

Problems And Challenges Faced By Companies With Traditional To Fintech Based Technology In Bangalore City

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Abstract

The paper investigated the issues and obstacles encountered by enterprises in Bangalore City during the shift from traditional to fintech-based technologies. The research employs an integrated method, including informal discussions with business leaders along with a poll that is directed at important decision-makers in several sectors. The methodology focuses on identifying key factors such as organizational readiness, technological infrastructure, financial constraints, and employee training as major barriers to fintech adoption. Results indicate that companies face significant challenges in integrating fintech solutions with legacy systems, securing adequate financial investment, and overcoming employee resistance to change. Furthermore, regulatory hurdles and the need for specialized skills emerged as critical factors influencing the success of fintech adoption. The conclusion emphasises that acceptance of fintech can improve operational efficiency and consumer happiness, overcoming these barriers requires a proactive strategy, robust training programs, and an organizational culture that fosters innovation. This study provides valuable insights for companies looking to navigate the complexities of transitioning to fintech-based solutions.

Keywords: Fintech adoption, technological barriers, organizational readiness, employee resistance, Bangalore City, legacy systems, regulatory challenges, innovation culture.

Introduction

Financial technology (fintech) is described as the incorporation of technology in the delivery of diverse fiscal services. Arner, Barberis, and Buckley stated that Fintech has been a longstanding ally in the evolution and advancement of finance over the last 20 years. Fintech offers identical products as those provided by banks; however, the distinction currently resides in speed and ease due to technological advancements. Magnuson characterises Fintech as a novel category of enterprises that deliver specialised financial services via online or mobile platforms. The term Fintech has surged in prominence in recent years due to factors such as technology advancements, innovation-driven organisations, cost-reduction initiatives, and, notably, investor interest [1].

Fintech businesses are innovative financial intermediaries that utilise technological breakthroughs to facilitate innovative companies, modify operational processes, and deliver improved products and services [2]. Fintech emerged in the early 1990s, coinciding with the internet revolution. The Internet has been a crucial role in the expansion of the fintech business [3]. Fintech is perceived to provide the opportunity to enhance financial transparency, consumer accessibility, and cost efficiency. Furthermore, it is regarded as a potential catalyst for transforming the economy by contesting established financial service providers, including banks, insurance firms, and current investment organisations [4]. Fintech expands not only due

to technical innovation but also because it is subject to different legal constraints than traditional financial service providers, enabling fintech firms to operate more flexibly within the regulatory space to develop new products [5].

Fintech represents the integration of technological tools, methodologies, and ecosystems, enhancing the accessibility, approachability, efficiency, and resourcefulness of business transactions. Monetary pay-out, finance, stock trading, and conversion of currencies are all finance-related businesses that may be profoundly impacted by the emerging field of fintech [6]. The fintech ecosystem has multiple components featuring diverse business models and services. The fintech ecosystem includes fintech startups, technology developers, governmental entities, consumers, and established financial institutions. Additionally, the fintech business model may encompass payment services, asset administration, fundraising, peer-to-peer (P2P) lending, capital markets, and insurance (insurtech) models. The rapid evolution of technology has driven significant changes across industries, with the financial sector being no exception. The business world has moved toward fintech-based technology implementations because these systems boost operational effectiveness together with customer satisfaction in order to remain successful in today's rapidly changing market conditions. Changing from traditional legacy systems to fintech only becomes possible through the successful resolution of various implementation obstacles faced by organizations.

The usage of emerging technology by many fintech businesses leads to challenges when integrating fintech apps with existing previous systems [7]. Digital growth transcends mere technology. Staff members with extended experience in traditional processes show reluctance toward using modern approaches in their work. Different organizational challenges like concern about job safety or personal choice for status quo prevent employees from accepting new operational systems. Employees usually struggle to learn complicated systems when training programs and support measures are inadequate thus slowing down the implementation phase [8]. The implementation of fintech networks produces substantial security threats along with privacy-related risks for data protection. The absence of an innovative culture within an organization prevents the adoption of modern innovations from spreading through the organization. Employees will oppose change when they work in a non-supportive organizational environment which makes it difficult for the organization to implement new technological advancements. This research article explores three key aspects regarding fintech technology adoption: first, it defines vital factors that drive fintech adoption, second, it investigates the barriers companies face when switching from traditional systems to fintech applications and finally it establishes how organizational readiness and innovation culture influence fintech success.

Objectives Of The Study

- The research establishes which main elements drive company adoption of fintech technology.
- The research explores both the main obstacles companies encounter when moving to fintech-based systems from traditional based operations.
- An assessment of how organizational readiness and innovation culture affect the success rates of fintech adoption would be conducted.

Literature Review

Different factors shape the adoption of fintech technology

Technological Factors

The expansion of Fintech was made possible through major technological innovations that include better mobile access as well as big data analytics and social media platforms [9]. The deployment of fintech solutions demanded the firm to upgrade its entire technological foundation significantly. Among new technologies like blockchain and artificial intelligence (AI) and machine learning organizations must regularly update their information storage features and computational power and protective systems. Businesses had to improve their IT infrastructure because it was essential for achieving both scalability and security alongside performance excellence in the digital financial world.

Availability of modern technological platforms enabled companies to bring together different fintech systems. The widespread availability of cloud computing technology together with big data analytics tools and API frameworks enabled companies to improve their fintech solution implementation methods. Cloud solutions let companies achieve efficient operational growth and API frameworks simplified the integration between new financial solutions and their existing business systems [10].

Business success in fintech solution integration was possible thanks to the existing technological suite at the company. The incorporation of fintech solutions became less complex because numerous businesses were already users of digital platforms such as CRM software as well as ERP systems and data analytics solutions. The previously deployed technological resources acted as a basis to implement mobile payments together with robo-advisors and digital lending solutions. Companies that use their already existing technologies can enhance the implementation process of fintech systems which decreases expenses and shortens delivery timelines.

Customer Satisfaction

A transition to fintech solutions from traditional financial systems exists mainly because of the pressing need to improve customer satisfaction levels. The demand from consumers for quick and highly efficient services forces companies to embrace fintech as a solution. The implementation of fintech lets businesses supply customized services which strengthens their capacity to deliver services that meet specific customer requirements. Research indicates fintech technology boosts customer satisfaction by supplying individualized efficient services to clients. Research shows customers demonstrate higher satisfaction toward services that incorporate financial technology implementations according to recent findings. This transition addresses changing client requirements at the same time as it allows businesses to stay competitive through financial market advancements [11].

Regulatory & Legal Considerations

The extent of regulation functions as an important factor which supports Fintech implementations. Fintech enterprises gained support from the competitive and regulatory changes set in motion by the 2008 recession. The current regulations, rules, and capital standards are required from traditional financial institutions such as banks yet do not apply to Fintech entities [12]. Fintech technology adoption happens primarily due to regulatory needs so companies fulfill industry standards while protecting themselves from possible legal consequences. The present legal structure determines the ease of technology adoption allowing supportive regulations to enhance innovation but imposing challenging regulations can become a hindrance to technological integration.

Fintech enterprises build better organizational frameworks to develop and deploy new products swiftly whereas traditional banks benefit from their innovative business approaches to improve operational efficiency. While Fintech companies encounter particular issues that challenge their sector which includes cybersecurity threats and regulatory compliance as well as data protection matters. The responsible authorities need to achieve a balance that supports both technological progress and defends customers from unsafe scenarios. Fintech presents an exciting opportunity to transform finance operations while delivering enhanced efficiency together with user-friendly and open systems to financial services. Enterprises utilize their distinctive legal construct to follow major financial institutions and deliver customers an expanded range of creative products through their offerings [13].

The MiCA legislation in Europe delivers specific regulations which attract crypto companies to the EU and promote both customer trust along with regulatory adherence. Due to UK delays in developing complete crypto regulations the country has developed an uneven regulatory framework which could present obstacles for fintech acceptance [14]. The Australian cryptocurrency industry faces criticism because its regulatory framework remains behind global leaders which puts its digital economic position at risk [15]. The given examples demonstrate how regulatory and legal frameworks substantially affect why companies choose to implement fintech solutions. Fines technology adoption speeds up when regulatory frameworks offer clear support but becomes slower when regulators provide ambiguous or complex rules.

Fintech Adoption

Technology-driven financial services distribution constitutes the definition of fintech [16]. Blockchain technology and AI are impacting the financial sector by enhancing the efficiency of service provision by financial organisations. Fintech is recognised as a means to enhance the industry's candour, customer interaction, and productivity. The pre-eminence of existing banks, insurance companies, and investment firms is another manner in which fintech is anticipated to profoundly transform the traditional financial landscape. Fintech has proliferated due to technological improvements and its distinct limitations as compared to traditional financial service providers. The "regulatory sandbox" is a designated legal structure that permits fintech enterprises to innovate with fresh goods and operate with greater flexibility, while remaining under defined regulatory limits. [17]. Based on this description, the research hypothesis can be built as follows:

H1: Technological factors, customer satisfaction and regulatory and legal considerations influencing the company to adopt fintech technology.

Challenges to Fintech Adoption

Organisations encounter numerous problems throughout the execution of the fintech framework. The intricacy of evolution may result in disproportionate sharing of resources and integration challenges, which can be mitigated via meticulous planning and interdepartmental communication. Secondly, employee aversion and inadequate agility are prevalent challenges, requiring training and support to improve acceptance of the changes. The compatibility of technical systems and data integration challenges can affect adaption efficacy, necessitating appropriate system enhancements and data management. Prolonged delays in strategic modifications may lead to deviations from objectives, necessitating organisations to implement adaptable adjustment processes for the swift rectification of errors. Finally, the organizational

culture may not always be supportive of the transition to fintech, with some employees or leaders resisting change due to entrenched ways of working [18]. Thus, it is hypothesized that: H2: Employee resistance, lack of skills, rapid technological change, data security risks, solution complexity, and unsupportive culture can significantly delay the successful adoption of fintech within a company.

The Impact of Organizational Readiness and Innovation Culture in determining the Success of Fintech Adoption

Organizational Readiness

The structure and behaviour of an organisation are profoundly influenced by its ability and resources. Organisational resources may either promote or hinder transformation, contingent upon their function [19]. The need of aligning the characteristics of technological change with the capabilities of organisations is emphasised by a fundamental concept in organisational and IT literature for successful integration of such technology [20, 21].

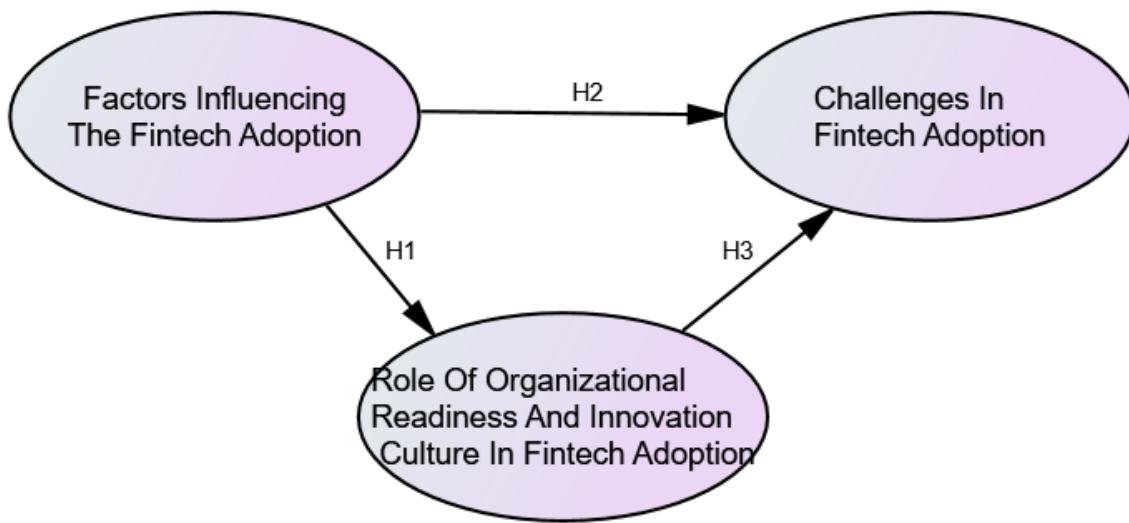
The financial and technological assets of a firm might exemplify its organisational preparedness. Equipping the company with technological tools and cultivating an encouraging workplace for embrace of technology enhances organisational preparedness. This organisational readiness encompasses finances, technology, company culture, internal connections, and collaborations. The findings corroborate study by [22], which indicated that firms must strategize for diverse current and potential requirements to effectively navigate situations and technological changes. The implementation of financial technology impacts organisational readiness, necessitating that firms comprehend the importance of an organisational preparedness plan to address any future difficulties, as stated in [23]. The moderating impact of organisational preparedness can be employed to enhance the understanding of the factors influencing fintech uptake.

Innovation Culture

An organization needs innovation culture to succeed in fintech adoption because it produces an environment that lets new ideas and technologies flourish. The implementation of fintech solutions becomes more likely within organisations that promote innovative thinking among employees because this atmosphere drives creative approaches toward new technology adoption [24]. Organizations with innovation culture successfully unite IT teams with marketing and finance staff to achieve smooth implementation of fintech solutions [25]. Organizations that develop continuous learning and knowledge sharing programs provide their employees with essential skills necessary to implement fintech adoption success. Companies that give prizes to staff members for both imaginative thinking and problem-solving ensure better employee commitment and easier fintech technology deployment. A company's innovation culture strength controls how well its employees adopt fintech solutions while improving the success of digital transformation initiatives. Hence we propose:

H3: Organizational Readiness and innovation culture is important for the success of fintech adoption in companies.

conceptual framework



Research Methodology

The study uses quantitative research to analyze the transition of companies from traditional financial systems to fintech-based solutions in Bangalore. Primary data was collected through a structured survey questionnaire, while secondary data was gathered from secondary sources like journals and industry reports. A non-probability sampling technique was used, with a sample size of 350 respondents. The study's reliability was assessed using Cronbach's Alpha values, which fall within the acceptable range of 0.7 to 0.9. The Cronbach's Alpha values for most dimensions indicate the reliability of the scales used to analyze the problems and challenges faced by companies transitioning to fintech-based technology. Tools used for the study included PA, descriptive statistics, and oneway ANOVA.

Limitations Of The Study

- The study is specific to Bangalore.
- The study findings might become outdated as companies adapt to newer fintech solutions and government regulations change.
- If the study involves interviews or open-ended surveys, interpretation of qualitative responses introduce researcher bias.

Analysis And Interpretation

Demographic profile of the respondents

Demographic Information	Particulars	Frequency	Percent
Industry Type	Banking	62	17.7
	Insurance	99	28.3
	Retail	87	24.9
	Healthcare	61	17.4
	E-commerce	41	11.7
	Total	350	100.0
	Micro (1–10 employees)	61	17.4

Company Size (Number of Employees)	Small (11–50 employees)	133	38.0
	Medium (51–250 employees)	79	22.6
	Large (251+ employees)	77	22.0
Annual Revenue	Less than Rs.1 Crore	92	26.3
	Rs.1 Crore – Rs.10 Crore	142	40.6
	Rs.10 Crore – Rs.50 Crore	48	13.7
	Over Rs.50 Crore	68	19.4
Years in Business	Less than 1 year	81	23.1
	1–5 years	129	36.9
	6–10 years	93	26.6
	Over 10 years	47	13.4
Position in the Company	CEO/Founder	67	19.1
	C-level Executive (CFO, CTO, etc.)	73	20.9
	Senior Manager	77	22.0
	Manager	84	24.0
	Others	49	14.0
Total		350	100.0

The demographic data provides a comprehensive overview of the respondents' profiles across various dimensions, including industry type, company size, annual revenue, and years in business, and position in the company. The largest proportion comes from the Insurance sector (28.3%), followed by Retail (24.9%), Banking (17.7%), and Healthcare (17.4%). The E-commerce sector accounts for the smallest share at 11.7%. The majority of respondents belong to small-sized companies constituting 38.0%, micro-sized companies make up 17.4%, while medium and large companies account for 22.6% and 22.0%, respectively.

A significant portion of the respondents (40.6%) report annual revenues between Rs.1 Crore and Rs.10 Crore, companies with revenues less than Rs.1 Crore represent 26.3%, while those with revenues over Rs.50 Crore account for 19.4%, companies in the Rs.10 Crore – Rs.50 Crore range make up 13.7%. 36.9% have been in business for 1–5 years, followed by 6–10 years (26.6%), less than 1 year account for 23.1%, while those with over 10 years of experience constitute 13.4%. Managers forming the largest group at 24.0%, followed closely by Senior Managers (22%) and C-level Executives (20.9%). CEOs/Founders account for 19.1%, while others make up 14%.

Socio graphic variables of the respondents

Socio graphic Information	Particulars	Frequency	Percent
Does your organisation presently utilise any fintech-based technologies	Yes	212	60.6
	No	138	39.4
	Total	350	100.0
Company's Financial Investment in Fintech	No investment yet	23	6.6
	Less than Rs.10 Lakhs	111	31.7

	Rs.10 Lakhs – Rs.50 Lakhs	81	23.1
	Rs.50 Lakhs – Rs.1 Crore	88	25.1
	Over Rs.1 Crore	47	13.4
Level of Technological Infrastructure	Basic (Only legacy systems)	79	22.6
	Intermediate (Some digital systems in place)	193	55.1
	Advanced (Modern infrastructure, cloud-based systems)	78	22.3
Employee Skill Level in Fintech:	Low (Minimal understanding of fintech)	70	20.0
	Moderate (Basic understanding and training)	196	56.0
	High (Advanced fintech skills and training)	84	24.0
Benefits from adopting Fintech Technology	Reduced operational costs	59	16.9
	Increased efficiency	146	41.7
	Enhanced customer satisfaction	69	19.7
	Improved decision-making through data analytics	58	16.6
	Better compliance and risk management	18	5.1
Total		350	100.0

Adoption of Fintech-Based Technologies: 60.6% indicate that their companies currently use fintech-based technologies, while 39.4% report no adoption.

Company's Financial Investment in Fintech: 31.7% invested less than Rs.10 Lakhs, followed by those investing Rs.50 Lakhs – Rs.1 Crore (25.1%) and Rs.10 Lakhs – Rs.50 Lakhs (23.1%). A smaller proportion (13.4%) has invested over Rs.1 Crore, while 6.6% have made no investment yet.

Level of Technological Infrastructure: 55.1% describe their company's technological infrastructure as intermediate, 22.6% having only Basic (legacy) systems, while 22.3% have advanced (modern, cloud-based) infrastructure.

Employee Skill Level in Fintech: 56% rate their employees' skill level as Moderate, 24% report High skill levels (advanced fintech skills and training), while 20.0% having Low skill levels (minimal understanding).

Benefits from Adopting Fintech Technology: The most commonly reported benefit of fintech adoption is increased efficiency (41.7%), enhanced customer satisfaction (19.7%), reduced operational costs (16.9%), and improved decision-making through data analytics (16.6%). A smaller proportion (5.1%) cite better compliance and risk management as a key benefit.

Descriptive Statistics for Key Factors Influencing the Adoption of Fintech Technology

		N	Mean	SD
Technological Factors	The adoption of fintech technology required a significant upgrade to company's technological infrastructure.	350	2.84	1.227
	There are access to modern technologies and platforms that support the integration of fintech systems.	350	2.93	1.206

	The integration of fintech solutions was easy due to the technological tools already available in the company.	350	2.85	1.283
Customer Satisfaction	Customer demand for quicker and more efficient services led to the adoption of fintech.	350	2.79	1.415
	The integration of fintech has helped us meet our customers' expectations more effectively.	350	3.21	1.298
	Fintech adoption has improved company's ability to offer personalized services to customers.	350	2.72	1.427
	Our customers have shown greater satisfaction with our services after implementing fintech solutions.	350	3.08	1.281
Regulatory & Legal Considerations	Regulatory compliance requirements influenced our decision to adopt fintech technology.	350	2.41	1.350
	The existing legal framework supported the adoption of fintech solutions.	350	2.58	1.300
	Compliance with industry regulations slowed down the implementation of fintech-based solutions.	350	2.66	1.301

The above table indicates that the respondents disagree with the adoption of fintech technology require a significant upgrade to company's technological infrastructure (2.84), access to modern technologies and platforms that support the integration of fintech systems (2.93), the easy integration of fintech solutions due to the technological tools available in the company (2.85), customer demand for quicker and more efficient services led to the adoption of fintech (2.79), fintech adoption improving company's ability to offer personalized services to customers (2.72), regulatory compliance requirements influenced to adopt fintech technology (2.41), the existing legal framework supported the adoption of fintech solutions (2.58) and compliance with industry regulations slowed down the implementation of fintech-based solutions (2.50). The respondents agree that the integration of fintech helped to meet customers' expectations more effectively (3.21) and customers have shown greater satisfaction with the services after implementing fintech solutions (3.08).

Descriptive Statistics for Challenges to Fintech Adoption

	N	Mean	SD
Resistance from employees slowed down the fintech adoption process.	350	2.36	1.036
Lack of adequate skills and training within the company was a significant obstacle.	350	2.75	1.244
The swift advancement of technology hindered our company's ability to adapt.	350	2.79	1.438

Company faced significant risks associated with data security and privacy during fintech implementation.	350	2.68	1.337
The complexity of fintech solutions made them difficult to implement and use effectively.	350	2.93	1.329
The organizational culture was not fully supportive of the transition to fintech.	350	2.76	1.223
Valid N (listwise)	350		

The above table indicates that the respondents disagree with resistance from employees slowed down the fintech adoption process (2.36), lack of adequate skills and training within the company was a significant obstacle (2.75), the swift advancement of technology hindered company's ability to adapt (2.79), company faced significant risks associated with data security and privacy during fintech implementation (2.68), the complexity of fintech solutions made them difficult to implement and use effectively (2.93) and the organizational culture was not fully supportive of the transition to fintech (2.76).

Descriptive Statistics for the Role of Organizational Readiness and Innovation Culture in success of Fintech Adoption

		N	Mean	SD
Organization al Readiness	The leadership team actively supported the adoption of fintech solutions.	350	2.50	1.204
	Company had sufficient financial resources to support the implementation of fintech technologies.	350	2.46	1.270
	IT infrastructure in the company was ready for the integration of fintech technology.	350	2.72	1.294
	Company has a dedicated team or department for managing the fintech adoption process.	350	3.03	1.433
Innovation Culture	The company fosters a culture that encourages innovation and creativity.	350	2.96	1.087
	Employees are rewarded for contributing innovative solutions to business challenges.	350	2.63	1.542
	There is a strong collaboration between different teams (e.g., IT, marketing, finance) to drive innovation within the company.	350	2.84	1.357
	The organizational culture supports continuous learning and knowledge sharing, which is essential for successful fintech adoption.	350	2.96	1.284

The above table indicates that the respondents disagree with the leadership team actively supported the adoption of fintech solutions (2.50), company has sufficient financial resources to support the implementation of fintech technologies (2.46), IT infrastructure in the company was ready for the integration of fintech technology (2.72), the company fosters a culture that encourages innovation and creativity (2.96), employees are rewarded for contributing innovative solutions to business challenges (2.63), there is a strong collaboration between different teams (e.g., IT, marketing, finance) to drive innovation within the company (2.84) and the organizational culture support continuous learning and knowledge sharing essential for successful fintech adoption (2.96). The respondents agree that the company has a dedicated team or department for managing the fintech adoption process (3.03).

Comparison between the company size (number of employees) and the dimensions for the problems and challenges faced by the companies with traditional to fintech based technology

Ho1: Significant difference exists between the company size (number of employees) and the dimensions for the problems and challenges faced by the companies with traditional to fintech based technology.

Demographic Information	Company Size (Number of Employees)	N	Mean	SD	F	Sig
Technological Factors	Micro (1–10 employees)	61	2.91	0.847	2.713	.045
	Small (11–50 employees)	133	2.87	0.876		
	Medium (51–250 employees)	79	2.66	0.861		
	Large (251+ employees)	77	3.07	1.006		
	Total	350	2.87	0.905		
Customer Satisfaction	Micro (1–10 employees)	61	2.95	0.704	.706	.549
	Small (11–50 employees)	133	3.01	0.746		
	Medium (51–250 employees)	79	2.86	0.649		
	Large (251+ employees)	77	2.94	0.738		
	Total	350	2.95	0.715		
Regulatory & Legal Considerations	Micro (1–10 employees)	61	2.65	0.904	.922	.431
	Small (11–50 employees)	133	2.59	0.964		
	Medium (51–250 employees)	79	2.42	0.841		
	Large (251+ employees)	77	2.52	0.918		
	Total	350	2.55	0.916		

Challenges to Fintech Adoption	Micro (1–10 employees)	61	2.59	0.880	1.760	.154
	Small (11–50 employees)	133	2.75	0.899		
	Medium (51–250 employees)	79	2.59	0.787		
	Large (251+ employees)	77	2.87	0.971		
	Total	350	2.71	0.892		
Organizational Readiness	Micro (1–10 employees)	61	2.46	0.701	2.668	.048
	Small (11–50 employees)	133	2.75	0.826		
	Medium (51–250 employees)	79	2.60	0.780		
	Large (251+ employees)	77	2.79	0.795		
	Total	350	2.68	0.794		
Innovation Culture	Micro (1–10 employees)	61	2.84	0.818	1.546	.202
	Small (11–50 employees)	133	2.74	0.849		
	Medium (51–250 employees)	79	2.95	0.795		
	Large (251+ employees)	77	2.95	0.865		
	Total	350	2.85	0.837		

The study found a significant difference in customer satisfaction, regulatory & legal considerations, challenges to fintech adoption, innovation culture and the company size. However, there was no substantial difference between technological factors, organizational readiness and the company size. Large companies (251+ employees) score the highest, indicating better technological infrastructure, organizational readiness or adoption compared to smaller companies. Micro, small and medium-sized companies lag slightly.

Comparison between the Benefits from adopting Fintech Technology and the Dimensions for the Problems and Challenges faced by the Companies with Traditional to Fintech based Technology

Ho2: Significant difference exists between the benefits from adopting fintech technology and the dimensions for the problems and challenges faced by the companies with traditional to fintech based technology.

Socio graphic Information	Benefits from adopting Fintech Technology	N	Mean	SD	F	Sig
Technological Factors	Reduced operational costs	59	2.38	0.881	17.772	.000
	Increased efficiency	146	2.67	0.853		
	Enhanced customer satisfaction	69	3.12	0.846		

	Improved decision-making through data analytics	58	3.33	0.675		
	Better compliance and risk management	18	3.70	0.833		
	Total	350	2.87	0.905		
Customer Satisfaction	Reduced operational costs	59	2.97	0.671	1.420	.227
	Increased efficiency	146	2.90	0.665		
	Enhanced customer satisfaction	69	2.85	0.759		
	Improved decision-making through data analytics	58	3.10	0.764		
	Better compliance and risk management	18	3.13	0.871		
	Total	350	2.95	0.715		
Regulatory & Legal Considerations	Reduced operational costs	59	2.33	0.772	1.113	.350
	Increased efficiency	146	2.57	0.915		
	Enhanced customer satisfaction	69	2.63	0.892		
	Improved decision-making through data analytics	58	2.58	1.086		
	Better compliance and risk management	18	2.67	0.849		
	Total	350	2.55	0.916		
Challenges to Fintech Adoption	Reduced operational costs	59	2.75	0.874	3.146	.015
	Increased efficiency	146	2.58	0.812		
	Enhanced customer satisfaction	69	2.66	0.860		
	Improved decision-making through data analytics	58	3.06	1.044		
	Better compliance and risk management	18	2.72	0.948		
	Total	350	2.71	0.892		
Organizational Readiness	Reduced operational costs	59	2.69	0.714	4.030	.003
	Increased efficiency	146	2.59	0.718		
	Enhanced customer satisfaction	69	2.63	0.794		
	Improved decision-making through data analytics	58	3.03	0.934		
	Better compliance and risk management	18	2.39	0.884		
	Total	350	2.68	0.794		
Innovation Culture	Reduced operational costs	59	2.89	0.824	.440	.780
	Increased efficiency	146	2.82	0.792		
	Enhanced customer satisfaction	69	2.81	0.838		
	Improved decision-making through data analytics	58	2.97	0.943		
	Better compliance and risk management	18	2.78	0.927		
	Total	350	2.85	0.837		

The study found a significant difference in customer satisfaction, regulatory & legal considerations, innovation culture and the benefits from adopting fintech technology. However, there was no substantial difference between technological factors, challenges to fintech adoption, organizational readiness and the benefits from adopting fintech technology. The findings suggests that fintech adoption is primarily driven by its ability to enhance compliance, improve decision-making through data analytics, and increase customer satisfaction. However, the expectation of reduced operational costs remains relatively low across all dimensions.

Result on conceptual framework

Exploring the Factors, Challenges, and Organizational Role in Fintech Adoption **Results of goodness-of-fit**

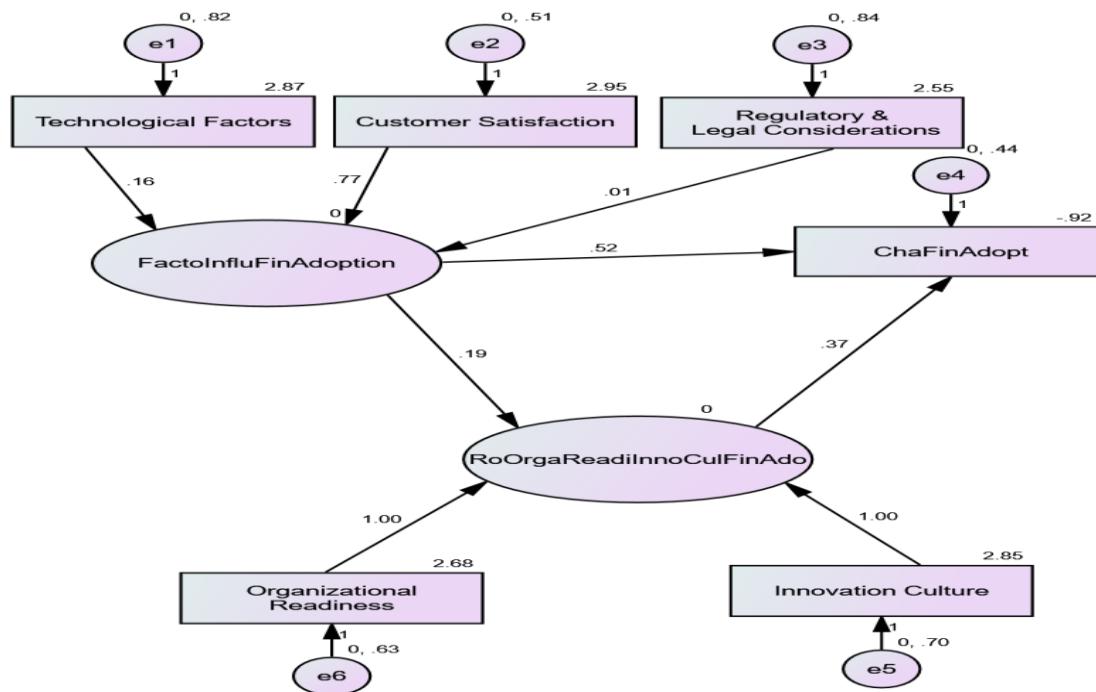
Full Model	CMIN/DF	P	RMR	GFI	AGFI	IFI	CFI	RMSEA
Final Model	106.21	0.000	0.079	0.833	0.854	0.725	0.683	0.064

The model has a good fit to the data according to the indexes. The CMIN/DF ratio beyond the permissible limit, and the p-value is significant, indicating inadequate fit. Moreover, the GFI, AGFI, IFI, and CFI values as per the condition of the suggested levels for an acceptable match. The RMSEA number falls within the allowed range and the model can be processed further.

Results based on the model

The study found that organizational readiness and innovation culture significantly influence the adoption of Fintech solutions. Higher organizational readiness is associated with a greater likelihood of adopting Fintech solutions. A culture that fosters innovation positively influences Fintech adoption. Specific factors, such as technological advancements and regulatory environment, positively impact Fintech adoption. However, greater challenges in Fintech adoption are associated with a lower likelihood of adopting Fintech solutions. The indirect effect of organizational readiness on Fintech adoption is partially mediated by innovation culture. The effect of innovation culture on Fintech adoption is partially mediated by specific factors. Overall, the study suggests that organizational readiness and innovation culture play a crucial role in the adoption of Fintech solutions.

Output towards the model



Findings

Demographic Variables

Most of the respondents are from insurance industry. Most of the companies are small with 11-50 employees with an annual revenue of Rs.1 Crore – Rs.10 Crore. Most of the companies have been in business for 1–5 years. Most of them are managers.

Sociographic Variables

Most of the company currently use fintech-based technologies. Most of the company's financial investment in fintech is less than Rs.10 lakhs. Most of the companies have intermediate (Some digital systems in place) level of technological infrastructure in place. Most of the employees have moderate (basic understanding and training) skill level in fintech technology. Most of the companies adopt fintech technology for its increased efficiency.

Key Factors Influencing the Adoption of Fintech Technology

The findings indicate that while fintech adoption enhances customer satisfaction and service efficiency, technological and regulatory challenges persist. Many businesses require infrastructure upgrades to fully integrate fintech solutions, and regulatory compliance remains a potential hurdle. However, companies that successfully implement fintech tend to experience improved customer satisfaction and service personalization. Future efforts should focus on streamlining regulatory processes and improving technological readiness to maximize fintech adoption benefits.

Challenges to Fintech Adoption

The results suggest that fintech adoption in companies was hindered primarily by skill gaps, technological complexity, and cultural resistance. While employee resistance was not the most severe issue, a lack of training and the rapid evolution of technology created adaptation difficulties. Furthermore, security concerns and organizational culture played a role in shaping

the transition process. To enhance fintech adoption, companies should invest in training programs, simplify fintech implementation, and foster a culture of digital innovation.

The Role of Organizational Readiness and Innovation Culture in success of Fintech Adoption

The research findings reveal a moderate level of readiness together with average innovation culture toward fintech adoption. The successful integration of fintech depends on overcoming two principal roadblocks which include financial limitations and inadequate IT infrastructure together with erratic support from leadership. Most companies do not have widespread innovation culture or employee incentive programs even though some organizations have created fintech-specific teams. Success in fintech adoption demands expanded executive support, improved IT systems and stronger cultural conditions that emphasize collaborative innovation.

Practical Implications

The practical outcomes resulting from this research carry significant value for organization executives along with government institutions. This research enables production of multiple important directives which support Bangalore companies to achieve better fintech adoption results.

Company executives must understand that technological infrastructure development stands as the leading practical outcome of this study. Companies pursuing fintech adoption need to evaluate their IT systems' flexibility which determines their ability to accept new digital solutions. The development of employee skills requires investment in training programs that prepare workers to handle operations of fintech systems. Modernizing current systems will cut the need for outside consulting experts to help companies achieve their transition successfully.

Businesses should form strategic alliances between companies and legal experts as well as fintech providers and consulting firms to enhance their regulatory compliance effectiveness. Companies should implement standardized cybersecurity frameworks as a protection measure against financial data breaches because these breaches are highly sensitive within fintech settings.

The research results make clear that adopting fintech requires organizations to develop necessary readiness before implementation. A comprehensive transition leadership plan must be created for this internal evaluation process by organisations seeking preparedness in this shift. The implementation plan should include leadership statements about fintech advantages together with employee support systems and reward programs for personnel transitioning between systems. An organization which actively promotes collaboration and communication will help new technology integration by building positive attitudes toward innovative systems. To achieve long-term success business organizations need to cultivate intense innovation cultures which drive transformative business practices.

The integration of innovation throughout organizational core values enables companies to build adaptable processes which support changing requirements within the fintech industry. The deployment of this technology needs to achieve three goals: enhancing user satisfaction while providing convenient service accessibility and maintaining data integrity. Organizations must

collect customer feedback at all stages of transition to transform systems which will increase convenience while improving accessibility and meeting user needs.

Government policies need to develop encouraging regulatory settings and monetary benefits to support businesses that utilize digital platforms. Traditional industries will find safe ways to adopt innovative solutions by forming partnerships with fintech startup companies. Guidance about legal framework regulations combined with access to knowledge-sharing platforms will lower major impediments companies encounter while implementing new digital systems. Companies operating in Bangalore who confront and resolve technological, regulatory, organizational and cultural hurdles will boost their probability for successful fintech adoption. The proposed practical measures enable organizations to remove obstacles while optimizing their conversion to fintech operations which leads to better market performance.

Conclusion

This research emphasizes the major problems and factors which impact companies in Bangalore City when they adopt fintech technology. Decision-making progress for organizations stems primarily from their infrastructural technological capabilities along with regulatory requirements and satisfaction of their customer base. Companies usually embrace fintech solutions because they need to achieve operational excellence as well as enhanced customer practices and improved financial management. Companies face various impediments while implementing fintech solutions even though they seek these technological advancements. The research shows that technical obstacles involving system integration among existing legacy framework as well as monetary limitations affecting mainly smaller organizations create hurdles for fintech system adoption. The process of managing cybersecurity threats alongside data protection issues constitutes a major difficulty for businesses since they both ensure trust from customers and legal compliance.

The research Targets included the assessment of the obstacles small enterprises encountered while moving their operations from traditional systems toward viable fintech solutions. Several obstacles have been identified by the study including the absence of skilled personnel and complicated regulation rules and organization-wide resistance to adoption efforts. Organizations face difficulties in finding professionals with necessary technical skills needed to execute and supervise fintech solutions due to rapidly changing fintech regulations. The implementation delays and company process setbacks stem from employees who resist adopting new technology because of their knowledge of standard business procedures.

The research tested organizational readiness together with innovation culture as factors which determine the success of fintech adoption. Organisations possessing strong innovation cultures demonstrate advanced ability to adopt fintech solutions because they dedicate effort to employee training and teamwork development and organizational adaptability. Organizational readiness forms a fundamental pillar for successful fintech system integration because it requires proper leadership decisions coupled with suitable infrastructure together with worker support. Organizations devoted to establishing innovative company culture and providing employee training programs become better equipped to tackle implementation barriers while achieving maximum benefits from fintech solutions.

Companies confronting substantial challenges emerge when they move forward with fintech-based systems although these systems deliver increased efficiency together with better financial management and enhanced customer satisfaction. The solution requires organizations to

resolve their technical hurdles as well as regulatory hurdles while creating an atmosphere of creativity and readiness internally. Firms operating in Bangalore can achieve fintech adaptation management and digital market competitiveness by deploying suitable strategies in their fast-evolving digital ecosystem.

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