
PODCAST

The Meaning of Integrity with Natalia Shehadeh

ABB Decoded

In a new episode of the ABB DECODED podcast, ABB's Chief Integrity Officer talks about ensuring integrity through conversation and transparency. Integrity is the foundation of how we operate because sustainable business is a business rooted in integrity. It means doing the right thing, even when no one is watching and always leading by example. This foundation is set by ABB's Code of Conduct, a framework explaining the behavior expected of every employee and stakeholder based on the principles of responsibility, respect and determination. See acast.com/privacy for privacy and opt-out information.

Anthony: Hello! And welcome to episode five of ABB Decoded – the podcast that tries to press pause on our fast-moving lives and shine a light on the technology and trends that are reshaping the world we live in.

In this episode, we're going to discuss a topic that's becoming ever more central to the way in which we live and work: integrity.

This might feel like a nebulous concept to explain and understand, but thankfully we have an expert on hand to help us chart a course, in the form of Natalia Shehadeh, ABB's Chief Integrity Officer.

Natalia's career has been dedicated to the pursuit of integrity in business and she'll be outlining just why it is that we should all be caring about integrity if we want the reputation and function of our organizations to flourish.

So, Natalia, thank you so much for joining us on the podcast. Let's start by taking a moment for you to introduce yourself.

Natalia: Happy to. Thank you again so much for the opportunity. So, Natalia Shehadeh here. I have the absolute privilege of serving ABB now as its Chief Integrity Officer, having just joined the ABB family a little over six months ago. I am originally from Spain. I was raised in the United States. So, this is an American accent that you're hearing. My surname is Lebanese. I get that question quite a bit. So, I come from a beautifully diverse family, really spread out all over the world. And I couldn't be more happy to have joined ABB, now resident in Zurich, and very much looking forward to this conversation about my passion, both personally and professionally, and integrity.

Anthony: Thank you Natalia. And could you give us an explanation of what the role of chief integrity officer is and specifically what the chief integrity officer does?

Natalia: Absolutely. I am to be a leader really responsible for guiding the organization on how to manage our business sustainably based on a foundation of integrity. This means providing tools to support our culture and our control environment so that we're driving the right behaviors every day. In practicality, it means to be present with our legal integrity team, our points of light, as I like to refer to us, or safe ports in the proverbial storm, mentors and guides are who we are, on how we navigate the complexities of our global business, always aiming to mind integrity and in support of our ABB purpose, our ABB way and our sustainability strategy.

Anthony: Great. So, that gives us an outline of what it is that your work involves, but could you also explain the idea of integrity as a concept and then specifically what integrity means for ABB?

Natalia: Integrity is the business of how ABB does business. It's the foundation of how we operate because sustainable business is a business rooted in integrity. The foundation is set by our Code of Conduct, which serves as our guide on operating with integrity. Our code is super important because having a common sense to just do the right thing isn't enough. Doing the right thing is easy to say, but not always obvious on how to execute. So, we owe our employees guidance on how to perform with integrity. And how we perform, how we behave and execute our business – transparently and with integrity – is just as important as what we deliver to the marketplace. Our code is that guide in executing our business the right way and with integrity.

Anthony: Ok, so taking the code as our guide, what does “performing with integrity” mean? Could you maybe give us some examples of what that might mean in daily life and work?

Natalia: Sure. So to me, performing with integrity means doing the right thing when no one is watching, leading always by example for all to see, recognizing that our culture, behavior, expectations and controls apply to everyone without exception, no matter who you or we are in the organization. Creating an inclusive and diverse organization where everyone feels they can express themselves and as a result, listening to concerns openly, willingly, respectfully, and never retaliating in any form. Holding ourselves and our business partners accountable to act with integrity and transparently, managing the consequences of non-compliance. Finally, always respecting one another.

Anthony: It feels like there's really quite a lot to consider here. This isn't just a simple, bite-sized concept to encapsulate. So, how might an ABB employee go about working and acting with integrity?

Natalia: I want to make it as simple as possible, so let's boil it down for our managers. For our managers, our responsibility under ABB's code is to be visible, accountable, and consistent role models of integrity committed to following ABB's processes. Particularly important for managers is ensuring that all understand we are responsible for making it easy for our teammates to come to us with any questions or concerns. And if they're not coming to us, we have to ask ourselves whether we might be part of the problem. Are we creating a safe space for everyone where they feel that they can express their voice, be heard, and that we will, with care, honor their courage and take action with respect to whatever concern is being raised. It's really only then that our employees can fulfill the expectation we have in the code that we all report concerns in real time. Bottom line, we need to see the raising of a concern as an opportunity for all of us to lean in, strengthen our culture and mitigate any risk of failure.

Anthony: This seems to be a very important point that you're making: that a culture of integrity relies on a sense of collective responsibility, if you like, to be effective, and that applies both to the individual and to the organization itself.

Natalia: Listen, it's absolutely true, we can structure the simplest and the most standardized controls and processes, we can take actions to strengthen and continue evolving our culture. But ultimately, it's about every individual in the ABB family behaving in a way that aligns with this expectation of integrity. And big problems can happen through the acts of just a few. And so, it really is important for us to create a sense of solidarity, of collective mission around the importance of fulfilling our ABB Purpose and our ABB Way in honor of our values and our Code of Conduct.

Anthony: You mentioned those responsibilities as business partners in the context of integrity. Could you explain what you mean by that?

Natalia: Sure. We are responsible for our business, regardless of who is conducting it: us or our business partners. Just as a sales teammate, is ultimately responsible for whether our channel partners or suppliers are meeting certain performance metrics, we are responsible for how they are doing it. We've got to be consistently clear, globally, with our expectations of our business partners that we all must operate with integrity – today and always. Integrity lapses by a business partner can have real consequences for everybody.

Anthony: Again, this feels like a significant point. So, when you speak of “consequences”, what is the risk if we fail to act with integrity?

Natalia: Let me tell you that the risk is real. And failures, frankly, happen all too frequently. Acting with integrity is the only way to build trust in the market and with our stakeholders, we depend on the trust of all stakeholders for us to be successful and failures in integrity shake that trust of our employees and our stakeholders, which can have a material impact on our business, financially, reputationally, and ultimately threaten the sustainability of the company.

Anthony: So, Natalia, would you be able to share a specific real-world example of an occasion when a lapse in integrity has damaged a company?

Natalia: Listen, ABB has had events in the past that are in the public record of non-compliance. Years ago, cases devastatingly involving corruption associated with our business, both as a result of the acts of ABB and the acts of third parties. It's also a matter of public record. We've disclosed to the market that, ABB, we've detected some concerns with respect to a matter in South Africa that we have brought to the authorities' attention and that we have remediated. These kinds of events, again, they shake trust, they shake confidence. And what we want to do is to make sure all of our stakeholders understand the reverence and respect we have for our business collaboration, how seriously we take their reputation and our own as we are performing together. And we want any kind of risk of that nature to be events of the past, thanks to our strong integrity culture.

Anthony: Right, so from an employee's perspective, what if you don't know what the right thing is. How should you proceed?

Natalia: Please, simply put, raise a hand. It's exactly why the legal and integrity team is here to support. If you have a question or you're in doubt about what action to take, do not hesitate. Reach out to one of us or reach out to your manager or your HR colleague. We all have got to stand together in solidarity, ready to help and guide each other, informed by our code and the learning tools that we've developed to help everyone simply live by the ABB Way, informed by our code to bridge that theoretical of 'do the right thing' with our daily jobs. And if you feel like you need the protection of anonymity, then contact our helpline. It is a service to our employees. And when you do that, know that you're speaking with me directly.

I mean it. It's a service like we owe that to our employees that we're all here to listen. But you can't judge an employee who says, 'I appreciate that, I hear you, but I want the protection of anonymity'. We owe them a means in which to do that. That's the helpline. And I'm on the other end of that line.

Anthony: Thanks, Natalia. And could you tell us how integrity aligns with our values, which are obviously such an important pillar of modern ABB?

Natalia: It is so important. And thank you for the question. Integrity underpins our values, our four C's: of courage, care, curiosity, and collaboration. It is the values and our code and our processes all together that are essential to running a sustainable world-class business. And integrity is part of each one of those four c's: living those values, having the courage to speak up when we have any concern about integrity, care for one another, and driving a respectful, diverse and inclusive workforce. Curiosity to drive innovation and change in our culture and collaboration and doing this together will ensure that we have the right attitudes and behavior to build a sustainable business and ultimately have a positive impact on society.

Anthony: You obviously speak with a great deal of passion, but how can we enhance these conversations about integrity across ABB for people who aren't experts in the subject? Maybe they even feel wary around it?

Natalia: Sure. I think simply it starts with transparency. We are an organization rooted in continuous improvement. And with that, we all need to feel comfortable speaking openly, not just about the wins, but about the lessons learned in integrity. Understanding where we may have deviated from our integrity objective is key for all of us to understand, as we understand overall the importance of integrity.

So, something we're launching now in April to really fulfil that commitment on transparency and continuous improvement, is something called Straight Talk, and it's going to be a series of lessons learned. These are ABB stories or stories that impact our business, our industry at large, where we want to openly share what was identified, what were the root causes of what happened, how we've gone about fixing it, how we've managed consequences so that everyone in ABB understands what doing the right thing in real time looks like, how we may not get it right, how we fix it and in again, that spirit of continuous improvement, we learn from it going forward.

Anthony: This feels like a very proactive approach on ABB's part, so do you feel like we are leading in this area? Are we adapting to established practice or does this feel like something that ABB is taking the initiative with? I suppose what I'm saying is do other companies do this as well?

Natalia: Lots of other companies do this stuff as well. But I would say it's not uncommon for companies to be uncomfortable, for humans in general to be uncomfortable talking about problems. I don't think that's unique for anyone. I do think from my perspective in the integrity community, shall I say, professionally, we have recognized you've got to strike the right balance between the confidentiality afforded to events and problems as they happen. But that spirit, that true commitment of continuous improvement, you've got to feed that live discussion and remediation happening in real time. And so often I meet people who say, but if I only knew that this kind of thing happened in our family, if I only knew the details of how this happened, I might be better informed about how to make sure I can prevent it before. And I think that's the most important instruction we could get for from our own employees. So, I would say ABB is not alone in this pivot. I think it's a necessary pivot for our ABB family, and I'm excited to be a part of it and really look forward to our employees' reaction. And hopefully everybody sees this as a way of communicating that the legal and integrity family is with ears open, heart open, wanting to know what else do our employees think in terms of service would help them navigate this world, as we simply say with integrity and doing the right thing.

Anthony: Natalia, we were speaking about the conversations that could enhance integrity within ABB and one point that we haven't addressed yet is partnership and commitment from senior management to this topic. So, could you elaborate on that?

Natalia: Thank you. We have a clear commitment from our top management and across ABB to keep integrity at the top of our minds because this topic, this mission, is simply never done. Our CEO has called upon all ABB employees to operate with the utmost integrity, reinforcing ABB's commitment to do business without breaking the rules, doing the right thing. And we must support one another in this journey, through transparency and accountability. That said, integrity leadership doesn't just start or stop at the top. Again, it's all managers. We've got to keep the conversation going to ensure that the integrity message comes from the same person who is setting the business target. And we've got to get alignment and synergy there, so that everybody understands how we perform with integrity is just as important as what we deliver to the market. As I said, this means managers modeling transparency and creating inclusive environments through conversation where everybody feels safe, empowered, and heard when they speak up. And we hope that all these innovations that we're bringing to the ABB family, like Straight Talk, will empower managers to leverage that content and move forward with those open and transparent conversations with their teams.

Anthony: It feels, if I can say so, that you're looking for role models within the organization and then for people to be inspired by those role models.

Natalia: One hundred percent. We want to be highlighting the wins, too. We want to be highlighting great work of role models that evidence the implementation of living this business life with integrity. Role modeling is the easiest way for people to see, 'OK, so that's how I do it'. Managers cast a long shadow. We need to mind that shadow. We need to mind our responsibility as managers and as the saying goes, really walk the talk. So, I look at every manager, whether you're the manager of one or thousands, as a role model and us as having hopefully the opportunity to highlight the great behavior that you're leading for your teams.

Anthony: And I guess particularly in a multi-national organization such as ABB, with thousands of employees – actually 100,000 employees or more, in more than 100 countries – that's particularly important because we have to somehow keep integrity top of mind?

Natalia: Absolutely, and it means we've got to talk about it all the time, continuously. Remind ourselves that our Code of Conduct is our guide to doing the right thing throughout our life in ABB. We're going to try and keep the message fresh and thoughtful. This is not a campaign. This is not a proverbial flash in the pan of a quarterly mission. This is a way of being. This is a way of how we do business. Our values and expectations of operating with integrity is the same around the world, no matter where you live or where you work within our ABB family.

And so, we're going to be adopting, and we already have, a multimedia approach, hence the creation of our mobile app, which anyone even outside of ABB can download from the App Store and leverage podcasts like what we're doing today. Again, I couldn't be more grateful. Yammer, social media means of communicating with our employees in the company, along with articles and videos, to give our employees a sense of support and purpose and understanding the do's and don'ts. And ultimately, they will be the judge about whether we are succeeding in keeping the message fresh and with a level of continuous intensity. Like you asked before, we are driving human behavior to do the right thing all the time. It's not about getting that perfect, but it is about doing with excellence.

And so, we need to be showing our people continuously what that good behavior looks like. The role modeling we talked about. Highlighting the wins, we talked about. Highlighting the lessons learned through that spirit of continuous improvement. And ultimately drive a collective sense of pride around ABB's purpose and the values that are all part of our Code.

As our new integrity awareness portal shows, which is a place where our employees can get innovative learning tools they can pull from. You can also sprinkle creativity throughout the messages, and we hope ultimately that people can have some fun talking about integrity too. We'll see if we succeed in that effort, but we're passionate about making it happen. So, we want to communicate that we're all in this together.

Anthony: So, to conclude, would it be fair to say that integrity isn't just a one-time thing, but that it should actually be an inherent part of our daily lives and business?

Natalia: One hundred percent. And to that, I would say to make it part of our lives and daily business, we cannot assume that we all have the same understanding. A dear colleague said to me yesterday in a meeting: 'Integrity is taught at home' and I respect that opinion. But I say that might be some starting foundation. But in the home of the ABB family, we have to be clear and hold ourselves accountable about what we mean by integrity in the right behavior, our strong culture, and honoring our strong process. And so, the journey is underway, and we hope all of our employees are with us in this. We look forward to their feedback and including the feedback of our stakeholders.

Anthony: That's been a really great chat Natalia, so thank you so much once again for taking the time to give us such a sharp insight into a topic that has become so important. And that's all for this episode of ABB Decoded. If you've enjoyed it, don't forget to like, subscribe, and share, wherever you download your podcasts. Until next time.