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Summary

Peers Can Help ESG Officers Avoid Loneliness and Turnover

"This role can be a lonely one, particularly if you're a team of one or two. Inevitably, you rely on others to help you do your job. Yes, of course, it's critical to build internal support. But also look around; you need your peers."

—Corporate social responsibility (CSR) consultant presenting to corporate philanthropy professionals

In response to consumer demand, companies in every sector are hiring CSR consultants and environmental, social, and governance (ESG) professionals. Once on the payroll, however, these pros often find themselves in the unenviable position of having jobs their corporate leaders do not prioritize.

Vontrese Pamphile of George Washington University interviewed 40 corporate philanthropy professionals from Fortune 500 firms to find out how they manage their roles when the corporate hierarchy cares more about business objectives than social goals.

"They were trying to do good work within organizations that didn't necessarily understand why it was important," Pamphile said of her findings, detailed in *Academy of Management Journal* article, "Paradox Peers: A Relational Approach to Navigating a Business-Society Paradox." "They had to constantly balance the social impact of a grant with the business impact—why it was good for the company in a business sense." Regarding balancing social and business impacts, Pamphile said, "it isn't necessarily a win-win and it isn't an 'either-or.' These professionals are engaging real paradoxical tensions that arise when actually creating social impact and simultaneously looking for business value."

During her interviews and through observing monthly networking meetings, Pamphile discovered how these professionals turned to each other to work through tensions, avoid burnout, and stay focused.

"Most of the time, they were in a department of one to three people in a challenging situation with little internal understanding of what these professionals are going through," she said. "They really developed and relied on their network outside the company. In this context, networking is so important."

Peer connections help avoid turnover

While titles such as chief diversity officer (CDO) or chief sustainability officer (CSO) may have been created with the best of intentions, many organizations do not resource these positions well.



It's not surprising then that a recent report by the McKinsey & Company found that many ESG hires do not last long in their roles. While the rate of new CDO hires in 2021 was nearly triple the rate of hires in the previous 16 months, McKinsey found that nearly 60% of the CDOs swiftly jumped ship, earning the distinction of being the **C-suite** seat with the shortest tenure.

"People working in ESG-related roles are in a difficult and sometimes isolated position and deal with frequent pushback when promoting social issues inside companies," Pamphile said. "This constant pressure can be draining and lead to fatigue."

Given the increasing popularity of sustainability and other social efforts, understanding how ESG professionals can best manage the dueling demands of their jobs is important to help secure the impact of ESG roles in corporate America. Part of the answer, Pamphile said, is for such professionals to cultivate relationships with "paradox peers" outside their home organizations, but who are successfully doing similar work. These connections helped ESG professionals by:

1. Easing frustration, tension, and loneliness.
2. Validating the paradoxically dueling demands inherent in their roles, while reminding one another why their work is meaningful.
3. Creating forums for brainstorming responses and best practices.

"Rather than struggling alone, peers can seek advice from one another and brainstorm about strategies to achieve both social and economic impacts," Pamphile said. "Without peers, my research suggests that ESG professionals risk losing sight of real social impact." For example, peer connections help professionals to learn how to better convey the importance of their roles to key stakeholders and craft stronger messaging that allows them to get more resources to create social impact.

"Because the ESG debate is likely to continue for the foreseeable future, ESG professionals face an uncertain road. People in these roles will need to seek support along the way. They can take charge of their own positive impact by attending regional and national conventions and going to local networking events," Pamphile said. "For those navigating business-society tensions at all levels, cultivating peer relationships is extremely important."

