Take on Board

Transcript – Jenny Selway

Helga Svendsen 0:00

Today on the take on board podcast, I'm speaking with Jenny Selway about climate governance and the role of engineers. And we also might get to touch on your board journey and career transitions. First, let me tell you about Jenny. Jenny is a non Executive Director and engineer currently serving on the Agribio board and agricultural research facility and public private partnership and joint venture between the Victorian State Government and Latrobe University, specializing in international joint ventures and Strategic Asset Management from her time at Exxon Mobil, Jenny has worked with globally listed and government partners to find collaborative business solutions in complex highly regulated environments. Currently undertaking postgraduate studies and climate change policy at ANU. Jamie is passionate about using her unique combination of commercial, technical and governance skills to progress the transition to sustainable energy in Australia. With Jenny's recent election to the Victorian divisional committee of engineers, Australia, commencing in January 2022. Jenny is particularly interested in the role of engineers in climate governance and decarbonisation leadership. Welcome to the take on board podcast, Jenny,

Jenny Selway 1:13

Thank you. It's great to be here.

Helga Svendsen 1:16

It's so fabulous. I know we've been talking about this for a while. So it's great that we finally get to have the conversation. But before we talk about climate governance and the role of engineers, as always, let's dig a little bit deeper about you. Tell me what was young Jenny luck? And when did you get your first inkling that you might end up doing what you do today?

Jenny Selway 1:36

Well, it's a it's an interesting story, I think Helga, because you often hear from engineers who tell stories in their childhood that they were pulling machines apart and seeing how they worked or out in the garden, constructing cubby houses out of you know, logs and things like that. And I didn't really do any of those kinds of things. So as a young child, I was always coordinating and organizing things. So even at kindergarten, and at primary school, I coordinated things like a fashion show that got all of the other kids involved, which is kind of funny, given my low style levels now. A circus for all the kids at primary school, which we did in the backyard, around the hills, hoist, and a dance

troupe and just whatever kind of wacky idea, I coordinated these things. And so those kind of organizational skills, but also planning and logical thinking and sort of practical, pragmatic, getting things done type of skills was always part of my personality. But I still never really considered doing engineering at all, till the very end of year 12, when I was doing double maths, and physics and chemistry and doing really well in those subjects. And I was planning on doing speech therapy at the time. And it just struck me that maybe I should consider engineering, given I was enjoying and good at these subjects. And my father initially thought I wouldn't get a job in engineering. So I had to convince him that this was a reasonable strategy. And then he became very supportive and introduced me to some people he knew through his work. And that helped me really knuckle down on Civil and Environmental Engineering, which was the course I eventually did joint with science at Adelaide Uni. And so even though through throughout that course, I wasn't ever considering oil and gas as a career until the very end of that as well when Exxon Mobil came to do a presentation and talked about just the range of careers that you could have in oil and gas and the range of roles you can do within the one company. And that really sounded interesting to me. So so that's when I applied and had a fantastic career at Exxon Mobil. And ended up specializing in joint venture management, like you said, in countries like p&g, and I worked in assets in Chad, as well as the US and Canada. So had a really fantastic career. And only then decided to leave at the end of last year, as I became more concerned about climate change issues. And thought I'd try and leverage my joint venture governance experience to move on to boards, but then also investigate what I could do as an engineer to progress, decarbonisation and the energy transition. So it's almost been a strange journey where at the last point of each stage, I've, I've come to work out what I'm going to do next. So as to when I had the inkling that I would be here talking to you now, it was probably, you know, two months ago when I mentioned the presentation.

Helga Svendsen 4:38

Well, it's interesting, isn't it? I think other people look at whoever's career, your career, my career, other people's career, and they look at and go, Oh, that'll make sense. And that's all beautifully mapped out when in fact, often it's a series of twists and turns that only become apparent as yours have, you know, yesterday or late in the piece. It's like, oh, now I feel like pivoting over here. And it's only in hindsight. Some of those things that make sense. You know, I always really feel for kids, you know, what do you want to be when you grow up? It's like, who knows, I still don't know what I want to be when I grow up. So how is a kid meant to know? No, you just might know what you want to do now, or what you want to do next, but not necessarily what's coming later.

Jenny Selway 5:17

Yeah, well, and I think that's one of the things about engineering is that so broad the the vast variety of careers you can move into with an engineering degree. And it's not necessarily what people think of when they think of engineering. And so that's one of the things I think of it as a profession, really need to do a better job of communicating all those different roles that you can do and, and the breadth of careers you can have with an engineering degree. And it's not just the people that are

breaking apart radios, or building cubbies in their backyard that can really have a fantastic career after that choice to do engineering.

Helga Svendsen 5:53

Absolutely. Well, we'll touch on that. Now let's turn to climate governance and the role of engineers. And why more boardrooms perhaps should have engineers in them. But climate governance, let's just start there. What is climate governance? And why is it important?

Jenny Selway 6:09

So climate governance is a framework that people around the boardroom table should consider when they're looking at the impacts that climate change will have on the organisation. So it's looking at both the risks and the opportunities to that organisation. And so the World Economic Forum issued some principles in 2019, that outlined the basics of climate governance. And they're things like board accountability, having a command of the subject of climate change, how the board is structured to make sure that you have the right people with the right diversity, both functional expertise, and also sort of cognitive thinking on the board, that there's been a assessment of materiality to the risks and opportunities to your board. And that then those risks and opportunities are integrated into a an organisation's strategy. And then importantly, that the board and senior management and executives are incentivized and renumerated with respect to those climate change risks and initiatives that the organization wants to put into place. And that risks that are reported and disclosed against and then finally, that there's an information exchange, both between the board and management and the levels within the organization, but also externally, between organizations so that best practices are shared. And so why I got interested in this subject and the role of engineers was really, because a lot of those principles really draw upon skills that engineers have. So it's things like risk assessment, it's things like looking at technology and innovation and seeing how they could solve a problem and general problem solving techniques, and seeing how those new technologies can be implemented into a strategy. And also just creativity, general learning mindset and scenario analysis as well. So a large part of climate governance is looking at the various scenarios for the future, with different heating and warming scenarios, and then assessing what the risks to the organisation and the opportunities to the organization would be under those scenarios. And then looking at it from a holistic standpoint, to draw that back together into a strategy. So yeah, so I think engineers, those skill sets that were taught and trying to really do tie in to those climate governance principles. So that's why I wanted to look into it a little further.

Helga Svendsen 8:43

Tell us about that. You had an interest in climate governance, you thought, let's have a look at the role of engineers. And I've done this paper about it. So tell me, how did you do your research? And what did it find?

Jenny Selway 8:54

So initially, I'll be honest, I was going to try to form the argument or my hypothesis was that more engineers should be on boards. And so I had done a lot of research into those principles that I just talked about. And also things like the task force for climate related financial disclosure frameworks, and how the skills of engineers could fit into things like that. And then I looked into actual board composition and the number of number you know, engineers on boards. So there was some very large studies done back in 2007 and 2014, looking at the whole of the ASX and the functional diversity on those boards. And those studies showed that, in general, about 20% of the broader ASX will have an engineer on their boards, but that those engineers tend to be sort of clustered in the resources sector or in the manufacturing sector, and sort of technology sectors, which also tend to be the organisations that have the largest share of emissions. So that was kind of my first Got a point that there actually were more engineers on boards than I realized, and particularly that they tended to be focused in these organizations that were of more interest. So then I went through and did my own research on the ASX 20. And also the focus organisations that are listed from the climate action 100 Plus organisation so, so climate action 100 Plus is a global collaborative engagement, which targets a selection of the world's biggest greenhouse gas emitters. So their aim is to curb emissions and strengthen climate related financial disclosures and improve the governance of climate change issues. And they look at last time I checked, it was 167 companies globally which account for 80% of global emissions. And in Australia, there's 14 companies that they look at so these are not necessarily companies that are badly managed or not serious about tackling climate change. It's just the ones that currently have large emissions and you know, have a responsibility and a focus to to do something to change that to help global warming so so these are companies like bhp Rio Tinto, Adelaide, Brighton cement, AGL, Boral, Santos, Woodside, Woolworths, BlueScope Steel, Origina, Qantas, Pivot, oil search and Orca. And so I looked at the composition of those boards as well. And what I found that in the ASX 20, and in this climate action 100 group of companies that engineers have even a larger presence than in the broader ASX. So 10% of ASX 20, board members actually have an engineering background. And half of the ASX 20 companies have at least one engineer on their boards. And of the climate action 100 companies that I talked about, actually 80% of those have at least one engineer or someone with an engineering background. And I've just limited that to engineers. So there's also scientists to, you know, obviously very closely related skill sets that are not counted in those numbers. So that was really quite interesting to me to see that engineers do actually have a seat on the table of these highly impactful companies. And you know, it's very good in some respects that we have people who have the skills to be able to understand climate governance frameworks and really make a difference there. But it also shows the responsibility that engineers as a profession have to really adopt these principles and put them in action. And indeed, many of these companies in the climate extra 100 list of making huge strides turn around and reduce their emissions.

Helga Svendsen 12:39

That is so interesting. So So I think if I'm hearing right, you went in thinking, there's probably not enough engineers in the boardroom, oh, there is enough engineers in the boardroom. And in fact,

they're in the boardrooms of the largest emitters. But it sounds like they're also in the boardrooms of those that are in the boardrooms of the largest emitters, and who are taking action?

Jenny Selway 13:04

Yes, that's right. Well, and I think, you know, the fact that people on climate action 100 list is a pretty good incentive, and you got all the investor pressure, and all of those things that when Brynn O'Brien talked about a few weeks ago, in her session, where you just have this huge momentum and this cause for change. And so I think engineers with their skills in risk management, scenario analysis and problem solving are very well suited to tackling these climate governance issues. But I think also what my study delved a little bit deeper into those engineering skills and the way engineers are taught to think at university, and then how you can tackle these really complex problems like climate change. And I think there's a tendency in engineers to sometimes think a little bit too, really early, and also tend as a profession to be more introverted, I guess, in some other professions, where it's really to tackle something like climate change, you need holistic Systems Thinking approaches where you're looking at interconnectedness between various factors, and also to collaboration and reaching out and speaking up and taking lead is just so important. And so I think collectively, there's a real shift in momentum from the engineering profession as well to recognize that we do have a seat at the table and a responsibility and the skills. So let's all step up, and actually try to make a change here. And so the conference that I presented this, that was the Engineers Australia climate smart engineering conference in mid November, and this was a huge theme throughout the conference, really, that the engineers have those skills and we just need to now step up and start talking about it. And you know, be brave was kind of a theme to step out and make changes.

Helga Svendsen 14:54

So then tell us about for you, and your engineering background, you're now on the board of Agribio, how did you find that transition into that strategic governance space with your engineering background? How did you find that transition for you?

Jenny Selway 15:10

Well, so it's been in terms of governance transition, it's, I've had a longer time than it might appear because of the joint venture governance experience that I had an Exxon Mobil. So particularly in a non operated joint venture, so this is where another company was operating the assets. And then Exxon Mobil was a partner in that joint venture. It's very similar to a typical boardroom, really, where you've got these series of joint venture meetings. I'm there as the Exxon Mobil representative, and it's a fairly brief amount of time that I had to ask a strategic question or try and gauge the viewpoints of the other partners in the room to test alignments influence others. And you know, get everyone sort of thinking smart ways of thinking, I guess in others based on my questions, and the other people around the table, we're doing something similar as well, in order to get the best result that we could for the joint venture. And when we're you don't really have direct control,

right. So depending on voting arrangements, and things like that, quite often, what Exxon Mobil wants, we had to do that through influence and collaborative alignment versus being able to force an issue, I guess. So I really enjoyed that way of thinking. And that was what part of what got me to think about trying to be on boards as a way to make a difference in decarbonisation and energy transition, because I really enjoyed that joint venture governance work. And so I thought, that's what I'll try to, to see if this is an area that I could pursue, sort of in the short term. And if not, then in the longer term as I go do another sort of executive role in the next few years.

Helga Svendsen 16:48

So you've you've had this realization, that being in the boardroom is something you're interested in, you know, from this realization in your role at Exxon Mobil. And then today, you're in the boardroom of Agribio, how did that actually happen?

Jenny Selway 17:02

Well, so I decided to leave Exxon, really at the end of last year, because like I said, I was just increasingly concerned about climate change and, and wanted to make sure that I didn't end up retiring with Exxon having not done anything to try to help. And so I had been following women on boards and sort of AICD and just had it in the back of my mind for maybe a couple of years, that being on boards would be something that I would like to do. And actually, my uncle had once suggested to me many years ago, that it might be something that I might like to do. And so then when I left, you know, I'm quite driven, I guess. So, I signed up for the ICD company directors course, I joined women on boards, I joined the AICD, I signed up for the women on boards, CV workshop, I started listening to your podcasts, and then started looking at all the job boards, that was posted on women on boards. And, you know, they all sort of want lawyers or accountants, but then luckily, this job posting for agri bio turned up, you know, sort of October, it was only just after I had left. And it was a joint venture. And it talked about joint venture management as one of the skills and so I was thrilled because he or actually, you know, had a skilled in that area. And so I just applied, it was with my old professional CV, I hadn't been to the board workshop yet, and wrote a cover letter, the cover letter was a page and a half, you know, it was broke all the rules. But luckily, I got the interview, and then ended up getting that position. So it all went fairly smoothly, really, and gave me a lot of confidence that this was all going to work out and be fantastic. Which was maybe misplaced, because then I have applied for quite a few more this year and got to second round for some of them, but not being successful in landing a second role. So you know, it has been quite a slog, but I was lucky to get that success at the start, I think which void my confidence. And in the interim, no, I am doing all of this study. So I'm doing an executive MBA at Melbourne Business School, and also the climate change policy grads that that I might end up leading to a Master's at a new and so both of those courses have been fantastic and obviously quite time consuming as well. So, so between all of that and the board stuff, I've actually turned out to be quite, quite busy really busier than when I was working.

Helga Svendsen 19:33

I haven't talked to people and it's like, oh, God, I have no idea how I even fit working in. And you're probably the same.

Jenny Selway 19:39

Yeah, that's right. That's right. And I'm trying to broaden my network as much as possible because my network was really quite limited to oil and gas and really Exxon Mobil people oil and gas. So I've been networking for board related and also in the energy transition and decarbonisation space as much as possible. So not something I've ever done before, it's been quite a stepping stone for me to enter this networking arena. But it's quite fun. And it's not as scary as it seems.

Helga Svendsen 20:09

I've done this once or twice on the podcast. And we're going to do it here just for fun. So you're looking for a second board role. We've heard some of your skills like you're an engineer, you know about climate governance, you know about joint ventures, what are the other key skills that you bring to the boardroom?

Jenny Selway 20:25

So risk management, project management, investment analysis, a lot of the part of my role at Exxon would be analyzing, you know, multi million dollar investments and see if that met our internal thresholds or not, and building a business case for or against various investments. And then a lot of financial oversight as well went along with the joint venture management role, and controls, compliance, monitoring, audit results, and close outs and things like that. So it was sort of a compliance part of the role. And then a strategy and business planning part of the role in managing budgets and things like that as well. So okay, so that's kind of my core skill sets. And then and then joint venture management is, is a little bit specialized.

Helga Svendsen 21:10

And if you could land in any boardroom tomorrow, you know, the ideal board, or sector or type of basically, we're doing an advertisement for you right now, Jenny, like we've got the take on board community listening in and the take on board community is an amazing network of people who help each other out. What should we be on the lookout for you for that we know your skills now, what sort of board should we be lining you up for?

Jenny Selway 21:32

So what I'm really passionate about at the moment are all of the cooperative research centers that are popping up that form these linkages between government and industry, and really aimed at getting the technology that's at the forefront of decarbonisation, and the energy transition out into industry and facilitating that transition. So I'm really passionate about those kinds of linkages. And I think it's quite a similar environment, to working in joint ventures where you have multiple stakeholders that need to come together. And that's part of you also have that at agri bio, right, you've got the joint venture between the state government and agriculture before and then the board's role is to really facilitate and make sure the facility is operating, as it should be, so that the scientists can get on and do their research. I'm very passionate about those roles. And then also moving into renewables and you know, the hydrogen space and those kind of areas.

Helga Svendsen 22:27

Alright, folks, you've heard that you've heard Jenny's incredible skills, there's a long list there, but climate governance, joint ventures risk, finance, compliance, all sorts of stuff in there, there was a longer list than that, if you know of anything in cooperative research, or joint ventures decarbonize around decarbonisation, energy, renewables, those sorts of things. Jenny's contact details are going to be in the show notes. And she's also in the Facebook group. So let her know, let's see if we can find her another another role to add to her portfolio. Oh, God, great conversation, I'm so glad we finally got got there in terms of being able to have it around that climate governance, and also great to hear about your journey to the boardroom. What are the key points you want people to take away from the conversation that we've had today?

Jenny Selway 23:18

So I think the key points are, climate governance is an increasingly important issue on any board, and it's not going to be going away. So you can see the momentum that came out of the COP26, which was just incredible. So this is something that all board directors need to be aware of engineers have the right skill sets to really contribute amazingly, in this area. And I think engineers just collectively now need to work together to to really drive change in this area and recognize the impact that engineers can have, not just in terms of what are the risks and opportunities to my organization, but how can collectively we actually mitigate risk and drive change. So it's even going beyond those climate governance frameworks, which are more focused just on that one organisation. So I just think we have a huge opportunity and responsibility as well to step up as a proficient.

Helga Svendsen 24:14

And are there any resources you would like to share with the take on board community? Yes, so

Jenny Selway 24:19

My biggest help, to me has been this book Systems Thinking for Social Change by David Stroh. So I talked about the importance of systems thinking and how it's not something that has necessarily been incorporated into engineering curriculum through time, but it is starting to increasingly become an important part of engineers skill sets. And this book in particular, has quite a lot of examples and practical guide. It doesn't necessarily talk that much about climate change, but it really puts Systems Thinking practices or examples into practice. So that's been really helpful to me. And I've also linked all of the climate governance frameworks that I've talked about. So the AICD guide in the World Economic Forum principles and also the new Engineers Australia climate policy statement which came out just a few months ago.

Helga Svendsen 25:08

Fabulous. Thank you so much. It's been a fabulous conversation for us to learn more about climate governance engineers in the boardroom and also your journey to the boardroom and fingers crossed. We find you on board roll out of it as well. That'd be a nice little bonus as well. So thank you for sharing your research with the take on board community today.

Jenny Selway 25:28

No worries and thanks so much. Helga. It's been fantastic to be here.