Employer Insights from South Yorkshire's Financial and Professional Services Sector Research Report

June 2025

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Management summary - headlines

One of the features of the South Yorkshire Local Skills Improvement Plan (LSIP) is the development of a portfolio of knowledge and skills insights offering up to date intelligence on employer needs. This is a summary of findings from the last in a series of five employer insights undertaken as part of this work focusing on financial and professional services businesses in South Yorkshire.

This report looks at skills in finance and professional services now and in the future with a view to informing the valuable work of providers and those involved in the development and delivery of skills and training in South Yorkshire.

Financial and Professional Services outlook and technology adoption

- Financial and professional services' firms considered a people centred approach fundamental to the success of their operations and an essential part of client facing services. There is a clear trend towards flexibility and inclusive working practices with clear career development pathways. This was coupled with a commitment to listen to employee sentiments to inform management behaviours and office cultures.
- The sector is not pursuing aggressive expansion instead focusing on controlled development maintaining service quality, staff wellbeing and business identity with long-term strategies and service specific opportunities. Some firms achieved growth through mergers and acquisitions where maintaining a unified culture required careful planning and execution. There have been some acquisitions by firms outside the region which may impact on the type of roles available locally.
- In response to rising costs, firms are exploring service diversification, increasing internal efficiencies and utilising automation and technology.
- Recruitment around experienced and mid-level roles is a concern. Future skill needs centre on core competencies such as strong research and writing skills in law and numeracy in accounting. Analytical skills, attention to detail and real-world thinking were important. Early career employees need to be good at rapport-building, be confident networkers and able to engage stakeholders. In sales and communication roles experience, attitude and willingness to learn are often considered more important than accredited qualifications.
- More regulated professions, such as lawyers and insurance brokers, require mandatory professional qualifications. These can include a degree in a related subject, a level seven apprenticeship and/or a diploma and sometimes challenging post graduate professional exams.
- Employers emphasised the importance of digital skills for most roles. Firms have invested heavily in digital tools, training and cloud-based software such as QuickBooks, Xero and Microsoft Copilot. This has brought a number of benefits, improving efficiencies as well as enabling remote and hybrid work. That said there are still concerns about the pace of digital adoption and South Yorkshire employers highlighted the need for continuous upskilling to keep pace.
- A diverse range of green initiatives and sustainable practices have been adopted to date, such as implementing sustainable policies and action plans or installing energy efficient infrastructure. Others have more passive and informal approaches such as recycling, reduced paper usage and incorporating hybrid working.

- Sustainability was not a significant focus for all due to financial pressures. For smaller firms, who lacked the resource or green infrastructure of their larger counterparts, there was uncertainty about the impact they could make and the resource they could dedicate. Support could be offered in carbon literacy, environmental compliance and the integration of sustainability into business functions.
- The embedding of Automation and AI tended to be limited to discrete tasks such as marketing, summarising and reporting tasks or bookkeeping (accounting) and contract drafting and auditing (legal professions).
- There is reticence from a number of firms about its use due to concerns around overreliance, particularly amongst early career staff which might inhibit critical thinking. Introductory AI and automation support packages, tailored to the sector, may help embed AI in practical and sustainable ways without impacting employee development.

Financial and Professional Services skills and talent pipeline

- Finance and professional services sectors are increasingly open to apprenticeships, which are perceived to offer a viable and useful route into the industry. The financial services sector, in particular, is seeing a rise in apprenticeship programs, reflecting the need for skilled professionals in banking, investment, insurance, and pensions.
- While apprenticeships are gaining ground, many businesses still face significant barriers when trying to adopt or expand them. These challenges are often structural, operational, or tied to broader shifts in the workplace, such as hybrid working, capacity constraints, or uncertainty around funding including withdrawal of level 7 funding.
- Resistance to change is not a widespread issue, but when it does arise, it is usually not due to unwillingness but typically three common factors. These were time pressures, different career ambitions, and the need to offer flexible and varied ways of learning.
- While many entry level roles can be filled relatively quickly, the sector is facing red flag gaps in areas like digital infrastructure (cloud roles), regulation heavy disciplines (financial services and cyber for instance), and mid senior management gaps in legal, consultancy and infrastructure firms that, if left unaddressed, could constrain future growth.
- Sheffield faced competition from other big northern cities and Barnsley, Rotherham and Doncaster had thinner pickings compared to Sheffield firms who have very close ties to the Universities.
- This sector has rigorous recruitment and on-boarding procedures. The growth of AI CVs flooding new vacancies was resulting in a shift back towards in-person interviews. Legal and finance firms typically involve departmental leads and senior partners in the process, especially for specialist or high stakes roles. New recruits need excellent interview skills.
- There has been a shift towards more structured appraisals and career conversations and two-way feedback. Employers have clear and structured pathways and recognise the value of supporting employee health and personal resilience including emotional support, inclusive working practice and recognition of the important of a good work life balance. This supported by tools, technology, and training, but even more so by culture and intent.
- Flexible hours and hybrid working are now hard wired into the sector, whilst practices vary with a preference for early career employees to spend more time in the office as part of their development and staff more generally to spend two or three days in the office. This approach supports culture, collaboration and staff development and flexibility is used to attract and retain staff.

- Prioritising wellbeing boosts retention, reduces absenteeism, and builds loyalty. In tight labour markets, especially, creating a values-driven, supportive culture is emerging as a competitive advantage and celebrating success is common.

Training the employees of tomorrow and offering the skills for today

- The use of both internal and external training solutions is common and cross-departmental training was used to give employees a rounded and deep understanding. Industry accreditations mean staff often study off site.
- Training is often developed in response to personal development plans and appraisals and many companies have training budgets (sometime with departmental autonomy).
- The majority of businesses have a clearly defined training strategy.
- Regular and standardised points of communication between providers and employers were important to highlight changes within the sector so that provision could be adapted where appropriate. Some organisations had dedicated training managers to monitor progress, identify gaps and review performance, ensuring that training is responsive, reflecting employer needs.
- Some companies found it hard to define and articulate their skills gaps and training needs and sometimes developed long-term relationships with a single provider who understood their requirements.
- Larger businesses communicated their company values as well as their training needs to providers so that training was more tailored.
- Mentoring was seen as an effective method for training new managers and leaders, especially in softer skills. It built confidence and understanding of management processes. One company used mentoring to overcome 'invisible' career progression barriers. More formal and structured training and tailored leadership programmes were also used though some firms don't know where to go for training to support aspiring leaders and managers.
- Some businesses operating within more regulated sub-sectors such as health and safety or taxation are required to undertake more consistent and compulsory CPD courses in order to be compliant with professional standards. Some firms have platforms which could measure compliance. Others took a more fluid, as-needed approach.
- It is important to ensure that training is available at a range of price points to be accessible to businesses of all sizes, and some would welcome signposting to financial support for training. Businesses would also find it beneficial if providers were able to signpost them to appropriate training and grants to support training. Providers need to be able to connect with businesses and fully appreciate their skills needs in order to develop relevant and bespoke training resources.
- No one was using VR/AR immersive training, yet some would consider it for employees to practice engaging with the public in difficult or sensitive areas in a safe and controlled environment. Without a convincing and coherent offer, businesses may struggle with adoption.

Employer Engagement

- Employers showed an openness to working with those more removed from the labour market. There were examples of inclusive hiring processes, but several employers would like to understand more how they might adopt such practices. FCA approval is required for positions which perform a 'controlled function'.
- There is a blind spot for young people regarding the roles available in the sector. This is a significant barrier to inspiring the next generation meaning early engagement with schools is required important to showcase potential careers and pathways into the sector.
- Careers initiatives such as 'See it Be it' are helpful in changing perceptions, demystifying opportunities and challenging stereotypes.
- Engagement with education providers is chiefly through apprenticeships and work experience offers and the only thing holding smaller businesses back is a lack of time.
- Proactive communication and incentivised placements for students could increase the number of businesses collaborating with education and skills providers.
- When collaborations do occur, these often take the form of informal networking, knowledge sharing sessions or referrals among trusted peers. There is appetite for more of this but competition means deep collaboration on training is unlikely.

Concluding remarks

The financial and professional services sector supports vital services and infrastructure which underpin economic growth and prosperity. Of all the sectors looked at as part of the SY LSIP, this is one of the most people centric, offering flexible and inclusive working practices. The quality of careers pathways is exceptional, notwithstanding the challenges of passing challenging regulatory post graduate examinations in parts of the sector. Yet it is surprisingly invisible to school leavers who have little understanding of what it is really like to work in the sector. There is scope for more school and pre-school meaningful interactions, more so than other sectors where employment opportunities are clear cut. The soft skills required to work in the sector are essential and varied. They include adaptability, empathy, and emotional intelligence. Honing these skills requires an intensive effort on the part of recruits, providers and employers both pre- and post-employment.

There is an opportunity to intensify provider employer interactions and a general willingness for both parties to engage with each other more often at different levels. Regular communication and dedicated relationship managers have worked well to achieve this in some firms. AI and automation are gradually transforming back-office activities and routine functions freeing up staff for more value adding activities. Digital natives are likely to thrive in these environments and digital adaptability is important. But this should not be at the expense of the human dimension and the ability to think critically and handle sometimes demanding face to face client interactions. This sector performs very well in terms of promoting positive workplace cultures and takes well-being seriously. Hybrid working is welcome, but this is not seen at the expense of early career graduates interacting and learning in the workplace.

Preface

Local Skills Improvement Plans (LSIP) place employers at the heart of local skills systems to help support and drive change. This change requires direct and dynamic insights and intelligence. This report is part of a portfolio of knowledge and skills activities designed to articulate and elevate the employer voice including podcasts, skills zones and skills teach-ins.

South Yorkshire LSIP background

Doncaster Chamber is the Employer Representative Body (ERB) for the South Yorkshire LSIP. They are collaborating with the two other Chambers of Commerce in South Yorkshire (Sheffield, and Barnsley and Rotherham), as well as the South Yorkshire Mayoral Combined Authority, South Yorkshire College Group, universities, independent training providers and employers. The current LSIP was created in 2023 and runs until 2025, building on the 2021 South Yorkshire Trailblazer. LSIP is a strategic document concluding with 36 recommendations to improve understanding of employer needs and better align and inform the provider offer. These reflect the fact that employers, training and education providers have unique perspectives, but similar and complementary aims. This ensures post-16 education meets local employer priorities and demand. The Government's English Devolution white paper confirms that mayors will be given "joint ownership" of LSIPs alongside ERBs[1].

The Financial and Professional Services Sector

This sector report covers the financial and professional services sector and its wider supply chain. Professional services provide essential specialised knowledge in areas that are essential for the functioning of modern businesses, such as law, accounting, consulting, or marketing. The financial services industry is a complex and dynamic sector providing services, such as insurance, retail banking, corporate and commercial banking, investment banking, payments, and wealth and asset management. While the influence of digital technologies on the industry isn't new, the process has accelerated over the past couple of years (see digitisation).

Report purpose and approach

This report is the fifth in a series to gain employer knowledge and understanding of local skills priorities. This will ensure the LSIP continues to be evidence-based and actionable, and education and training is responsive to employer and local labour market needs. It will help inform and influence curriculum development and employer engagement. The reports on Manufacturing, Construction, Lifestyle, Leisure and Culture and Aviation can be found here.

This work has been a collective effort between South Yorkshire Chambers, employers and providers. They collectively road tested the employer questionnaire and told the research team what questions and issues they would find most useful. The concept behind this employer insights series was to interview up to 30 employers across the sub-region per sector, nominated by the chambers, local authority partners and business support specialists. This quarter the insights of financial and professional services firms were the focus. Twenty-seven employers listed in Annex one kindly contributed to this report during January to April 2025. In addition an employer round table was also held at Sheffield College with a further

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[1] See FE week here

eight employers (also listed). They don't represent the whole sector and can only offer a snapshot of their requirements. The findings should be read with this caveat in mind.

Report Contents

There are four key parts to this report. The first part (Outlook, Chapter 1) looks at future priorities in light of changes in the sector such as digitisation, decarbonisation and automation. Chapter 2 assesses current skills including apprenticeships, recruitment and skills gaps as well as the talent pipelines. Chapter 3 discusses training provision for both current and future employees. The final Chapter (4) reflects on employer engagement and collaboration and concludes with a summary of what more employers and providers might do to align, collaborate and work together.

Financial and Professional Services outlook and technology adoption

This chapter looks at why a people centred approach in the sector is important. It considers important future workforce skills and how might these affect employer investment in skills and their asks of providers. It concludes with an assessment of Artificial Intelligence and Automation.

People centred businesses

How deeply do South Yorkshire financial and professional services firms understand what their team members need to do their best work and feel they have a happy workplace culture? When asked 'are you a people centred business?' using a rating of one to 10, 93% of those who responded scored themselves an eight or higher. The only respondent who scored themselves lower cited seven.

"We are fundamentally people centred. Our whole business model is around developing and making people the best that they can be."

A people centred approach was seen as fundamental to successful business operations. The service-based nature of the sector meant a people centred culture and attitude supported the development and maintenance of strong client relations.

"We don't manufacture anything. We don't produce anything. Everything that we do is focused on the services that our people offer. To be able to provide great service to customers and clients we need to make sure that we've got great people on board… to be able to employ great people, we need an environment that attracts, develops and retains those people."

"The projects that we work on aren't our projects. They're the clients' projects, and we're helping them do their job. It just happens our job is to help somebody else do their job. So it's all about people and relationships."

There is a clear trend towards flexibility and inclusive working practices and employers embedded these practices through a variety of means. Firms had a strong commitment to internal promotions, apprenticeships and career development pathways. Flexibility in working patterns and locations as well as the implementation of well-being initiatives was common (this is also discussed [here](#)). Employee engagement surveys and audits were used to assess internal sentiment and working cultures and inform management behaviours.

"We're quite flexible. We're quite supportive of the team. We provide a training budget. We try and keep track with market rates in terms of salary. We have a hybrid working policy. We promote working together, because it promotes and supports some of the junior staff."

"We do cultural audits every couple of years where all the staff actually get asked what they think about the business, the processors, how they're treated, how we can do things better for them. Then we as a board we try and feed that into our long-term plan."

For smaller firms a lack of people and development resources was cited as a constraint. In law firms the challenge of balancing billable hours with staff development time was noted and more generally across the sector resource constraints were mentioned. Company

acquisitions and mergers meant maintaining a unified culture required careful planning and execution.

Future business priorities

While most businesses still have ambitions to grow, very few are pursuing expansion in an aggressive sense. Instead, the emphasis is on controlled, steady development that doesn't compromise service quality, staff wellbeing, or business identity. Growth is being carefully planned, often linked to five-year strategies or sector specific opportunities but always weighed against internal capacity. The exception was in mergers and acquisitions which were used to expand market share and geographical reach, diversify services, acquire new technologies, and gain access to new client bases. There have been some acquisitions by firms outside the region which may impact on the type of roles available locally.

"We're not looking to grow fast or take over other firms that's never been the aim. We want to stay independent, maintain the quality of what we do, and make sure our team isn't burnt out in the process. That means only taking on what we can deliver well."

"Our model's changing, yes, we're introducing new offers, expanding our client base but every move has to make sense operationally. We've seen too many businesses grow fast and then have to pull back. For us, it's about doing things properly, not quickly."

With inflation, energy prices, and wage costs all rising, firms are under increasing pressure to remain profitable without overburdening their teams or increasing risk. Many spoke openly about needing to become more efficient not just to cut costs, but to ensure long term stability and reduce dependency on unpredictable revenue. Some firms were taking a more cautious approach to growth through service diversification which was seen as a safer, lower risk way to grow particularly in areas like digital, AI, or sector-specific specialisms. Others were making efficiencies internally, for instance improving internal systems and reviewing client portfolios and profitability.

"Our overheads are higher than ever. We're dealing with wage increases, insurance hikes, cost of living pressures... and we can't keep raising fees to match. We've had to rethink our client base who do we actually want to work with, and where do we genuinely make money? We've started letting go of some lower value accounts just to stay sustainable."

Others are exploring ways to generate recurring income, reduce reliance on large, one-off contracts, or use technology to streamline delivery. A few discussed building new internal systems or bringing in automation to help ease workloads without increasing headcount.

"We've always relied on project-based work, but that creates peaks and troughs. Some months are great; others, we're scrambling. So, we're trying to build more predictable income whether that's through retainers, partnerships, or shifting how we package what we offer. It's not easy, but it's what we need to stay resilient."

There is also a clear reluctance to seek external investment or borrow funds. Businesses are wary of becoming over leveraged or losing independence, even if it slows down their ability to grow.

"We've had offers for investment, but we've held back. Once you take someone's money, you take their expectations too. We'd rather grow slowly and keep control than push too fast and compromise what we stand for."

Almost every business interviewed highlighted recruitment as a major concern particularly for experienced or mid-level roles. Many reported long periods of unfilled vacancies, applicant

shortages, or misaligned expectations around pay, hybrid working, and job structure. This was especially acute in roles requiring in office presence, where remote first expectations from candidates clashed with operational needs.

> *"We've been recruiting for the same role for months. We've had people turn down offers because they don't want to commute even two days a week. That's the biggest shift we've seen…. flexibility isn't a perk anymore; it's a starting point. And if you can't offer it, you're losing people before you've even had a chance to speak to them properly."*

At the same time, retaining skilled employees has become just as important and, in many cases, even more urgent. Several employers described how key staff members were central to their operations and losing them would have a disproportionate impact. To address this, firms are investing more heavily in training, progression planning, and workplace culture.

> *"Retention is everything for us. We've got people who've been with us for over two decades, and the reason they've stayed isn't just money it's about feeling valued, being developed, and knowing they have a future here. That's why we're focusing more on wellbeing, internal mobility, and mentoring. We can't afford to lose good people and have to start over."*

> *"For me, as a business owner, my priority is we've got some great staff, I want to keep everybody employed. We haven't got shareholders, nobody's taking things out of the bottom line, but we need to have robust finances in place to make sure we can keep those people employed. Recruitment for me is more a challenge for longevity."*

Future skills and qualifications

Firms were asked what future skills are important for their workforce and how might this affect their investment in skills and their requirements of providers.

1.1.1   What soft skills are employers looking for in new recruits and how can the ecosystem respond?

An employer roundtable at The Sheffield College explored employer expectations for new recruits. The core competencies required include strong research and writing skills in law and numeracy in accounting. Analytical skills, attention to detail and real-world thinking were important. The ability to spot errors for instance. Commercial awareness is also sought after. Soft skills should not be underestimated especially in client facing roles. Communication was essential; being able to pick up the phone and email clients. Emotional intelligence and sensitivity are necessary. Empathy and a personal approach are required and would be required for example in responding to clients with a serious legal issue to deal with.

Client relationship management skills are helpful, alongside confidence and adaptability to cope with work pressures and deadlines. Law and accounting practices mentioned the significance of integrity, honesty and dependability. Further soft skills included adaptability and versatility, with people showing a willingness and ability to re-prioritise their workload, adapt to new software and handle multiple deadlines.

Learning agility was also mentioned by employers, that is, the capacity 'to learn, relearn and unlearn'. New recruits will need to pick up new software applications and technologies and understand where they can add value (this is discussed further [here](#)). This might involve using technology to shorten administrative processes freeing up more time for high quality advice. The lockdown generation are 'digital natives' so their digital literacy levels are high.

Students could be supported to develop professional behaviours and work readiness skills during their learning. Early career employees need to develop resilience, be able to build relationships and develop experience of intergenerational workplace environments.

Employers can help by giving guest lectures on their expectations, training on work-based scenarios and offering more work experience and tasters. Employers also like to meet prospective recruits face to face and see them on campus. Curriculum managers recognise that they are teaching students for a future career and not just a qualification, embedding soft skills and offering professional interactions. Tutors and employers can also benefit from dual professionalism, that is, understanding each other's perspectives and gaining valuable experience from one another.

2.1.1   Future Skills and Qualifications

As noted, soft skills and digital skills were frequently highlighted as the most important future skills for businesses operating in the financial and professional services sector. Given that many of these businesses offer consultancy services, clear and professional communication with clients was a requirement. Face-to-face interactions with clients are important. Early career employees therefore ideally need to be good at rapport-building, be confident networkers and able to engage stakeholders. These skills were seen as particularly important for early careers roles. One consulting firm highlighted that with the advancement of AI, the importance of developing a relationship with clients will become the most common aspect of the job, with data analysis largely undertaken by AI.

"It's those interpersonal skills because - being able to build a rapport, a connection, read the room, work ethic, and working on your own initiative."

"I think our skill sets will change because [AI will] maximize the use of systems and processes so that we don't have to do that work, and then we'll spend our time speaking to people instead."

In terms of digital skills, whilst formal qualifications are not always expected, a strong IT knowledge and an eagerness to learn are both desired. This is especially true for roles that may require the use of specific software, i.e. accounting firms may expect proficiency on software such as QuickBooks. For consulting firms, the ability to handle data using digital platforms was seen as a vital skill, whilst those working in finance highlighted a growing need for new recruits to better understand how AI can be used to support marketing and promotion. This is discussed further in the next section.

"Good IT knowledge, [the] ability to use various systems, and a willingness to self-learn new technologies."

Experience, attitude and willingness to learn are often considered more important than accredited qualifications in sales and communication roles. For some understanding and embracing the company's values, ethics, and working styles outweighed the benefit of formal qualifications.

"Fundamental to it all is the ability to sort of work as a team and to buy into our culture… it's finding the right character, I suppose, alongside the fundamental skills for the role."

Of course, more regulated professions, such as lawyers and insurance brokers, require mandatory professional qualifications. These can include a degree in a related subject, a level seven apprenticeship or a diploma. This highlights the importance of educating people about the formal and established entry routes into the sector, giving them adequate time to explore their options and choose what qualifications they may want to undertake.

"Technical qualifications are essential—especially in tax planning and tax governance, which are difficult roles to recruit for."

"We do currently have a T-Level student working with us. They do one day a week whilst they're completing their course at the Sheffield College."

The Solicitors Qualifying Exam (SQE) is often considered a significant barrier to progression in the legal profession due to its challenging nature, cost, and potential for multiple attempts before qualifying. It has a broader curriculum, higher exam pressure, and a focus on practical skills. Recent data suggests that only about 50% - 60% of candidates pass SQE1 on their first attempt, while SQE2 has a higher pass rate of around 70% - 80%[2].

1.1.2 Digital Skills

Digitisation across the financial and professional sector has been significant and at a rapid pace. The digital skills demands of the financial and professional services industry vary across different sub-sectors. The needs of consulting firms vary to those of legal enterprises and those in sales.

Employers emphasised the current importance of digital skills for most roles. Companies required staff to use broader IT packages such as office applications and adobe as well as company specific software such as legal IT systems or GIS use. In law software for case management, document management, and billing was used, in finance accounting practice management software (APMS) and insurers use specialist insurance broker software etc.

"Everything is paperless nowadays. Any role that requires any sort of court proceedings, all of that is online. There has to be an ability to be able to interact with that, all of our case management is all stored within systems on our IT systems, you've got to have an ability to conduct legal research, there has to be fundamental IT skills there."

Firms have invested heavily in digital tools, training and notably cloud based software such as QuickBooks, Xero and Microsoft Copilot. This has brought a number of benefits, improving efficiencies as well as enabling remote and hybrid work. Digitisation has also reduced entry-level tasks for some firms; while improving productivity this has posed challenges onboarding trainees without foundational digital skills.

"We have made significant investments in training and digital tools such as the introduction of cloud-based software such as Xero which has streamlined processes"

"The FI [First Intuition], which is the college that we send all our staff to, they now do as part of the onboarding an Excel course, so we need to get them using that...it's just about getting rid of the low-value stuff and focusing on the higher-value stuff."

The rapid pace of digitisation across the sector is however a concern for many. A report in 2024 found 42% of financial professionals have expressed significant concerns about the

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[2] The Solicitors Qualifying Examination (SQE) has two parts: SQE1 and SQE2. SQE1 tests "functioning legal knowledge" (FLK) through single best answer, multiple-choice questions, while SQE2 assesses practical legal skills.

pace of digital acceleration[3]. South Yorkshire employers highlighted the need for continuous upskilling in order to keep pace with the rate of digital advancement. Steps taken included formal training programmes and cultural and structural practices to facilitate digital learning such as cultivating collaborative working environments, AI committees, peer learning and experimentation. Some employers also referenced the value of cross-functional digital skills and the benefits of a multi-skilled workforce with digital literacy that applies to multiple areas of work.

"We have an AI committee within project team within the firm so it's something that they work on…there's also the piece around actually how do we make the best use of technology for all departments within the firm it's not just the delivery part of the business, but it could be the marketing team it could be the HR team then actually how do we make sure that technology is helping us drive efficiencies but also drive improved service outcomes as well."

"It's crazy in the last 20 years how much it's changed. It's so important, we're also looking for multi skilled employees. So someone that can write but equally can use InDesign or Adobe- that elevates them…it makes them a dual-purpose role. The digital skills in our industry now are more important than ever."

1.1.3   Green Skills and Attitudes

Attitudes towards green skills and the embedding of sustainable business practices varied amongst employers. Almost all had adopted some eco-friendly policies or ways of working, however only some had strong commitments to doing so, with many acting in response to market drivers. These included corporate responsibility, client and consumer expectations (as sustainability becomes more common place in tenders and contract work) and regulation and compliance.

"Some are passionate about doing it and making sure they're doing the right thing, but others, it will be led by the fact that there's a tender that says that they have to tick that box."

A diverse range of green initiatives and sustainable practices have been adopted to date by South Yorkshire's financial and professional services sector. Many have taken more formal routes such as implementing sustainable policies and action plans (including electric vehicle usage and travel reduction initiatives) or installing energy efficient infrastructure such as solar panels. Others have more passive and informal approaches such as ensuring frequent recycling, reduced paper usage and incorporating hybrid working.

"We have documented our net zero journey and taken steps such as introducing electric vehicles, installing charging points, and fitting solar panels on our office roof. We are also making efforts to reduce paper usage and aim to be as carbon neutral as possible. One of our directors and a trainee attended a Barnsley Council course on sustainability, and we have had external advisors assess our environmental impact to guide further improvements."

"We don't have a net zero focus (per se), but we do have sustainability policies, taking steps around the office to monitor and manage that i.e. recycling policies, working with contractors to make sure that the way in which we dispose of paper, for example, and that kind of thing is all done in a sustainable way."

Training was used by firms as a conduit for improving sustainability and reducing their carbon footprint. Some employers offer, or are exploring, sustainability training or apprenticeships (e.g., carbon assessment training or IOSH Managing Sustainably) and are acquiring green

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[3] The CFO, Pace of digitalisation is a concern for 42% of financial leaders – research, 2024

certifications such as B-Corp status. Some larger businesses have dedicated sustainability functions or departments to support company activity and employee engagement, with one law firm delivering an education programmes tailored to their lawyers to understand how the green agenda is disrupting their clients and changing the products they are bringing to market.

"We've got a pillar called people and communities and there are specific statements around sustainability and ESG… one of the sustainability team members is looking at a sustainability apprenticeship that we're going to introduce into the firm."

Whilst activity is commonplace, several businesses noted that sustainability was not a significant focus due to financial pressures such as rising taxes and business costs. For smaller firms, who lacked the resource or green infrastructure of their larger counterparts, there was uncertainty around the degree to which an impact can be made and the resource that can be afforded. There was also a lack of clarity from some on what green skills entailed and while they acknowledged that internal expertise was often limited, there was not always clarity on where to seek support.

"At the moment with the additional restrictions in terms of employer costs, all of the changes around employment, the difficulty in the external marketplace. I would imagine that a lot of businesses are just holding off on some initiatives from a cost point of view. I don't I think it's something that should sit on the top of the agenda."

"We perhaps don't have the carbon literacy or the green skills that we could have to really map out what is our footprint and how could that be? How could that be reduced?.. That's definitely an area that we would like to look at more and would like to have more skills in our business to sort of address that challenge."

Support could be offered from training providers in carbon literacy, environmental compliance and how sustainability can integrate with business functions. The interest in formal qualifications or apprenticeships tailored to green roles could be supported, supporting tender success or to help future-proof the workforce. The reticence from some employers to engage with green initiatives of their own volition (as opposed to in response to client need), may indicate the need to position green skills and support as core competencies aligned with business growth and compliance instead of optional activity.

Automation and AI

Globally, Artificial Intelligence (AI) has the potential to revolutionise the Financial Services sector, enhancing the customer experience and resulting in workplace efficiencies. AI-powered chatbots alone, increased in use within the financial sector by 3,150% between 2019 and 2023[4]. They handle routine inquiries, provide real-time assistance, and even assist with transactions.

It is fair to say that the sector locally is starting to think about its deployment potential. Some employers said they were open to its integration, and a few were actively embedding AI and automation in day-to-day operations. Most commonly this is in the form of more discrete tasks such as supporting marketing, summarising and reporting tasks or for accounting and bookkeeping and in legal professions contract drafting and auditing. For other businesses its

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[4] Talent, The impact of digital transformation on the financial services sector, 2024

use has been more significant, one firm has developed specific AI innovation functions across the company.

> *"We use Copilot which is an AI-powered tool that works with Microsoft 365 applications, to streamline document creation, optimize workflows, enhance productivity, and automate routine tasks… its boosted productivity for operational and administrative teams and saved up to 36 hours weekly on content generation and data analysis."*

> *"We've got a director who specialises in the innovation part of the firm and that innovation agenda includes AI and digital skills and legal technology… he has functions that that align with him; an innovation function, a legal technology function and a legal operations function."*

Others are taking a more cautious approach. These firms are either at an early adoption stage, exploring pilot measures or are simply not using AI at all. Those at the beginning of their AI journey acknowledged the role it will play in their operations in future but were currently focused on strategy and training for future AI integration. Businesses who have taken a more definitive stance on avoiding adoption cited concerns around overreliance on AI which in turn would inhibit critical thinking particularly amongst early career staff. Some employers though AI adoption was more evident in the wider industry or in their client's activities.

> *"We are currently exploring AI applications in audit services but remain cautious. There was an instance where younger employees used AI tools to answer audit questions, and it was immediately apparent that their responses lacked critical thinking. We had to address this and reinforce the importance of analytical skills in audit work."*

> *"There's a massive focus at the minute on the use of AI and how AI can improve work. But if it's used without thinking about how it's used, it's taking away the young person's thinking, and the thinking is what makes them develop that longer term skill of that strategic thinking. If all you're doing is going into AI and asking for something and then using it as it is, that thinking pathway has disappeared."*

> *"The impact of it is [the employee] who is doing that work maybe used to be a mid-level, is now a trainee or junior level because the machine's doing half the work…that's the first disruption, the second is that junior employee in the old days used to have to understand what was needed but now the machine's doing it. So there's a skill gap and knowledge gap that the junior is going to have, because there's a machine that's doing it and they don't even know why the machine's doing it".*

Employers highlighted the need for skills development and upskilling around AI's use which was seen by most as likely to enhance rather than replace current roles. Introductory AI and automation support packages, tailored to the sector, may help those reticent to embed AI in practical and sustainable ways without impacting employee development.

Financial and Professional services skills and talent pipeline

This chapter looks at skills pipeline for the sector, exploring how employers are using apprenticeships and tailored training to address skills gaps. It highlights recruitment challenges in areas including digital technology, regulatory compliance, and mid-senior management roles, particularly in technical and client facing positions. It also considers how flexible working; wellbeing support and staff recognition are helping to attract and retain a resilient workforce.

Apprenticeships in the financial and professional services sector

2.1.1   Using apprenticeships

Apprenticeships are increasingly shaping how financial and professional services firms in South Yorkshire build talent, develop future leaders, and widen access to careers in fields like law, accountancy, consultancy, and business support.

In accountancy, apprenticeships are well established. Firms describe structured programmes that guide learners from school leaver level through to chartered status, combining on the job experience with qualifications from providers like Kaplan and local colleges. These are not token placements they form the backbone of how many teams are grown.

"A third of our workforce is on some form of apprenticeship. It's how we build our future from AAT to Chartered. School leavers come in, do their Level 3, then Level 4, and from there, they can progress all the way through to chartered accountant or tax adviser. It's a route that gives us strong, loyal staff who really understand the business."

The impact is often personal. One firm told the story of an apprentice from a single parent family who progressed from Level 3 all the way to a senior management role, a trajectory that would have been unreachable without funded pathways.

"He'd never have afforded university. He came in after A levels, did his AAT, then qualified fully, and now he's a senior manager earning over £50k possibly on track for Associate Director. Apprenticeships changed his life. That's social mobility, and it's what makes this model so powerful."

Legal firms are also changing their approach. While traditional recruitment still favours graduates, apprenticeship routes into law are becoming more viable and attractive, particularly as the cost of legal qualifications rises. One firm described how legal assistant apprentices have gone on to qualify and now return to outreach events to inspire others.

"It used to be that law was only for people who could afford to go to university and fund the LPC. That's not the case anymore. Apprenticeships allow people to qualify while working. One of our legal assistants started that way now she's fully qualified and going back into schools and events to say, 'look, it worked for me.' That's incredibly powerful for the next generation."

Another described how these routes are creating more diverse teams, drawing in candidates from across the city with different educational and economic backgrounds.

"Apprenticeships have opened the door to people who wouldn't have made it through the old system. They're thriving, they bring fresh thinking, different perspectives, and a real drive."

Beyond technical qualifications, apprenticeships are being used to grow capability in a range of operational roles including administration, HR, IT, marketing, and compliance. These roles are often seen as strong entry points for people who want to gain sector specific experience and move internally into more specialised areas.

"We've had admin apprentices go on to become legal secretaries, cashiers, and even move into client facing roles. It's a solid starting point, they learn how the business works from the ground up, and that gives them real flexibility."

Firms also spoke positively about how apprenticeships support long term workforce planning. In some cases, apprentices had become some of the company's strongest performers, people who had grown with the business and developed a deep understanding of the organisation's culture and operations.

"One of our employees came in at eighteen through a business admin apprenticeship. Nine years later, he's moved up through several roles and is one of the most reliable people in the business. That kind of progression is hard to find through external hires."

Employers are increasingly open to apprenticeships across a broad range of functions, not just in law and accountancy, but in core business support and compliance roles. Where providers can offer structured programmes, clear communication, and help with identifying suitable opportunities, they are seen as vital partners in building the next generation of professional talent.

2.1.2   Barriers to apprenticeships

While apprenticeships are gaining ground across financial and professional services, many businesses still face significant barriers when trying to adopt or expand them. These challenges are often structural, operational, or tied to broader shifts in the workplace, such as hybrid working, capacity constraints, or uncertainty around funding.

For some firms, the issue is logistical. Employers described how remote working had made it more difficult to provide apprentices with the day-to-day support, informal learning and exposure to workplace culture that is critical in early-stage roles.

"When it's worked well in the past, apprentices were in the office sitting with colleagues, listening in on conversations, learning by osmosis. But we're working remotely most of the time now, and that model just doesn't work. It's hard to integrate someone when the team is scattered."

Others highlighted internal resourcing as a challenge. For smaller teams in particular, managing and mentoring apprentices alongside delivery work was seen as a strain even when the motivation to recruit was high.

"We want to train our own. Apprenticeships are a great way to build talent sustainably. But the reality is we need results quickly, and it's hard to justify taking on someone who won't be fully productive for a while. It's a catch-22."

Even employers with experience of using apprenticeships successfully admitted that rollout had to be carefully timed and resourced. A few described a phased approach, bringing in one person at a time to ensure proper onboarding and give the team space to support development.

"You can't just flood a team with apprentices and expect it to work. You need to give the apprentice time to settle, and the team time to adapt. We've found that bringing in one person every few months works best."

Funding models presented another barrier. While apprenticeship training is often subsidised, the associated costs including time off for study, supervision, or top ups to salary were significant. Some firms had considered dropping apprenticeship routes altogether in favour of commercial training models that were simpler to manage.

"We've done both commercial and apprenticeship pathways. The apprentice route is funded, yes but it comes with more hoops. More curriculum, more soft skills training, more time away. And if Level 7 gets pulled, it's going to hit the sector hard. These are not small amounts of money."

Several firms expressed serious concern about the government's approach to Level 7 apprenticeships especially in accountancy and law, whereby they are widely used to train high level professionals. One employer described the potential removal of funding as a profound misunderstanding of how the system works.

"There's this view in government that Level 7 apprenticeships are for execs doing MBAs. But for us, they're a route for people who could never have afforded to go to university."

"Taking that funding away would hamper the sector. We'd still try to train people, but smaller firms just wouldn't be able to afford it. That's not just a policy change that's cutting off opportunity."

Another barrier lies in how apprenticeships are promoted and understood. Some employers said they struggled to navigate the system, didn't know where to start, or weren't sure how to find the right provider.

"To be honest, we had to Google it. We didn't really know where to go or who to speak to. If there were clearer workshops or information, we'd be a lot more confident about using apprenticeships."

For many businesses, the biggest barriers are not about whether apprenticeships have value but whether the system is flexible and supportive enough to make them viable. Providers have a key role to play in helping firms navigate the process, identify suitable roles, and build realistic programmes that align with business needs.

"Apprenticeships work best when everyone's aligned, the provider, the employer, and the learner. When that triangle breaks down, the whole thing falls apart."

Recruitment and skills gaps
2.2.1   Effective change management strategies
Most employers said that resistance to change is not a widespread issue, but when it does arise, it is usually not due to unwillingness. Instead, it tends to come down to three common factors. These are time pressures, different career ambitions, and the need to offer flexible and varied ways of learning.

The most frequent challenge employers mentioned was that staff are often too busy to fully engage with training or new initiatives. Many employees work in client facing roles and are under pressure to meet deadlines, which means that development activities are often pushed aside.

"The only resistance I ever get to training is time. People are working on projects, they have deadlines, they are really busy. We try to adapt the schedule to fit around the work, because client needs have to come first."

Some employers said that training sessions are squeezed into gaps between meetings, which limits their usefulness and impact. Allocating adequate resource to employee development is crucial to ensure the realisation of benefits.

"People are fitting training into busy days, stepping out to take calls or arriving late. Then they go straight into something else, and they have nothing to refer back to. So the value gets lost."

Many employers also said that change is more successful when people inside the organisation help to lead it. These internal champions are often more effective than senior leaders in encouraging others to get on board. Their influence helps create momentum and trust.

"You need people inside the business who can pick up a project and run with it. If you just drop in a change and tell people to deal with it, it is no surprise when it does not work."

Equally important is the need for flexibility. People do not all learn in the same way, and traditional training methods do not suit everyone. Employers are moving towards blended learning approaches that include face to face sessions, online modules, reading, shadowing and self-study.

"Training is not always about a course. It could be shadowing, reading, attending events or studying independently. Everyone learns differently. The more options we offer, the more likely people are to take part."

Providing a variety of learning formats not only improves engagement, but it also respects individual preferences and increases the chances that learning will be applied in practice.

Several employers also spoke about those who are happy in their current roles and have no interest in taking on more responsibility. These individuals are often among the most reliable and experienced members of the team.

"He does what he needs to stay accredited. He is not bothered about doing anything extra. But he closes more support tickets than anyone else. He is not sitting around doing nothing. He just does not want to do more, and that is fine."

Others described staff who reach a certain point in their careers and choose to remain there. It is not that they lack ability, but they are content with their current level of challenge.

"Some people stay at a certain level in their careers, and they are happy there. You cannot have a team full of people who want to keep moving up. You would never be able to keep them all. There is value in having a mix of ambition and steadiness."

Employers acknowledged that different attitudes to ambition are normal and that a balanced team includes those who want to grow and those who simply want to do their job well.

2.2.2   Hard to fill vacancies

While many entry level roles can be filled relatively quickly, the sector is facing red flag gaps in areas like digital infrastructure, regulation heavy disciplines, and mid senior management gaps that, if left unaddressed, could constrain future growth.

One of the most acute difficulties lies in recruiting for technical systems roles. Cloud specialists, particularly with Microsoft Azure and Sage Intacct experience, are in high demand and short supply. Some roles have been open for well over a year, with companies unable to find candidates with both the technical ability and the operational awareness to work in complex client facing environments.

> *"We had a senior Azure role open for 18 months," one tech firm said. "We were looking nationally. There just weren't people with the right mix of cloud and security experience."*

In accountancy and compliance, firms noted similar shortages in high end regulatory roles particularly those tied to financial services or cyber risk. Several firms mentioned that regulatory barriers and vetting requirements also limited their ability to diversify hiring. For example, recruiting prison leavers or those with complex backgrounds was often ruled out entirely due to FCA constraints.

> *"We're a heavily regulated firm…. We want to give people chances, but we can't bring in someone with that history. The compliance barrier is just too high."*

Geography was also a recurring issue. While Sheffield's two universities provide a pipeline of graduate talent, firms based in Doncaster, Rotherham, and Barnsley reported a much thinner market. Without a local graduate base, these firms often found themselves fishing in an overcrowded regional talent pool competing directly with Leeds, Manchester, and even London.

> *"Doncaster doesn't have a university. So we've always had to look outside. If we relied purely on local CVs, we'd be getting the same few names. You just don't get the level of experience or academic background we need."*

The challenge grows deeper at senior levels. Legal, consultancy, and infrastructure firms all pointed to shortages in experienced mid management roles that sit between operations and leadership and are often critical for team continuity, client delivery, and internal progression. In some cases, firms delayed recruitment or restructured roles altogether because the talent simply wasn't there.

> *"I'm trying to fill a senior transport planner role…I told the recruiter I won't interview until I see at least one female candidate but there aren't any. It's a supply issue, not just a diversity issue."*

Others pointed to business development roles as another area where demand now exceeds supply, especially since the pandemic reshaped how firms interact with clients.

> *"Trying to find someone who can sell, consult, and understand systems? That's the unicorn. We used to have those people now they've either retired or moved to sectors that pay more."*

These are not temporary shortages. Without targeted investment in education pipelines, regional visibility, and role redesign, these talent gaps risk becoming long term structural barriers for the region's professional services sector.

2.2.3   Recruitment processes

Most firms adopt a multi stage interview process, designed to test both technical ability and personal fit. Initial interviews often focus on CV based questions, with later stages exploring attitude, values, and communication. The growth of AI CVs flooding new vacancies was resulting in a shift back towards in person interviews.

"We always do two interviews…The first one checks interest and alignment. The second digs into who they are how they manage their time, how they handle pressure, whether they're adaptable."

Legal and finance firms often include department heads and senior partners in the process, especially for specialist or high stakes roles. This ensures broad input and reduces the risk of misalignment.

"Even if it's an entry level position, we want to be sure the person fits with the team and the firm's values," said a solicitor. "We sometimes bring in a partner at the second stage not to grill them, but to make sure we've got the chemistry right."

Practical tasks are used widely across the sector particularly for roles in communications, marketing and sales. These exercises help employers move beyond the limitations of a traditional interview.

"For PR roles, we don't just ask questions…We set a half-day task: write a press release, a blog, a social post plus some research. It shows us their thinking, not just their experience."

Sales roles often involve simulations or role plays, while technical positions might include basic coding tests or written exercises. These tasks are seen as crucial to predicting real world performance.

"I've interviewed candidates who aced the chat but couldn't write a decent email…. The task reveals what the interview hides."

Many firms are investing more in the candidate journey not just to fill vacancies, but to strengthen their employer brand. From pre-interview conversations to post-offer onboarding, firms are trying to ensure each touchpoint is thoughtful and engaging.

"Our talent manager follows up at every stage," said one accountancy firm. "Even if someone doesn't get the job, we want them to say, 'That was a great experience.'"

Others emphasised structured onboarding plans to support new hires particularly in sales and client facing roles.

"We do a three-month plan: month one is understanding the business, month two is embedding, month three is delivering. We've seen too many people crash out because they were thrown in too fast."

Staff development and career pathways

Employers in South Yorkshire's financial and professional services sector described a shift towards more structured appraisals and career conversations. While still touching on past performance, these are increasingly focused on future goals, skill gaps, and development plans. Quarterly, six monthly, or even monthly check ins are becoming common. Some employers use them to explore what support an employee might need or how their role could evolve. Others emphasised their value as a two-way feedback channel, giving staff space to share ideas, raise concerns, and discuss what they need to thrive.

"The appraisal is for them to give feedback to us as much as us to give feedback to them."

"Catch up sessions are now run by the employee. They say, this is what I want to achieve, this is where I see my career going. It is more of a listening posture, not just an assessment."

Employers also emphasised the importance of clear and structured pathways from onboarding through to career advancement. Induction is not treated as a one-off event but as the beginning of a tailored journey. In some firms, different types of employees receive customised induction experiences depending on their stage of life or career. These early experiences are followed by development plans, mentoring, and regular reviews. Some organisations ensure that every employee has access to clearly defined role descriptions and competency frameworks. Others set out step by step what is required for promotion or further training.

"We have developed systems so that every new starter goes on a personal development cycle…Everyone knows the competencies for the next role."

"There is a clear progression. You qualify, you take on clients, you become assistant manager, then manager. We have mapped that out and make sure everyone knows how to get there."

Many employers also said that they now recognise that people cannot thrive in roles that do not also support their health, values, and personal resilience. Development is no longer just about skills training. It also includes emotional support, inclusion, and work life balance. Several businesses use learning platforms to deliver not only technical content but also personal development resources such as soft skills training and mental health guidance. Some employers mentioned that they align their training with national awareness events, such as Mental Health Awareness Week, using these moments to promote reflection and selfcare. Others have invested in mental health first aid training and internal forums for different staff communities.

"Having an environment where people talk about their mental health is really fundamental. People should feel comfortable to take time off. Physical or mental health- both matter."

"You are just saying we have the system, but you still need to do eight hours of work a day, so you cannot. That is why having time allocated to wellbeing activities that counts as chargeable is crucial. It shows the firm means it."

For employers, the implications are clear. Development must be treated as a living process that is woven into daily working life. It must be supported by tools, technology, and training, but even more so by culture and intent. When employees are given ownership over their development, when they are supported emotionally as well as technically, and when they can see a future within the organisation, their commitment and capability grow in tandem.

Flexible and hybrid working

Flexible and hybrid working practices vary widely across South Yorkshire's financial and professional services sector, shaped by the type of role, firm size, and leadership approach. In accountancy, law, consulting and business support, many roles can be performed remotely, and most employers now offer some form of hybrid model. However, implementation differs depending on business needs and views on staff development.

Firms with early career talent or apprentices often emphasise in person learning. Several reported a preference for juniors to spend more time in the office, particularly where work involves mentoring, close team working or learning by observation.

"For someone starting out, working remotely just doesn't give them what they need. They need to see how things work in real time."

"There's something about being physically next to someone, you spot when they're stuck, and you help. That doesn't happen on Teams."

For more experienced staff, hybrid patterns are often based on trust and outcomes. A common approach is two or three days in the office, with flexibility around which days and the option to work from home the rest of the time. Some employers offer compressed hours, flexible start and end times, or part-time options, particularly for those with caring responsibilities.

"People work four longer days to get a Friday off. Others do school pick up two days a week and shift their hours it's about what works, as long as the job gets done."

In smaller firms, flexibility is often informal and handled case by case. Several described their approach as trust based, with few formal policies but a shared understanding of accountability. One firm noted that staff had worked from abroad without issue, while another allowed ad hoc schedule changes without prior approval.

"We don't log hours, we don't clock in. If you want to take your laptop to Spain and work from there, that's fine just make sure the work's covered."

However, others have introduced more structure post-Covid, especially where consistency across teams is needed. Some now expect minimum office presence each week to support culture, collaboration and junior development.

"After Covid, expectations were a bit all over the place…Now we ask new starters to be in more, just to help them settle and feel part of the team."

For many firms, hybrid working has become a core part of their offer to attract and retain staff. Several noted that flexibility was now one of the most frequently cited reasons for choosing a role or staying with an employer.

"If we didn't offer it, we'd lose people. It's that important."

Employee wellbeing and celebrating success

Employers across the region are increasingly recognising that supporting employee wellbeing is not just a nice to have, but a core part of creating a healthy, high-performing workplace. Many have introduced Mental Health First Aiders or Wellbeing Champions, along with employee assistance programmes and access to counselling or financial advice.

"We've got a mental health wellbeing programme externally delivered... and an annual wellbeing day, including ergonomic advice and a sports massage."

But it is the culture around wellbeing, not just the tools, that makes the biggest difference. A number of employers spoke about the value of openness and trust in building psychologically safe workplaces.

"As a manager, it's about setting the tone. Saying, 'Today I'm struggling' helps others feel safe to do the same."

"We should probably be checking in with people more regularly. We only tend to do that at appraisals."

Employers also highlighted the importance of tailoring support to the needs of different groups. Wellbeing isn't just about mental health it includes financial resilience, physical health, and social connection.

"It's just making sure that we understand and we're sharing that with our employees."

"Initiatives like lunchtime yoga, team walks, or even "biscuit decorating" are simple, but help build connection and reduce stress."

For employers, the benefit is clear: prioritising wellbeing boosts retention, reduces absenteeism, and builds loyalty. In tight labour markets, especially, creating a values-driven, supportive culture is emerging as a competitive advantage.

"People like working for a values-driven business. Understanding why their job matters motivates them to perform better."

Celebrating success is another area where employers are investing more thought. While approaches vary, a common thread is the desire to make employees feel valued, not just for what they do, but how they contribute to the culture and goals of the business.

Many organisations combine formal recognition schemes (such as "employee of the month" or bonus structures) with everyday moments of appreciation.

"We do a staff newsletter where we call out achievements—but I think we still need to get better at celebrating more."

Others mentioned simple gestures like sending a message of thanks after a good presentation or recognising milestones during team meetings. Group celebrations also play an important role. Employers described a range of events: escape rooms, wellbeing days, away days, and Christmas parties used not just to celebrate, but to build cohesion and team spirit.

"It's not just about bonuses. It's about making sure people feel part of something."

Training the employees of tomorrow and offering the skills for today

This chapter looks at employer approaches to training and leadership development and offers some insights for providers on training provision. It highlights how businesses are identifying and addressing skills gaps and working with providers to shape tailored training solutions. It expands on how training is delivered across the sector.

Training models and provider engagement

3.1.1   Training models

The use of both internal and external training solutions is common across South Yorkshire's financial and professional services sector. Internal training is typically more informal, with mentoring, shadowing, peer reviewing and on-the-job learning common approaches to skills development. Cross-departmental training was used to give employees a rounded and deep understanding. While learning from colleagues plays a vital part in most training models, early AI adoption is shaping training practices in some firms with one employer citing the use of software to develop internal training materials.

> *"We provide on-the-job training, mentoring, and peer support. New hires rotate through different departments during their induction to gain a full understanding of the business."*

> *"We tend to do a lot of learning ourselves, and we use things like ChatGPT to help us learn. We ask it how to do stuff, it tells us, then we figure it out by doing rather than by training."*

For financial and law firms the need for registered accreditations necessitates the use of external training providers. This training is often mandatory and may involve an independent assessment, meaning that it cannot be undertaken internally. For soft skills such as leadership and confidence, some businesses using external coaches to provide training.

> *"We do a lot of external courses that are specialist … that can't be done by a local chamber. It has to be specialist."*

> *"I would say the majority of our skills and behaviours training is done via partnering with external providers… we have a model where we have lots of executive coaching, those are massively external as well."*

Training is often developed in response to personal development plans and appraisals. Some larger, more established businesses have allocated annual training budgets. This budget is sometimes split by department, providing a degree of flexibility over how the money is spent and training procured.

> *"We earmark a budget for each staff member, and we have a Personal Development Process. We set objectives at the start of the year in line with our budgets, and then we do a half year review."*

> *"Each year, we have performance reviews and objective setting. Each department head comes with a training request. We set an annual training budget. Training is really important for retention."*

The majority of businesses have a clearly defined training strategy, with formal opportunities for training or established methods of more informal training (such as sharing training with colleagues and shadowing tasks). For businesses whereby training is mandatory in order to meet regulations, this strategy was more stringent than in some of the less regulated sectors. For example, law exams like the Solicitors Qualifying Examination (SQE) are taken at the University of Sheffield Schools of Law (a University of Sheffield and The University of Law (ULaw) collaboration).

"Continuous professional development (CPD) is encouraged for all employees, with regular training updates on new accounting regulations and digital tools".

3.1.2 Communicating training requirements and skill needs

Regular and standardised points of communication between providers and employers were highlighted as important. Quarterly meetings with apprenticeship providers were used to communicate progress and employers' requirements. These meetings are able to highlight changes within the sector ensuring that provision could be adapted where appropriate. Some organisations discussed having dedicated training managers to monitor progress, identify gaps and review performance, ensuring that training is responsive and reflecting employer needs.

"We have regular meetings with [X] to discuss the progress of our apprentices and address any concerns."

"We have meetings every three months with the apprenticeship coordinator from the training provider."

Some companies found it hard to define and articulate their skills gaps and training needs. As a result, companies often developed long-term relationships with a single provider who understood their requirements. For those expected to meet specific regulations/standards, this meant employees received standardised training that was easily repeated. Others find it difficult to find training providers who understand their requirements, meaning that they often rely on their networks and connections to deliver training opportunities.

"I think it's reasonably common for us to reuse the same providers, and that's linked [to the fact that] we don't always find it that easy to explain what we do, or the skills gap we're trying to fill. Once we've found a provider that does understand that and has nailed that we would quite often, consider repeating that every year or 18 months".

"What we do is create relationships with other solicitors…if we identify that they're good at what they do (in a networking capacity), if the time ever comes, there's some sort of relationship there that you can then fall back on".

Larger businesses also felt it equally important to communicate their company values as well as their training needs to providers. Having a strong understanding of company ambitions and ethos helped to ensure that training was more tailored. It is therefore important that a company has a strong understanding of its own needs and values before it seeks support from training providers.

"I think what's really important as a firm is that [providers] understand our vision, where we want to be, what are our values. … There's no point talking about 'this is what you should be doing' if it doesn't align with who we want to be as a firm."

Management and leadership

Development opportunities for managers and leaders help businesses achieve their growth and, sometimes, succession ambitions. Whilst technical skills are typically strong within this group, softer, managerial skills such as time management, delegation and communication were identified as skills and training development opportunities.

"I've got people now who are technically very good, but they've gone through a process where they've been trained to do the job, and now we want them to manage people and to manage work and to manage clients."

"We have noticed that some employees struggle with leadership skills, particularly in areas like delegation and time management. To address this, we provide targeted training sessions to help up and coming managers develop confidence in their roles."

Mentoring was seen as an effective method for training new managers and leaders, especially in the aforementioned softer skills. It was used to build confidence, support people to progress their careers and understand management processes. This was particularly the case for new managers from diverse under-represented backgrounds. One company used mentoring to overcome systemic or 'invisible' career progression barriers. Whilst mentoring was often regarded positively, businesses also acknowledge the merit of more formal and structured training as it ensures that the wider team are able to access standardised information.

"Mentoring is really important, we deliberately pair ethnic minority or ethnically diverse people with more senior people in the firm to give them more access to mentoring, coaching and sponsorship to try and help them progress their career."

In addition to internal mentoring, some in leadership positions engaged with external provision, such as the Help to Grow course run via Sheffield Hallam University and modules run through Craven Consultancy. This highlights an openness to external provision whereby the content was perceived to be highly applicable to the needs of the company.

"[Help to Grow] It's a 12-week course and you get a couple of hours of lectures, an hour session with a peer group of similar leaders of businesses, and then you get 10 hours of mentorship alongside that as well."

However, other businesses expressed difficulty finding the right training provider for their manager and leader training needs, leading to some being reliant on colleagues or finding their own resources in order to develop.

"All too often we see that people are thrown into those types of roles and kind of left to figure it out."

"We haven't really found the right partner with [management] yet, but it is something I'm conscious of. We're probably a bit lean in aspiring-manager roles. Maybe training is a part of that, but we need to find the right partner."

How training providers can meet firms needs

Funding is a major barrier to the uptake of training, with increased wage costs and employer contributions resulting in less capacity amongst staff and less money available for personal development. It is important to ensure that training is available at a range of price points in order for it to be accessible to businesses of all sizes. Businesses would also find it beneficial if providers were able to signpost them to grants to support them to offer training.

"More funding support for training would encourage us to invest further in workforce development. The costs of training, including exam fees and study leave can be significant. More financial incentives or grants would make it easier for us to provide additional learning opportunities."

Similarly, signposting to additional training would also be welcomed by businesses, who felt that searching for training can be a time-consuming process. At present, many businesses rely on employees highlighting a course they have found or discussing their training aspirations during their appraisals, meaning that searching for training is often a reactive as opposed to a proactive process. A standardised platform or hub for businesses in the financial and professional services industry would therefore support them to identify areas for training in advance of a gap becoming apparent and reduce the time they spend searching for applicable training.

"I think it's an awareness of what opportunities and training is out there. You don't know what you don't know … I actually would be quite interested in some of these providers reaching out to let us know what training they offer. ... if we could be more proactive with it, that'd be great, and the providers could help us with that."

Further to this, businesses discussed the importance of being able to find training that can be easily tailored to meet specific needs. Many businesses in the financial and professional service sector felt that they offer a unique product, often offering expertise on a niche or complex topic. As a result, many providers struggle to find training that reflects the day-to-day tasks they undertake, finding that generic, 'off-the-shelf' training does not provide the depth needed to develop their skills. Providers need to be able to connect with businesses and fully appreciate their skills needs in order to develop relevant and bespoke training resources.

"It's quite simple - ask us more questions. We're quite a unique business. Just delivering something off-the-shelf probably isn't going to resonate. I'd much rather spend an hour answering the most basic questions repeatedly if it meant the trainer absolutely got what we did."

Bigger organisations discussed the complexities of arranging training for large numbers of employees, stating that providers can add value by supporting businesses to arrange times, sessions and groups for training. This highlights that the management and organisation of training is also an important consideration as well as the content.

"Because of the size of our firm, the programmes we run are huge and we've got a lot of people attending them. To get that sorted is almost like an event and a project and programme management angle … so the few providers who have been very clever have almost started to have their own little Programme and Project Manager sitting with them in their own entity [which] just helps us with it. And that is a real value add."

Upskilling

Opportunities for and methods of upskilling vary between businesses. Some businesses operating within more regulated sub-sectors such as health and safety or taxation are required to undertake more consistent and compulsory CPD courses in order to be compliant with professional standards. For example, some businesses must undertake a minimum of 30 hours of CPD each year, whilst tax professionals are required to complete specific courses in order to become and stay accredited. On the contrary, financial and professional services businesses operating in the digital sub-sector stated that their upskilling

opportunities are often more fluid, with employees engaging in training as and when new technology becomes available.

"CPD is essential for maintaining high professional standards and ensuring that employees remain up to date with industry changes."

"We are pro's at [building an] encouraging culture towards learning and development. We get quite a lot of requests and questions and enquiries where people are wanting to do different things to develop their skills."

Further to this, a small number of businesses discussed having a specialised platform for CPD monitoring, especially those required to undertake a specific number of hours of CPD. However, a larger number of businesses do not formally record their CPD participation, due in part to the fact that their upskilling offer is based on employee need/aspirations. One company stated that due to the high number of employees undertaking various CPD courses at any given time, recording training can be very difficult and time consuming. Though not mandatory to report CPD engaged in, there was a concern expressed by this business that they would be unable to evidence employee capability and development if asked.

"CPD is key for all of our accounts and tax teams. They need to demonstrate that they've done CPD with their professional body to maintain their accreditation so, for us, being able to provide a platform that they can log it on is quite important."

"So our HR team, it must be quite difficult to have a complete log of everybody in the firm and what their individual requirements are for CPD, because it will be very different depending on each person."

CPD is used to cover a variety of skills and attributes, including both technical skills (financial qualifications) and softer development (equality, diversity and inclusion). This highlights the importance of offering training applicable to those at various stages of their careers.

On the job training and VR/AR immersive environments

None of the financial and professional services companies have adopted VR/AR training yet but some did express an interest in using this style of training in the future.

Whilst VR/AR training was not always thought to be applicable to the type of work required in the sector, it was felt that it could give employees the opportunity to practice engaging with the public. This could include giving employees the opportunity to manage mock workshops or engage in difficult/sensitive conversations allowing them to practice their skills in a safe and controlled environment. This highlights the way in which VR/AR can support the development of soft skills like communication and confidence, as opposed to the development of the practical skills associated with VR/AR training.

"A lot of our work is engaging the public. Someone might come in and give you a scenario where either they act it out or they ask you to work in groups and someone acts out [for example] how to have a difficult conversation. I suppose you could do that experience through VR."

"If AR and VR technologies can enhance training effectiveness, we would consider integrating them into our learning programs."

Despite interest, there is a gap in internal knowledge and resource regarding the development of VR/AR training. None of the businesses could identify someone who could lead on development and felt they do not have the skills needed to adopt VR/AR training.

Without a convincing and coherent offer, including advice and implementation, management and maintenance, businesses in the financial and professional services sector may struggle to adopt this method of training.

"I think it'd be quite exciting for people if we did [implement VR/AR], but I know it's not an internal skillset that anybody would have."

Employer Engagement

This final chapter looks at how South Yorkshire's financial and professional services firms are inspiring the next generation and working with those further from the labour market. It considers how they are partnering with providers and what more could be done.

Talent Pipeline

4.1.1   Working with those further from the labour market

There was a strong degree of openness from South Yorkshire's professional and financial services sector to engage with those further from the labour market. Provided the prospective candidate had the right skills and attitudes, employers felt an individual's background would not influence the recruitment process. The importance of fair, inclusive hiring practices such as flexible interview formats, inclusive language and multi-stage assessments was cited.

> *"I'd be absolutely willing [to recruit someone further from the labour market]. Knowing somebody has the right skill set and is a hard worker is most important."*

Despite an openness to engaging, many employers acknowledged that they have not yet taken active steps to recruit those further from the labour market. This was largely attributed to a lack of awareness about existing recruitment schemes or talent pipelines. As such, the prospect of incentives, while welcome to some, was felt to have little impact on improving engagement. Improved visibility and sharing of cases of best practice from employers engaging with this cohort would have the most impact. For example, one business highlighted the success of partnering with the National Association for the Care and Resettlement of Offenders and the benefit of external support in finding suitable candidates. This support can also aid in the transition into sustained employment for those that are further from the labour market.

> *"We wouldn't need an incentive; it's almost an access point rather than an incentive point. Where should we be looking for these people?"*

> *"I think the biggest thing is lack of awareness. People don't know of any schemes… some people don't even know about apprenticeships and T-Levels never mind schemes for prison leavers."*

Other barriers cited by employers included the financial sectors' regulatory barriers with FCA approval required for positions which perform a 'controlled function'. One employer experienced rejection from institutions when working with this group and discussed institutional referrals and pre-checks to assist with this.

> *"Due to confidentiality concerns in our industry, we cannot hire prison leavers; accountancy requires a clean record."*

4.1.2   Inspiring the next generation

Employers acknowledged the importance of engaging with schools and colleges to improve the visibility of career pathways. There was a general lack of awareness amongst the next generation regarding the opportunities available within the sector or what typical roles might entail. There was an openness to more early years engagement including school-aged

careers events. Theses interactions could help challenge misconceptions about the industry and allow for a more personal approach in order to inspire enthusiasm.

"Kids don't know that those careers exist so I've gone into schools and done some talks…greater visibility of [careers] in schools would be really useful…it could be quite aspirational for them."

"Once our young people are in secondary school at Year Seven and settled, or maybe the start of Year Eight — start to [hold] those careers conversations. It has to be a theme through the curriculum."

Careers initiatives and partnerships such as 'See It Be It' were thought to be useful to engage young people, extend employer reach and build relationships with institutions to support student employability. Firms could collaborate more frequently with schools to provide workshops on CV writing and applications.

"We have recently joined up to the 'See It Be It' Sheffield campaign. [We are] trying to network with schools and education providers…share a little bit about the different roles and opportunities that are available within the sector."

"We've been helping [students] with the CVs…but the school doesn't have the time or knowledge or the expertise to do it, so maybe [we need] more businesses linking in with schools that are in their area."

Meaningful engagements with students included in-house taster days, placement visits and insight evenings. They helped demystify workplace cultures and made it easier for young people to visualise career paths and build relationships with employers.

"When people come in… they can see the different ways that people are dressed and the informal way people speak to each other. It's breaking down that barrier – it works really, really well."

"We're already seeing that actually… people that get involved in these events… we end up [with] them potentially working with us."

4.1.3   Partnering with education and skills providers

Partnerships with education providers include apprenticeship programmes, work experience programmes, guest lectures and university engagement. Smaller firms sometimes struggled to commit to working with education and skills providers alongside the day-to-day management of their business.

"If we're in a quieter period, we might be able to do more of it. If we're busy or I don't have the cash in the bank to employ endless people to do that work [we don't]. Maybe if there was a financial incentive for companies to be able to take the focus off revenue for a bit."

Employers would be willing to do more to partner more with providers to address trainer shortages and would welcome being approached.

One employer had previously worked with a university to provide work placement opportunities; however, the university no longer rewards the students with module credits for their work placement. This removed the incentive to participate, and, in the view of the employer, the quality of placement candidates decreased.

Employers highlighted the need for more proactive outreach from education providers to engage with industry as well as the desire for more tailored partnerships.

"We would benefit from stronger connections with local colleges to help address skills shortages and ensure that students are receiving training that aligns with industry needs."

4.1.4   Sectoral and supply chain collaborations

Collaborations across the sector were typically limited to informal networking. More formalised collaborations do take place, through chamber-led events or workshops of interest. These engagements were useful but more focused on knowledge sharing than collaboration due to the competitive nature of the sector.

"I've seen pockets of good practice where build those relationships and meet up every so often. Just informal mentoring and catching up … 'we've got this coming up' or 'we've not been able to recruit this'."

*"It's not anything too deep, but we are still learning from each other and giving each other hints and tips."*

"We're still competitors, we're fishing in the same talent pools for roles that we might have available in the same areas of work, so I wouldn't say that collaboration goes too deep in that way."

There are some gaps in awareness of networking and knowledge sharing opportunities and an openness for more cross sector engagement.

"[There] could be a way of trying to get more of us in a more formal setting to share."

Ongoing engagement

Employers were asked to fill in several supplementary questions to gauge their interest in further engagement in training and skills. Those that answered were all open to share interview highlights, and most were open to answer occasional sentiment surveys, attend presentations on future skills and labour market developments and participate in podcasts.
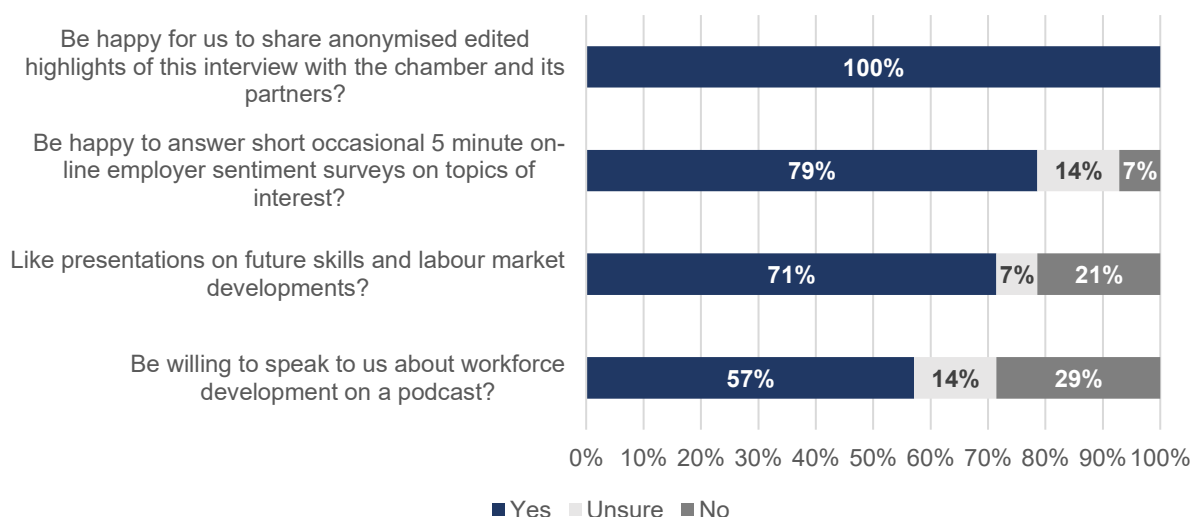
Employers are open to sitting on an SME/provider panel, speaking to curriculum and course development leads, and promoting workplace wellbeing/joining associated schemes. They were also broadly happy to help with careers education such as with CVs, talks and short videos, considering accessing funding for skills, working towards employer recognition and exhibiting at events. Half were willing to offer guest lectures or masterclasses. There was less openness to placements, internships, employing local people and apprenticeships

however this was largely due to existing activities in these areas. Those willing to supply training materials and equipment to colleges were fewer in number.

Question	Yes	Already doing this and happy	Already doing this but could do more	Unsure	No
Sit on an SME/provider panel?	69%			15%	15%
Be willing to speak to curriculum and course development teams or sit on industry panels or act as curriculum…	64%	14%	7%		14%
Consider promoting workplace wellbeing/joining associated workplace schemes?	62%	31%			8%
Consider helping with careers education eg CVs, talks, short videos etc	57%	21%			21%
Consider accessing funding to upskill your employees?	54%	31%		8%	8%
Work towards achieving employer recognition including Disability Confident and Armed Force Covenant?	54%	8%		15%	23%
Be willing to exhibit at events eg at South Yorkshire Skills Expo?	54%	8%	8%		31%
Be willing to offer guest lectures or masterclasses?	50%	14%	7%		29%
Consider offering placements and internships to providers?	43%	36%	7%		14%
Consider employing local people who are out of work?	42%	25%		33%	
Take on an apprentice?	29%	50%		7%	14%
Be willing to provide training materials and equipment to colleges?	15%	8%		23%	54%

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

■ Yes ■ Already doing this and happy ■ Already doing this but could do more □ Unsure ■ No

Question	Yes	No and would like to know more	No
Heard of Skills Bank?	86%	14%	
Heard of the South Yorkshire Apprenticeship Hub?	36%	36%	29%
Heard of the South Yorkshire Institute of Technology	29%	36%	36%

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

■ Yes □ No and would like to know more ■ No

The survey tested employer awareness of strategic skills' programmes and investments. There is reasonable knowledge of the Skills Bank however fewer employers were familiar with the South Yorkshire Apprenticeship Hub and the South Yorkshire Institute of Technology.

Appendix one: consultees

Individual consultees:

- Auxilion
- Brook Corporate
- Chapter II
- Coaching for Change
- CMS
- Counter Context
- DLA
- Freeths
- GBAC
- Kingswood Allots
- Kinspeed
- Market Infra
- Medilink
- MKB Solicitors
- Make Your Mark
- ND Safety Ltd.
- Nota Bene Consulting
- Oliver King Consulting
- PEPGB
- Priority Spaces
- RIB Group
- SalesGeek
- Shorts
- Steve McKevitt
- Switalskis
- Vika Consultancy
- Xeinadin

Round table attendees:

- Shorts
- Freeths
- Arup
- RBH Properties
- BHP
- Taylor Emmett
- Mortgage PA
- Wake Smith Solicitors