



2026 C-Suite Stress Index: Large businesses

Executives look to better manage risks
and expenses in evolving environment



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Executive summary

On behalf of Sentry Insurance, Wakefield Research surveyed 1,250 U.S. executives at companies with a minimum of 10 employees—including 200 executives from large enterprise companies (1,000+ employees).

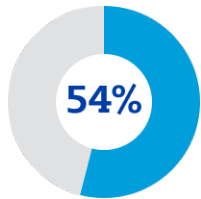
At the start of the year, large business executives demonstrate **similar levels of optimism** regarding their companies' 2026 outlooks compared to their peers at smaller organizations, with nearly three-quarters (74%) believing their companies will remain stable—or even thrive—this year.

At the same time, more than **9 in 10 large business execs (93%) report similar or higher stress levels** than they experienced last year. And the external factors contributing to that stress reflect the complex set of risks these large businesses face every day.

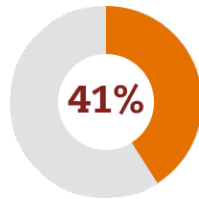


Key findings

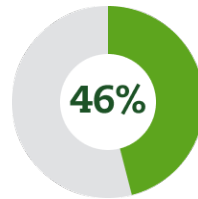
85% of large business leaders plan to increase their investment in worker safety in 2026.



hope to increase operational output



hope to reduce lost work hours



hope to curb workers' compensation incidents

76% Over three-quarters of large business executives view recent increases in litigation and multimillion-dollar verdicts as a problem in their industry.

18% Fewer than one in five large business executives are completely confident their current business insurance coverage is adequate—and nearly all (98%) plan to reevaluate their policies this year.

The threat of multimillion-dollar verdicts and third-party litigation

As lawsuits increase in both frequency and severity, large business leaders understand their organizations sit in the crosshairs. A single nuclear verdict—a common shorthand for judgments of at least \$10 million—is capable of shuttering a business overnight. And with third-party investors funding lawsuits in hopes of a windfall, this threat is becoming even more complex.

THE LOOMING THREAT OF MULTIMILLION-DOLLAR VERDICTS

Over three-quarters (76%) of large business executives view recent increases in litigation and multimillion-dollar verdicts as a problem in their industry, compared to two-thirds (67%) of the total surveyed group. And the percentage of large business executives who consider it a massive, growing problem (24%) nearly doubles that of all respondents across business size (13%).

And while, compared to the total population surveyed, a smaller percentage of large business executives believe a single multimillion-dollar verdict would put their company out of business, a sizeable majority still consider it likely.

THIRD-PARTY LITIGATION FUNDING: AN ESCALATING CONCERN

Another factor contributing to inflated claim settlements is third-party litigation funding. This trend involves investors, many of whom are hedge funds or foreign entities, financing litigation in exchange for a significant share of the claim payout.

Two-thirds (66%) of all surveyed executives view this issue as a problem in their industry—and that figure jumps to **77% of large business executives**.

“Accident attorneys’ exploitation of trucking litigation—enabled by unregulated third-party litigation financing and narrative-driven trial tactics—has become a systemic cost driver, not a marginal risk,” said Tony Trenzeluk, Managing Director of Government and Regulatory Affairs at Sentry.

“These costs are ultimately borne by consumers, as nearly all goods move by truck. The issue is no longer crash frequency; it’s venue, narrative, and litigation finance. Addressing lawsuit abuse and improving transparency are now essential to restoring stability in commercial auto insurance and the broader goods economy.”



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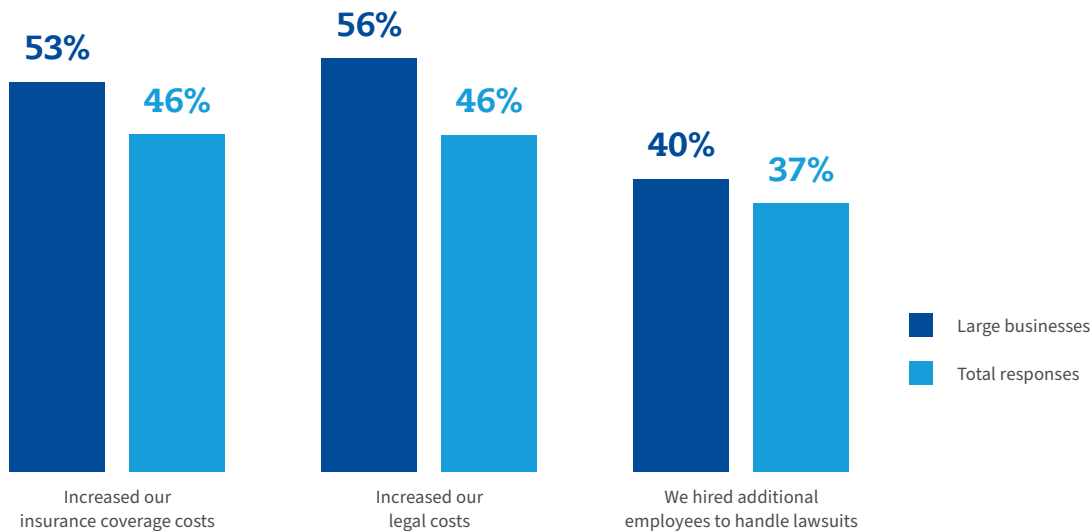
Tony Trenzeluk

Managing Director of Government and Regulatory Affairs, Sentry Insurance

THE CUMULATIVE COST OF A LITIGIOUS BUSINESS LANDSCAPE

While nuclear verdicts are a very real threat to businesses of all sizes, the vast majority of lawsuits businesses face don’t rise to that scale. But these smaller lawsuits are becoming increasingly frequent, and large organizations are feeling an outsized impact:

Impacts of litigation on businesses over past five years



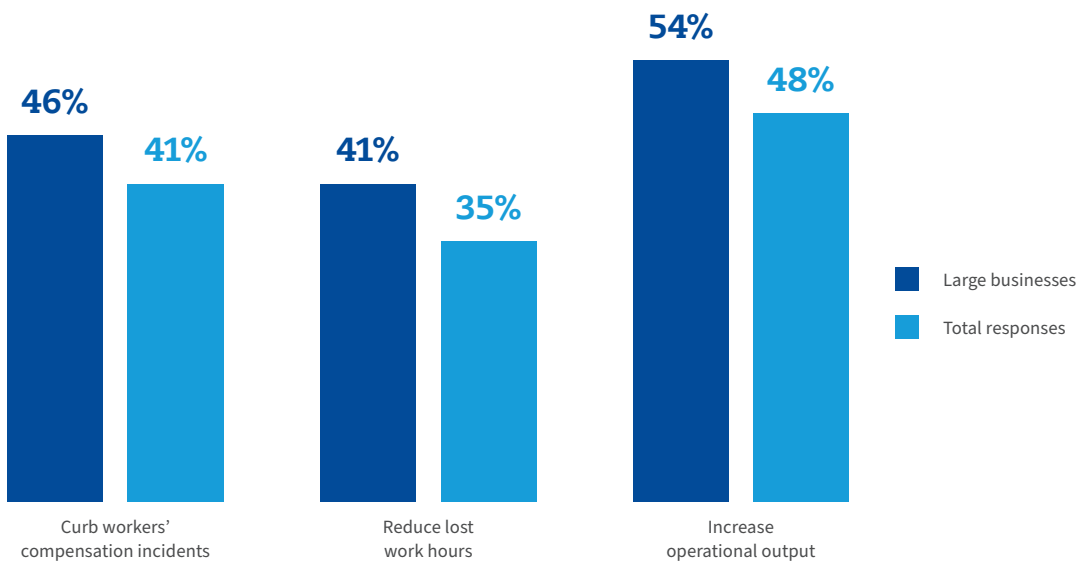
Additionally, 45% of large business executives say their management team’s attention has been diverted, 39% have seen their enterprise’s reputation damaged, and 35% report financial resources being drained—all as a direct result of litigation.

Taking action to protect employees and reduce workers' compensation costs

In 2026, business leaders are committed to investing in worker safety—and executives at large businesses are no exception. But a trend emerges when we review the desired outcomes of these investments.

Compared to their counterparts at smaller organizations, large business executives place a heavier emphasis on **reducing lost work hours and/or workers' compensation incidents**. A logical benefit of reducing workers' compensation claims—and the lost work hours that typically accompany them—is **increased operational output**. Large business executives identify this as a desired outcome at a higher rate (54%) than the total surveyed group (48%).

What businesses hope to achieve by investing in worker safety



The conversation around workers' compensation is evolving. Employers and insurers are beginning to recognize the toll workplace incidents can take on injured employees, and the risk factors that can delay recovery. Combined with this more nuanced understanding of the impact these claims can have, the fact that employers are committed to increasing their workplace safety efforts is encouraging.



“We’ve found that nearly 10 percent of injured workers may experience delayed recoveries. While this sounds like a relatively small percentage of workers, it actually accounts for a disproportionate amount of workers’ compensation claim costs.”

Greg Larson

Assistant Vice President – Workers’ Compensation Claims

“We’ve found that nearly 10 percent of injured workers may experience delayed recoveries,” said Greg Larson, Assistant Vice President of Workers’ Compensation Claims at Sentry. “While this sounds like a relatively small percentage of workers, it actually accounts for a disproportionate amount of workers’ compensation claim costs. Through our Injured Employee Complexity Factor (IECF) Models, we’re helping businesses identify risk factors that could contribute to delayed recoveries.”

“Additionally, we’re advocates for a more holistic approach to workplace injuries,” said Larson. “Physical pain isn’t the only barrier to a successful return to work—especially after a traumatic incident. Fear of reinjury, financial concerns, questions like ‘Will I physically be able to do things I like to do?’, and other factors can significantly impact recovery times. And overlooking those issues really does a disservice to the employees as well as the business as a whole.”



Aligning insurance policies with need—and risk appetite

Nearly all large business executives (98%) plan to reevaluate their insurance policies this year. And while this percentage matches the total surveyed group, the cited reasoning behind these leaders' policy reviews differs.



49% want to lower their risks further by adding coverage, versus 43% of total respondents



42% no longer need certain coverages due to changes at their business, versus 37% of total respondents



39% say the cost of their current coverage is too high, versus 35% of total respondents

And while each executive's decision-making process is unique, these responses indicate a clear focus on responsible spending, and potentially a willingness to assume more risk for the tradeoff of reduced insurance premiums.

“As the nature of risk evolves, many C-suite executives and risk managers at large organizations are increasingly comfortable betting on themselves, and their organization's culture of safety, in an effort to reduce premiums,” said Jeff Cole, Assistant Vice President of National Accounts at Sentry. “They're increasing their deductibles while also investing heavily in workplace safety programs, doubling down on proactive, preventive measures.”



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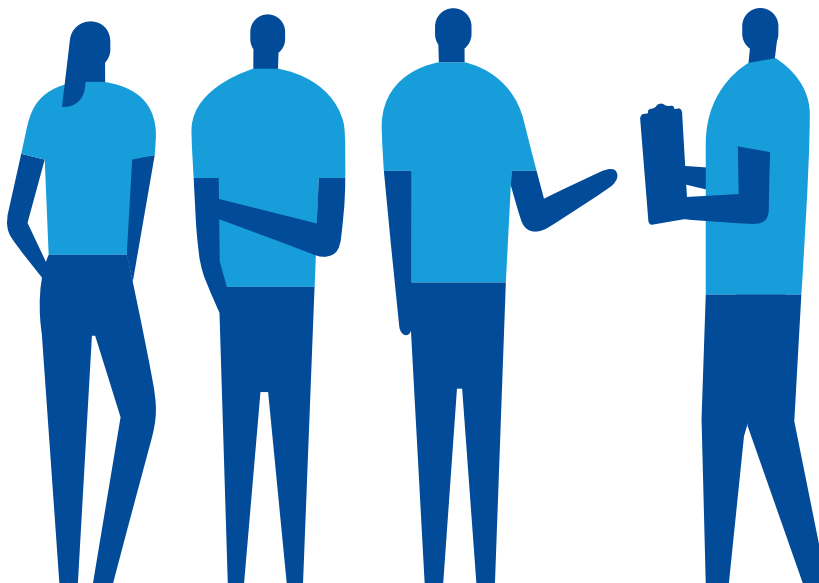
Jeff Cole

Assistant Vice President – National Accounts

“Reducing workplace injuries—both the frequency and severity of workers’ compensation claims—is obviously a worthwhile goal,” said Cole. “Additionally, implementing and strengthening a comprehensive safety program to support a broader culture of safety can also potentially help large organizations limit liability, property, and commercial auto claim costs.”

Along the same lines, large business executives looking to lower their risks by adding coverage may be comfortable paying more in monthly premiums if it makes their financial outlook more predictable—and reduces the likelihood of a massive, uncovered or under-covered loss.

Executives’ commitment to supporting workplace safety efforts may be a factor in this calculation. While employee injuries are just one of the countless risks large businesses face, it’s clear these leaders see investing in safety as an opportunity to cut some costly claims off at the source—by reducing the frequency of workers’ compensation claims in the first place.



Conclusion

Executives at large businesses are no stranger to complex, evolving risks. Being comfortable with uncertainty is essential to the role—as is anticipating, and responding to, emerging challenges. The 200 large business executives we surveyed display a clear understanding of the landscape they face in 2026, and their responses indicate a refusal to accept complacency.

196 of these 200 leaders plan to reevaluate their business insurance policies this year. The anticipated results—expanding coverage (38%), reducing coverage (6%), or standing pat (57%)—are secondary to the fact that these executives are taking action to help protect their employees, customers, and bottom lines.

They're also taking steps to mitigate the risks posed by external forces, including increased litigation, natural catastrophes, and rising healthcare costs. They know the impacts these forces can have—many have already experienced them:

- 56% have increased their legal expenses in response to litigation
- 50% have faced supply chain disruptions due to severe weather
- 49% have spent more on employee healthcare as a result of the changing workforce

These trends aren't likely to settle into predictable patterns anytime soon. And new threats will reveal themselves. But if the 2026 C-Suite Stress Index reveals anything about American large business executives, it's that they're taking an active role in securing their companies' futures.



Methodological notes

The Sentry Insurance Survey was conducted by Wakefield Research among 1,250 U.S. executives between December 4 and December 16, 2025, using an email invitation and an online survey. The large business cohort of this survey was comprised of 200 executives of companies with more than 1,000 employees. In order to participate in the study, respondents had to belong to an organization with at least 10 full-time employees and to be either the owner of the company or hold one of the following titles: CEO, CFO, or CRO (Chief Risk Officer). Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results. For the interviews conducted in this particular study, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 3.1 percentage points in the main sample and by more than 9.8 percentage points in each oversample, from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample.



About Sentry

At Sentry, we understand what matters most. Your business. Your employees. Your peace of mind. That's why we've specialized in business insurance for over 120 years. Today, we're proud to insure more than 218,000 businesses throughout the U.S., from small businesses to Fortune 500 companies—all backed by over 6,300 employees.

To discover what we can do for you and your business, visit sentry.com or call us at 800-473-6879. Let's get the conversation started.





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