

Sustainable finance skills gap emerges

The rapid growth in sustainable finance will require major changes to the makeup of third-level business and finance degree courses.

That's the thesis of a new detailed analysis of the skills and talent required to service sustainable finance.

The [Sustainable Finance Deep Dive Skills Report](#), commissioned by the Sustainable Finance Skillnet Ireland and Sustainable Nation Ireland and researched by Deloitte, says that this once 'niche' area is now core to any business strategy in the sector.

"Sustainability, once regarded as a niche area, is by necessity becoming the new business as usual," said Michael Flynn, partner, Deloitte.

"If Ireland is to continue to be a top tier location of choice for international financial services, we need to significantly invest in upskilling our people in the area of sustainable finance. Our report highlights the requirement for improved sustainable finance skills across all financial services sectors as organisations bring their sustainable products and practices to the market."

A rapid shift in skills is needed

According to the report, this rapid shift in required skillsets will require integration of sustainability and environmental, social and governance (ESG) modules into all third level finance degree and master's programmes.

The report says Sustainable Finance is quickly becoming mainstream and will fundamentally change the entire financial sector, with regulation acting as an accelerator in prioritising skills and training.

It adds that Sustainable Finance is not a short-term trend, but a permanent shift from 'niche' to 'mainstream' representing an entirely new focus in finance. It recommends, that in addition to changes to third level programmes, Sustainable Finance must be part of professional education and continuous professional development for finance and business professionals.

Around 60pc of respondents indicated that their organisation would give training and skills development a higher priority if regulation is implemented. As well as this 67pc said there is demand for Sustainable Finance skills and talent within their organisations, but supply is inadequate, and upskilling is required.

The report identified the most important drivers of investment in Sustainable Finance skills and talent between 2019 and 2025 include brand image and reputation, decreased investment risk and/or underwriting risk; and regulatory/disclosure demands; and external stakeholder requirement (e.g. clients, government, society at large).

Some 67pc said they expect experienced hires for sustainable finance will be required within their organisations, while 87pc said they expect that existing employees will be upskilled with respect to Sustainable Finance Investment within their organisations.

“For the economy and society overall, businesses’ attention and focus on sustainability has already become a source of progress,” said Paul Healy, chief executive of Skillnet Ireland.

“However, as evidenced through this research report, most companies are only at the initial stages of the sustainability learning curve. In collaboration with Sustainable Finance Skillnet and other Skillnets nationwide, Skillnet Ireland are developing initiatives to assist businesses in expanding their knowledge and expertise to achieve the twin goals of sustainability and growth.

“We view this as a national imperative and an opportunity for government, businesses and consumers to come together to strengthen measures against climate change and develop forward-thinking sustainability policies. It is really becoming clear that sustainability is a megatrend that simply isn’t going away.”

Image: [Crissy Jarvis on Unsplash](#)

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