



Recruitment Automation in Finance & Bank



Introduction

The financial services sector, encompassing Non-Banking Financial Companies (NBFC) and Banking, Financial Services, and Insurance (BFSI) industries, plays quite a role in the global economy.

As this sector continues to grow and evolve, the need for a robust and efficient recruitment process becomes increasingly critical.

In October 2020, there were reportedly 293,000 job openings in financial activities, with 216,000 hires and 192,000 total separations, including 120,000 quits.¹

This data shows the dynamic nature of the financial industry, where employment is on the rise but turnover remains a significant challenge.

The competitive financial services sector demands that organizations not only find but also attract and retain top talent. 58% of organizations identified this need as their primary concern for HR technology investments.²

However, the journey to attract and retain skilled professionals is fraught with challenges, particularly in specialized areas like accountancy, insurance, banking and finance.

This whitepaper explores the major challenges faced by the NBFC and BFSI industries in their recruitment processes, and discusses how leveraging advanced recruitment automation solutions, like Zappyhire, can address these challenges.

Job Market Snapshot



High Turnover Challenge

Employment up, turnover still high.

Top HR Concern

58% prioritize talent attraction and retention.

Recruitment Hurdles

Accountancy, insurance, banking, finance face the biggest hiring challenges.

Challenge 1

Shortage of Talent in BFSI & NBFC Industries

In the BFSI and NBFC sectors, a significant shortage of talent poses a persistent challenge, impacting operations and the ability to hire technically proficient employees.

Globally, 87% of companies are aware of existing or imminent skills gaps, underscoring the urgent need to address these shortages before they become critical.³ As banking services shift towards self-service platforms, the demand for technically skilled employees intensifies, posing a significant hurdle for smooth operations.

In the accountancy and finance sectors, 68% of employers face moderate to extreme skills shortages, directly affecting the productivity and efficiency of financial teams.⁴

A robust employer brand can help attract skilled candidates, with 79.17% of respondents believing that social marketing has a greater impact on employer branding compared to traditional methods.⁵

Looking ahead, 40% of CEOs in financial services anticipate greater difficulties in hiring qualified personnel, indicating a looming crisis in talent acquisition.⁶ The shortage of talent has already led to nearly 25% of CEOs canceling or delaying key strategic initiatives, highlighting its substantial business impact.

Challenge 1 Overview

TALENT SHORTAGE

Acute Skills Gap

87% of companies see skills gaps.

Hiring Difficulties

68% face moderate to extreme skill shortages.

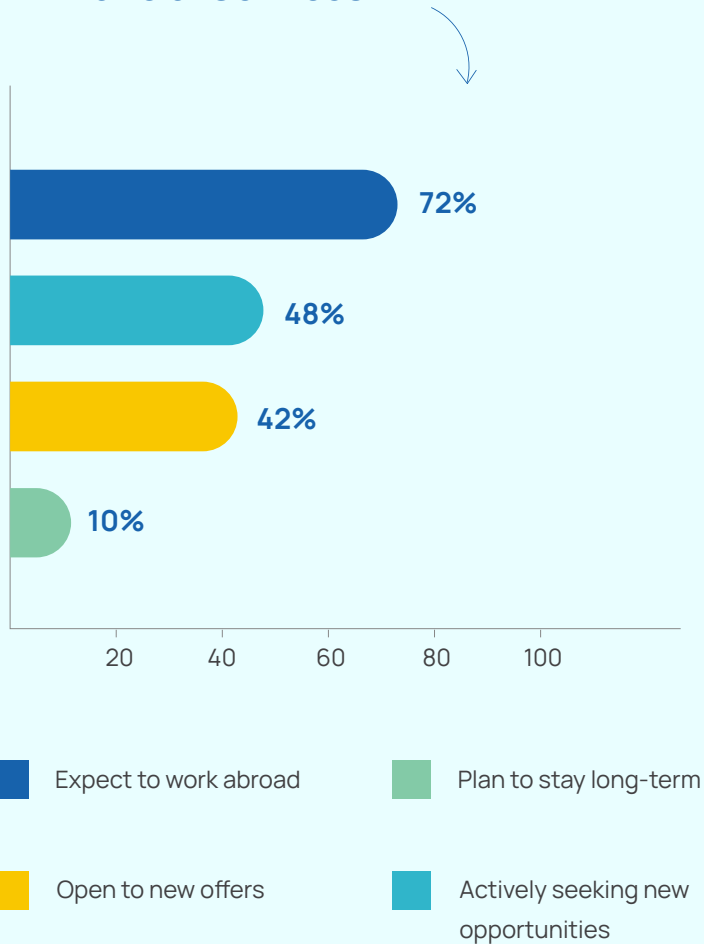
High Mobility

72% of millennials plan to work abroad; only 10% stay long-term.

Strategic Impact

25% of CEOs delay or cancel initiatives due to talent shortages.

Millennials' Career Expectations in Financial Services



72% of millennials in financial services expect to work abroad during their careers, and only 10% plan to stay in their current roles long-term. This high level of mobility and short tenure plans among millennials exacerbate the talent shortage problem, with 42% open to new offers and 48% actively seeking new opportunities.⁵

Moreover, 39% of respondents in an HR tech survey consider recruiting and hiring a significant challenge, further underscoring the difficulty in finding and retaining talent in these sectors.⁷

Solution

AI-powered screening tools, like semantic resume parsers, use advanced algorithms to assess candidates' resumes. This technology identifies top candidates based on predefined criteria, ensuring only those with necessary skills move forward, eliminating bias, and improving evaluation accuracy.

Customizable fields in the platform allow recruiters to tailor forms and criteria to specific needs. This flexibility improves assessment accuracy, focusing on relevant skills and qualifications, and narrowing down the applicant pool to the best-suited candidates.

Solutions Overview

AI Screening

Advanced algorithms for bias-free, accurate candidate evaluation.

Customizable Fields

Tailored forms for precise candidate assessment.

Video Interviews

Scalable screenings with automated scoring.

Data Insights

Analytics to optimize hiring and predict talent needs.

Automated video interviews offer scalable initial screenings, eliminating real-time scheduling. Candidates complete interviews at their convenience, and recruiters review recordings at their own pace, reducing conflicts and speeding up screening. Automated scoring ensures consistent evaluations.

Data-driven insights enable informed decisions with comprehensive analytics and reporting. Analyzing recruitment data helps identify trends, bottlenecks, and areas for improvement, optimizing hiring strategies, predicting talent needs, and enhancing recruitment efficiency.



Challenge 2

Manual and Dawn-Out Recruitment Process

In the BFSI and NBFC sectors, long and manual recruitment processes and delays often cause candidate drop-off, as 40% of candidates expect an interview within six days of applying,⁸ yet 67% experience recruitment processes lasting over a month.⁹ This gap leads top talent to accept quicker offers from competitors.

According to a survey, 39% of HR professionals see insights/data analytics and recruiting/hiring as major challenges, while 36% emphasize the need for cloud transformation and HR system modernization.¹⁰

Looking ahead, 40% of CEOs believe hiring qualified personnel will become more difficult, highlighting the need for streamlined hiring workflows.⁶

Moreover, 45% of millennials in the insurance sector accepted their current job because of the need for quick employment, showing that slow hiring processes can drive candidates to faster-moving employers.⁶

Efficient recruitment processes are vital for maintaining a steady supply of skilled employees. Financial services CEOs acknowledge this, with 55% identifying the limited availability of key skills as a serious threat to growth.⁶

Challenge 2 Overview

MANUAL RECRUITMENT PROCESSES

Candidate Drop-off

40% expect an interview in 6 days; 67% wait over a month.

Expectations Gap

Top talent opts for quicker offers

Analytics Challenge

39% of HR pros struggle with data insights.

Cloud Need

36% stress HR system modernization.

Slow Hiring

Drives candidates to faster employers.

Solutions Overview

End-to-End Automation

Speeds up recruitment workflows.

Data Analytics

Detailed reports for informed, efficient hiring decisions.

Cloud Platform

Scalable, modern HR operations.

Customizable Processes

Tailored, candidate-friendly recruitment.

AI Matching

Quick identification of top talent.

Video Interviews

Faster, fairer initial screenings.

Solution

End-to-end automation of recruitment workflows refines and accelerates the hiring process, particularly beneficial in sectors like BFSI and NBFC, where delays can lead to candidate drop-off.

Automating tasks such as application screening and interview scheduling minimizes manual intervention, enabling faster and more efficient hiring. Advanced data analytics and reporting provide HR professionals with insights for informed decision-making, ensuring a smoother and more effective hiring journey.

A cloud-based platform ensures scalability and accessibility, essential for modern HR operations, and integrates seamlessly with existing HR systems, aiding in cloud transformation and modernization.

Customizable recruitment processes cater to the specific needs of BFSI and NBFC sectors, enhancing the candidate experience and reducing drop-off rates by aligning with candidate expectations.

AI-powered candidate matching quickly identifies the best-fit candidates, reducing time-to-hire and ensuring organizations do not miss out on top talent.

Automated video interviewing accelerates initial screenings and provides consistent, fair assessments, speeding up the recruitment process and maintaining a steady supply of skilled employees.

Challenge 3

Poor Candidate Experience Throughout the Candidate Journey

Problems

In the BFSI and NBFC sectors, inefficient communication and prolonged recruitment processes often lead to a frustrating candidate journey.

This negative experience rated a B on average, damages reputation and deters potential talent, especially younger recruits. Plus, only 31% of employers notify candidates when they are not selected, making many feel undervalued.¹¹

A poor recruiting experience has significant consequences, with 49% of candidates in high-demand sectors like Technology, Banking, and Energy rejecting job offers after a negative experience, and 56% would advise others against applying.¹²

Alarming, 92% of candidates encounter poor recruiting practices, and 67% face recruitment processes that extend beyond a month, leading to frustration.¹² The average time to hire is 24.7 days, during which top talent often opts for quicker competitors.¹¹

Sudden communication drop-offs by recruiters affect 61% of candidates, leading to uncertainty and negative perceptions.⁶

Additionally, 69% of millennials in financial services feel that outdated recruitment styles limit their potential, contributing to disengagement and turnover.⁶

Challenge 3 Overview

POOR CANDIDATE EXPERIENCE

Inefficient Communication

61% face sudden drop-offs.

Frustrating Delays

67% experience month-long processes.

Negative Impact

49% reject offers after bad experiences.

Reputation Damage

56% advise others against applying.

Outdated Practices

69% of millennials feel alienated.

Solutions Overview

Automated Communication

Keeps candidates informed.

Streamlined Hiring

Reduces time to hire to under 15 days.

Interactive Interviews

Engages younger recruits.

Transparent Process

Clear timelines reduce frustration.

AI Resume Parsing

Improves hire quality and speed.

Custom Offer Letters

Personalized, quick communication.

Solution

Automated omni-channel communication via email and SMS ensures candidates are informed at every stage, reducing feelings of being undervalued.

End-to-end recruitment automation streamlines tasks like resume screening and interview scheduling, reducing the average time to hire to under 15 days.

Personalized candidate portals and interactive video interviews engage younger recruits, addressing the disengagement rate among millennials. A transparent hiring process with clear timelines minimizes frustration and uncertainty.

Customizable workflows allow recruitment processes to adapt to the specific needs and expectations of candidates. When the recruitment style aligns with modern standards, it ensures a more appealing and relevant experience for potential hires.

AI-driven resume parsing and candidate scoring improve hire quality and shorten recruitment cycles.

Customizable offer letters ensure quick, personalized communication, mitigating the high offer rejection rate due to negative experiences.

Detailed analytics and reporting enable continuous improvement of hiring processes, enhancing candidate satisfaction.

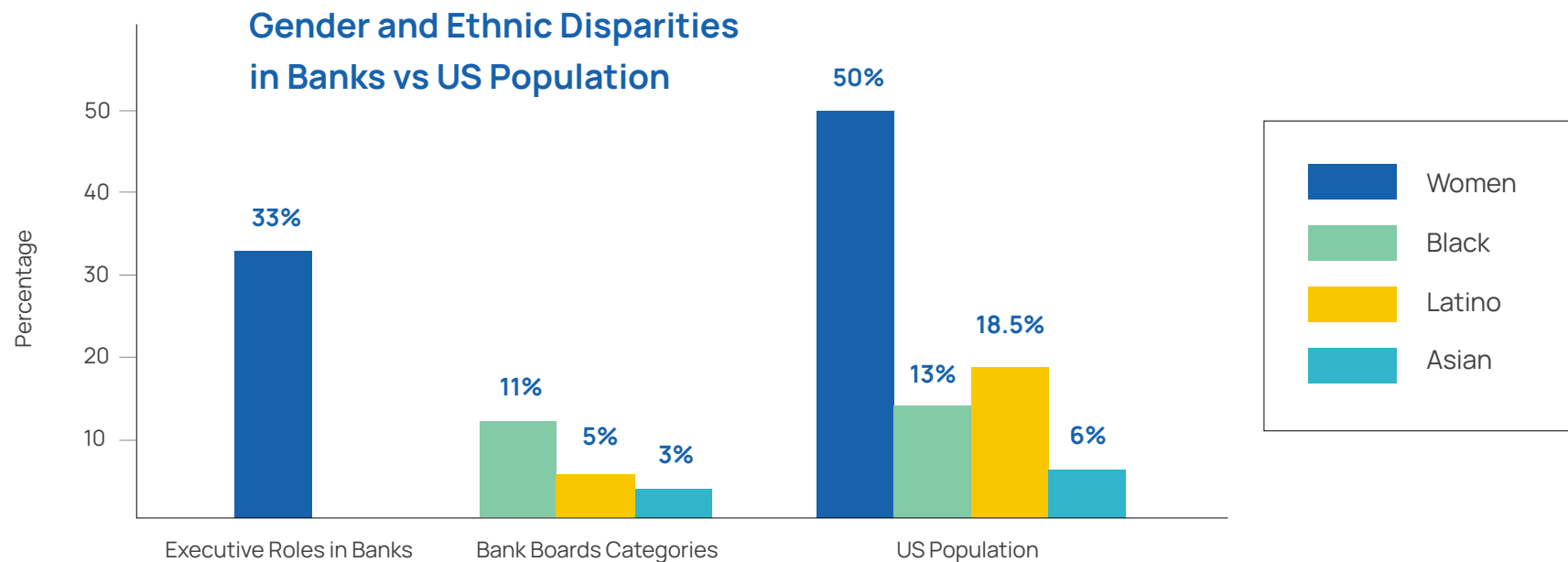
Challenge 4

Lack of Diversity, Equity, and Inclusion (DEI)

Despite the technological advancements in the BFSI and NBFC sectors, the lack of diversity, equity, and inclusion (DEI) still remains a significant challenge.

Minority employees, including Black and Latino workers, face much lower chances of being promoted to senior management compared to their white counterparts. This disparity is stark in finance and insurance sectors, where underrepresentation is glaring.¹³

Gender disparities are also prominent, with women comprising less than one-third of executive roles in banks that report demographic information. The situation is further illustrated by bank boards, where only 11% are Black, 5% Latino, and 3% Asian, compared to the US population percentages of 13%, 18.5%, and 6% respectively.¹⁴



In the cryptocurrency community, the gender gap is particularly pronounced, with female participation ranging from just 4% to 6%.¹⁵

Gender statistics in the Bitcoin community is 86% male and 14% female, reflecting significant gender inequality.¹⁶ Furthermore, 92% of venture-backed cryptocurrency and Blockchain companies founded between 2012 and 2018 had all-male founding teams.¹⁷

The attrition rate for minority employees as they climb the corporate ladder is alarming, with the proportion of people of color in financial services dropping by 75% from entry-level to C-suite.¹⁸

Women, despite making up 52% of the banking workforce in Europe, face a "double glass ceiling," with only 38% reaching middle management and a mere 16.5% advancing to executive roles.¹⁹

68% of millennials in financial services feel opportunities are not equal for all, while 76% consider diversity policies when choosing an employer. Millennials demand genuine DEI practices, with 55% believing that companies merely talk about diversity without effective action.⁶

Additionally, 72% would contemplate leaving if diversity standards were not met, and 61% actively seek employers whose values align with their own.⁶

■ Challenge 4 Overview

LACK OF DEI

Minority Underrepresentation

Low promotion rates for minorities.

Gender Disparity

Less than 1/3 of bank exec roles held by women.

Crypto Gender Gap

4-6% female participation.

High Attrition for Minorities

75% drop from entry-level to C-suite.

Double Glass Ceiling

Only **16.5%** of women reach executive roles.

Millennial Skepticism

68% see unequal opportunities; 72% may leave if DEI standards aren't met.

■ Solutions Overview

Data-Driven Hiring

AI tools ensure fair, inclusive hiring.

Video Interviews

Standardized questions for unbiased evaluation.

Automated Scoring

Objective candidate assessment.

End-to-End Automation

Bias-free hiring processes.

Solution

Data-driven hiring methods ensure a fair and inclusive hiring process by using AI-powered tools to screen candidates without bias, thereby promoting a diverse talent pool.

Rather than relying on subjective judgments, these tools analyze candidate data objectively, ensuring everyone gets a fair chance regardless of their background.

Video interviewing software further supports unbiased hiring by standardizing interview questions and evaluation criteria.

For example, instead of varying questions based on interviewer preferences, the software ensures consistency, making the process fairer for all applicants.

Automated scoring eliminates human bias by objectively assessing candidates based on predetermined criteria. So instead of relying on a recruiter's subjective opinion, candidates are scored based on their responses and qualifications, ensuring a fair evaluation process.

End-to-end recruitment automation simplifies the entire hiring process, reducing the risk of bias at every stage.

From the initial application review to the final offer letter creation, automated systems ensure that each step is conducted fairly and efficiently, and that candidates are judged solely on their skills and experience.

Case Studies

How Zappyhire Helped a Leading Commercial Bank to Reduce Time-to-Hire with Zappyhire

When one of the largest commercial banks in India decided to revamp their recruitment strategy, they knew it had to be a seamless transition.

The goal was to enhance their robust hiring framework with advanced technology without disrupting their existing processes.

This search for a compatible innovation partner led them to Zappyhire, where they sought an intelligent solution to modernize, simplify and accelerate their recruitment efforts.

By adopting cutting-edge recruitment technologies, the bank has completely revolutionized its hiring process, setting a new industry benchmark for hiring efficiency.²⁰



Problems Faced

- Paper-driven recruitment
- Resistance to change
- Stringent guidelines from multiple departments
- Need for seamless, transparent hiring

Zappyhire Solutions

- **Analyzation** - Assessed current hiring process
- **Mapping** - Aligned modules to existing process
- **Enrichment** - Enhanced with cutting-edge tech
- **Empathy** - Addressed team pain points
- **Communication** - Ensured product vision alignment

Long-Term Benefits

- **Smooth Experience** - Enhanced candidate journey
- **Automation** - Freed HR for strategic roles
- **Paperless Onboarding** - Industry-first initiative
- **Collaboration** - Unified stakeholder platform
- **Efficiency** - **60%** boost in operations
- **Quality** - **72%** increase in hiring quality
- **Cost Savings** - **75%** reduction in costs
- **Time to Fill** - **65%** faster hiring
- **Recognition** - Awards for innovation in hiring

Case Studies

How a Small Finance Bank Increased Candidate Engagement and Reduced Drop-offs Using Zappyhire

As a new-age social bank dedicated to expanding financial inclusion in India, the Small Finance Bank faced unique recruitment challenges.

With a mission to serve unbanked and underbanked regions across urban, semi-urban, and rural areas, they needed a sophisticated, intelligent recruitment platform.

Their journey to find an ideal solution brought them to Zappyhire, where they aimed to optimize their hiring workflow and keep all stakeholders engaged.

Through the adoption of Zappyhire's advanced recruitment automation, the bank has significantly enhanced its hiring process, ensuring it meets the demands of a dynamic and growing workforce.²¹



Problems Faced

- Managing recruitment with online forms and spreadsheets
- Poor candidate communication
- Face-to-face interviews during the pandemic
- Disorganized recruitment data

Zappyhire Solutions

- **Automation** - Automated resume ranking, engagement, shortlisting, scheduling
- **Video Interviews** - AI-enabled asynchronous video interviews
- **Collaborative Hiring** - Centralized interface with intelligent filtering
- **Enhanced Communication** - Integration with Zoom, WhatsApp, Slack, G-Suite, Microsoft Teams

Long-Term Benefits

- **Time-to-Hire** - 4X reduction
- **Candidate Engagement** - 5X improvement, reduced drop-offs
- **Digital Experience** - 5X increase in applicants
- **Quality-of-Hire** - 2X improvement
- **Accurate Pre-Screening** - High-value candidates shortlisted
- **Configurable Platform** - Seamless integration with existing systems
- **Candidate Experience** - Transformed into an experience-driven journey

About Zappyhire

Zappyhire is an AI-powered recruitment automation software designed to revolutionize the hiring process for mid-sized to large enterprises.

As an advanced system with a built-in Applicant Tracking System (ATS), Zappyhire streamlines the recruitment workflow by automating end-to-end manual application screening tasks, managing candidate databases, and facilitating offer letter creation and customization.

Zappyhire's platform addresses common pain points for recruiters, CHROs, and company founders by leveraging technology and data-driven hiring practices.

Zappyhire introduces ZappyVue

ZappyVue, a flagship product of Zappyhire, is an innovative automated video interviewing software.

It allows recruiters to streamline initial screenings and assessments through asynchronous video interviews.

This self-serve SaaS tool enables users to sign up and start using it immediately after payment, offering a seamless experience.

ZappyVue's intuitive interface and powerful capabilities empower banks and other financial institutions to enhance their recruitment processes, reduce time-to-hire, and improve overall candidate quality.

Key features of ZappyVue include,

Automated scoring - AI-driven algorithms to evaluate candidate responses, providing objective and consistent scoring.

Enhanced candidate experience - Candidates can record interviews at their convenience, reducing scheduling conflicts and improving engagement.

Scalability - Handle high volumes of applications without compromising on quality.

Improved decision-making - Detailed analytics and insights to make data-driven hiring decisions.

Learn More At

www.zappyhire.com

Contact Us:

<https://www.zappyhire.com/contact-us>

Where to Find Us Online



- 1 <https://www.bls.gov/news.release/jolts.a.htm>
- 2 <https://www.hays.co.uk/blog/insights/accountancy-and-finance-are-you-planning-your-workforce-strategy->
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