



Summary of Demand from Industry for Skills / Training – February 2023

The SERSF has compiled the following information from feedback from industry, industry clusters/associations and data available from the Skills and Labour Market Research Unit (SLMRU) of SOLAS.

Nationally employment is at a record level (2.55 million in Q3 2022) and there is now 217,000 employed in the South East (CSO Q3 2022). The unemployment rate for January 2023 stood at 4.4% (10.4% for 15-24 year olds). The rate of staff turnover / churn has been accelerated by the pandemic. Given the tight labour market, in addition to skills and training needs some sectors are now experiencing significant labour shortages.

Financial Services – (9,075 estimate employed).

This sector includes a variety of companies with the following estimates of employment including:

- Insurance – 1,500 employed
- Funds Administration – 1,500 employed
- Payment Services – 1,400 employed
- Fintech – 1,000 employed
- Banking – 1,675 employed
- Professional Services (Assurance, Accounting, Taxation, Business Planning) – 2,000

In addition to the above, there is a significant number of people working in financial and business roles within industry and other entities across the region.

The financial services sector remained resilient through Covid. Companies were able to migrate quickly to a home working model for significant numbers of their staff and so maintain operations. Some of the multinationals reported increased business as sister sites in other regions of the world were not able to manage remote working (lack of home broadband was a significant barrier). Funds administration, payment services and fintech have demonstrated organic growth in 2021 and 2022. Statestreet in Kilkenny continue to grow and will increase from 620 to over 900 by mid 2024. Other smaller financial services companies are continuing to expand (eg Carne, Waystone, Opus). The insurance sector has seen the Gallagher Group enter the market and acquire a number of independent brokers. On the negative side, retail banking continues to decline and make many very experienced staff redundant.

Availability of Graduates

The Higher Education Authority statistics reveal a strong and growing pipeline of graduates in **‘Business, Administration and Law’** graduating in the South East in recent years.

YEAR	TOTAL GRADUATES NATIONALLY	TOTAL SOUTH EAST	SOUTH EAST AS % OF NATIONAL
2021	22,625	2,586	11%
2020	20,202	2,035	10%
2019	18,742	1,791	10%
2018	17,201	1,410	8%
2017	16,329	1,335	8%
2016	16,110	1,313	8%

Note. All awards awarded in All HEA-Funded Institutions in the Calendar Year by field of study (ISCED): full-time & part-time (including distance and e-learning). It is noted that the SE has a high proportion of certificates in these figures reflecting strong participation levels by part time learners.

As a result, employers have generally been able to source high quality business, finance and Accounting graduates within the region. There is an ongoing requirement to upskill existing staff in digital technologies as the sector continues to experience significant digital transformation. Professional bodies (Accountancy Bodies, Institute of Bankers and The Insurance Institute) also support employee development and professional training.

Many employers have adapted to a blended approach to working with many operating on the basis of 2 days in office / 3 days at home or vice versa.

A need for upskilling in the following disciplines has been identified within the SE region:

- Data Analytics, AI, Machine Learning, Blockchain
- Anti-Money Laundering (AML)
- Carbon Accounting
- Adapting to increasing digitalisation of the insurance process
- Funds Accounting / Administration – for business graduates.
- Professional accountancy qualifications (available from Professional Bodies)
- Regulation, Risk & Compliance
- LEAN / Design Thinking
- Supervisory Management / Team Leaders / Leadership Development.
- Intermediate & Advanced Excel.
- Software Programming – achieving advanced and expert level in various technologies.
- Software Validation / Quality Assurance

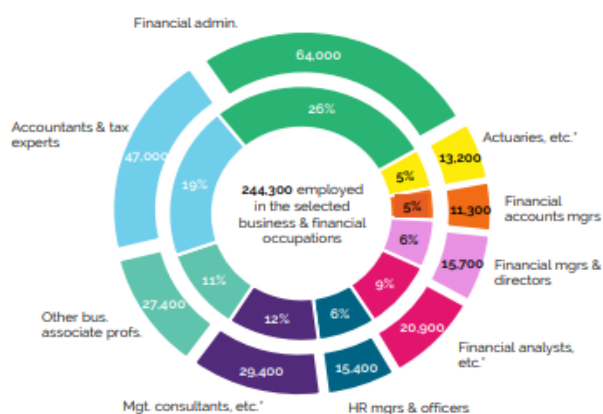
Extracts from the National Skills Bulletin 2022

10.3 Business & Financial Occupations

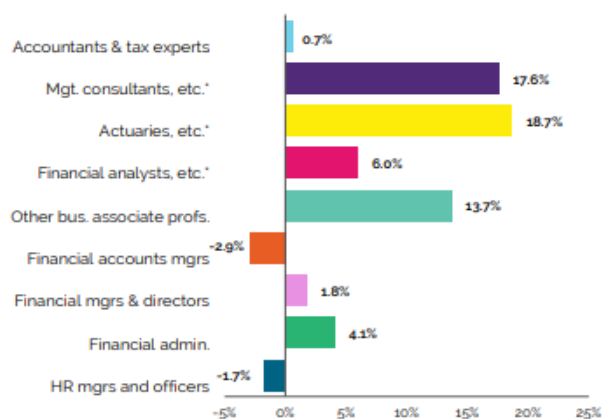
Overall employment: approximately 244,300 persons (57% female) were employed in the selected business and financial occupations, representing 10.2% of the national workforce.

- **Sector:** these occupations were employed across all sectors, with 36% of overall employment concentrated in the financial sector and a further 21% in professional services and 10% in industry
- **Employment growth (5-year):** between 2016 and 2021, overall employment increased by 54,100 (5.1% on average annually compared to 2.3% nationally). The strongest rate of employment growth was observed for actuaries, economists, statisticians & other business professionals (18.7%) during the period
- **Age:** the 25-54 age group accounted for the majority of persons employed, at 78%. The share aged 55 and over was 16%, below the national average of 19%
- **Education:** the share with third level qualifications (81%) was significantly above the national average share (53%), while a further 16% had attained a higher secondary/FET qualification
- **Full-time/part-time:** of those employed in business and financial occupations, 88% were in full-time employment
- **Nationality:** the share of Irish national workers was 86%, slightly above the national average of 83%.

Numbers employed, 2021 (annual average)



Average growth rates (%) 2016-2021



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Source: SLMRU (SOLAS) analysis of CSO data
*See detailed occupation description in table below

Overall Outlook for these Occupations

Employment has grown strongly in this occupational group, particularly since 2019. Just over a third employed in these occupations were in the financial sector with the remainder spread across a range of sectors. In 2021, there were 1,400 new employment permits issued for various roles within this group.

A recent report on the financial services in Ireland indicates that demand is being driven by advances in digital technology (particularly distributed ledger technology/blockchain, AI etc).⁴⁰ Skills gaps in financial services include data analytics, digital transformation, risk and compliance, leadership, and GDPR/cybersecurity. Enterprise Ireland's Spotlight on Skills data highlights a demand for financial skills, including relationship management, critical thinking, negotiation, commercial acumen, business analysis, financial forecasting, and communication.

According to the BPF Future of Retail Banking in Ireland 2021 report, approximately 22,000 persons were employed in retail banking.⁴¹ The imminent closure of Ulster Bank and KBC, along with restructuring within the remaining banks, will impact on future demand for skills in these areas. Many roles within this group have been identified as being at risk of automation, particularly financial administrative roles.

Occupation	Economic summary
Accountants & tax experts	Despite below average annual employment growth over the five-year period for this occupation, employment has grown strongly since 2019. Almost a half of accountants were employed in the professional activities sector (in the legal and accounting sub-sector), with a fifth in the financial sector and a further 13% in industry. When compared to quarter 4 2019, the growth in employment to quarter 4 2021 primarily relates to those employed in professional activities. With such a large occupation, demand is likely to be strong for this role, with replacement demand alone. The volume of advertised vacancies for accountants in the OVATE data increased by 9% compared to 2020. The Recruitment Agency Survey identified issues particularly in relation to senior contract accountancy roles, with financial and tax accountants also mentioned. The Skills for Growth data points to issues with accountants in manufacturing. Supply of graduates at NFQ levels 8-10 has been increasing although awards through professional accountancy bodies saw some declines in recent years. Demand for accounting skills is occurring across a variety of occupations such as technical sales, although these would not relate to qualified accountants. The skills profile of accountants is likely to be impacted by broader trends, such as climate change (carbon accounting/climate related financial disclosures skills and know-how), Brexit (changing regulations), among others.
Mgt. consultants, business analysts & project managers	The five-year annual average growth for this occupation was strong; this is in part related to changes in the LFS methodology in 2017, although employment levels have also been increasing annually since then. Over 700 new employment permits were issued in 2021 for roles including risk/business analysts and project managers. The ICT sector accounted for over a third of permits issued, although the numbers employed in this occupation in the ICT sector are small. The number of advertised vacancies in the OVATE data increased by 39%, albeit from a small base. While no shortages are evident, the skills in demand as highlighted by the Spotlight on Skills data in the introduction above (e.g. relationship management, critical thinking etc) would be of relevance for these occupations.
Actuaries, economists & statisticians; other business profs.	The strong employment growth for this occupation can be attributed in large part to changes in the LFS methodology in 2017, although small increases have been observed annually in recent years. Approximately two-fifths of employment was in the public administration and defence sector. Almost half of the employment permits issued in 2021 were for actuaries in the financial sector with the remainder in ICT and other sectors for various analyst roles. The Recruitment Agency Survey cited vacancies for data scientists as difficult-to-fill. There was an increase in the number of advertised vacancies in the OVATE data, although the overall share remained small. While demand exists for these roles, the numbers involved are likely to be small.

Financial analysts and insurance underwriters	Employment growth was above the national average over the five-year period for this occupation, although employment remained unchanged between 2020 and 2021. New employment permits issued in 2021 related primarily to financial analysts. There was one mention in the Recruitment Agency Survey of difficulty in filling vacancies for financial analysts. The volume of advertised vacancies in the OVATE data increased by 30% which may signal future growth in employment for this occupation. The Shifting Sands report identified insurance underwriters as an occupation which has seen a large relative fall in the number of vacancies advertised since the onset of COVID-19.
Financial accounts managers	Employment growth over the five-year period was negative for this occupation, although employment has seen annual growth since 2019. The data provides no evidence of issues in relation to this occupation.
Other business associate profs. (e.g. accounting technicians, estimators, valuers)	The five-year annual average growth rate for this occupation was significantly above average, with strong growth observed between 2020 and 2021. Although this category includes a wide range of job titles, data analysts were the one to emerge as most in demand. Difficulty in filling vacancies for data analysts was highlighted in both the Recruitment Agency Survey and the Skills for Growth data. Employment permits were also issued for data analysts in 2021, primarily in the ICT and financial activities sector. Although it was not possible to identify data analysts from the OVATE data, the volume of advertised vacancies for the occupational category that includes data analysts grew by 33% in 2021. While demand for data analysts is evident, the data does not allow us to track employment levels rendering it difficult to determine the extent of the demand or if shortages are occurring. Data analytics skills are increasingly becoming components of the required skills set for some existing occupations which may temper the demand for specific data analysts in future years.
Financial managers & directors	Employment growth for this occupation was below the national average over the five-year period, although employment has grown since 2019. A decline in the numbers employed as financial institution managers/directors appears to be masking growth in employment for other financial managers/directors, which may relate to the closure of bank branches in recent years. A small number of employment permits were issued for this occupation and difficult-to-fill vacancies in the Recruitment Agency Survey related to financial managers in the financial sector. The volume of advertised vacancies in the OVATE data increased albeit from a low base.
Financial admin.	The five-year annual average employment growth was above the national average, with this occupation accounting for over a quarter of employment for business and financial occupations in 2021. Recent job hires in 2021 exceeded employment growth indicating that job churn is a factor for these roles. Difficult-to-fill vacancies noted in the Recruitment Agency Survey related to accounts and credit control assistants and fund accountants primarily for temporary posts. There was a relatively low volume of advertised vacancies for these jobs in the OVATE data considering the size of the occupation, although increases occurred in 2021. The impact of banking restructuring, particularly retail banking, will impact future demand and skills mix requirements for these roles, although replacement demand alone will create a high number of job opportunities.
HR managers and officers	Employment numbers for this occupation have fluctuated, resulting in a negative growth rate; employment declined between 2020 and 2021. New employment permits issued in 2021 related to recruiters, talent acquisition specialists, and HR managers, with half for the ICT sector. There was one mention of difficult-to-fill vacancies in the Recruitment Agency Survey for a HR recruiter with sector specific knowledge. Data from Spotlight on Skills points to a significant demand for skills in this area particularly for talent development and retention. The volume of advertised vacancies in the OVATE data grew very strongly. Despite the falling employment numbers, demand persists for HR skills, although the skills mix is evolving, with a greater focus on areas such as staff retention, learning and development, particularly as employers compete for talent in a tight labour market.
Financial managers & directors	Employment grew at almost double the rate of the national average over the five-year period. Although there were over 100 new employment permits issued in 2019, a third are related to intra-company transfers and, therefore, not new job opportunities. The financial sector does not appear to have been negatively impacted by COVID-19 to date; as such, the number of those employed in these occupations is not expected to have been significantly affected.