



## Businesses Lack Expertise Needed to Achieve ESG Objectives, According to FTI Consulting Resilience Barometer®

January 31, 2022

*86% of Companies Surveyed Reported Spending More Resources on ESG and Sustainability in the Past 12 Months*

*66% of Companies Are Concerned They Lack Sufficient Expertise to Cope with Increased Scrutiny in ESG Matters*

*31% of Companies Surveyed Are, or Expect to Be, Investigated on ESG and Sustainability Practices in the Next 12 Months*

WASHINGTON, Jan. 31, 2022 (GLOBE NEWSWIRE) -- Despite increasing environmental, social and governance ("ESG") and sustainability-related spending, two-thirds of companies remain unprepared and under-resourced to navigate scrutiny, potentially exposing them to additional risk, according to new research from FTI Consulting, Inc. (NYSE: FCN).

According to the January 2022 [FTI Consulting Resilience Barometer®](#), a survey of senior executives from more than 3,300 large companies across G-20 countries, 86% of respondents said they spent more on ESG and sustainability efforts in the past 12 months. However, 66% reported they lack sufficient expertise to manage the increased scrutiny from a broad range of stakeholders, including regulators, customers, employees, local communities and shareholders.

These concerns, coupled with the fact that nearly one-third of respondents are experiencing or expect to face ESG-focused investigations in the next 12 months, create significant risk that companies must mitigate to promote sustainable growth.

"The message is clear: ESG is a strategic imperative that is linked to greater value creation and resilience for businesses," said [Caroline Das-Monfrais](#), Global Resilience Lead at FTI Consulting. "As we see an ever-increasing shift in focus toward ESG and sustainability, G-20 companies have rightly increased spending on their ESG programs. However, it is unclear whether such investments have been effective, as business leaders remain unconfident about their expertise and continue to feel unprepared in the face of scrutiny and associated risks in this area."

More than one-third (36%) of business leaders said they are under extreme pressure to improve ESG and sustainability efforts in 2022. In addition, 38% of respondents believe they are falling short when it comes to transparent financial and ESG reporting.

Supply chains are one of the greatest exposure points for companies falling short with ESG compliance — 35% of chief risk officers and 32% of chief legal officers reported that their companies fell short in sustainable supply chains. Amid increasing stakeholder and regulatory scrutiny, how companies best address supply chain issues — and broader ESG compliance — will become a key concern over the next 12 months.

In response to the expectation to enhance ESG-related programs and disclosure, business leaders recognize the need to engage their stakeholders in ongoing discussions about their ESG and sustainability approaches. Eighty-nine percent of survey respondents agreed that companies should be run for the interest of all stakeholders, not just shareholders.

While the focus on managing ESG-related risks is top of mind, there is also a commercial opportunity for businesses. Eighty-eight percent of respondents said they are changing their approach to ESG from managing risk to identifying new business opportunities, demonstrating that proper investment to meet broad and emerging ESG needs can lead to sustainable growth.

"G-20 business leaders continue to be laser-focused on ESG issues and understand that commercial opportunity and societal responsibility are increasingly interrelated," said [Kerstin Duhme](#), a Senior Managing Director within the Strategic Communications segment at FTI Consulting. "A transition away from reactive firefighting toward embracing new possibilities is clearly underway. To make this transition successfully, leaders need to understand where strategic investments can make the most impact and create agile governance frameworks."

### Methodology

The January 2022 [FTI Consulting Resilience Barometer®](#) incorporates the views of 3,314 decision makers (senior management, board member or C-suite) in large companies across all G-20 countries and 11 industries (last edition: 2,869 decision makers). Large companies are defined as those with over 250 employees, or over USD\$50 million in annual global turnover, or with a balance sheet of over USD\$43 million.

From October 26 to November 10, 2021, FTI Consulting conducted a quantitative survey with respondent profiles reflecting those in previous iterations of Resilience Barometer® research. The results of this survey were supplemented with qualitative insights from industry and subject-matter experts captured during a consultation conducted between December 2021 and January 2022.

Respondents reported an average global turnover of USD\$12.7 billion (last edition: USD\$13 billion) over the past 12 months. Companies reporting a global turnover of more than USD\$100 billion made up 6% of the respondent set (last edition: 5%). In total, participating companies employed a global sum of 60.9 million people (last edition: 58 million people), with each company employing an average of 18,400 (last edition: 20,342).

For more information, visit <https://ftiresiliencebarometer.com/>

### About FTI Consulting

FTI Consulting, Inc. is a global business advisory firm dedicated to helping organizations manage change, mitigate risk and resolve disputes: financial, legal, operational, political & regulatory, reputational and transactional. With more than 6,600 employees located in 29 countries, FTI Consulting professionals work closely with clients to anticipate, illuminate and overcome complex business challenges and make the most of opportunities. The Company generated \$2.46 billion in revenues during fiscal year 2020. In certain jurisdictions, FTI Consulting's services are provided through distinct legal entities that are separately capitalized and independently managed. For more information, visit [www.fticonsulting.com](http://www.fticonsulting.com) and connect with us on [Twitter \(@FTIConsulting\)](#), [Facebook](#) and [LinkedIn](#).

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