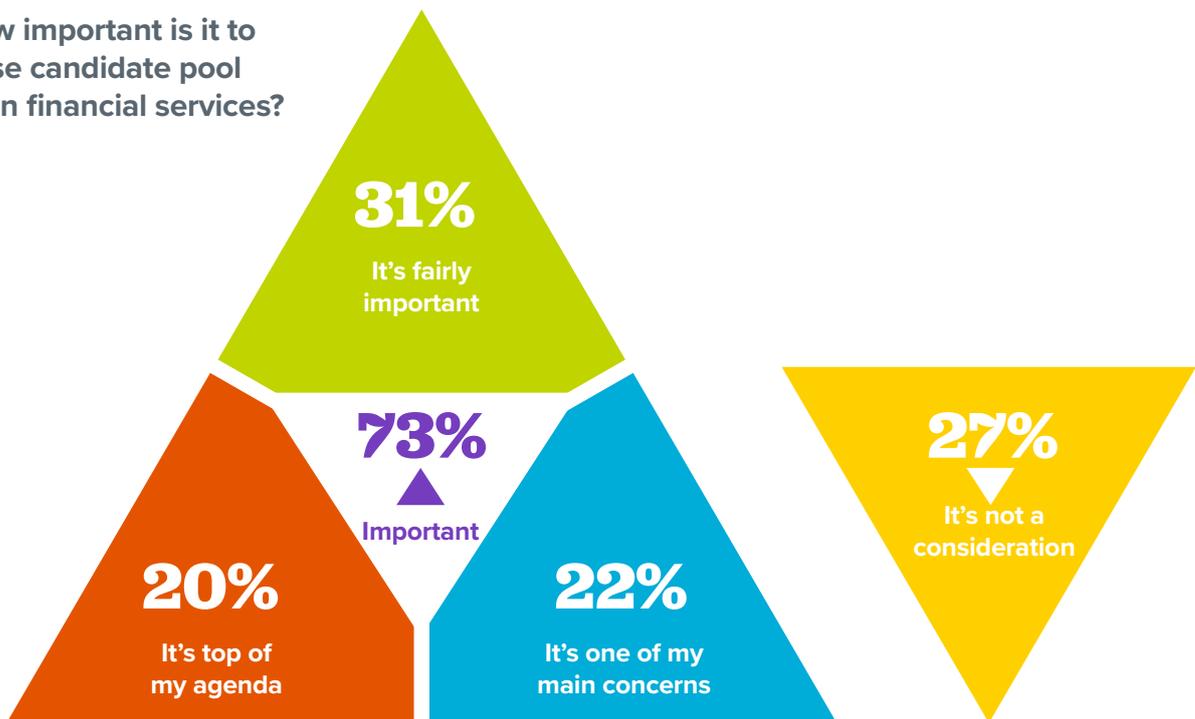


Empowering inclusive hiring in financial services

Diversity and inclusion (D&I) have been front and center of the hiring agenda of major U.S. companies, including those in the finance and technology sectors, since the growth of the Black Lives Matter movement in 2020. Financial institutions are increasingly looking at ways to better connect with diverse talent (including people of color, women, older age groups, LGBTQ talent, veterans, people with disabilities, and neurodiverse professionals) to improve D&I in the broadest possible sense. In this report, we examine how employers can set up more inclusive hiring processes to help ensure their workforces become more diverse across all seniority levels and functions.

In a new poll carried out by eFinancialCareers, an overwhelming 73% of respondents said finding a diverse candidate pool is important when recruiting.

eFC poll: How important is it to have a diverse candidate pool when hiring in financial services?



Meanwhile, in-depth qualitative research commissioned by eFinancialCareers found that professionals in the finance sector place a strong value on D&I considerations when job searching:

When asked what they are looking for from a good company to work for, mid-level finance professionals emphasized “diverse teams”, while senior people wanted the firm to be “multicultural and diverse”, according to the qualitative research.

When asked what companies need to say to attract them as candidates, students and fresh graduates highlighted the importance of “equality” and employers showing them that they “don’t discriminate”. Similarly, more experienced junior employees want to receive a “tolerant and accepting” message from new employers.

The lesson is clear: if designed and implemented in the right way, D&I policies are critical to helping employers in the finance sector attract talent.

How to effectively lay the groundwork for inclusive hiring

The journey to improving diversity in financial services begins well before you post a job advertisement.

1

Reevaluate your company culture

A working environment that isn't inclusive (e.g. you have pay equity problems) hurts your ability to attract talent. Candidates are doing more homework on inclusivity before they apply, for example by checking employer review sites.

2

Ensure your employer-brand marketing is inclusive

Finance professionals won't just read a single job description; they'll look at your website, social media and other marketing content to help determine whether your firm offers an inclusive workplace. Ensure you include a diverse range of identities in your marketing.

3

Understand diversity hiring challenges via data

Financial institutions are increasingly gathering demographic data about their candidate pools, allowing them to pinpoint diversity problems and assess what to change in the hiring process.

4

Redefine what professionalism looks like before you hire

The finance industry has traditionally defined professionalism around white male standards. If getting hired depends on speaking and looking a certain way, you are upholding exclusivity and creating a talent pipeline problem.

5

Ask stakeholders about inclusivity before you start the search

Recruiters should ask "how important is inclusivity to you?" at the beginning of each search. This encourages hiring managers to incorporate inclusivity into all aspects of the processes that follow.



Five ways to make your hiring processes more inclusive

Now you've laid the groundwork, let's look at how to enhance your hiring processes with the aim of attracting a more diverse talent pool.



Mitigate hidden bias in job descriptions

Techniques to reduce bias in JDs include clearly separating “nice to have” from “must have” skills to encourage a wider range of people to apply.



Incorporate diversity into referral campaigns

Referrals can stifle diversity if staff only refer people similar to them. Involve affinity groups in referrals, and be explicit about the need for diversity, so employees tap their wider networks.



Review applicants by competencies, not status

Look beyond the status of a candidate's title and company, and focus on their competency to do the job. Diverse applicants may be working for second-tier firms or might have been overlooked for deserved promotions.



Take more time with sourcing

Increasing the length of the sourcing process buys you time to find diverse candidates, and disrupts similarity bias by stopping managers from quickly hiring someone who looks like them.



Remove/reduce bias during interviews

Move A poll by eFinancialCareers found that removing bias in interviews was perceived as more effective than other methods of promoting D&I during the recruitment process.

eFC poll: How important is it to have a diverse candidate pool when hiring in financial services?

55%

Removing bias in interviews

21%

Allowing more time to source

16%

Removing bias in job adverts

7%

Inclusive referral campaigns

To tackle bias, you need to go beyond having diverse interview panels. For example, ensure that everyone in an interviewing team has done bias training, and appoint a diversity officer to oversee each hire. Standardize interview questions, and focus on evaluating skills and outcomes. Select candidates who “add to” rather than “fit into” your company culture.



Summary

Creating an inclusive hiring process is a multifaceted undertaking that requires financial services firms to review all aspects of the candidate journey – from employer branding to job interviews. But despite the challenges involved, inclusive hiring brings rich rewards because it generates a broader pipeline of candidates and is therefore the first critical stage to improving workforce diversity.

For further information on how we can assist your hiring needs please contact us.

