter…what you're left is family, friends, and faith.”*

*But that is not to say that she leaves work at the door when she comes home.  In one interview she did at a BlogHer conference, she made it clear that her role as both CEO and mother plays into everything she does.  For example, knowing that understanding technology is essential to both managing one of the biggest brands in the world and being a conscientious mother, she has had her daughters teach her much about the digital world.  She also uses her husband as a sounding board for her work.*

***Leadership Lessons***

*Although Nooyi does not claim to have complete “balance” in her life (certainly, her work dominates), her leadership style has many elements that I would like to adopt.*

* *What impressed me most about Nooyi was how seamlessly she transitions between her personal and professional life.  She does not hide her personality at work, and her family is involved in her work.  She considers it essential to her business to get PepsiCo involved in the community and acting in a socially responsible way.*
* *She is clear on her values, has integrated them fully into her business strategy, and is even able to justify her idea of “Performance with a Purpose” against harsh criticism from Wall Street analysts and shareholders.*
* *She shares the story of her leadership path in a genuine and powerful way, being willing to reveal her vulnerabilities.*
* *She brings stakeholders toward her leadership vision by showing them that she cares about them and that they have a stake in this vision.  Examples include convincing the person she beat out for the CEO role to stay on and be her right-hand man, and coming to the consensus with her daughter that it was more important for her to drive hard at work than attend school events.*

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