

The Future of Work podcast is a weekly show where Jacob has in-depth conversations with senior level executives, business leaders, and bestselling authors around the world on the future of work and the future in general. Topics cover everything from AI and automation to the gig economy to big data to the future of learning and everything in between. Each episode explores a new topic and features a special guest.

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**Jacob Morgan 00:58**

Hello, everyone. Welcome to another episode of the future of work. My guest today is Lorenzo Simonelli. He's the chairman and CEO of Baker Hughes, Lorenzo. Thank you for joining me today.

**Lorenzo Simonelli 01:10**

Great to be with you, Jacob.

**Jacob 01:12**

So to give people a little bit of context and how we connected, I think I was actually sharing something on LinkedIn, and I was talking about leadership. And somebody in the comments tagged you. And they say that you were, you know, an amazing leader, that you basically exemplified all the points that I was talking about in there. And I thought, Oh, my goodness, I have got to reach out and interview Lorenzo. And so here we are, I think there was a couple months ago now.

**Lorenzo 01:39**

It was and I'm very grateful for that person that tagged me. And clearly the future of work is a very important topic. So looking forward to the conversation today and engaging in the discussion.

**Jacob 01:49**

Yes, likewise, well, why don't we jump right in and give a little bit of background information, actually, about you and Baker Hughes? So why don't we start with Baker Hughes as a company? Who are you guys? What do you do? How many employees do you guys have?

**Lorenzo 02:03**

So Baker Hughes, as a name is actually a very historic name within the oil and gas industry. And it's over 100 years old, and it's actually the coming together of Baker oil tools, and then Hughes. And we merged actually GE oil and gas in 2017, and created what we define as the new Baker Hughes. And it's really a compliment of services and equipment, technology, around energy. And we've got about 60,000 employees globally. And 120 countries have gone through all the different cycles that many know of the industry, and at the moment really focused on energy technology, as we go through the energy transition.

**Jacob 02:49**

Yeah, no, I mean, I've been reading a lot about some of the stuff that you guys are doing. And it's been, it's been fascinating. And what about you How, how did you actually get to become the CEO of Baker Hughes, I was trying to look up a bunch of stuff about you, I found that your your family's from Tuscany, where I think your father still has a vineyard, where he makes olive oil.

**Lorenzo 03:12**

That is correct. We still make wine and olive oil and the traditional way and Tuscany and a lot of history. And I came to Baker Hughes really through aspects of 25 years with GE. So my background is born in Italy, educated in the UK. And then I joined General Electric and went through the management ranks there. And my last role was actually managing GE oil and gas, which then we merged with Baker Hughes to form really Baker Hughes in 2017. So I took on the role of Chairman and CEO in 2017. And I've been here since

**Jacob 03:49**

Alright, so let's go back even even farther. Back when you were much younger, did you know that you wanted to go into business? Did you know that you wanted to become a CEO? I mean, how do you go from, you know, your your childhood background to becoming the CEO of a multi billion dollar company?

**Lorenzo 04:10**

Well, I think it started off with really taking a leaf out of my dad's book, and he moved away from agriculture and went into banking. So my first element was okay, I'd like to be in banking. And as I started to get exposed to banking, and I had a time at Mitsubishi bank, I started to realize, Wow, it's great to be able to see these loan documents and syndications come together. But it's even better when you can see what's being produced and how you actually are helping people in their lives through the knowledge in the equipment. And so I joined General Electric and I knew from early on coming in from a finance background. I really wanted to run a company and that's been my desire and very pleased as I've progressed to be able to have that opportunity and lead people and also be able to learn from others. And I think, you know, there's an aspect of continuous managing ambiguity and continuous learning as you become a CEO.

**Jacob 05:09**

So today, obviously, you're responsible for the lives of 10s of 1000s of employees around the world. As the CEO of Baker Hughes, can you give us a sense of what a typical day looks like for you? So starting from when you wake up in the morning, until when you go to bed, what what does a day in the life of Lorenzo Simonelli look like?

**Lorenzo 05:27**

Well, the day normally starts out pretty early. I'm an early riser. And that's because it's my own time. And I like to go to the gym, and I'll work out early in the morning, then obviously, get into the work day and a variety of different elements with employee roundtables, customer meetings, also spending time with my direct team, I'm fortunate to have a great leadership team at Baker Hughes, that helps to take care of the day to day operational items. And I stay focused very much on the employees, the culture

and also the strategic direction of the company, and also managing the board and making sure that all the various stakeholders, including investors, understand where we're taking the company.

**Jacob 06:12**

So lots of it sounds like meetings, relationships, interactions, you're not very often just like sitting in a room by yourself, pondering about the world.

**Lorenzo 06:21**

So I think it's always important to have time to think, and I take time to think each day for myself and the reflection of where we're taking the company. But clearly, it's in the midst of also the other meetings that take place. But I think it is important that leaders have time to also go back and reflect upon what they're doing.

**Jacob 06:42**

And how do you end the day.

**Lorenzo 06:45**

So I'll end the day normally, with either a customer dinner or an engagement with customers, or actually go home and relax and read and catch up or watch some TV. And I'll get my exercise in in the morning. But then the evening, I'll try and relax.

**Jacob 07:03**

It's been, I think, interesting. I'm curious to hear your take on this. So I interviewed Tim Ryan, who's the CEO of PwC in the United States a little while ago. And I think he's also running around 55,000 60,000 employees there. And when we talk, one of the things that he told me is getting increasingly challenged really, for leaders is living and working in the public eye, where everything that a business leader does can be scrutinized, it goes up on social media, people can write anything they want about you, you see headlines with your name in it. Can you talk a little bit about how have you dealt with this as a leader where people are constantly scrutinizing and analyzing and picking apart? Pretty much anything that you do? Has that been a challenge?

**Lorenzo 07:52**

Clearly, I think the role of a leader has become a lot more 24 hours, seven days a week, then, historically, and with social media, and also just the ability to capture people's reactions, it's one that you've got to be very sensitive to, at the end of the day, you know, I'm a very humble person. And also I try and do the right thing on an ongoing basis, and also treat people with respect and lead with a genuine aspect of how I feel. And I think I do that day in, day out. And so, you know, yes, you can be critiqued at the same time, you've got to feel comfortable in your own skin. And if you're doing it in a respectful way, and you're also doing it in a way that you're driving the company forward, keeping all stakeholders at the forefront, then you've got to be comfortable.

**Jacob 08:40**

So I guess that's a little bit of just knowing that you're doing everything that you can and trying not to let all that stuff bother you. I mean, how do you do that, though? Is that like meditation? Is that just kind of tuning it out? Like how do you not let that stuff bother you, if it's floating around there?

**Lorenzo 08:59**

You know, Jacob, it's something that I've always felt was important to have a balance, and I will work hard. And I will always try and do the best thing at the same time. Like all other humans, you've got only so much you can do. And that's what I put into perspective as well. I don't have all the right answers. I don't know everything. But I'll always do the best for the company. And also have a balance of family time and also interpersonal friendships and, you know, being able to have that balance, and at the end of the day, you don't live to work, you work to live. And so it's an aspect of keeping all of those perspectives in mind.

**Jacob 09:44**

It's interesting that you mentioned you, it sounds like you're comfortable with saying I don't know, I interviewed Jeff Immelt on this podcast a couple months ago, of course, the the former CEO of...

**Lorenzo 09:56**

Somebody I know well.

**Jacob 09:57**

Yes, yes, exactly. And it's funny because We were talking and I said, Jeff, what was one of the biggest mistakes that you think you made is the CEO of GE? And he thought about that for a little bit. And he said, I wish I would have said, I don't know more often. And I'm really curious, obviously, you were part of this organization for a while, I think you were there for 20 years. Can you talk a little bit about what it was like? I'm assuming, obviously, you worked with, with Jeff with Jack, I mean, so many of these, like celebrity famous business leaders? What What was that like?

**Lorenzo 10:31**

For me, it was a great learning experience, I got to see great leaders in action and having different skills and being able to learn from them and also understand how they act as mentors and coaches. And both of them in that particular way, helped me grow my career, and also made me the leader I am today. So I'm very grateful for that. And I think, again, as you look at leadership, it's all about the different skills and being able to adapt to the situation at times.

**Jacob 11:03**

Jeff was telling me all sorts of funny stories about Jack and how he would respond. And he was telling me about one meeting where they him and somebody else like, I think he was from finance, we're going in there to present numbers or like financials. And Jeff was telling me the story about how Jack was screaming, and this, this guy was so scared, he could not present to Jack and Jeff and Jeff had to take over because the guy was just like a deer in the headlights. And you hear very mixed things right about Jack and about Jeff, do any particular stories or situations or events come to mind, when you think about working with with either of them?

**Lorenzo 11:46**

Well, I can give you a great story that I've told some of my colleagues and also peers relative to Jack, where it was the first time I was actually conducting a project for Jack and it was back in the mid 90s. And it was a project on IT outsourcing. And you can imagine I'm young, 20 year old and nervous as anything meeting this icon of business. And I go into his conference room, and he has his corporate staff. So people that are very senior in the organization. And I'm sweating profusely, because I'm in an arena, which is uncomfortable. He sensed straightaway, I was uncomfortable. And so I started presenting and he immediately says stop, stop. And I'm like, I haven't said anything yet, I couldn't have screwed up that badly. And then he said, okay with a name like Lorenzo and an English accent, you got to explain your story before you even start. So it just broke the ice completely relative to the situation. And that is something that I learned at that time, you got to be able to see if people are nervous, or you've got to be able to break the ice so as to allow them to shine. And on the side of Jeff, you know, a lot of things have obviously said about Jeff, I can just mention the experiences that I've had. And, you know, I've been through the downturn of 2008 2009 financial crisis, leading a GE transportation business, and having to call him up and saying, you know, we've lost all of our volume. From a locomotive standpoint, we've got to, unfortunately, restructure the business. And he was very, very supportive, and also very much you take what you can control, and you do what's right. And at the end of the day, that's what I'm asking of you, as opposed to trying to control externalities that you don't have a bearing on.

**Jacob 13:47**

You actually mentioned something. So you had to call Jeff and basically tell him that you've lost all your volume, you had to restructure the business. I know a lot of leaders oftentimes struggle with making really, really tough choices like that. How do you deal with making really tough choices? I mean, do you have a framework or process that you go through? I mean, especially when it comes to people, right? I mean, that's never easy when you have to go to layoffs, or you know, you have to look somebody in the eye and tell them they need to leave. It's very, very uncomfortable for a lot of people. How do you, I don't want to say how do you learn to do that? But how do you do it in a graceful way? Or how do you become good at that whether you don't destroy the relationship

**Lorenzo 14:32**

Jacob, it's never pleasant to have to take tough decisions. And also when it's people involved and restructuring, it's very difficult. At the same time as a leader, you have to be honest, and you have to drive the company forward. And you have to make sure that the company is going to be there for the longevity of when the cycle comes back and it recovers. And having that transparency and dialogue and not hiding underneath the desk. I remember another mentor of mine said, The worst thing you can do in a crisis is hide in your own office, because everybody is confused. And the leader needs to be out there, and actually giving a direction and giving clarity. And so I've always really approached a crisis as an opportunity to engage in a dialogue to engage in really building the camaraderie and making tough decisions. But with everybody understanding why they're being made, and in the aspect of my experience at GE transportation for as bad as the downturn was in 2008 2009, we ended up having record years afterwards, bringing back all the employees that had to be laid off for a temporary amount of time. So you also have the good aspect of you built a relationship by being honest and being decisive.

**Jacob 15:50**

So you brought up, two things that I think are interesting one is, it sounds like you're saying it's, and a couple CEOs have told me this, it's better to be trusted than it is to be liked. So don't play the popularity game. But it's far more important for people to understand why you're making that decision and to trust the decisions that you're making, as opposed to just getting everybody to like you for whatever reason. But first, let me stop there and see, is that what you're saying?

**Lorenzo 16:17**

Yes. I mean, being a leader is not a popularity contest, being a leader is taking you from one destination to the next, and making sure that you're keeping all of the stakeholders alongside you, and also supporting them.

**Jacob 16:32**

Yep. And then the second thing that you mentioned is, during times of crisis, don't hide under your desk, a lot of people turn to you for direction and guidance. What happens when is a leader people turn to you, but you don't know what the best course of action is, or you don't know what to do? Because I think that's sometimes what a lot of leaders struggle with, right? They feel like they need to make something up. You know, I don't know, like, especially during the pandemic, I was talking to some of the CEOs, and Steve Bilt, the CEO of smile brands, he was telling me that when he was doing an all hands, people were asking him a lot of questions. And finally he said, Guys, this is my first pandemic, like, I don't know, I don't I don't know the answers to all of these questions. But I promise you, during my second pandemic, I'll be better prepared. And he kind of, you know, made a little bit of a, in jest he was talking about it. So what what do you do when you don't know what to do?

**Lorenzo 17:27**

Well, it's managing ambiguity. And I think as a leader, you have to be very comfortable with the aspect of managing ambiguity and not to look flustered. And that's what people look to . People don't necessarily expect you to know all the answers. Clearly, the pandemic was something many of us were facing for the first time. And we had to be agile and navigate the pandemic. But if you provide a sense of ease, and a sense of just communication, and comfort, people will come along, and you will solve it as you go along. I know that I didn't know what to do the first day of the pandemic, do you stop everybody, do you try and get people to work, and you have to just go through the process, but the worst thing that can happen is you get flustered. And then people will see that they won't trust you because they don't think you're gonna make the right decisions. And so just, again, there's a sequence of events. And whenever I'm faced with ambiguity, I take a moment of time just to study myself and also say, okay, on a rational approach, how do we look at this, and let's go communicate to the employees. Let's get the right experts in the room, let's get the information. And then let's make the best decisions with the information we have available. And they may not all be right. But you're making progress and you're continuing down a direction.

**Jacob 18:56**

Do you ever beat yourself up if you make a mistake?

**Lorenzo 18:58**

I would say I don't beat myself up, I pivot quickly, and move to the right decision.

**Jacob 19:01**

Yeah, I suppose that's the big difference is understanding when a mistake was made, and being able to quickly change.

**Lorenzo 19:15**

Yes. And also being transparent to people around you, in particular, your team, that you made a mistake. I mean, everybody is human. It's the ability to change, pivot and go in the right direction.

**Jacob 19:29**

One of the things that you mentioned earlier is obviously people turn to leaders for that sense of calm and stability. And I think it's important to call out that, that does not imply that you have to have all the answers. There are a couple ways that you could probably respond to your team when they come to you for questions. One is you could say, I don't know, leave me alone. I don't know what's going on. Or you could say, Look, that's a great question. These are uncertain times. To be honest, I don't know exactly the best course of action, but don't worry, together we're gonna figure it out. And so I love that approach of like, being calm and reassuring, is you don't have to have all like people think those are oftentimes the same thing. But they're not. You could be calm, and also say, I don't know, the same time, as I think that's a very important point.

**Lorenzo 20:15**

And I think also Jacob, they're great coaching moments as well, because to the extent that they are coming in with a question and the uncertainty, you show that you don't necessarily know, but then you turn around and say, Okay, so let's think about this. What do you think we should do? How do you think we should approach it? And actually, it becomes a much more constructive dialogue, where you're actually learning as well, how different people are looking at things.

**Jacob 20:41**

Yeah, also an important skill for sure. Have you ever dealt with imposter syndrome? So I know, this is something a lot of leaders, whether they're CEOs, or maybe mid or entry level leaders, and I get this question a lot, is sometimes people get into that leadership position, and they get that sense of imposter syndrome. Like I don't deserve this. I shouldn't be here. I'm not qualified. Have you ever had those types of thoughts? And if so, how do you deal with them?

**Lorenzo 21:11**

So I've never had those thoughts. I've worked hard. And I've learned and I've also been open to feedback. And so I feel comfortable in my own skin, that I deserved the position I have. And I think I've been fortunate that I had big leadership roles at a young age, which meant in many situations, I was actually having a team with people that were elder more establish them myself. And so I gained that early on the aspect of self confidence, and also the confidence to move forward with decisions as well as then also be open to feedback. But the imposter feel feeling No, I think, as a leader, that that can be actually a sign of weakness with regards to people trusting you, because you're not self confident.

**Jacob 21:58**

Have you ever experienced somebody on your team? Or maybe some other leaders going through that? And have you ever had to coach them through through that process of self doubt?

**Lorenzo 22:08**

Yes. And I think, again, when you progress very quickly, or you second guess yourself too much. And, you know, I think it's an aspect of how you manage ambiguity, and also the building of self confidence. You know, I've made some very interesting choices and decisions where, you know, I've made mistakes of new product development that we've launched, or a new facility. And I think sharing those experiences with people helps them also gain the self confidence, we're all on a leadership journey, imposter syndrome, it starts to eat away at you, and then you're likely not meant to be a leader.

**Jacob 22:49**

So you're talking about a couple of mistakes. And I always love to ask leaders this question, Are you able to share any of the big mistakes that you've made?

**Lorenzo 22:58**

Oh, so, you know, I felt that we knew how to make batteries and invested on a sodium battery plant, which unfortunately, didn't go according to plan, great idea, but wasn't as well executed. In some of the models, I used to be with the appliance business. And some of the models didn't quite sell off the floor as we'd hoped. So design aspects. And those are lessons learned a lot of them on the commercial side and the product development side.

**Jacob 23:32**

And so just to give people some context, in terms of the magnitude of the mistakes, you know, sometimes people get upset if they make a mistake that costs, you know, \$100 or \$1,000. So what was the scale or the magnitude of the mistakes that you made? Are we talking millions of dollars, 1000s of dollars,

**Lorenzo 23:48**

Well it's all relative, depending on the size of the company. So I think that that the scale of the company was significantly large, we were talking in the millions of dollars when that when you actually look at some of the mistakes, but you're also looking at wins as well, that go into the hundreds of millions of dollars. So, you know, I've always said perfection isn't getting everything right all the time. It's when your batting average is above 70%.

**Jacob 24:15**

Yeah. And I think it's important. I think sometimes people feel that as a leader, you should not make mistakes, or you can't make mistakes. But I never talked to a business leader who hasn't made mistakes. So that's I always love asking people that question.

**Lorenzo 24:29**

You learn a lot from your mistakes.



**Jacob 24:31**

You do. Yeah, absolutely. I mean, I always share them. Like I play competitive chess. And I think I was having this conversation a few weeks ago. And I always learn the most from the games that I lose, as opposed to from the games that I win, because the games that I lose, you know, if there's a certain move that causes me to get into a bad position, I remember that move. And then next time when something similar comes up on the board, I'm like, I'm not doing that again. So I learned a lot from those losses far more than than I do from the wins, and I suspect it's true in the business world as well,

**Lorenzo 25:03**

Very much so.

**Jacob 25:05**

Is there anything, so when you look at yourself, as a leader or as an individual, is there anything that you think that you need to work on? Or is there anything that you're constantly trying to improve upon or get better at.

**Lorenzo 25:21**

So, over time, my leadership styles changed. And I think that's true with any good leader as they continue to evolve. And I go back to my earlier career, and I used to be, do it all myself, probably not the greatest of leaders in coaching and developing talent around you, but micromanaging and very much command and control. And as I've evolved, it's much more an aspect of delegation, forming a team, developing the team, and trusting the team. And as you move into higher leadership positions, allowing that to flourish, and you set the direction. But that's the evolution that I've been on. So the feedback I used to have is you can't do everything by yourself, you've got to develop a team around you taking bets on people the way they took on me when I was in my earlier career, and I think that's just the development that I've had.

**Jacob 26:19**

What caused your evolution as a leader, because I also hear lots of stories from employees who say, you know, what, my leader doesn't evolve, my leader doesn't change the take the same outdated practices from 20-30-40 years ago and apply them today? Did somebody have like a sit down with you and say, Hey, Lorenzo, like, it's time you got to change or what what caused that, that evolution for you.

**Lorenzo 26:46**

So I think listening skills, and also receiving continuous feedback, and actually going through a 360 and taking it to heart, I think it's important as a leader that you don't become, you know, hard of hearing, and people that want to see you be successful. And also your team, for the most part wants you to be successful, because it's a reflection upon themselves as well. So that listening skill, and then also the aspect of showing vulnerability. And I think a team is much more willing to give you feedback as well, when you show vulnerability, and the appreciation for the way in which they think you should develop. And, look, you're always going to have your strong convictions, you're always going to have to be decisive. But also being vulnerable to feedback and taking that feedback on I think helps to evolve you.

**Jacob 27:36**

I just remembered earlier, you were talking about self confidence as well, and why that's so important. How do you develop that, for people who are watching or listening.

**Lorenzo 27:47**

So I'm not sure I can say how you develop it, I can tell you the way I've developed it over time, and it's by, first of all, always having something that I can fall back on as an aspect of knowledge, base and expertise. And so, you know, I have the good fortune of having come up through finance. So I understand finance and also the element of critical thinking. And so I rely on some of my core skills, and an aspect of having the confidence. And then also just the journey that I've been on. And some of the experiences I've had, I've always looked to have different experiences and learn from those. And that gives you self confidence and being able to adapt and be agile in different situations.

**Jacob 28:35**

I want to shift gears a little bit, I know we only have 15 minutes or so left here. I know that you've been a big advocate for for a lot of change in the business world change around diversity and inclusion, you're talking about the energy transformation that we're going through. And can you talk about the importance of as a leader, taking a stance on these things of talking about these things of addressing these things? Because I feel like over the years, leaders used to kind of stay quiet. And now that there's more spotlight and more scrutiny, people are starting to speak up and basically take a stance. Can you talk about the importance of doing that, especially when it comes to you know, things like climate change or societal issues.

**Lorenzo 29:22**

I think it's important for business leaders to stand for something and also to stand for what the company believes in, and also what the employees are asking them to believe in. At Baker Hughes. We are an energy technology company. And we believe that we can help really reduce the carbon footprint in the globe and provide safe, reliable energy for the people in the planet. And so we have a voice around that. And everything we do from capital allocation to development of people is around that. I'll also say I think leaders need to be a voice for the underrepresented and also For the way in which the globe needs continue to evolve, and that's why the diversity and inclusion is so important. Because if we don't say it as leaders, then how will it evolve? And that's the best decisions we know, are made when you actually have variation and diversity of thought. And that comes through the DEI as well.

**Jacob 30:23**

Yep. And obviously, you're in a pretty interesting space, because I think your, your entire business is transforming, right? And can you talk about how do you? How do you lead an organization where it's not just your organization that's transforming, but it's your your industry, right? I mean, oil and gas moving towards more sustainable energy, we're talking about, you know, electric for so many different types of things. So how do you pivot in such a rapidly changing world and not kind of cling on to the past?

**Lorenzo 30:56**

Well, there's a saying that is, you know, move fast, change fast, be agile, and pivot. And I think the speed at which things are changing necessitates that we as leaders, actually use that agility. And so we know the end goals, but how you're going to get there can vary they in day out, and also different roads that you take. And we look at the external world, we look at what's happening, and we pivot accordingly. And so instead of it being one big marathon, it's actually short sprints that get you along that way. And that's the way in which we've been through this journey. For the last three years, we came out with our net zero commitment in 2019. Saying that by 2030, would reduce our own carbon footprint by 50%. And by 2050, the net zero at that stage I could never afford, what would happen with a pandemic, and now you have over 60% of the world's GDP, committed to net zero in 2021, the speed at which it's changed has been fundamental. But we've actually been along that journey. And now it's just acceleration of it.

**Jacob 32:05**

Can you actually talk about the impact that COVID had on your business? And what that looked like?

**Lorenzo 32:12**

So first of all, obviously, from a health and safety perspective, our priority was in making sure all of our employees, the contractors, and also the communities that were working in, were safe. And that was priority number one. And if you look at our values of Baker Hughes, we have one of our four values being care. And the first aspect was how do we care for each other? And, you know, I saw acts of kindness from, you know, gift packages being sent from China to Italy, as the COVID pandemic really transcended the global locations, then it was Secondly, you know, how do we maintain operations as a critical industry and being a critical business to supplying energy. And so the right procedures in place, and I couldn't be prouder of the employees that were out there in the field, maintaining operations going. And I'd say the third element, it's one of further acceleration of our strategic pivot towards being energy technology and the focus on climate change and reducing the carbon footprint. So all in all, you know, the pandemic, clearly a big focus on people and their health. But then also, it's, I think, accelerated the desire and also the discussion around climate change.

**Jacob 33:31**

Did it impact your your company as a whole, as far as revenue profit, things had to shut down.

**Lorenzo 33:38**

So we didn't have to shut down, we clearly had to take the actions necessary from a right sizing perspective. And we took those so there was a decline in our activity. And as we look to the rest of 21, and going into 22, we're starting to see that activity come back. So yes, it was a downturn in our industry. And as other cycles have happened before, we'll see the upcycle coming forward.

**Jacob 34:05**

Last, maybe question or two here, and I wanted to talk a little bit about culture, because you, you had to lead the merger between GE oil and Baker Hughes, which I would imagine are quite different cultures, different ways of working different values. Can you talk about what the GE oil culture was like? What

the Baker Hughes culture was like, and how did that end up coming together? It where did it come together in a good way?

**Lorenzo 34:34**

It definitely came together in a good way. And I'm pleased with where we are today. It was a rollercoaster though, because we actually went through a marriage and then also a separation with General Electric and they've actually been decreasing this they can ask at the Foundation, the culture between the companies though, had something that was very appealing a very strong, they were both technology biased and engineering bias. And so they had A strong heritage of being able to be inventive and having the best equipment and reliability. On the commercial side, the GE oil and gas was more commercially inclined and more focused, and so had more international reach and more customer interactions. And we were able to bring that to the Baker Hughes element. And on the process side as well, it was more processed rigor that we were able to apply on the Baker Hughes side, the whole caring element, and the HSE focus came across to us. So it actually was a good marriage, and we're stronger as a company together, then we were apart.

**Jacob 35:40**

And in culture wise, would you say that as far as just how those different organizations behaved, what they valued in, was there some synergy there.

**Lorenzo 35:51**

Definitely synergy and we went through a process of really identifying the values that would make Baker Hughes and we converged on four that resonated across all of the employees and leading, because we want to be in front of the energy transition, leading with our technology care, because of the HSE aspect, and also the aspect of really developing talent, and also our employee base, and also communities we're in grow. Because again, the commercial actions and growing internationally and collaborate, collaborating across each other and bringing the best to the table. So the values resonated well, and has actually been a forcing function of us coming together as a company.

**Jacob 36:39**

Great, maybe last question for you. And that is around any advice that you have for maybe two different groups. One is aspiring leaders, so people who are still early in their careers, who are looking to become leaders, and any advice that you have for them, and maybe current leaders, so people already in a leadership position, who want to grow and excel even further, any advice or suggestions or tips for those groups.

**Lorenzo 37:07**

So for the both, I would say embrace, change, embrace, change, embrace ambiguity. And to the younger leaders, I'd say, follow mentors, and also take their advice. They're there to champion you, they're there to mentor you. And, you know, a lot of people get hung up early in their career, what's my title? What's the job scope, and at the end of the day, they're all good roles, if they come from people that are sponsoring you, championing you and mentoring you, and they want to see develop. So don't, don't be too picky. I never selected a job that I was in, it was always offered to me early in my career, and I've benefited from it tremendously to more senior.

**Jacob 37:57**

So one question is, are you saying that the people you work for are more important than the job that you're doing?

**Lorenzo 38:04**

The people that are providing you the support, and you're working for more important than the job itself, because they want to see you develop, so the job itself will actually develop you. Don't, don't get hung up about location, don't get hung up about job title, it's your development that's most important. And to senior leaders, I would say, including advice that I give myself all the time is develop the network of other senior leaders. And when you're in a moment of confusion, have a group of individuals you can speak to that are going through the same confusion. And actually, you know, be a member of a Business Council or be a member of some of these CEO groups or general manager groups where it's much better to share a problem, then hold it all to yourself. And you can get a lot of valuable advice from these groups.

**Jacob 39:02**

I love it. Great advice. Have a community of people that you can reach out to. Well, we are out of time, where can people go to learn more about you, your company, anything that you want to mention for people to check out?

**Lorenzo 39:16**

Well, look, first of all the company, Baker Hughes.com, it's out there. And I appreciate everybody going and looking at the great energy technology that we provide, and also the role we play in energy transition. from a personal standpoint. Again, don't be shy if you want to reach out I am on LinkedIn, from a social media perspective. I like engaging. And look, I think it's important that these type of discussions take place on leadership and also the future of leadership and the way in which the workplace continues to evolve. So thanks a lot, Jacob for doing this.

**Jacob 39:52**

My pleasure. And thanks again for sharing all of your insights and ideas. I really appreciate it.

**Lorenzo 39:58**

Thank you very much. Take care.

**Jacob 40:00**

Of course and thanks everyone for tuning in my guest again Lorenzo. Similarly, Chairman and CEO of Baker Hughes and I will see all of you next time.