

A STEP BY STEP GUIDE

**ESG (ENVIRONMENTAL,
SOCIAL AND CORPORATE
GOVERNANCE) EXPERTS &
CONSULTANTS**

SECOND OR THIRD WIND CAREER



INTRODUCTION

Welcome to "Empowering Midlife Women: A Guide to Becoming an ESG Advisor for Organizations." In today's world, Environmental, Social, and Governance (ESG) factors are crucial considerations for businesses aiming to achieve sustainable success.

As a woman in midlife, you possess a wealth of experience, knowledge, and skills that can be channeled into becoming an invaluable advisor for organizations seeking to navigate the complex landscape of ESG.

This guidebook is designed to provide you with a comprehensive roadmap for embarking on this fulfilling and impactful career path.

From understanding the fundamentals of ESG to developing your expertise and establishing yourself as a trusted advisor, each chapter will equip you with the tools and insights you need to thrive in this dynamic field.

INTRODUCTION

WHAT IS ESG?

Environmental:

This pertains to how a company's policies and actions contribute to environmental preservation. For instance, it involves the measures a company takes to address climate change and minimize its environmental impact.

Social:

This involves how a company fulfills its social responsibilities toward various stakeholders, including customers, employees, communities, and others. It encompasses aspects such as fair pay practices and initiatives aimed at promoting social well-being.

Governance:

This focuses on the company's leadership structure, executive compensation, audit practices, shareholder rights, and related matters. It assesses the transparency, accountability, and integrity of the company's governance framework.

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According to McKinsey's report, over 90 percent of S&P 500 companies and approximately 70 percent of Russell 1000 companies now release some form of ESG reports.

The influx into sustainable funds surged from \$5 billion in 2018 to surpass \$50 billion in 2020, then nearly hitting \$70 billion in 2021. In the first quarter of 2022, these funds attracted \$87 billion in net new investments, followed by another \$33 billion in the second quarter.

In the United States, the Securities and Exchange Commission (SEC) is contemplating new regulations mandating more comprehensive disclosure of climate-related risks and greenhouse gas (GHG) emissions. Moreover, additional SEC regulations regarding various aspects of ESG are either proposed or awaiting approval.

Furthermore, government incentives further underscore the momentum towards ESG initiatives. Clearly, the demand for experts advising organizations on ESG compliance and investments is poised to escalate with each passing year.



INTRODUCTION

Bischof is intimately familiar with the situation. As the senior partner, managing director, and European ESG leader at Strategy&, PwC's strategy consulting group, he's at the forefront of this challenge.

In 2021, PwC made waves by unveiling an ambitious \$12 billion initiative to generate 100,000 net new ESG jobs by 2026, marking a substantial 36 percent increase over the firm's current workforce of 284,000 employees.

PwC's major competitors, including Deloitte, EY, KPMG, McKinsey, Boston Consulting Group, and others, are also intensifying their ESG recruitment efforts, albeit with less audacious targets.

So, where do women in midlife fit in? Well, if you have the desire and experience, this could be the perfect time to explore ESG as a second or third-wind career.

What Are Recruiters Looking For?

What criteria are recruiters and HR departments prioritizing, and how do they evaluate candidates' qualifications and expertise?

Regarding business experience, HR recruiters emphasized the preference for candidates with prior business exposure rather than fresh graduates. This is crucial for expediting their training process, which has become more streamlined due to rapid expansion.

There is a need for individuals with a background in business, regardless of their previous focus on sustainability. Professionals in areas like product development, marketing, and supply chain operations are transitioning into ESG expertise, which serves as a foundational step in their journey.

In evaluating candidates for roles requiring adaptability and critical thinking, Andrew Lowe, a partner at Korn Ferry, emphasized the importance of agility and comfort with ambiguity. He highlighted the value of individuals who can embrace contradictory concepts without discomfort.

The significance of critical thinking skills and the ability to maintain rigor, especially in junior-level positions, is a must. He emphasized that these skills cannot be easily taught and are crucial for keeping pace with the rapidly evolving industry landscape, which is why older more seasoned candidates would thrive in this field.

What Are Recruiters Looking For?

An interdisciplinary and holistic viewpoint is paramount, as emphasized throughout the preceding discussion. It's essential to underscore the significance of being able to perceive the world through various lenses and to bridge connections among different disciplines and cultural contexts.

Several HR consultants highlighted the importance of focusing on individuals' potential rather than solely their past accomplishments, noting that ESG and sustainability entail elements of influence, education, persuasion, resilience, and facilitation.

Other ESG heads echoed this sentiment, emphasizing the necessity for individuals capable of embracing diverse perspectives. Whether stemming from environmental, diversity, equity, and inclusion, or corporate governance backgrounds, candidates who can leverage their skills within a corporate setting are highly valued, regardless of prior business experience.

Mattison from S&P concurred, emphasizing the need for individuals who can comprehend the interconnectedness between factors driving value beyond mere financial analysis. He noted the practice of recruiting individuals with complementary skills, even if they don't have direct sustainability experience, and then providing training to bridge any gaps in expertise.

The beauty of entering an ESG career as a second or third career is that there are so many professions whose skills seamlessly integrate into the sustainability space.

Once you've pinpointed your desired entry point into ESG and Sustainability, the subsequent step involves assessing your transferable skills to identify areas where you possess the necessary qualifications and areas where improvement may be needed.

When it comes to ESG and Sustainability roles, hiring managers seek a blend of both soft and technical skills. Soft skills can be cultivated from various professional backgrounds and constitute the majority of the sustainability workforce.

Non-Technical Skills:

1. Interpersonal communication: Vital for effectively advocating for the agenda.
2. Investigative skills: Often associated with audit careers, but also developed in fields like policing or journalism.
3. Research skills: Essential for substantiating arguments and convincing skeptics.
4. Analytical skills: Crucial for tackling the complexity of sustainability challenges with a problem-solving mindset.
5. Commercial acumen: Understanding business practices and culture is essential for influencing commercial activities.



Technical Skills:

1. Engineering-related skills: Such as civil, mechanical, chemical, or environmental expertise.
2. Scientific skills: Providing insights into natural and human systems, benefiting decision-makers. Roles include Climatology specialists, Agricultural Scientists, and Natural Resource Managers.

The demand for these technical skills varies depending on the sector chosen. For instance, sectors significantly impacting greenhouse gas emissions necessitate sector-specific knowledge.

Sustainability professional Sailesh Tyagi emphasizes the need for a multidisciplinary team in ESG, comprising diverse backgrounds in engineering (with core industry and data/IT experience), social sciences, basic sciences, economics, and legal knowledge.





Start Now

ESG and Sustainability have emerged as prominent topics in contemporary society. For individuals already in the workforce looking to incorporate these aspects into their skill set, joining the in-house sustainability team may offer a welcoming opportunity.

However, juggling existing responsibilities while transitioning may pose challenges, requiring a careful balance of time management as sustainability experience is gradually acquired.

Opting to undertake a short course in a sustainability area holds considerable merit as it can significantly enhance prospects in ESG and Sustainability careers, potentially opening doors in the future.

Ultimately, aspiring ESG professionals should recognize that they may already possess certain skills valued within the ESG community.