

22nd ISSA Symposium - Context Document

Breakout Session 5: Optimizing the Securities Services Demographic

HYPOTHESIS

Changes to demographics, such as ageing populations in many advanced economies, are already impacting financial services and this trend is expected to continue. Factors - such as decreasing birth rates, increased longevity and a greater proportion of economically inactive people - will lead to increasing pressures on the global economy and the workplace, as well as on public finances. These different factors could prove to be one of the biggest challenges in the future to the viability of financial services, including the Securities Services industry, but also one of the biggest opportunities.

Whilst there is recognition that there is a need for strong governmental policies, as well as regulatory guidance from countries to manage this demographic timebomb, the Securities Services industry can also play an active role to help alleviate the implications of this change to our industry. Organizations should look to position themselves by taking a number of different measures to ensure that they can both hire - and retain - the workforce needed to support their business moving forward and invest in appropriate automation.

Potential measures could include:

- Optimize the workplace environment
 - Automate processes, where possible, to limit impact of demographic changes
 - Engage in industry simplification and standardization
 - Identify roles where there are pressures, due to demographic shifts, and focus on these as a priority
 - Target branding to incorporate the values and aspirations important to different demographic groups
- Update hiring practices
 - Ensure that job opportunities align with the requirements of the younger and older generations
 - Find ways to make Securities Services careers appear more engaging and attractive
 - Incorporate appropriate inclusion and diversity initiatives
- Review retention and retirement approach
 - Present strong career growth/ and attainment opportunities to suit different demographics
 - Offer opportunities as employees progress across different locations and regions
 - Consider the workforce holistically rather than locationally
 - Create flexible workplace arrangements to meet the needs of the employees as they age and potentially progress or retreat in their careers

The objective of the Breakout Session will therefore be to debate the theme, consider whether the factors associated with demographic change resonate with the ISSA membership and, where this is the case, assess whether this is something that ISSA could take forward in some way.

The Breakout Session will then split into two sub-groups to discuss the following two sub-themes in greater detail:

- Optimizing the workplace environment
- Optimizing hiring and retention policies

PRE-READING

Breakout Session participants should read the following collateral to familiarize themselves with the hypothesis prior to the Symposium:

[Confronting the consequences of a new demographic reality | McKinsey](#)

[\(2\) The Changing World of Hiring in Financial Services: What to Know in 2024 | LinkedIn](#)

[The anxiety of ageing – What changing demographics mean for financial services | Herbert Smith Freehills | Global law firm](#)

[CBI | Age bias and the demographic time-bomb](#)

IDEAS FOR CONSIDERATION

Below is a list of ideas that the Breakout Session participants may wish to consider during their discussions:

Relevance Factors

- Review how great the demographic shift will likely be
- Consider where the greatest risks of demographic change could come from
- Look at whether the regions that organizations operate in have an impact on the relevance of demographic change

Optimization Techniques

- Consider different measures that could be taken to optimize the demographic moving forward
- Look at what governmental policies and regulatory guidance could assist in alleviating the issue
- Assess what barriers there may be to optimization and how these can be overcome
- Is there a need for a rebranding of Securities Services
- Consider whether Securities Services form deep partnerships with universities or other resource groups