



# TALENT STRATEGY FOR THE INVESTMENT MANAGEMENT INDUSTRY

As the organisation that represents UK investment managers, the Investment Association (IA) is committed to helping our members build a diverse workforce and inclusive working environment so that the investment management industry has talented people with the skills, knowledge and competencies our sector needs to ensure that it is fit for the future.

## DEVELOPING OUR WORKFORCE

Today, the UK investment management industry supports just under 100,000 jobs in the UK. The next decade will see changes in the type of skills needed by the industry, the nature of work and the working environment.

The IA has developed a Talent Strategy to support members to attract, develop and retain a high quality workforce fit to respond to these challenges. It covers the career arc from entry point to executive level and has been developed following extensive discussions with IA members about the skills needs of the industry now and in the future. It is designed to complement members' own internal strategies and is structured around three key themes: **attraction, advancement and environment** with considerations around diversity and inclusion (D&I) underpinning each one.

### Attraction

Investment managers are seeking a more diverse range of applicants at all levels, with a particular emphasis on **early careers initiatives**. There is also a need for additional entry routes into investment management to create a more diverse employee base. The Apprenticeship Levy continues to be an issue for our members and so the IA has suggested ways in which the current system could be used more successfully.

The industry also recognises the value of attracting professionals from other sectors and those who have had a career break, as a way of boosting skills, adding diversity of thought and perspective and helping to close the gender pay gap. Our priorities are to:

- Build upon our successful work in supporting members to source and develop a more diverse pool of entry level talent by expanding **Investment20/20**, the IA's careers service for the industry. We provide extensive pre-entry awareness and skills development in schools, colleges, universities, and through partnering with charities; and a careers site where students can learn about the investment management industry and gain access to job opportunities.
- Undertake a **detailed feasibility study** into two new routes into the industry via **conversion courses: a master's programme**, developed by the industry, could attract individuals from a non-STEM degree background or from other sectors; and a **foundation programme** could help individuals transition effectively into investment management.
- Continue to **engage with government on the future** of the **Apprenticeship Levy**, so that our members can unlock funding for training new entrants, existing staff, and those coming in from other >

*The Investment Association (IA) is the trade body and industry voice for the UK's leading investment managers. Our 250 members range from small, independent UK investment firms to Europe-wide and global players. Collectively, they manage over £7.7 trillion of assets on behalf of their clients in the UK and around the world, and they invest £1.7 trillion in the UK economy.*

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- > sectors at different stages of their careers; and put forward proposals for a **consistent approach to apprenticeship design** and content across the UK, allowing firms to offer the same solution across their workforce.
- Carry out further work to assess how the IA could most effectively enable members to attract and retain **returners**, in a way that complements and adds value to existing provision in the market.



## Advancement

The need for professionals within our industry to acquire new skills and knowledge covering technical and regulatory issues has never been so important. Many of the regulatory priorities are now shaped around the need for a healthy culture, underpinned by individual accountability. New requirements in relation to fund boards mean that independent non-executive directors (iNEDs) must get up to speed quickly with complex regulatory developments. In addition, our members are placing a great focus on improving management and leadership skills in the industry. Our priorities are to:

- Continue delivering a **comprehensive programme of technical training and events** for IA members.
- Continue to develop the **online resource for iNEDs**, which offers essential information, support and training as well regular events for facilitated networking.
- Explore with members how the IA could add value in support of their **leadership development initiatives**.

## Environment

Our members understand the benefits that a diverse workforce and inclusive environment can bring to the investment management industry, as a way of guarding against groupthink, better understanding customers' needs and enabling a **healthy culture**. One of their key concerns is that of industry perception, the lack of public understanding of the investment management industry. This has an effect on our members' ability to attract a diverse cohort of talent, including those that would not previously have applied to the sector. Members are also aware of the need to anticipate future changes in the industry. These include the impact that technology and innovation will have on working practices and skills needs, the effect of changing demographics, immigration policy, ways of working, and the increased focus on environmental, social and governance considerations. Our priorities are to:

- Use the IA's **consumer market research** as a basis for tackling the **public's awareness and perception of the industry**, through promoting a positive image of investment management to potential job applicants for entry-level roles, and as a way to attract experienced professionals from other sectors to investment management.
- Produce **research on the changing world of work, specific to the investment management sector** to enable our members to anticipate and prepare for future skills needs, new ways of working and the impact of such changes on the wellbeing of their workforce.
- Continue to deliver **thought leadership and share best practice** to support members to progress their own D&I agendas, such as our publications on the LGBT+ experience in investment management *'Do you remember the first time? Coming out and being out in investment management'*, *'Closing the Gap: Addressing the Gender Pay Gap'*, which showcases how member firms are proactively addressing their gender pay gaps; and the *'Black Voices'* report, which looks at the representation of black professionals in investment management and contains guidance for firms on increasing the representation of black professionals within the industry. Future publications will focus on supporting the mental health and wellbeing of those working in investment management, and the importance for our sector of promoting social mobility. The IA also actively encourages members to join external initiatives that promote **best practice on D&I** within the industry.

## The Investment Association

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