

Environmental,
Social &
Governance (ESG)
Recruitment
Survey

April 2023





30 years of Executive Search and Recruitment in Sustainability and the Environment

Introduction

Delivering great hires to the green economy is what we do at Allen & York. Since 1993 we've been providing Executive Search & Recruitment support for all levels of staff, with particular expertise in Management and Director level hires. We reduce our clients time to hire and help purpose-driven organisations build better teams. Dedicated to making a positive difference to a more sustainable global economy.

We pride ourselves on our understanding and ability to deliver a high quality recruitment service across the Sustainability and ESG sector. With a network built over 30 years, we have access to a wide audience based from which we can gain insight on the current state of the market.



Lester Lockyer
Managing Director

Findings

As part of our ongoing commitment to working within and understanding the Sustainability and ESG recruitment landscape, we went to market with short questions to give us the ability to “check the pulse” of the sector.

With a number of candidates over the last six months stating they felt their employers’ outlook regarding ESG had changed. We delved into the subject with a ten part questionnaire, shared with our database of Sustainability and ESG candidates and our LinkedIn following, to get an idea of how the sector was being seen and how the people on the ground perceived this.

The following report details our findings and provides relevant, recent insight into how this discipline is evolving and current thoughts on the market.



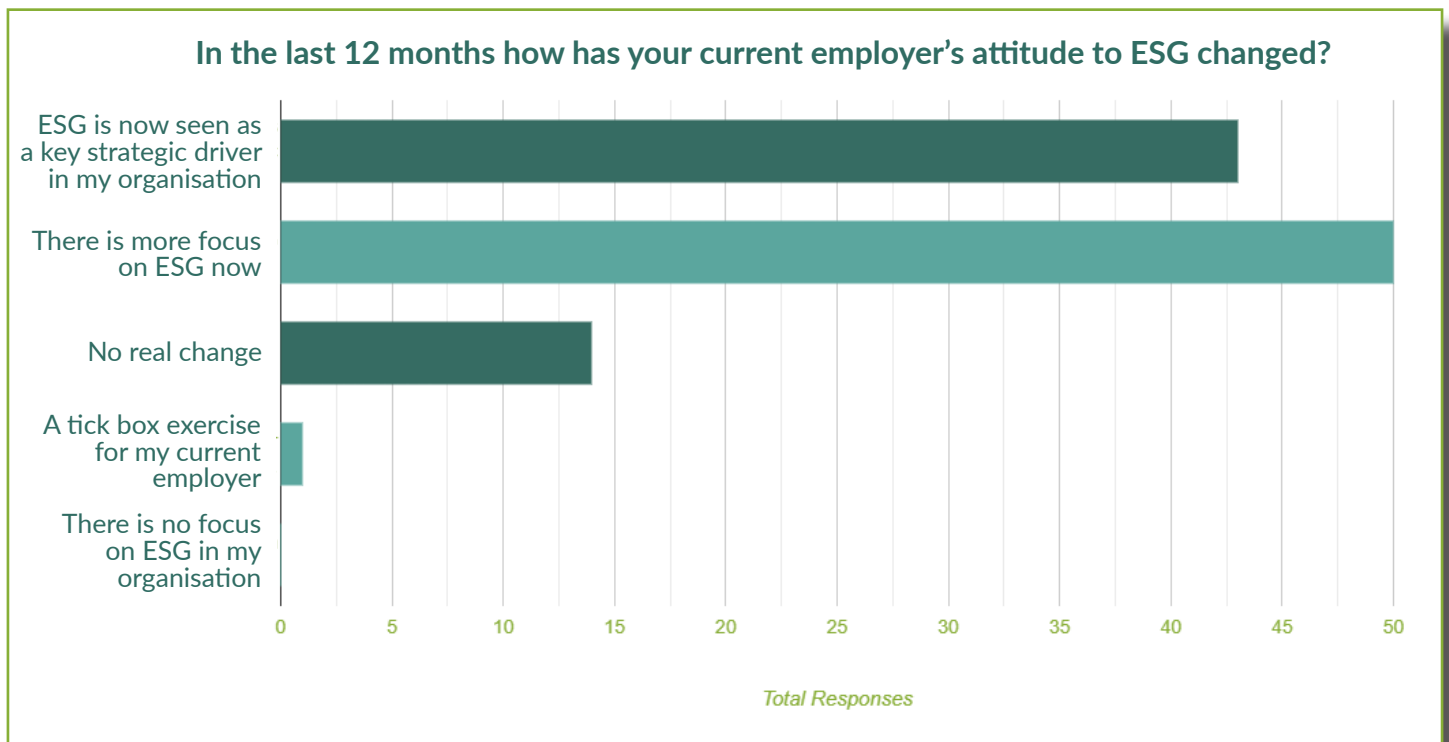


In the last 12 months how has your current employer's attitude to ESG changed?

In a rapidly changing sector, the first question we asked was designed to find out how candidates thought their current employer's attitude to ESG had changed in the last 12 months.

As you can see below some 85% of those surveyed felt that their current company has changed its attitude to ESG in a positive way in the last 12 months, with over 46% of these saying ESG is now seen as a key strategic driver in the business.

This feedback mirrors the conversations we at Allen & York are having with candidates currently. More and more ESG and Sustainability is at the forefront of the conversation, driving strategy rather than a nice to have.



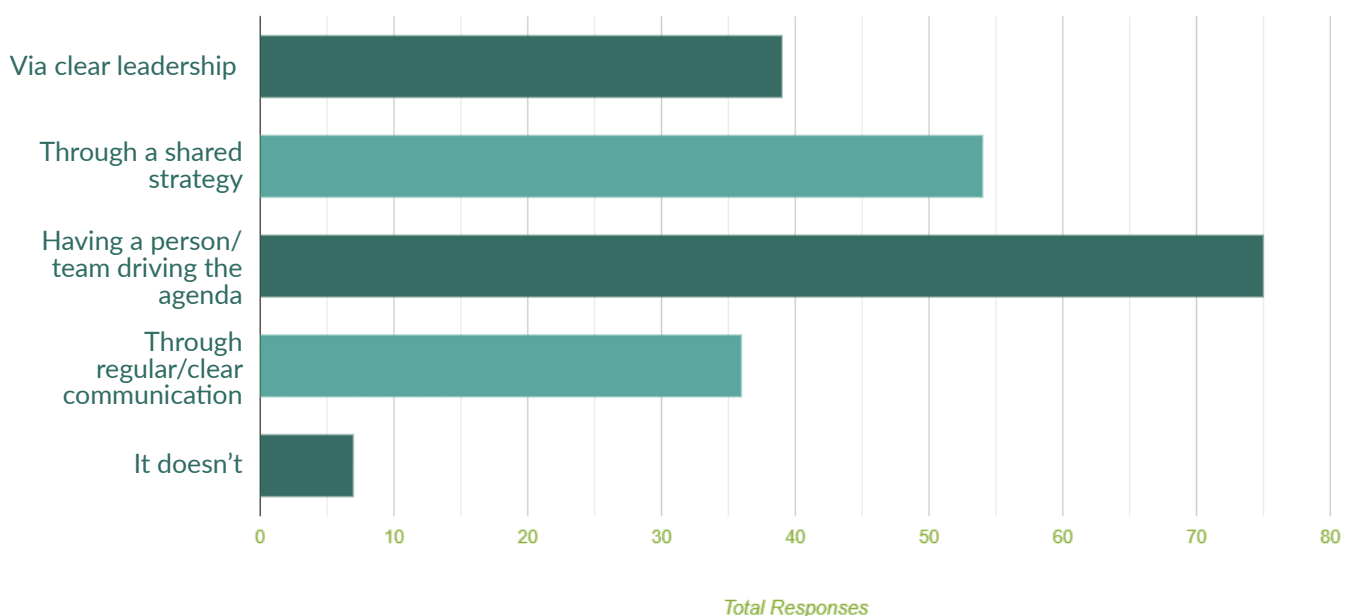
How does your current employer actively promote working in a more Sustainable / ESG friendly way across the business?

We then wanted to delve into how **current employers actively promote working in a more Sustainable / ESG friendly way across their business** as it is important for people to feel their employer values ESG and Sustainability. We wanted to try and understand from the market how employers are achieving this.

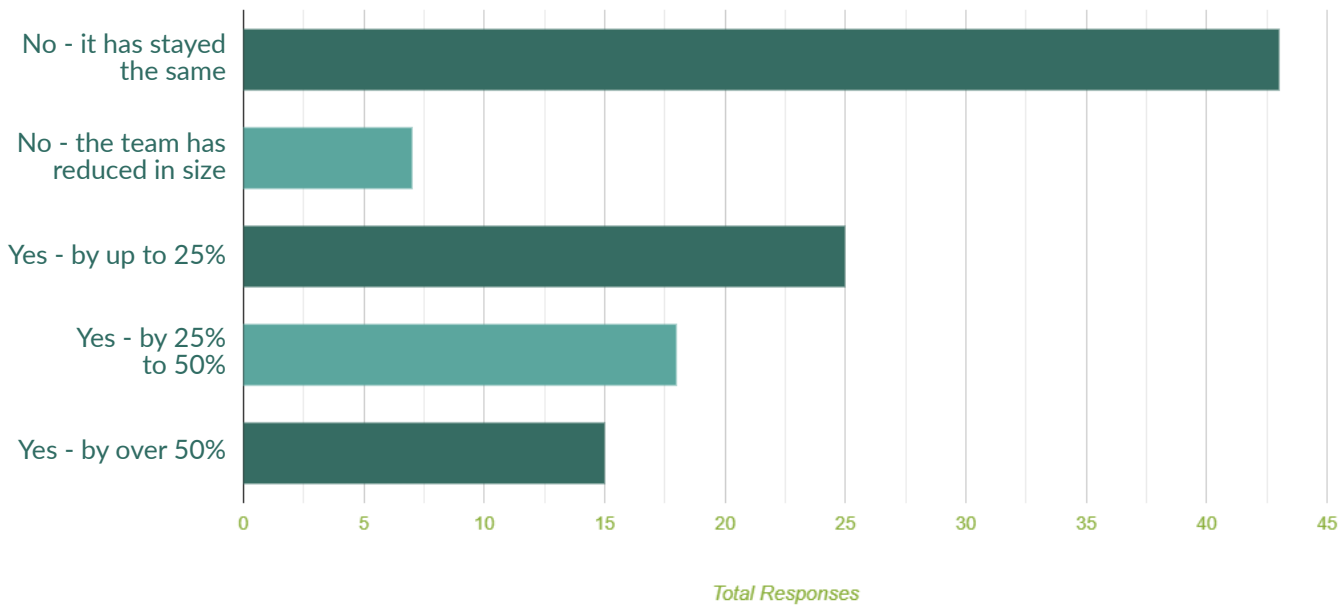
The results are very clear, with almost 70% of respondees stating having a person / team driving the ESG / Sustainability agenda through the business is the most common strategy. A large proportion said utilising a shared strategy (almost 50%) and having clear leadership (35%) also being key to success.

Interestingly seven people surveyed felt their employer did not promote ESG / Sustainability in the business, compared to only one person feeling ESG was a tick box exercise in the previous question. More and more when speaking to candidates, when asked why they are looking to move on it is because they feel ESG and Sustainability are not being taken as seriously as they would like.

How does your current employer actively promote working in a more Sustainable / ESG friendly way across the business? (Tick all that apply)



Has the ESG / Sustainability team you work in grown over the last 12 months?



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The ESG / Sustainability market is going through a period of extended growth and candidates with ESG / Sustainability experience are in high demand, more now than ever before. This is demonstrated in the results of our third question which covered growth in the team over the last 12 months.

52% of those surveyed said the ESG / Sustainability team they directly worked in had grown in the last 12 months, with almost 30% of those respondents saying their team had grown by more than 50% in this period.

These results cemented the points made in a recent Allen & York blog:

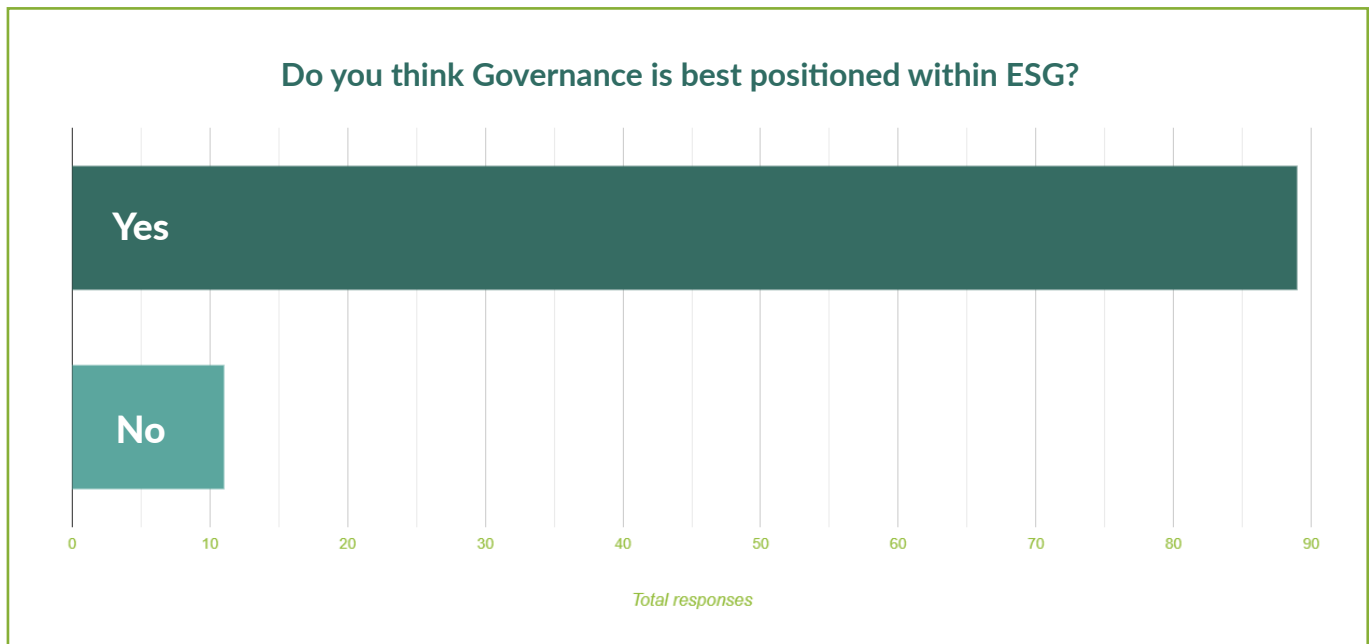
“The demand for experienced and skilled professionals within environmental, social and governance (ESG) has reached an all-time high, vastly exceeding the existing number of experienced and qualified professionals available in this booming discipline. With the climate change agenda now strongly rooted in future business and economic strategies, the race for talent within ESG and the wider sustainability community presents a growing concern and challenge to the development of climate and sustainability solutions.”

www.allen-york.com/blog/2022/11/the-esg-talent-race

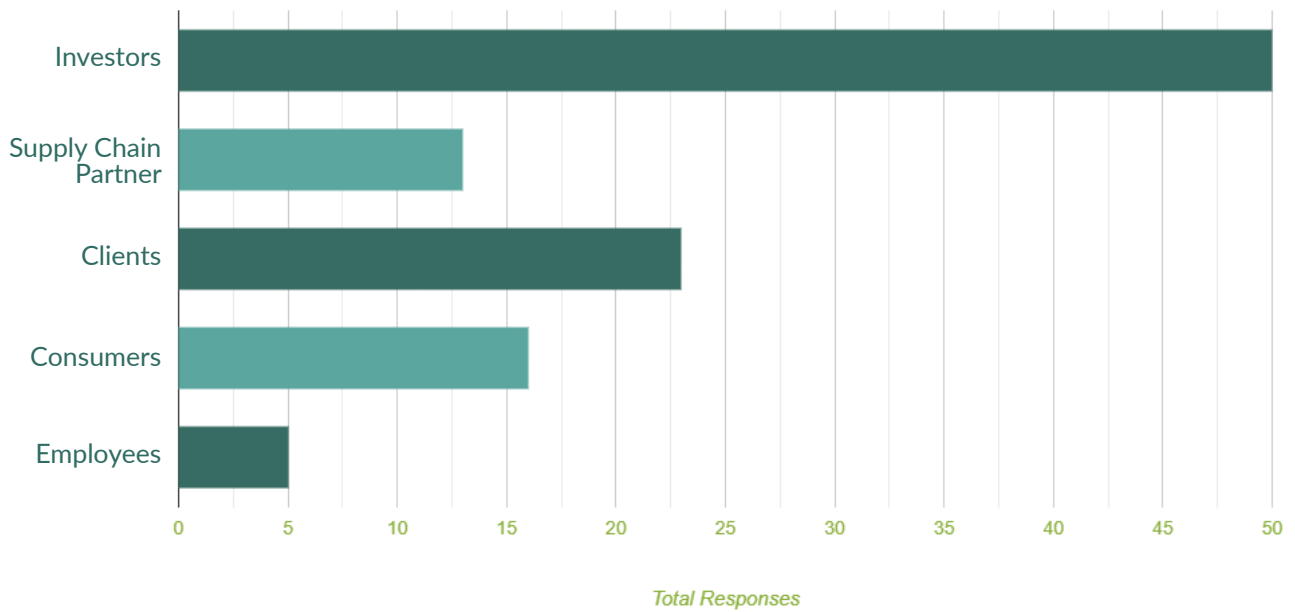
Do you think Governance is best positioned within ESG?

Last year there were rumblings in the sector as to whether or not the “G” in ESG was growing and becoming a larger requirement of Environmental Social Governance. Does it actually sit well with E&S?

Allen & York felt this was an important topic and wanted to get a feel for what the wider market felt in regards to this, so we asked if there was debate as to whether Governance should be included in ESG or whether E&S should be dealt with separately. Interestingly our audience had a strong bias for Governance being best positioned within ESG with a 75% agreement.



Who do you consider to be the biggest driver for ESG in business?



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It is always important to understand what is driving the market and fuelling the growth, so we wanted to know who respondents considered to be the biggest driver for ESG in business.

By far the largest response to this question was investors, with 46% giving this answer. Having reviewed this question, in further surveys it's likely we would include regulation as a possible answer too. With regulation and governance (SFDR / TCFD) perhaps driving the decision making of investors in the market.

As a result of these responses, we ran a further poll on LinkedIn, asking the question:

“Which of these factors is the biggest driver for investors when it comes to ESG / Sustainable investing?”

- A) Regulation
- B) Political pressure
- C) Public opinion
- D) Investor
- E) Other

The results of this poll indicated that Investment potential was still the major driver at 53%. Regulation delivered 22% of the responses, equal to that of Public Opinion.

What do you feel is the biggest challenge the ESG/ sustainability market faces in the next year?

The next part of our survey gave participants the opportunity to describe what they thought the biggest challenge in the ESG / Sustainability market will face in the next year.

We've highlighted below the most common responses.

Lack of professionals with actual hands on investing and portfolio management experience. An isolated ESG labelled resource does not bridge the gap needed.

A lot of people in ESG roles are not professionally qualified in either Environment or Health and Safety, so they don't always know what is required or the regulations.

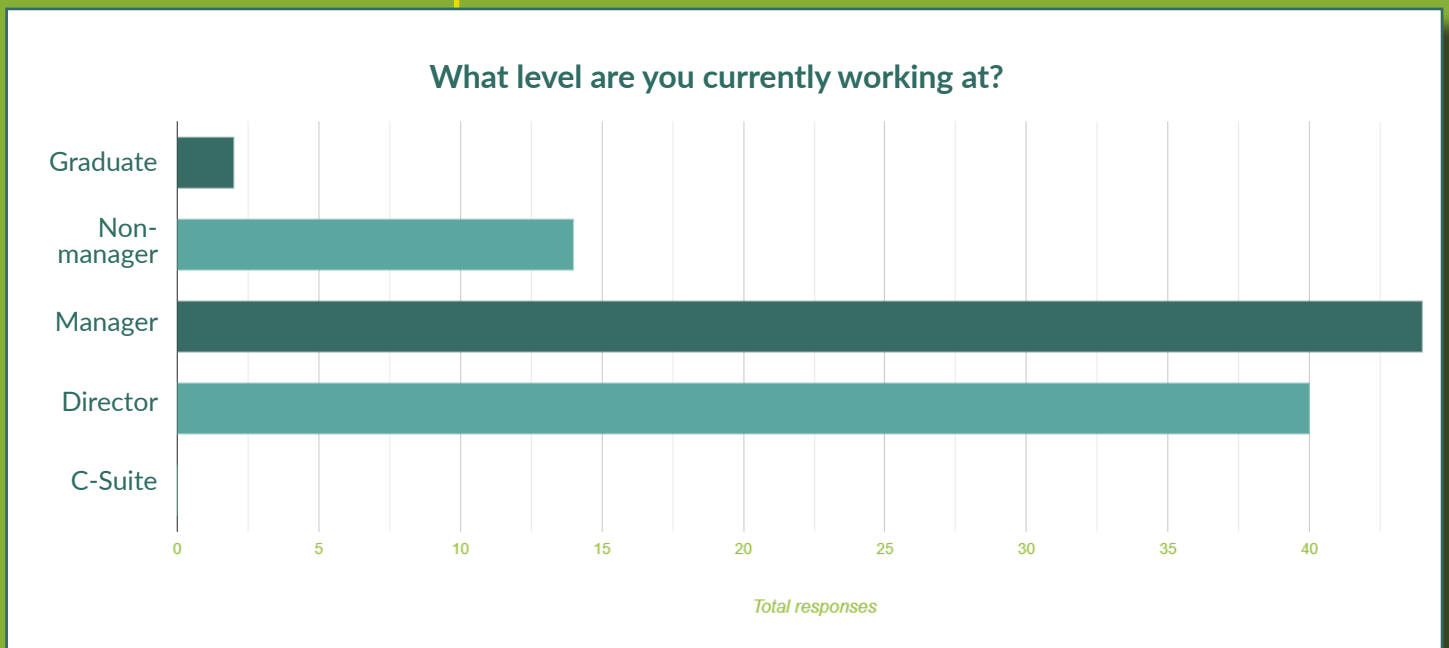
Sourcing qualified talent. The demand is clear, but the supply lacks depth of experience and/or expertise.

Shortages of candidates at the right level.

Many businesses haven't appointed the right people, big corporates need individuals who combine academic excellence and business knowledge.

What level are you currently working at?

As part of our survey we it was important to get an idea of the different demographics that answered our questions. In line with our usual audience base (where we place manager to board director level hires), 83% of those who responded hold a management or senior level position within their organisation.



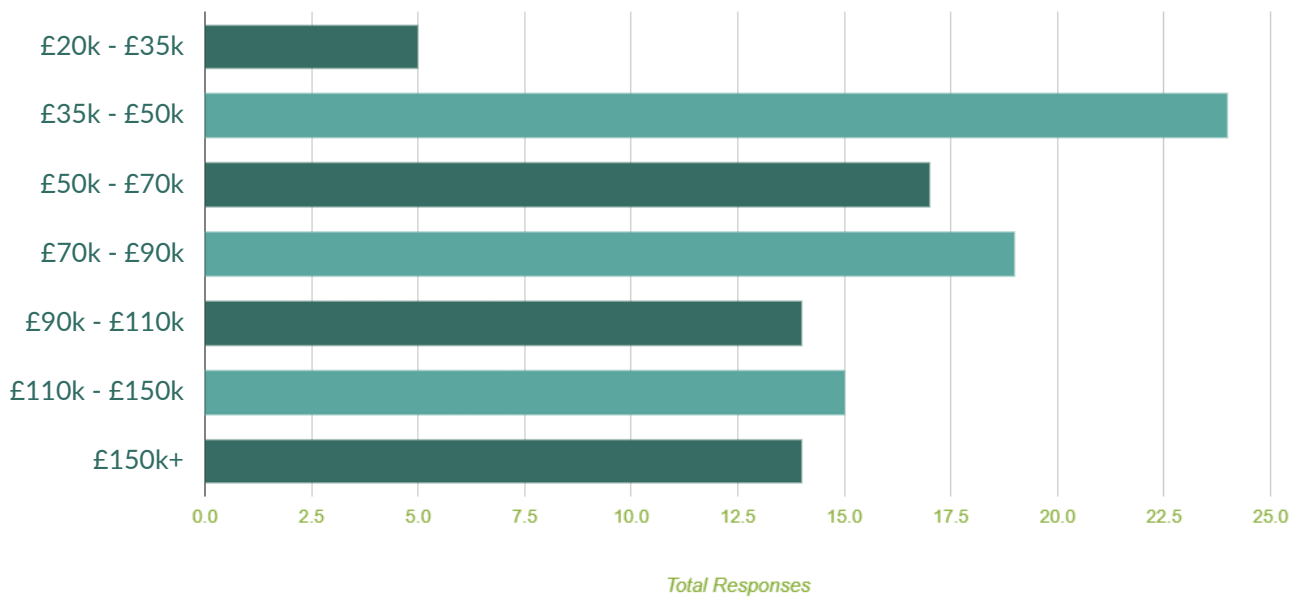
83%

managers or senior level

What is your current salary band?

Interesting to note that 37% of people who responded to the question regarding their salary range indicated that their salary was over £100,000 per year. This strengthens the argument that ESG and Sustainability salaries are on the increase, far out growing other specialisms compared to year on year salary growth.

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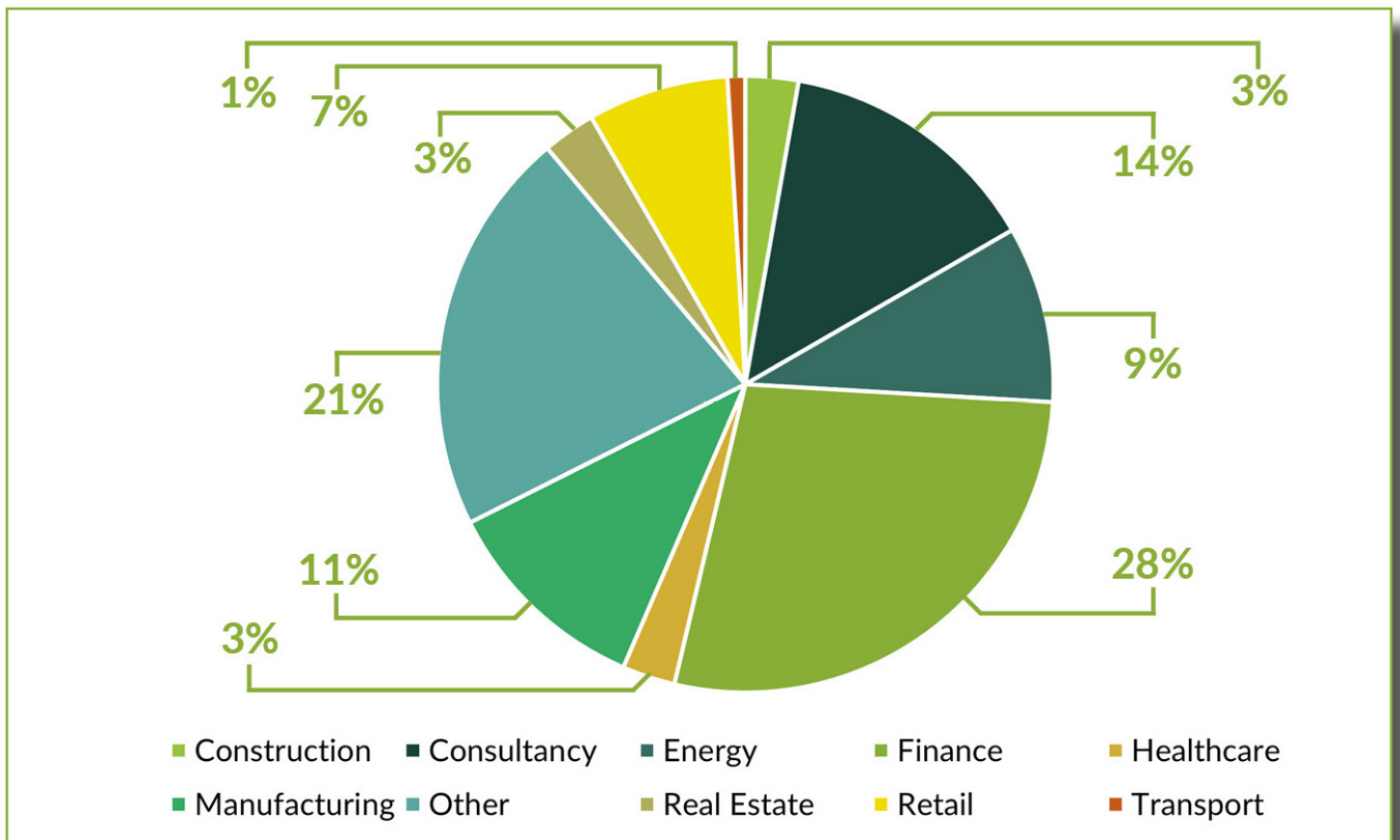


37%

of respondents earn £100k+

What sector do you work in?

Over a quarter of our respondents work in the Finance sector (as might be expected), the pie chart below breaks down all of the sectors that our respondents work across.



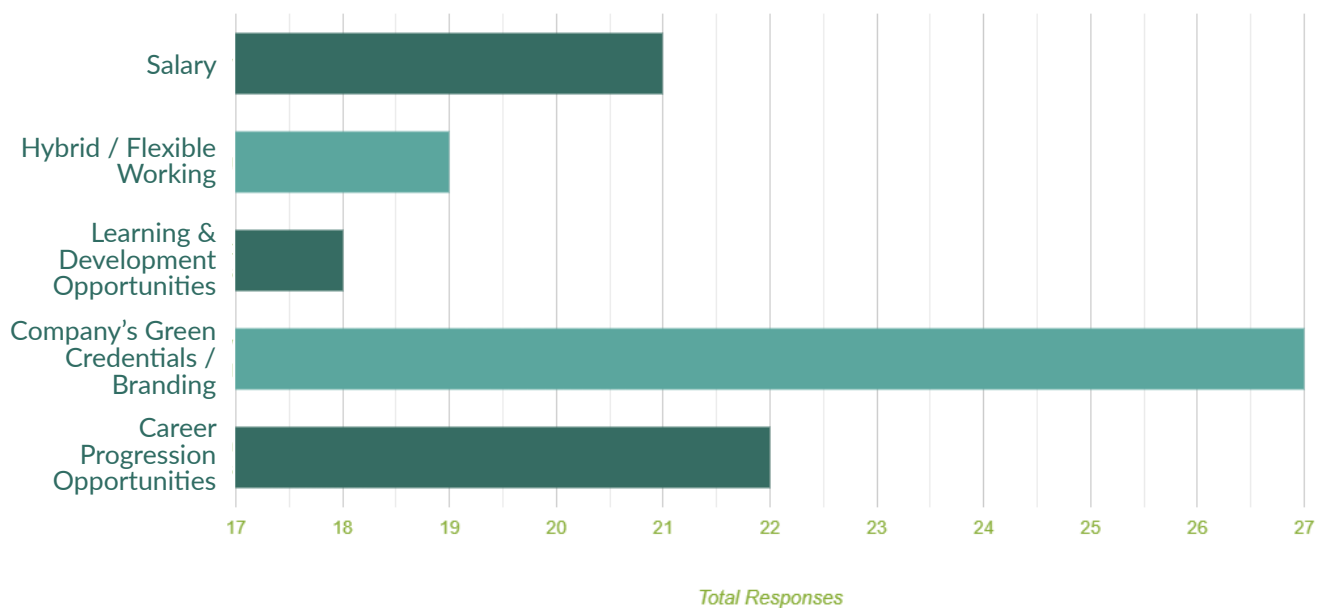
What is the most important factor to you when considering a new role within Sustainability or ESG?

The debate around what candidates are looking for when searching for a new role is always a hot topic. Our question around what the most important factor is to job seekers considering a new role within Sustainability or ESG is designed to help organisations who are hiring to make the best decisions on their offer before going to market.

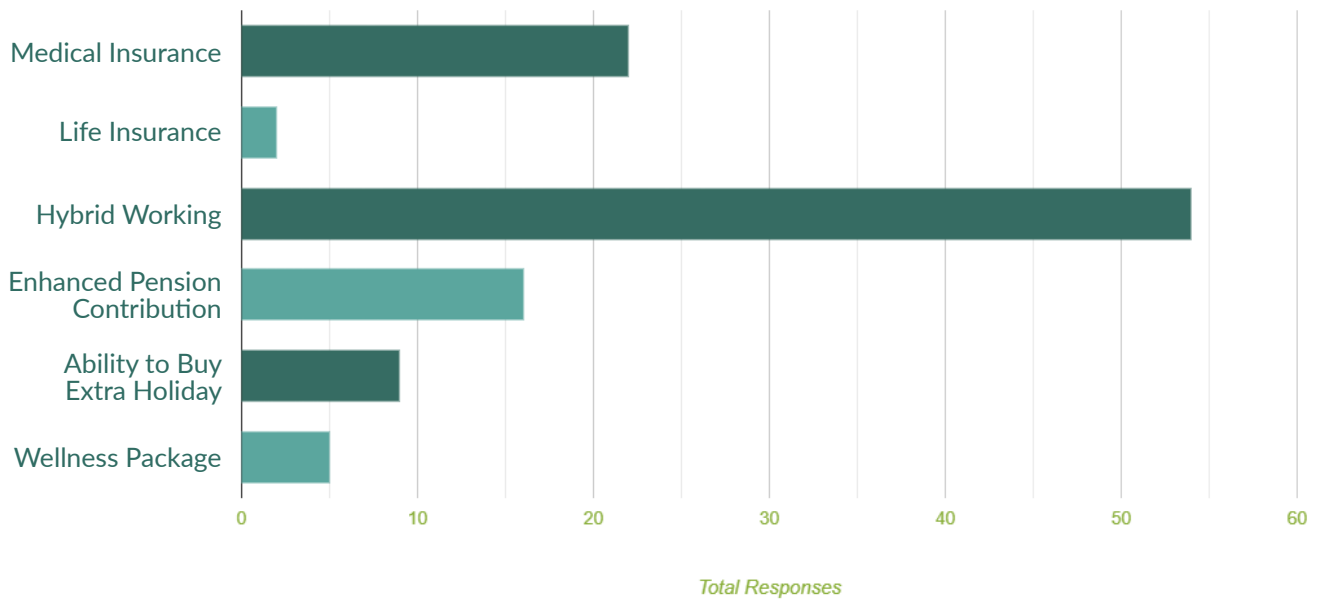
Salary somewhat surprisingly was third on the list of priorities (20%) with the organisation's green credentials being the most popular response at 25%. This was closely followed by career progression (also 20%). Interestingly only 17% of people said flexible working was the most important factor.

In today's world of work, flexible working is unlikely to disappear (and perhaps it's lack of importance might be attributed to it being a 'given' in today's environment) but it is clearly not the most important element to candidates. Hybrid working still has its place in the deciding factor when candidates consider a role however Learning and Development fared lowly (at 16%), this could be due to the level of respondee being more managerial and director level.

What is the most important factor to you when considering a new role within Sustainability or ESG?



What benefits would you most like to see as part of your remuneration package?



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In the final part of our survey, following on from items to consider for a new role, we asked about the benefits people would most like to see as part of their remuneration package.

Interestingly, half of all those surveyed said hybrid working was the thing they most wanted as part of their remuneration package - in comparison to the previous question we found this an anomaly.

The next highest response was 21% of the votes being medical insurance. Therefore we don't believe the ESG / Sustainability workforce are willing to give up flexible working just yet!

21%

would like medical insurance

Contact us

We hope you found this survey of use for your ongoing talent acquisition requirements. With over 30 years' experience of Executive Search and Recruitment for responsible business, we have the network and the experience to provide insight to all of our core sectors - as well as the best candidates in the market.

Get in touch to find out how we can help you make your next great hire:

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