

COP26 expands opportunities for pension specialists amid rising focus on environmental social and governance issues

Climate conference combined with regulatory change drives demand for pensions advisers but firms must adapt to retain talent amid a limited candidate pool.

Scotland's pensions sector benefited from a "green gift" as a result of the COP26 UN climate change conference held in Glasgow last November.

The spotlight shone on global leaders working together to reach net-zero carbon and the subsequent prioritisation of Environmental, Social, and Governance (ESG) issues provided enhanced opportunities for pension specialists to provide expertise and guidance.

Pension providers have risen to the COP26 gains but to continue to do so and to support business infrastructure during 2022 the industry must identify and retain the best talent, in an exceptionally limited and tight candidate pool.

The findings have been highlighted in the seventh Annual Salary Guide into Scotland's crucial financial service sector from [Core-Asset Consulting](#). The report is a review of current salary levels and a guide to the major developments that professionals need to be aware of.

In a market commentary dedicated to pensions, the report charts the economic, regulatory, technological and human capital challenges facing the industry.



Louise Powrie

Louise Powrie, Divisional Director, Permanent Team, Fintech and Pensions with Core-Asset, said: “The pension actuarial and investment consultancy space continued to grow in 2021 and this was driven by in part by the Climate-Regulated Financial Disclosure Regulations impacting larger pension schemes from 2022.

“COP26 and an increased focus on the prioritisation of sustainability and transition of businesses towards net zero has helped raise the profile. There are ongoing opportunities for consulting practices to offer sophisticated ESG solutions to clients, assisting them in navigating the climate change challenges by providing enhanced investment expertise and guidance.

“This is obviously encouraging news but to be able to take full advantage, pension providers must be aware of how to attract the best individuals over and above their competitors – differentiating themselves by offering flexibility, access to cutting edge technology and clear outlines on progression.

“The move towards fully remote working throughout 2021 may have been forced due to Covid restrictions, but it allowed many businesses to see the value of a more flexible workforce, without necessarily impacting productivity. This change in working ethos has also positively increased the representation of diverse and disabled workers across the board.”

The report found that job availability in the sector now outstrips candidate availability and a shift to a candidate-driven market directly correlates with increased operating confidence and growth and expansion agendas driven by government policy. Other markers include increased salary levels to secure applicants and a rise in counter offers from current employers to ‘stop’ individuals changing roles.

Like many financial services sectors, the pivot toward digitalisation has moved pension provision, administration, governance and operation online, shifting the power balance from finance providers to finance consumers. High Street transaction points and even telephone promotions or sales drives have given way to a truly digitally-produced service with multi-million pounds invested by the sector to support marketplace digitalisation.

That phenomenon will continue to create new opportunities for tech-savvy and Cloud-aware pension and investment consultants, fund research specialists, investment solutions experts and administrators – with those working in ESG and Socially Responsible Investment in greater demand.

Louise Powrie added: “Pension and investment consultants across all levels, but particularly those with between 5 to 10

years' experience will be in strong demand in 2022. Similarly, fund research specialists and those operating in the ESG and SRI spaces (at all levels) will attract a premium.

“This demand for talent in niche areas can be somewhat abated by the ability of Scottish hiring firms to have staff based anywhere in the UK. Remote working means a London-based candidate pool is now a more feasible option for Edinburgh-based firms.

“However, the economic disparities on salary levels and the cost-of-operation/living differences between Scotland and cities such as London, will result in significant commercial impacts to the companies based here. It can also result in difficult internal discussions on the equal treatment of employees, with those employees at the same level, doing the same work, on different salaries, in different locations.”

Core-Asset is Scotland's leading recruiter in the financial services sector and has access to insights from thousands of candidates and Scotland's top employers in the sector, which accounts for 7% of Scotland's GDP.

Its annual Salary Guide is a report produced exclusively on the Scottish employment market which benchmarks salaries and jobs in Scotland. The data and numbers produced in it give a crucial alternative picture to the usual London-centric reports.

The report highlights how Scotland continues to build its reputation as a key hub for larger globally based investment operations businesses, continuing the trend started in the mid-1990s when firms began relocating technically complex operational roles to Edinburgh and Glasgow.

[Register here to read the 2022/23 Industry Trends and Salary Guide Report](#)