

RECRUITMENT

# The talent relay

**The European pensions sector is struggling to recruit talented individuals to take the baton as older workers retire. How can an industry, often perceived as slow moving, attract and retain the right talent? Pete Carvill reports**



---

## "PENSIONS IS NOT A CAREER CHOICE THAT A LOT OF YOUNGER PEOPLE GO TOWARDS"

**F**or a sector so uniquely concerned with ageing, it should be no surprise that the demographic of the industry still runs to the older end of the spectrum. But while wisdom does tend to flower with age, there is still a great need to bring in new blood to keep the cogs of the machinery running.

The industry across Europe, however, seems to not be doing that. In fact, data seems to indicate that the industry is not only getting older (on average), but that its practitioners are increasingly moving towards retirement.

Research by The Pensions Regulator in the UK in 2024 found that just 9 per cent of UK trustees were under the age of 45 – amongst the general population, that percentage stands at 44 per cent. And research from Charles Stanley Fiduciary Management in 2022 found that 80 per cent of DB scheme trustees were looking to step down from their roles within three years – with nearly 40 per cent of them saying that they were planning to retire.

"New regulation and new reporting requirements," says KBC Pension Fund general manager, Luc Vanbrie, "require more capacity and the result is that the actuarial and admin workforce (who actually do the real work in the first line) have to compete more than they used to in order to hire new talent."

He adds: "I particularly see a challenge within companies that used to do a lot internally. The people with the right experience and history are retiring soon and nobody wants to take on their jobs because it's not the core business and there are a lot of personal accountabilities, including fit and proper requirements."

All this paints a greying picture of the industry. As NextGen vice chair, Victoria Panormo, puts it: "Trustees are often in their mid-50s so what chance does a younger person have if that's the average age? The people coming into the industry are not going to be in the pub with those people."

Pensions expert, Tom McPhail, says that while he does not have the data to give an

authoritative response, his experience in pensions – 39 years and counting – tells him that the industry is starting to struggle to bring in new talent.

"When I started in financial services in the mid-1980s," he says, "it was a period of economic growth and the industry was quite exciting. It doesn't have that air about it now. And pensions is not a career choice that a lot of younger people go towards."

### A rising issue

It is a situation that has become increasingly apparent across Europe in recent years. In October 2023, Central Bank of Ireland head of insurance supervision, Tim O'Hanrahan, warned that the Irish pensions sector could experience a "war for talent" in the sector, akin to his experience in the insurance sector. He added that there were thousands of pension funds looking for support with implementing the IORP II regulations, with limited numbers of professional services firms and professionals.

Jump forward to February 2025, and Germany's financial regulator BaFin said that half of companies planning to have filled vacancies between 2024 and 2026 were expecting difficulties in recruiting staff. As a result of the situation, 22 companies in BaFin's study said they were considering a partial portfolio transfer by 2030 due to the lack of skilled workers. A further 15 firms were considering liquidating the company.

Such developments are not healthy to the ecosystem of this industry and may pose an active threat to its health.

Pensions Management Institute chief strategy officer, Helen Forrest Hall, says: "A constrained talent pipeline poses risks to the long-term resilience of the pensions sector."

"Without a steady influx of new, diverse professionals, the industry risks losing institutional knowledge, limiting innovation, and struggling to adapt to the changing needs of pension savers."

---

## "BUSINESSES HAVE TO UNDERSTAND THEIR PROPOSITION AND RECRUIT OFF THE BACK OF IT"

### Attracting talent

The way forward seems to be investment at the recruitment level – not just financially, but in terms of what benefits a firm can offer. It is an approach reflected by ongoing developments in Denmark, the Netherlands and Switzerland.

In Denmark, F&P Arbejdsgiver recently secured a new collective agreement for insurance and pensions workers. At the time, the then F&P Arbejdsgiver CEO, Sanne Claudius Stadil, said that by doing so, the industry could continue to retain and attract talented employees.

In the Netherlands, the JIIP network looks to connect and support those in the industry aged under 35. Its president, Nikki Tripp, says a key message should be on its impact.

"Our generation is Generation Z," she says, "and they're more interested in the impact of their jobs. Pensions don't have the reputation of offering that, but they do."

She adds: "When one pension fund moved its money out of fossil fuels, it did more for sustainability than the Dutch government did in three years. That's a hook that we should be using to bring people in. Those statistics and stories are there, but they're not being used. Pensions have never been sexy, but you have to be smart about it and have people understand the scale and importance of what they can do."

Meanwhile, in Switzerland the HR Network PK endeavours to promote occupational pensions as an attractive industry through apprenticeships. Its aim, according to PFS Pension Fund Services AG, was a direct response to challenges facing the industry, including attracting qualified specialists.

The onus behind that development, PFS head of HR, Franziska Bodmer, says was for the HR heads of Switzerland's pensions industry to meet a handful of times each year.

"One of the things we've realised," she says, "is that we're all fishing from the same small pond and consequently having the same difficulties in finding highly skilled people. That means we need to expand on what we do. And part of that is by making the different professions in a

pension fund more apparent.

The Swiss model, says Bodmer, also prizes bringing in younger people through an apprenticeship route. "It's a model for young people just out of secondary school when they're around the age of 16. They work for three days and go to school for two days. That's something that we invest in here. There are also part-time jobs for students who have at least three years of study left."

Ultimately, though, it may come down to employers and the offers they make.

"Businesses have to understand their proposition and recruit off the back of it," says recruitment firm Zatori's founder, Martin Wigfield. "In order to bring people into the industry and keep them there, you need to be open and communicate what it is that that proposition is. It's something that people are asking for and a thing that I don't think enough leaders have thought through."

Others, such as McPhail, advocate for broadening the net. "We've had lots of diversity, equity and inclusion (DEI)-type initiatives," he says, "where the obvious characteristics have been race and sex in trying to open up opportunities. But another dimension we should look at is class. If you go to a lot of schools in working-class neighbourhoods, financial services is not an instinctive career choice, but there are bright kids there."

Forrest Hall goes even further, saying that the pensions industry across Europe needs to look at competitive remuneration, clear professional pathways, inclusive workplace cultures, and investment in education, skills, and development. These, she says, will be "critical". There is also, she adds, a need for collaborative efforts between regulators, institutions, and employers to create what she calls "sustainable career opportunities".

She concludes: "The pensions sector has a vital role to play in financial security – ensuring its workforce is equipped to lead the industry forward is a shared priority."

It seems that the baton is there to be taken, but is anyone willing to take on that task?