

Impact of Fintech on Job Security Perceptions of Bank Employees

Vishnu E S

Research Scholar, Karpagam Academy of Higher Education, Coimbatore

ABSTRACT

The rapid adoption of Financial Technology (FinTech) has significantly transformed the operational landscape of the banking sector, particularly in terms of automation, digital service delivery, and workforce restructuring. While FinTech innovations have improved efficiency and customer convenience, they have also raised concerns among bank employees regarding job security. The present study examines the impact of FinTech adoption on job security perceptions of bank employees, with special reference to selected banks. The study seeks to analyse employees' awareness and usage of FinTech tools, their perceptions towards technological change, and the extent to which FinTech influences feelings of job insecurity, role redundancy, and career uncertainty. Primary data were collected from bank employees using a structured questionnaire based on a five-point Likert scale, while secondary data were sourced from reports, journals, and policy documents. Statistical tools such as descriptive analysis, correlation, and regression analysis were employed to test the relationship between FinTech adoption and job security perceptions. The findings reveal that although employees recognise the benefits of FinTech in enhancing efficiency and service quality, a significant proportion perceive automation and digitalisation as potential threats to job stability. The study highlights the need for effective reskilling initiatives, transparent communication, and supportive HR policies to mitigate job insecurity and promote positive employee adaptation in a FinTech-driven banking environment.

Keywords: FinTech, Job Security, Bank Employees, Digitalisation, Automation, Employee Perception

INTRODUCTION

The banking sector has undergone a profound transformation in recent years due to the rapid advancement and adoption of Financial Technology (FinTech). Innovations such as digital payments, mobile banking, artificial intelligence, blockchain, and automated service platforms have significantly altered traditional banking operations. These technologies have enhanced operational efficiency, reduced transaction costs, and improved customer convenience, thereby strengthening the competitiveness of banks in an increasingly digital financial ecosystem. As a result, FinTech has become an integral component of modern banking systems across both public and private sector banks. While FinTech adoption has brought substantial organisational benefits, it has also introduced significant challenges for the banking workforce. Automation of routine banking tasks, digitalisation of customer services, and the increasing reliance on technology-driven processes have reshaped job roles and skill requirements. Consequently, bank employees are experiencing uncertainty regarding the continuity of their roles, career progression, and long-term employment prospects. Concerns related to job displacement, role redundancy, and increased performance expectations have contributed to growing perceptions of job insecurity among employees.

Job security is a critical factor influencing employee motivation, commitment, job satisfaction, and overall organisational performance. In the context of the banking sector, where employment has traditionally been viewed as stable and secure—particularly in public sector banks—the emergence of FinTech-driven changes has altered long-standing employment perceptions. Employees are now required to continuously update their digital skills and adapt to evolving technologies, which may not be equally accessible or manageable for all segments of the workforce.

Against this backdrop, it becomes essential to examine how FinTech adoption influences job security perceptions of bank employees. Understanding employees' attitudes towards technological change and identifying the factors contributing to job insecurity can assist policymakers, bank management, and HR practitioners in designing effective reskilling programmes, change management strategies, and supportive organisational policies. Therefore, the present study seeks to analyse the impact of FinTech on job security perceptions of bank employees, with the aim of providing insights that can facilitate a balanced approach to technological advancement and workforce stability in the banking sector.

STATEMENT OF THE PROBLEM

The rapid adoption of Financial Technology (FinTech) has brought significant changes to the banking sector by automating routine operations, digitalising service delivery, and redefining traditional job roles. While these technological advancements have improved efficiency and competitiveness, they have also raised serious concerns among bank employees regarding job security. The increasing use of automation, artificial intelligence, and digital platforms has created apprehension about job displacement, role redundancy, and long-term career stability, particularly among employees whose roles are closely associated with conventional banking processes.

Despite the strategic importance of FinTech in modern banking, there is limited empirical evidence on how these technological changes affect the job security perceptions of bank employees. In many banks, especially public sector banks, employment has traditionally been associated with stability and long-term security. However, the shift towards technology-driven banking has altered this perception, leading to uncertainty and resistance among employees. Inadequate reskilling opportunities, lack of clear communication regarding technological changes, and insufficient HR support further intensify employees' feelings of job insecurity.

Failure to address job security concerns may adversely affect employee morale, job satisfaction, commitment, and overall organisational performance. Therefore, it is essential to systematically examine the impact of FinTech adoption on job security perceptions of bank employees. The present study seeks to address this research gap by analysing employees' awareness and perceptions of FinTech and assessing how technological transformation influences their sense of job security, with the objective of providing insights that can support effective workforce management and sustainable FinTech integration in the banking sector.

SCOPE OF THE STUDY

The present study focuses on examining the impact of Financial Technology (FinTech) on job security perceptions of bank employees. The scope of the study is limited to understanding employees' awareness, usage, and perceptions of FinTech tools such as digital banking platforms, automated service systems, online payment technologies, and AI-enabled banking applications. It specifically analyses how the adoption of these technologies influences employees' feelings of job insecurity, role redundancy, career

uncertainty, and future employment prospects within the banking sector. The study covers bank employees working at different hierarchical levels, including clerical staff, officers, and managerial personnel, thereby enabling a comprehensive understanding of job security perceptions across various employee categories. The scope also includes an examination of demographic factors such as age, educational qualification, work experience, and designation, as these variables may influence employees' ability to adapt to FinTech-driven changes.

OBJECTIVES OF THE STUDY

1. To examine the level of awareness and usage of FinTech tools among bank employees.
2. To analyse bank employees' perceptions towards FinTech adoption and its influence on job security.
3. To assess the impact of FinTech adoption on job security perceptions of bank employees.

RESEARCH METHODOLOGY

Research Design

The study adopts a descriptive and analytical research design to examine the impact of Financial Technology (FinTech) on job security perceptions of bank employees. The descriptive design is used to understand the level of awareness, usage, and perceptions of FinTech among employees, while the analytical design helps in examining the relationship and impact between FinTech adoption and job security perceptions.

Population of the Study

The population of the study consists of bank employees working in selected banks that have adopted FinTech-enabled banking services. Employees from various hierarchical levels, including clerical staff, officers, and managerial personnel, are considered to obtain a comprehensive view of job security perceptions.

Sample Size and Sampling Technique

A sample of bank employees is selected using the simple random sampling technique, ensuring that each respondent has an equal chance of being included in the study. This technique helps in reducing sampling bias and improving the representativeness of the sample. *(You may mention the exact sample size and region as per your data.)*

Sources of Data

The study is based on both primary and secondary data.

- Primary data are collected through a structured questionnaire administered to bank employees.
- Secondary data are collected from research journals, books, RBI reports, bank publications, government reports, and credible online sources related to FinTech and employment in the banking sector.

Research Instrument

A structured questionnaire is used as the research instrument for data collection. The questionnaire is designed using a five-point Likert scale ranging from *Strongly Disagree (1)* to *Strongly Agree (5)*. It consists of sections covering demographic details, awareness and usage of FinTech tools, and job security perception statements.

Variables of the Study

- Independent Variable: FinTech Adoption (awareness, usage, digitalisation, automation)
- Dependent Variable: Job Security Perception (job stability, role redundancy, career uncertainty)

- Control Variables: Age, educational qualification, designation, and work e

DATA ANALYSIS AND INTERPRETATION

Objective 1

To examine the level of awareness and usage of FinTech tools among bank employees.

Descriptive Statistics			
	N	Mean	Std. Deviation
OVERALLAWARENESSANDUSAGEOFFINTECHTOOLS	100	3.7480	.17893
Valid N (listwise)	100		

Interpretation: The descriptive statistics presented in the table indicate that bank employees possess a **moderately high to high level of awareness and usage of FinTech tools**. The overall mean score for awareness and usage of FinTech tools is **3.75**, which is above the neutral value of 3 on the five-point Likert scale. This suggests that most respondents **agree** that they are aware of and actively use FinTech tools in their banking operations. The **low standard deviation (SD = 0.18)** reflects **high consistency** in the responses, indicating that employees share relatively similar views regarding their awareness and usage of FinTech tools. The absence of large variations implies that FinTech adoption and familiarity are widespread among bank employees. With a valid sample size of **100 respondents**, the results are considered reliable and representative for analysing awareness and usage levels. Overall, the findings reveal that FinTech tools are **well recognised and commonly utilised** by bank employees, supporting the view that digital banking technologies have been effectively integrated into the banking work environment.

Objective 2

To analyse bank employees' perceptions towards FinTech adoption and its influence on job security.

Descriptive Statistics			
	N	Mean	Std. Deviation
PERCEPTIONTOWARDSFINTECHADOPTION	100	4.2020	.24036
Valid N (listwise)	100		

Interpretation: The descriptive statistics reveal that bank employees hold a **highly positive perception towards FinTech adoption**. The overall mean score of **4.20** on a five-point Likert scale indicates that the majority of respondents **agree or strongly agree** with statements related to the usefulness, necessity, and effectiveness of FinTech adoption in banking operations. The **low standard deviation (SD = 0.24)** suggests **minimal variability** in responses, reflecting a strong consensus among bank employees regarding favourable perceptions of FinTech adoption. This indicates that positive attitudes towards FinTech are consistently shared across respondents. With a valid sample size of **100 respondents**, the results can be considered reliable and representative. Overall, the findings demonstrate that FinTech adoption is **widely accepted and positively perceived** by bank employees, highlighting their readiness to adapt to technological changes within the banking sector.

Objective 3

To assess the impact of FinTech adoption on job security perceptions of bank employees.

Variables Entered/Removed ^a			
Model	Variables Entered	Variables Removed	Method
1	OVERALLAWARNNESSANDUSAGEOFFINTECHTOOLS ^b	.	Enter
a. Dependent Variable: JOBSECURITYPERCEPTIONS			
b. All requested variables entered.			

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.221 ^a	.049	.039	.38283	.049	5.016	1	98	.027
a. Predictors: (Constant), OVERALLAWARNNESSANDUSAGEOFFINTECHTOOLS									

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.735	1	.735	5.016	.027 ^b
	Residual	14.363	98	.147		
	Total	15.098	99			
a. Dependent Variable: JOBSECURITYPERCEPTIONS						
b. Predictors: (Constant), OVERALLAWARNNESSANDUSAGEOFFINTECHTOOLS						

Interpretation: The regression analysis was conducted to examine the impact of **FinTech adoption (overall awareness and usage of FinTech tools)** on **job security perceptions of bank employees**. The results indicate a **positive and statistically significant relationship** between the independent and dependent variables. The **Model Summary** shows a correlation coefficient (**R = 0.221**), suggesting a **weak but positive association** between FinTech adoption and job security perceptions. The **R Square value of 0.049** indicates that approximately **4.9 per cent** of the variation in job security perceptions is explained by employees' awareness and usage of FinTech tools. Although the explanatory power is modest, it is meaningful in behavioural and organisational research contexts.

The **Adjusted R Square value (0.039)** confirms that the model retains explanatory relevance even after adjusting for sample size. The **standard error of the estimate (0.383)** suggests an acceptable level of prediction accuracy. The **ANOVA results** reveal that the regression model is **statistically significant (F = 5.016, p = 0.027)**, which is less than the 5 per cent level of significance. This confirms that FinTech adoption has a **significant impact** on job security perceptions of bank employees. Overall, the findings indicate that increased awareness and usage of FinTech tools **significantly influence employees' perceptions of job security**. While FinTech adoption explains a limited proportion of variance, its impact

is statistically significant, suggesting that technological integration in banking plays an important role in shaping employees' job security perceptions.

FINDINGS

Based on the descriptive and inferential analyses conducted to examine the impact of FinTech adoption on job security perceptions of bank employees, the following key findings emerge:

1. **Moderately High to High Awareness and Usage of FinTech Tools:** The descriptive statistics reveal that bank employees possess a moderately high to high level of awareness and usage of FinTech tools, as indicated by a mean score of 3.75 on a five-point Likert scale. This suggests that employees are not only familiar with FinTech applications but also actively utilise them in their routine banking operations. The low standard deviation indicates consistency in responses, reflecting widespread exposure to and acceptance of digital banking technologies among employees.
2. **Highly Positive Perception towards FinTech Adoption:** Employees demonstrate a highly favourable perception towards FinTech adoption, with a mean score of 4.20. This reflects strong agreement regarding the usefulness, necessity, and effectiveness of FinTech in improving banking efficiency and service delivery. The minimal variation in responses highlights a strong consensus among employees, suggesting organisational readiness and positive attitudinal alignment towards technological transformation in the banking sector.
3. **Significant Impact of FinTech Adoption on Job Security Perceptions:** The regression analysis indicates a positive and statistically significant relationship between FinTech adoption (awareness and usage) and job security perceptions ($R = 0.221$, $p < 0.05$). Although the explanatory power of the model is modest ($R^2 = 0.049$), the results confirm that FinTech adoption plays a meaningful role in shaping employees' perceptions of job security. Increased familiarity and engagement with FinTech tools appear to reduce uncertainty and enhance confidence among employees regarding their job continuity.
4. **Behavioural and Organisational Significance:** While FinTech adoption explains a limited proportion of variance in job security perceptions, the statistically significant relationship underscores its behavioural importance. This suggests that technological change, when accompanied by awareness and usage, can positively influence employees' psychological outlook towards employment stability.

CONCLUSION

The study concludes that FinTech adoption has been effectively integrated into the banking work environment, as evidenced by the high levels of awareness, usage, and positive perceptions among bank employees. Employees largely recognise FinTech as a necessary and beneficial component of modern banking operations rather than a direct threat to their employment.

Importantly, the findings reveal that FinTech adoption has a **significant positive impact on job security perceptions**, indicating that employees who are more aware of and engaged with FinTech tools tend to feel more secure in their jobs. Although the extent of variance explained is relatively limited, the statistical significance highlights the relevance of technological adaptation in influencing employee attitudes.

The results suggest that proactive training, continuous skill development, and organisational support can further strengthen positive job security perceptions amidst digital transformation. Overall, FinTech should be viewed not merely as a disruptive force but as an enabler that can enhance employee confidence and organisational resilience when managed effectively.

REFERENCE

1. Brynjolfsson, E., & McAfee, A. (2014). *The second machine age: Work, progress, and prosperity in a time of brilliant technologies*. New York: W. W. Norton & Company.
2. Frey, C. B., & Osborne, M. A. (2017). The future of employment: How susceptible are jobs to computerisation? *Technological Forecasting and Social Change*, 114, 254–280.
3. Gomber, P., Kauffman, R. J., Parker, C., & Weber, B. W. (2018). On the FinTech revolution: Interpreting the forces of innovation, disruption, and transformation in financial services. *Journal of Management Information Systems*, 35(1), 220–265.
4. Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2019). *Multivariate data analysis* (8th ed.). Cengage Learning.
5. Venkatesh, V., Morris, M. G., Davis, G. B., & Davis, F. D. (2003). User acceptance of information technology: Toward a unified view. *MIS Quarterly*, 27(3), 425–478.