

SKILLS SHORTAGES CHALLENGE SOUTH WEST FINANCIAL SERVICES

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Skills shortages, lack of applicants and an ageing workforce could have a damaging impact on the future competitive standing of the financial services sector in the South West if businesses don't act now. These are the findings of a report¹ launched today by the National Skills Academy for Financial Services (NSAFS) which has been set up to enhance the quality of training and skills for the industry in the region.

National Skills Academies are being introduced across a range of sectors to support the development of a world-class workforce in the UK. Each Academy is sector-focused and led by employers to ensure the design and delivery of quality skills training based on business need.

The new NSAFS for the South West aims to increase the number of skilled people going into financial services and further improve training for existing employees. It will also work with a range of learning providers, through its mandate from employers, to drive up quality in terms of delivery and achievement.

The NSAFS is a joint venture between the Sector Skills Council for the Sector and the Learning and Skills Council (LSC), which exists to make England better skilled and more competitive. The LSC provides funding to support Skills Academies during the business planning phase and provides further capital alongside investment from employers.

The new report by the NSAFS showed that although more than two-thirds of the workforce in the sector are currently aged 25-49, the future working population will be dominated by older workers. Up to 4,000 new entrants will also be required every year to 2014 by the industry, yet a drop in the number of applicants was identified by the research.

¹ Review of Financial Service in the South West – A report for LSC South West (February 2008)

Nigel Benton of the NSAFS commented on the report findings. “The UK is ageing and although this drives growth in demand for the services provided by the sector it also presents fundamental skills problems. The biggest challenge is skills shortages and this concern has been voiced by two-thirds of employers questioned who are finding it difficult to fill vacancies.

“Skills shortages most likely to be experienced in the South West are in relation to customer care, technical skills, written communication and management skills. And although new entrants will need support in developing business and interpersonal skills, existing skills gaps are already appearing amongst managers, sales and clerical staff.”

Skills Development Manager at the LSC Bill Adshead stressed that there are a range of education and training opportunities available for businesses and employees, including learning programmes specifically tailored for the financial services sector. He highlighted the need, however, to raise employer awareness of the changing landscape in learning and skills and to encourage their engagement in it.

“Financial services is a ‘knowledge intensive’ industry and its competitiveness, to a large extent, is due to its workforce and its skills. If the South West is to maintain its role as a financial services regional centre then its skills development must outpace that of its competitors both within the UK and abroad.

“There are a wide range of training opportunities and providers which can prove confusing for employers who are generally time short and cost-focused,” added Bill. “The NSAFS will act as a key source of information on the training landscape and with its focus on the development and delivery of quality skills education and training it will prove itself to be invaluable to the sector going forward.”

Paul Beesley, Senior Manager of Learning & Development at Nationwide Building Society, said: “As an Investor in People Champion, we at Nationwide know that our people are our true competitive advantage. It’s only by attracting, developing and retaining people that we’ll be able to provide the best products and levels of service that our customers demand and deserve. This is critical to our continued success. The NSAFS provides a voice for employers of all shapes and sizes to help determine the training agenda within the

financial services industry at a local, regional and national level. Nationwide is proud to play its role in doing this.”

For more about the National Skills Academy for Financial Services see:

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Notes to editors:

Financial services sector in the South West: A key regional centre for financial services, the sector in the South West employs an estimated 94,600 people, with Bristol, Gloucestershire, Bournemouth and Swindon accounting for 50 per cent of jobs in the region. Although characterised by major players such as AXA, Cheltenham & Gloucester, LloydsTSB and Nationwide, the majority of firms are in fact small businesses with over half employing less than 10 people.

National Skills Academies are being introduced across a range of industries to support the development of a world-class workforce with better skills than ever before. **The NSA for Financial Services** is a not for profit company limited by guarantee which was created with the express purpose of delivering world-class education and training aligned with employer needs in the financial services industry. It is available to people of all age groups and learning backgrounds, helping them to prepare for and develop financial services careers. Employers across the whole of financial services – large or small, from wholesale to retail – can shape the future provision of financial education, skills and training. They

are encouraged to play an active role in the strategic development of the Skills Academy, helping to set standards and influence its direction.