Feedback Loops: More Valuable Than Money

Patrick Barry
*University of Michigan Law School, barrypj@umich.edu*

Available at: [https://repository.law.umich.edu/articles/2938](https://repository.law.umich.edu/articles/2938)

Follow this and additional works at: [https://repository.law.umich.edu/articles](https://repository.law.umich.edu/articles)

Part of the Legal Education Commons, and the Legal Writing and Research Commons

**Recommended Citation**

More Valuable Than Money

Developing a habit of expressing thanks is well worth the time and effort.

New research from the University of Chicago Booth School of Business finds that people significantly underestimate the positive impact a letter of gratitude has on its recipient.

IN AN ESSAY CALLED “SECRETS OF POSITIVE FEEDBACK,” Douglas Conant, the former CEO of Campbell Soup Company, shares a key element of the leadership style that helped him resurrect Campbell’s from financial ruin in 2001 and turn it into both a highly profitable business by the time he stepped down in 2011 and an award-winning, much more inclusive workplace: During his ten years at the helm, he wrote more than 30,000 thank-you notes to his employees and customers.

“I let them know that I am personally paying attention and celebrating their accomplishments,” he explains. “It’s the least you can do for people who do things to help your company and industry.”

Conant isn’t the only boss who used thank-you notes as a form of appreciative feedback. Indra Nooyi, the transformative CEO of PepsiCo from 2006 to 2018, penned hundreds of notes every year while shepherding the company through a decades-long transition that saw its sales grow by 80 percent and its products become both healthier and more environmentally friendly.

INDRA NOOYI, THE TRANSFORMATIVE CEO OF PEPSICO FROM 2006 TO 2018, PENNED HUNDREDS OF NOTES EVERY YEAR WHILE SHEPHERDING THE COMPANY THROUGH A DECADES-LONG TRANSITION THAT SAW ITS SALES GROW BY 80 PERCENT AND ITS PRODUCTS BECOME BOTH HEALTHIER AND MORE ENVIRONMENTALLY FRIENDLY.

More Valuable Than Money

Developing a habit of expressing thanks is well worth the time and effort.

New research from the University of Chicago Booth School of Business finds that people significantly underestimate the positive impact a letter of gratitude has on its recipient.

IN AN ESSAY CALLED “SECRETS OF POSITIVE FEEDBACK,” Douglas Conant, the former CEO of Campbell Soup Company, shares a key element of the leadership style that helped him resurrect Campbell’s from financial ruin in 2001 and turn it into both a highly profitable business by the time he stepped down in 2011 and an award-winning, much more inclusive workplace: During his ten years at the helm, he wrote more than 30,000 thank-you notes to his employees and customers.

“I let them know that I am personally paying attention and celebrating their accomplishments,” he explains. “It’s the least you can do for people who do things to help your company and industry.”

Conant isn’t the only boss who used thank-you notes as a form of appreciative feedback. Indra Nooyi, the transformative CEO of PepsiCo from 2006 to 2018, penned hundreds of notes every year while shepherding the company through a decades-long transition that saw its sales grow by 80 percent and its products become both healthier and more environmentally friendly. Her epistolary output wasn’t quite as prolific as Conant’s, but her reach was in some ways more creative. She didn’t send thank-you notes to the executives who worked under her. She sent them to their families.

The idea came to her after a trip she took to her hometown of Madras, India, in December 2007. Nooyi had recently become PepsiCo’s CEO, and many family friends wanted to come by the house where her mother still lived to celebrate that achievement. When they arrived, however, they didn’t direct their praise toward Nooyi. They directed it to her mother.

“Every one of them,” Nooyi explains in her memoir “My Life in Full,” “walked by me, nodded hello, and then went straight to my mother to congratulate her and tell her what a great job she had done raising me, this successful daughter, the CEO of PepsiCo.”

Nooyi remembers the delight these little tributes produced—both in her mom and in herself. “I truly enjoyed watching her as the center of attention and wished my father could have been there, too,” she recalls. “How proud he would have been.”

So when the trip was over and she resumed her post at PepsiCo, she decided to do something similar for the families of her senior executives and direct reports. She wouldn’t be able to congratulate them all in person, but she could honor them in another way: personalized thank-you notes. “Over the next ten years, I wrote hundreds of notes, thanking mothers and fathers for the gift of their child to PepsiCo. I also wrote to the spouses of all my direct reports, thanking them for sharing their husband or wife with PepsiCo.”

The impact was astounding. Virtually everyone Nooyi wrote to replied. Many sent back thank-you notes of their own. Others baked her cookies. One person hand-knit her a beautiful shawl.

There were also parents who were so moved by Nooyi’s words that they became self-appointed brand ambassadors for PepsiCo,
regularly scanning their local grocery store for the company’s products and sending along photos of what they’d found. Still others, she learned, often asked about her in conversation, as if they were checking in on an old friend. “How’s Indra?” they would say, using Nooyi’s first name in an affectionately familiar way.

Perhaps the biggest effect was on the employees themselves, who, Nooyi notes, were “blown away by their parents’ reactions.” In one of the many appreciative letters she received, a team member named Ken described her note as a tremendous gift, both to his parents and to him. Apparently, when Ken’s parents called to tell him about what Nooyi had done, his mother—who is blind and was recovering from a recent stay in the hospital—“sounded more exuberant than I have heard her sound for quite some time.”

But it is actually his father’s reaction that may capture, better than anything else, the positive effect that Nooyi and her thank-you notes had and the reason why—particularly as the holidays approach—you might consider writing some of your own.

“A letter like this,” the father said, “is more valuable than money.”