



How To Close Skills Gaps In Financial Services

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The financial services (FS) industry is undergoing rapid transformation, driven by new technology, automation, regulatory changes, and evolving customer expectations. Adapting in the face of these changes – particularly harnessing the power of AI – is crucial to growth.

Banks face increasing pressure from fintech disruptors, big tech firms, and AI-native startups that offer faster, more personalized services. Companies like Apple, Google, and numerous fintech players are redefining financial experiences, forcing traditional institutions to accelerate digital transformation. To compete, banks must embrace AI-driven innovation.

JPMorgan Chase's president and chief operating officer Daniel Pinto, for example, has said [the bank expects to reap \\$2 billion](#) through its use of AI in customer personalization, trading, operational efficiencies, fraud management and credit decisioning.

“In the dynamic world of financial services, artificial intelligence (AI), particularly Generative AI (GenAI), has become the linchpin of transformative change, redefining the operational and strategic horizons of the banking sector ... GenAI has emerged as a crucial enabler of innovation and transformation, empowering financial institutions to surpass today's sophisticated client expectations of faster, more convenient and seamlessly integrated services.”

– [EY](#)

But these changes also pose a problem: growing skills gaps. It's no surprise that FS firms are struggling to find, keep, and develop the right talent to keep pace. Global banks and financial institutions are not only competing with technology companies for technical talent, but they are also searching for highly specialized skills – many of which are newly emerging and difficult to source.

This is also a sector deeply affected by an ageing workforce – in America, the FS sector is [set to lose around a sixth of its workforce to retirement in the next 10 years](#) (with those in banking more likely than most to favor early retirement).

When skills gaps remain unfilled, financial firms face compliance risks, missed opportunities in emerging markets, and slower innovation. Organizations that take a proactive, skills-based approach to talent will be better equipped to navigate change, remain competitive, and build a more resilient workforce.



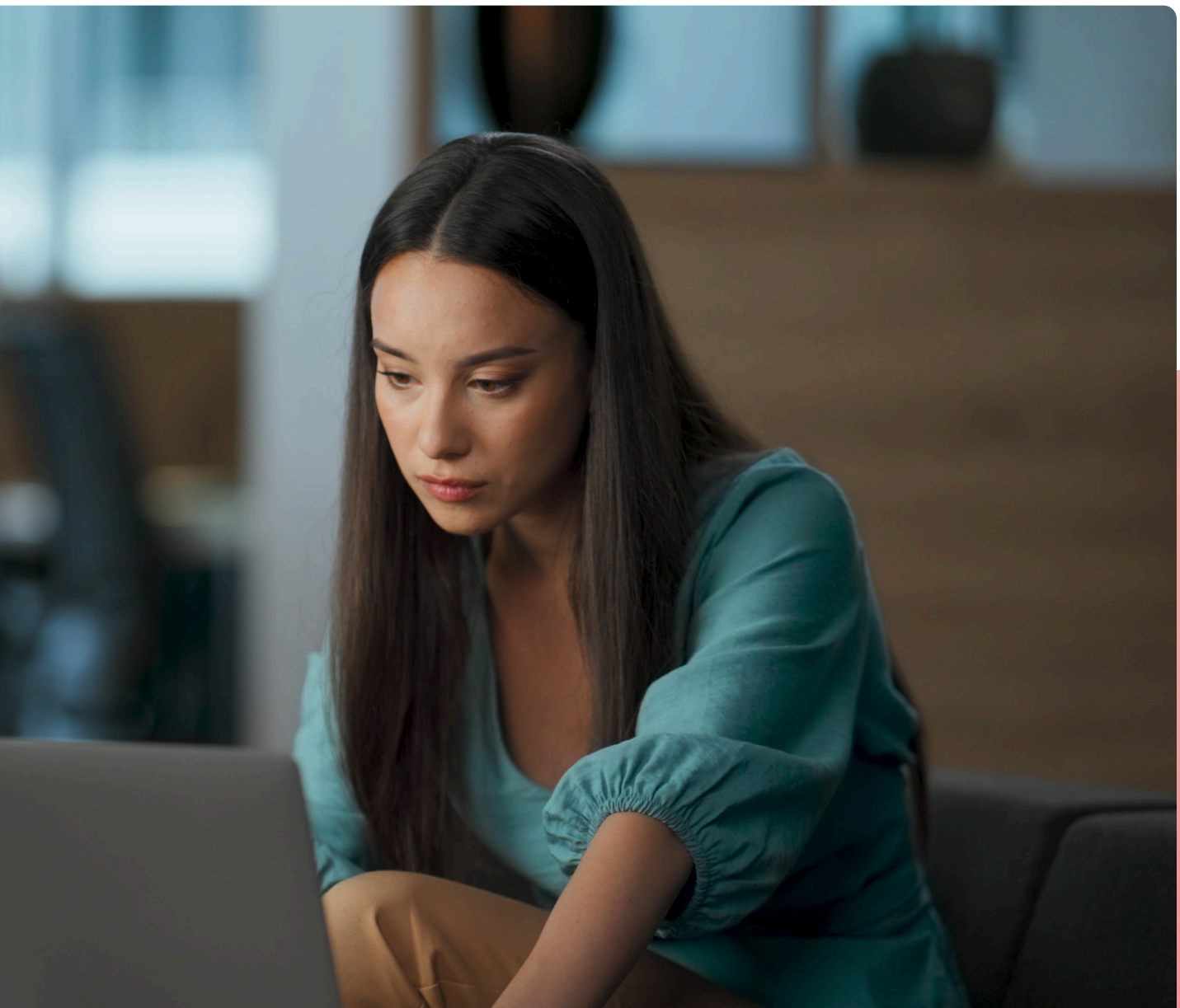
“The move away from traditional job structures to a skills-based approach is an inevitable reality for the financial services sector. Put simply, there are not enough people with the right skills, which means firms need to start adapting their approach right now.”



Pete Brown

Global Workforce Leader, PwC

A skills-based strategy requires a fundamental shift in how businesses think about talent: moving away from rigid job titles and traditional hiring practices, toward a more dynamic model that focuses on skills. This involves breaking down jobs into specific tasks, leveraging workforce data, integrating technology, and using AI-driven insights to identify skills gaps and recommend solutions.



Embracing “Skills”



“When I took over the Talent Acquisition side, one of the things that we really wanted to do is base our search of talent in skills. Because I was definitely, definitely sure that that was the future... skills would be the future currency of talent.”

Fernando Bellon,

Head of Talent Acquisition, BBVA

Traditionally, hiring and career progression in FS has been based on experience, education, and job titles. However, this model often overlooks qualified candidates. Strict 4-year degree requirements – when [only 40% of U.S. workers actually have one](#), for example – and inflexible job structures are creating a “paper ceiling”, holding FS organizations back.

Forward-thinking companies [such as IBM and Accenture](#) have begun removing degree prerequisites for many roles, widening their talent pools and ensuring that candidates are evaluated based on meaningful, measurable criteria – skills (and potential skills). Beyond filling vacancies, this approach enhances productivity, efficiency, and equity in both hiring and career development.



Skills-based organizations are 107% more likely to place talent effectively, 52% more likely to innovate, and 57% more likely to anticipate change and respond effectively and efficiently.

– [Deloitte](#)

But you need more than just a mindset change to make the skills-based approach work.

The skills needed for tasks at work, in every industry, are changing. Sometimes they don’t even need human beings to carry them out. This new era isn’t only about “updating your job descriptions” to reflect new needs – this is about fundamentally transforming how your job architecture, and work, is structured and designed, in order to ensure total agility.

Roles are nuanced and changing; people are changing too. A skills-based approach powered by AI means future proofing your workforce.





“The skills gap continues to be the most significant barrier to business transformation today, with nearly **40%** of skills required on the job set to change.”

– World Economic Forum

Take “AI” itself as an example of a “new” skill demanded in Financial Services.

[According to American Banker](#), “the most in-demand professionals aren’t necessarily the AI model creators, researchers or data specialists. Instead, many are prioritizing AI implementation roles over research and development positions.”

Financial Services organizations need a new approach, and appropriate tools, that can accommodate the nuance and dynamism of the work landscape.



How the skills-based approach works

Closing skills gaps in Financial Services works the same as in any industry – you need greater visibility of the gaps you have, and you need the right insights and technology to efficiently “build, buy, borrow or bot” your way to closing them.

Spotting the gaps: dynamic skills intelligence



While 85% of HR executives claim to be working on skills frameworks, only **10%** say they are effectively executing them

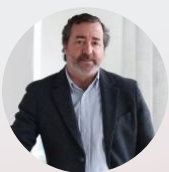
– [Deloitte](#)

You can't close a gap that you can't see. A skills-first approach asks us to look at jobs – and talent – in a new way, to really help pinpoint where there are shortages, growing gaps, or emerging opportunities.

To do this, you must deconstruct work by shifting away from static job descriptions and identifying the core skills and competencies required for each function. Rather than hiring for broad roles, you can build talent pipelines based on the skills needed for specific tasks and projects.

Similarly, you need to think about your talent pool – sourced candidates, previous applicants, “talent community” members, existing employees, alumni and so on – in a new way. With AI, you can infer the skills someone has, including things they may never have listed on their resume, and build out skills-based profiles at scale.

This gives you a consistent, accurate and normalized database you can query for every new requisition – and from which to build data-driven workforce plans.



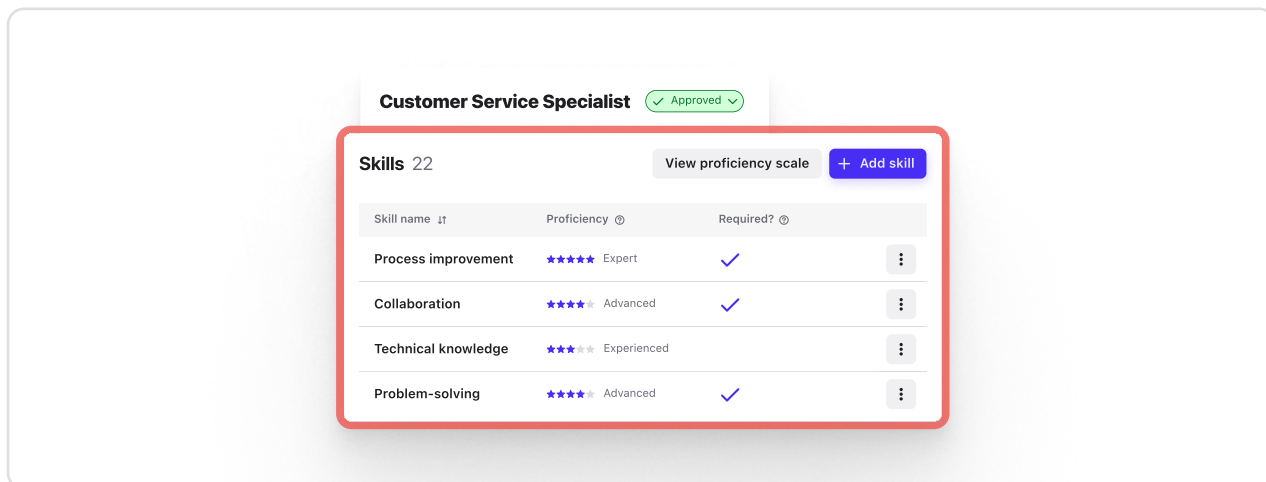
“Every employee and potential prospect that ever came to BBVA ... within every country, will be in that database with the skills. So anywhere, a new recruiter in the world can find any person in the world to work with them.”

[Fernando Bellon,](#)

[Head of Talent Acquisition, BBVA](#)



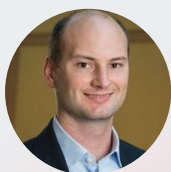
All of this relies on a consistent, relevant skills framework for your organization that classifies and organizes workforce capabilities in a structured, standardized way. A robust, dynamic framework ensures consistency and interoperability across systems. This is the sort of project that would have been hugely time consuming in the past – taking teams of consultants around 4 months to complete, costing a lot of money, and going “stale” in short order.



Today, with the help of innovative AI, companies are finding they can [build out dynamic job architectures in a matter of days](#). What’s more, these don’t have to be out-of-the-box skills taxonomies that nearly work for your business – they can be completely customized to your organization and the work taking place there.

This gives you actionable skills intelligence: AI-powered insights that analyze workforce skills supply and demand in real time, infer likely skills based on experience, and predict skill adjacencies to guide learning and mobility.

Combined with external insights about the labor market – the skills that are fading or growing in popularity, where demand and cost is changing – this skills intelligence helps align hiring, internal mobility and training efforts with business needs – today and in the future.



“Skills intelligence is an evolution of core HR data. We see skills as the next layer of maturity in our talent acquisition function, driving the evolution of how we identify and attract talent.”

Art Lokerson, HR Product Management Director
– Talent Acquisition, Wells Fargo

Closing the gaps: Skills matching with AI

With the right skills intelligence in place, Financial Services firms are well placed to operationalize the skills-based approach to talent acquisition, talent management, and workforce planning. In other words, they are set up to close critical skills gaps – at scale.

Skills-based hiring (and internal mobility) means shifting from job-title-based hiring to AI-driven candidate matching that focuses on skills. This works in two ways: personalized job recommendations, whether on external careers sites or internal talent marketplaces, encourage ideal candidates into the talent pool and along the journey to a relevant role.

Meanwhile, HR teams have AI-powered recommendations at their fingertips to make better decisions about hiring – as well as planning and outsourcing, plus the all-important upskilling and reskilling that will be essential for an industry in flux. For example, if you are reducing your frontline customer service staff, what transferable skills are you about to lose? Who has nearly all the skills required for a new type of role in your company?



“If you looked five, six, seven years ago, who would have thought data science would be such an integral role across essentially all our lines of business, but if we had the skills insights then as we do today, we could anticipate and drive and build that capacity for when the need actually arises.”

Art Lokerson, HR Product Management Director
– Talent Acquisition, Wells Fargo

A skills-first strategy requires a strong commitment to continuous learning and development. This includes providing employees with access to online learning platforms, financial support for certifications, job rotations, and AI-driven personalized learning paths that match individuals with relevant development opportunities.

“71% of our members are actively reskilling in the UK, compared to 50% last year. And at the same time the number of people being reskilled has almost doubled among our members.”

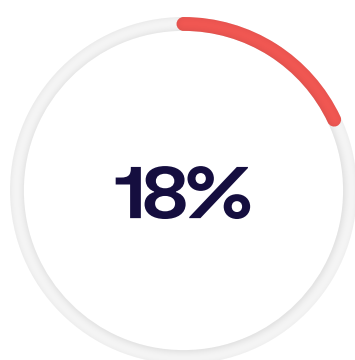
– **Financial Services Skills Commission**



A note on ethical AI: questions to be asking

In case it's not already abundantly clear, AI is the secret sauce in making the skills-based approach work. The right AI can quickly structure and normalize job and talent data; it can infer the skills someone is likely to have or a job is likely to need, even when it's not explicit in a job description or resume; it can also suggest where people have potential to add a new skill and have skill "adjacencies".

AI can pinpoint gaps, and suggest the best tactic for closing a skills gap. It can shortlist candidates at the touch of a button, and update the shortlist based on a change to the skills requirements. It can even help teams decide where to open new locations. But it's not being adopted in FS HR departments at any great speed.



Only **18%** of executives in the financial services industry said their organizations are implementing generative AI within the talent function, compared with 47% that are using gen AI in marketing, sales, and customer service

– Deloitte

Of course, AI needs to be approached with caution. It needs to be fed with the right data: but talent data must also be kept secure, maintaining privacy and compliance, and ensuring no protected characteristics are used in the recommendation process.

- Does your AI vendor have the right checks and balances in place to ensure this?
- Are the models audited for bias?
- Is only the necessary data being fed into the models?

As well as data privacy, you need data quality. Ensuring you have a single source of truth for the AI to work on is also key. Connected skills intelligence (about people and about jobs) is now the foundation for a more dynamic and effective approach to acquiring, managing and retaining talent.

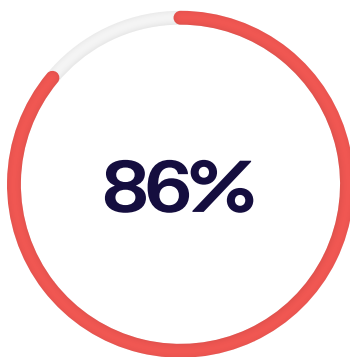
- Do your HR tech solutions speak the same language, and speak to each other?
- Are integrations seamless and safe?
- Can your AI vendor actually unlock nascent value from your tech stack, rather than adding another silo and more complexity?

“The scalability of AI solutions and their integration with existing legacy systems are vital considerations for banks aiming to future-proof their services.”

– EY

Finally, transparency and explainability is paramount.

- Can users of AI-powered tools see why a recommendation was made?
- Is it clear which factors were taken into account, and to what extent?
- Are humans kept in the loop at key stages, to ensure AI is never “making” a decision?



86% of workers in Financial Services believe greater organisational transparency leads to higher workforce trust, suggesting firms must clearly communicate how employee data is collected, used and protected.

– Deloitte

AI in a skills-based environment is about empowering people: giving HR teams the insights to make more informed decisions, and then take on a more strategic role in a workplace that is undergoing unprecedented change.

If your tech partner cannot reassure you around compliance, transparency, secure integrations, and human oversight at the right places, no fancy functionality should convince you – or will convince your legal team – that the “efficiency gains” are worth it.



The Financial Services Playbook for Closing Skills Gaps

Step 1: Diagnose your skills gaps with real-time insights

- Conduct continuous (not one-off) skills assessments across your workforce.
- Use AI-driven skills intelligence to map current capabilities against future needs.
- Identify adjacent skills: where employees can transition with minimal training.

Top Tip: Invest in an AI-powered skills platform that integrates with your HRIS, LMS, and talent marketplace.

Step 2: Create a unified skills data ecosystem

- Centralize skills data across HR, recruitment, and L&D systems.
- Standardize skills taxonomies to enable skills-based hiring and internal mobility.

Top Tip: Use a connected skills intelligence system that integrates with Workday, SAP, and learning platforms.

Step 3: Rethink hiring – from credentials to skills-based Talent Acquisition

- Conduct continuous (not one-off) skills assessments across your workforce.
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- Identify adjacent skills: where employees can transition with minimal training.

Top Tip: Invest in an AI-powered skills platform that integrates with your HRIS, LMS, and talent marketplace.

Step 4: Build a scalable upskilling & reskilling strategy

- Offer modular, AI-personalized learning paths in key areas (AI, cybersecurity, regulatory compliance).
- Provide on-the-job learning opportunities through project-based reskilling.
- Enable cross-functional mobility so employees can shift roles within the firm.

Top Tip: Create skills-based career pathways with clear internal mobility options. AI can help you do this at scale.

Step 5: Leverage external talent and alternative work models

- Tap into freelancers, contractors, and external talent networks to fill immediate gaps.
- Use skills-based workforce planning to align hiring locations with talent availability.

Top Tip: Use an AI-powered talent CRM that can accommodate both internal and external talent.

Step 6: Leverage external talent and alternative work models

- Develop real-time, dynamic workforce planning rather than static annual plans.
- Predict skills shifts using labor market data and internal workforce analytics.
- Design future-proof leadership pipelines for fintech, AI, and digital banking roles.

Top Tip: Use AI-driven succession planning tools to identify high-potential talent.

Step 7: Leverage external talent and alternative work models

- Partner with universities and industry bodies to influence curriculum development.
- Advocate for government incentives around AI and digital upskilling in finance.
- Embed external labor market insights into HR decision-making.

Top Tip: Use real-time market intelligence dashboards to track demand for emerging skills.



Benefits of the skills-based approach

Adopting a skills-based approach delivers significant benefits beyond closing skills gaps more effectively and efficiently. It enhances agility and adaptability, enabling organizations to redeploy talent internally, respond to market changes faster, and innovate more effectively.

In addition to improving responsiveness, a skills-based strategy boosts productivity and performance. [Research has shown that](#) hiring for skills is five times more predictive of job success than hiring based on education, and twice as predictive as hiring based on work experience. By uncovering hidden talent and optimizing workforce capabilities, companies can improve efficiency and reduce hiring costs.



A participant who serves as head of business, HR/talent management at an investment management firm said. “For example, by implementing AI-driven recruitment tools, we have reduced our time-to-hire by 18%.

– [Deloitte](#)

A skills-based approach also supports retention. Deloitte has noted that skills-based organizations are 98% more likely to retain high performers and to be recognized for strong career development programs.

[According to Mercer research](#), employees in the FS&I sector who say their organization or manager has provided them with the skills they need to advance are nearly 50% more likely to say they are committed to their organization (78% vs. 54%) – and those who say their career goals can be met are nearly twice as committed (77% vs. 44%).

Moreover, a skills-first model promotes diversity, equity, and inclusion – and thus power innovation and growth – by reducing biases associated with traditional credentials. [Eighty percent of executives believe](#) that hiring, pay, and promotions based on skills would lead to fairer outcomes and reduce workplace bias.

This approach expands access to opportunities for career switchers, non-traditional candidates, and underrepresented employees. This is supported further by the use of bias-audited, transparent AI tools in the process – ensuring the most skilled candidate is the one allocated to each role or task, every time.

66 Focusing on transferable skills, rather than specific qualifications, enables us to attract emerging talent from different backgrounds, with different experiences and perspectives – people that may never have considered a career in finance. This gives HSBC a competitive edge and is helping us build a more diverse bank that better reflects the communities we serve.”

– [HSBC Website](#)



How Beamery helps

At Beamery, we help organizations in Financial Services and beyond implement a skills-first strategy by providing AI-driven skills intelligence, tailored talent-related recommendations, and data-driven workforce planning solutions. Our platform enables organizations to gain real-time visibility into workforce skills, identify gaps, and build an agile, future-ready talent strategy.

- Get started with your own dynamic job architecture and skills framework in just 1 day.
- See up to 90% skills relevance on first review.
- Reduce job framework complexity by 97%.
- Reduce time to hire by more than 11 days.
- Reduce the time to identify best-fit candidates by at least 30%.

For one client, resurfaced hires – that is, talent found in the Beamery database – with a strong “skills match” were 270% more likely to get an offer (versus all other sources). Another client reported a 25% increase in performance for Beamery-sourced hires vs non-Beamery hires.

The skills-based approach powered by Beamery gets you the right person in the right seat faster – and you’re rewarded with greater performance.

See how it works with a bespoke skills consultation

In an industry undergoing continuous transformation, financial services firms must rethink how they attract, develop, and retain talent. A skills-first approach is not just a competitive advantage – it is essential for long-term success.

By embracing a skills-based approach powered by AI and richer data, financial firms can close skills gaps, improve agility, enhance workforce productivity, and foster a more equitable workplace.



“The moment for debating the merits of the skills-based approach has passed. Firms need to act, and act now. The longer they leave it, the harder it will be to attract and retain the talent the sector needs to move forward in its present form.”

Mark Hoban,

Chair of the UK Financial Services Skills Commission





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