Zimyo

Win the workplace with a robust HR technology

Contents

Foreword

In recent years, one industry that is capturing most of our attention is the "Fintech" industry. Over the past few years, there has been a lot of hype around fintech, which is a combination of the words 'financial technology'. Thus, we can say that this industry is booming and one can assume that it is going to dominate the entire financial market in the foreseeable future.

You may find it amusing to know that India's adoption rate for fintech products stands at 59%, which is the second-highest pace worldwide.

Fintech refers to companies that are using technology to make financial systems more efficient. It is aimed at resolving issues or challenges regarding the financial aspects of individuals, corporations, and governments. Banks are introducing digital channels for the ease of the customers. It can help them carry out all their banking activities from anywhere, anytime. And while it is extremely exciting to be a part of this industry, there are certain challenges that need our utmost attention. Fintech is a field where getting access to and retaining the best talent is always crucial.

Owing to the aging population and increasing unemployment, it is grueling to find the right candidate who can meet the evolving needs of the sector. This is why we need strong HR departments and a well-planned strategy that can help the rapidly growing organization to succeed in the long term. All this can be summed up in a quote by
Douglas Conant - an American Business tycoon:

"To win the marketplace, you must first win the workplace"

Poor management of the tasks and the employees is one of the major things that hinder the successful functioning of the banking industry. But this is not something that can't be solved with the help of technology. By implementing an effective HR technology, organizations can automate the administrative tasks, thus, leaving their HR teams to concentrate on people and employee experiences.

Evolution of the Fintech Industry

If there's one sector that has evolved at the speed of light, it's the fintech sector. The sector has a long history and for the last 65 years, it has been ceaselessly growing and evolving.

Some of the major events to give an overview of how far the sector has come:

1950
Credit cards were introduced

1967
Brought ATMs that successfully replaced tellers and branches.

1918
the US Federal Reserve Bank developed Fedwire Funds Service

1971
NASDAQ invented the IPO and electronic trading systems.

1982
Rise of E-Trade and online banking.

1995
Wells Fargo developed the first online bank cheque account

1998
Confinity (currently PayPal) was launched

2011
Google developed Google Wallet

2018
global fintech investment hit the $59.5 billion mark

Today, in the 21st century, financial services are being further digitized via mobile wallets, payment apps, Robo-advisors, equity crowdfunding platforms, etc. Thus, we can say that fintech is here to stay, and its impact can be seen in all sectors of the economy.

The future of the Fintech in India

In India, the fintech market is growing rapidly. Recently, a report has been shared by the Research and Markets, which states that **"The fintech market in India was valued at Rs 1,920.16 billion in 2019 and is expected to reach Rs 6,207.41 billion by 2025. The market is expanding at a compound annual growth rate (CAGR) of approximately 22.7 percent during the 2020-2025 period."** [2] A sector that is growing at this rate, needs people who like a fast-paced work environment.

As more and more customers are opting for digital payments, fintech industries will have to focus on building trust and consumer engagement. It can only be made possible if the organization has talented and skilled employees for offering customers the support they need. A true HR personnel can train your workforce and encourage them to actively participate in activities that improve the company's culture. Improved work culture will result in the improved delivery of the tasks, thus helping the company to grow and thrive in a competitive work environment.

To be critical and stay ahead of the competition , it is necessary to focus your time and energy on the important tasks, rather than just managing the workforce. The companies in the fintech sector have a blindingly bright future if they are backed with robust HR technology. HR tech plays a crucial role in every successful business transformation. An effective HR strategy encourages businesses to drive a performance culture and fully engage employees to get their buy-in.

The rise of FinTech impels the HR managers to indulge in the most effective practices that would embrace innovativeness and open up the workforce to self-improvement. Given the speed with which the fintech sector is booming, only those fintech ventures will survive who will offer the best kind of consumer experience and quick responses to regulatory changes.

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HR challenges faced by fintech companies

Tremendous changes in technology, rapidly changing customer preferences, and regulatory framework, etc. are some of the major challenges that are being faced by the BFSI sector.

Today, numerous changes are emerging in the banking sector. The concept of universal banking and virtual banking etc has emerged and these changes tremendously affect and change the way the banking sector is competing in the market.

Various strategic postures are being adopted by banks to gain a competitive edge. And to keep up with this changing scenario, the sector needs to adopt the new methods of functioning.

The HR department of any organization is responsible for the proper functioning of the organization. However, in the Fintech sector, the HR function is not given much importance as it deserves.

There are certain challenges that are passing the way of HR managers to be competitive. But with the focus mainly on technological up-gradation, infrastructure development, etc, it is really a matter of concern that very little has been done on the front of human resource management.

From the above context, it is found that there is a serious need to follow new HR practices and policies. But, before discussing it further, let's first discuss the **core HR challenges** experienced by **the Fintech industry:**

Lack of a centralized employee database

Many fintech companies struggle with their management information systems and their membership databases. The root cause of this is the lack of centralized information. Too often, organizations keep separate databases for their employees and other processes. This fragmented and incompatible data may restrain innovation and make your organization less competitive.

Performance tracking

A slow, wobbly, or downright broken performance management system prevents the organization from achieving the major business goals. Workforce management is a tedious but important task for any organization. Without an effective employee tracking or monitoring system, it's difficult to know about your employee's day to day activities. These problems increase when you deal with a remote workforce and can't manage them in person.

Appraisals

Reports suggest that HR or reporting managers often rely on their memory for reviewing the performance of the employees. This makes a review process ineffective, as the decisions regarding the employees' performance are mainly based on their recent performance outcomes. The inability to document employees' performance at each step and ignorance towards performance-data-based decision-making are the major factors that make the performance review less effective.

Payroll and taxes

Low morale, poor performance, and reputational and legal difficulties can be avoided by using a computerized payroll system. Also, there are certain issues that you might face while processing the payroll manually. As a business owner, you must know that not withholding the right amount of state and federal taxes can get you in trouble. Miscalculating the wages or failing to provide paychecks on time can result in the loss of valuable employees and it may also affect the company's reputation in your field or industry.
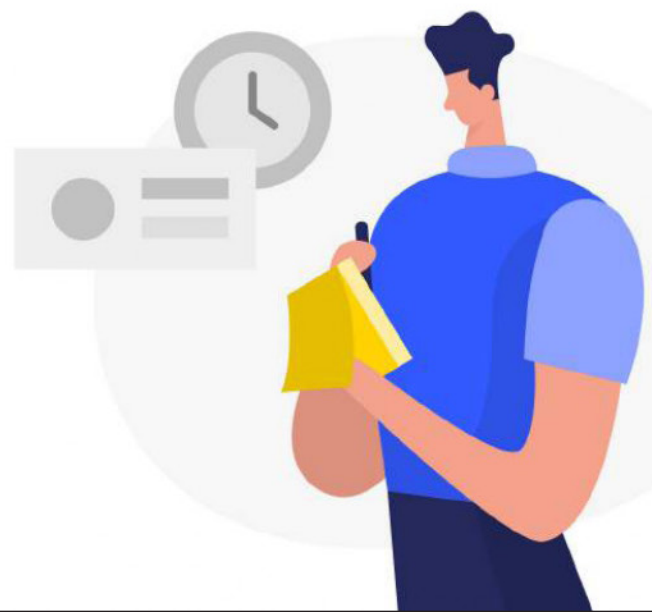
Reimbursements

There are several factors that lead to delayed reimbursements which may call your organization's credibility into question. This is why it is important to have a system that can easily manage all these tasks without much effort. An outdated or inefficient system can make the reimbursement process very tricky. You can easily address all your expenses with a robust accounting system.

Reporting and analytics

Fintech companies rely heavily on data collection and finance trends. The 2017 Sierra-Cedar HR Systems Survey placed metrics in leading organizations' top five priorities for the year. (3) With the help of robust HR technology, you can store the data easily and reports can be easily created. The reporting and analytics aid the fintech sector to optimize their workforce and keep the employees engaged and motivated.

Manual entries

Manual data entry is one of the most cumbersome tasks for fintech companies and can lead to several errors in the data. Some of the major challenges that an organization faces while entering the data manually are cost, human errors, time constraints, misinterpretation, etc. Companies can overcome these challenges easily by using HR technology.

Chapter

03

Role of HR technology in the Fintech sector

HRMS or the Human Resource Management Software plays a crucial role in Fintech companies. A great HRMS can assist you in managing people, tracking attendance and working hours, processing payroll, managing taxes, etc. HRMS helps the fintech industry to streamline critical HR functions.
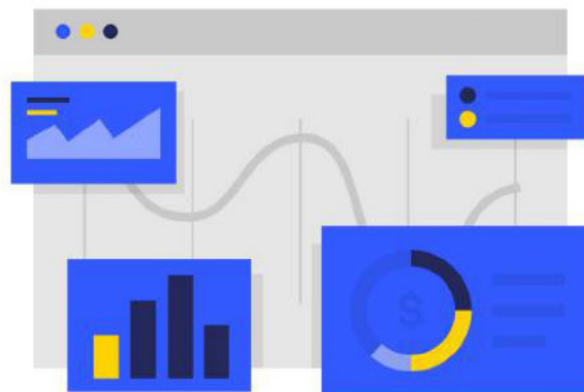
Listed below are some exceptional features of HR software for the fintech sector:

Authentic and Automated mechanism

HR tech has simplified the process of gathering authentic and foolproof data from the employees. With the help of a robust HRMS system, the employers can gather data and can get error-free results for performing accurate payroll. The automated and authentic mechanism is responsible for such a flawless and desired outcome.

Employee retention

HRMS helps in streamlining the onboarding process. HRMS solutions enable companies to determine skill sets, assign goals, and track accomplishments. Moreover, error-free pays-slips and user-friendly or synergetic dashboards/ interfaces help you meet the increasing payroll expectations. Timely and error-free payroll keeps the employees happy and engaged, thus resulting in improved productivity.

Technology oriented business

When we talk about innovation, there's one thing that can't be overlooked and that is technology. If your firm runs on an idea of innovation, then the technology and approaches that you use to manage your workforce need to reflect this. When it comes to managing and supporting your workforce, your HR system must be accessible by everyone, it should be easy to set up and use so that your people can spend more time on tasks that actually matter. With an integrated HRMS it becomes easy for your employees to stay connected through the self-service portal.

Performance management

Offering free food or taking your team out during the weekends isn't going to attract the best. The best people tend to stay in an environment where they truly feel motivated, empowered, and inspired. A transparent and authentic performance management system boosts productivity and employee morale. This type of system that provides such an experience enables the HR personnel to accurately measure the performance of employees. It helps them make unbiased decisions regarding appraisals or incentives.

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Zimyo – Offering #1 Human Experience Platform

HRMS

Get rid of the repetitive HR tasks that restrain you from focusing on major business objectives with the help of Zimyo's simple and intuitive HR suite.

The HR suite offers you everything you need to manage your workforce including:

- Hiring and Applicant Tracking
- Onboarding
- Time and Attendance Management
- HR Management
- Employee Scheduling

Performance Management

Track the performance of your workforce with the help of our consolidated and coherent performance management system.

Our performance management system includes the following major features:

- **Goal-Setting**
- **Reports and Analytics**
- **Self-assessment**
- **360-degree feedback**
- **Continuous monitoring**

ATS

Say goodbye to the traditional hiring process with the help of our intelligent and structured Applicant Tracking System.

The top features of Zimyo's ATS include:

- **CV screening**
- **Automated sourcing**
- **Employee onboarding**
- **Interview Scheduling**
- **Offer Management**

Payroll

Zimyo's payroll system helps fintech companies to deliver more efficient transactions and processes, such as payment processing or financial trading.

Some of the top features of the payroll system are as follows:

- **Payroll processing and management**
- **Loan and advance management**
- **Tax filing services**
- **Expense management**
- **Employee-self service**
- **Compliance management**
- **Reporting**

Conclusion

The enterprises in the fintech sector focus on expanding their client base and providing them with enhanced offerings. Today, the industry is facing several challenges, such as low-profit margins, security threats, and compliance requirements. The challenges have become major driving factors for the fintech companies to reduce workforce costs and align the workforce analytically for streamlining operations.

The HR solutions offered by **Zimyo** assist fintech companies to optimize their workforce. Moreover, the use of analytics and AI-based solutions enable banks and financial institutes to evolve into hyper-productive enterprises with a highly-engaged and motivated workforce that offers them a competitive advantage.

Schedule a demo
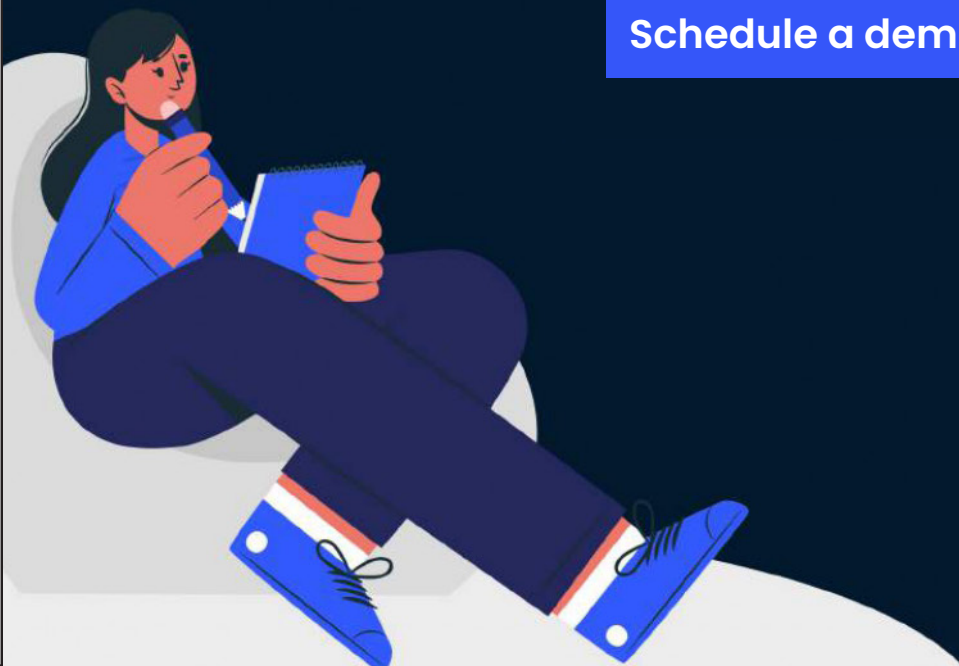
Author Bio

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An avid writer, and an amazing team player, Manisha is a meticulous learner and has a good grasp of technical writing. She has her own unique flair for writing, which has helped her grow and engages the readers quite well. She has a stronghold of the English language, and 'never give up' is something that helps her overcome challenging situations at work. In addition to her astute sense of professionalism, she is a sociable and cheerful addition to the team.

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