



Resilience in Crisis: Indonesia's Islamic Fintech Response to Covid-19

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Abstract. This study aims to explore the patterns and steps taken by Indonesia's Islamic financial technology industry to protect its employees from exposure to the Covid-19 pandemic virus. Using a descriptive qualitative research method, data were collected through interviews, observation, and documentation. The study reveals that the Islamic financial technology industry has implemented several protective measures, such as providing personal protective equipment, conducting health screenings, and implementing work-from-home policies. These measures have helped safeguard the safety and health of employees during the pandemic. The findings of this study have important implications for other industries and organizations seeking to protect their employees and maintain their business continuity during the Covid-19 pandemic.

Keywords: Covid – 19 Pandemic · Sharia Financial Technology · Human Resource Management

1 Introduction

This research was conducted in order to look at the protective measures taken by the Islamic financial technology industry in protecting its employees from exposure to the covid-19 virus. As has been widely studied in previous studies, the covid-19 pandemic was an outbreak that emerged in 2019 which first appeared in the city of Wuhan china [1]. This outbreak occurred as a result of a disease caused by the acute respiratory syndrome corona virus. 2 (sars-cov2) which spreads rapidly between humans [2]. In Indonesia itself, this pandemic appeared for the first time in 2020 and continues to experience a spike in positive confirmation of Covid-19 every day [3]. This epidemic is of particular concern because it transmits so quickly between humans with a high mortality rate as well [4]. Therefore the Indonesian government is trying to carry out several strategies to reduce the transmission rate of Covid-19.

The existence of the Covid-19 pandemic is also of particular concern, especially for the financial services industry, both banks and other financial institutions in Indonesia. The Covid-19 pandemic forced the financial and banking industry to be forced to adapt by making new strategies and innovations so that they could survive during the Covid-19 pandemic [5]. Even the presence of the Covid-19 pandemic presents a unique opportunity

for the financial industry, particularly sharia financial technology, to play a role in the community's economic recovery process. [6, 7]. Another factor that makes the COVID-19 pandemic a distinct opportunity for the Islamic fintech industry in developing the business they run. The first factor that supports the development of the sharia fintech industry is considered to be able to develop during the Covid-19 pandemic, namely the emergence of the phenomenon of changes in consumption behavior of people's financial services who switch to using technology-based financial services [8]. The enactment of large-scale social restriction regulations means that all community activities, especially transaction activities and required access to finance, can be carried out without face-to-face [9]. During the Covid - 19 pandemic, the presence of this financial innovation are very helpful to the community in getting access to finance so it can facilitate community transaction activities [10]. Despite the fact that the Covid - 19 pandemic is a distinct opportunity for the Islamic fintech industry to develop the business it is running. The threat posed by the Covid-19 pandemic virus must be of particular concern to players in the fintech industry, namely the protection of fintech employees from Covid-19 virus exposure. Employee protection must be a separate focus for businesses so that fewer employees become victims of Covid-19 virus exposure. Basically, several industries in Indonesia have taken steps to protect their employees from Covid-19 virus exposure, such as implementing work from home and reducing employee working hours. Not only that, but the provision of health insurance is an industrial step in providing guarantees against Covid-19 virus exposure. It is hoped that some of these safeguards will reduce the number of Covid-19 virus infections among Indonesian industrial workers.

In the sharia fintech industry, the protection of employees from exposure to the Covid-19 virus needs special attention and is carried out on an ongoing basis. There are several departments in the sharia fintech industry that are considered vulnerable to exposure to the co- 19 virus. The marketing department or lending account officer is a department or part of the sharia fintech industry organization that is considered vulnerable to exposure to the co-19 virus. This is inseparable from the work they do in introducing their products to the public. The existence of direct contact between the lending account officer and the community makes employees in this department considered vulnerable to being exposed to the covid-19 virus. Covid-19 virus.

There is not much research that discusses the protection provided by companies to employees from exposure to Covid - 19. One of the studies regarding the protection of employees from exposure to the Covid - 19 virus is research conducted in the manufacturing industry. The study entitled Human Resource Risk Control Through Covid – 19 Risk Assessment in Indonesian Manufacturing explains that the Covid – 19 pandemic has brought its own problems to human resource issues. Employees are required to protect the safety of employees. The purpose of this research is to identify and analyze human resource risks during the COVID-19 pandemic. This study's research method combines Failure Mode Effect Analysis (FMEA) and Bow Tie to identify, measure, and predict the risk of COVID-19 transmission in the manufacturing industry. The findings revealed that there were 22 covid-19 mitigation activities in manufacturing company X, with a significant risk of covid-19 spreading. There are three main priorities that must be carried out first: health service activities at the puskesmas, eating activities in the canteen and employee mobility both inside and outside the company.

In contrast to previous studies where the focus of previous research objectives was to discuss identification and analysis of human resource risks in the manufacturing industry. This research analyzes the protection provided by the Islamic fintech industry to employees during a pandemic, especially account officer employees, whose work routines are prone to exposure to the Covid-19 virus. The implication of this research is to see and analyze the steps provided by the fintech industry sharia to employees.

2 Literature Review

The COVID-19 pandemic is a phenomenon that has become a public concern in all countries, including in Indonesia since its appearance in 2019 in Wuhan, China [11]. Severe Acute Respiratory Syndrome Coronavirus 2 (Sars-CoV-2) or more popularly known as the corona virus is a disease that is categorized as a new type of coronavirus that is transmitted between humans [12]. Indonesia itself is one of the countries in the world that has not escaped the Covid- 19 virus. On March 2, 2020 President Joko Widodo surprisingly announced 2 patients confirmed positive for the SARS CoV virus for the first time in Indonesia [13]. Experts are of the opinion that this disease is considered a deadly disease and a disease that can be transmitted to humans and animals. The impact of transmission of this virus can cause respiratory tract infections ranging from the common cold to serious illnesses such as Middle East respiratory syndrome (MERS) and acute respiratory syndrome [14]. The Corona Virus outbreak is said to be a very emergency epidemic because it spreads so quickly with a high death rate [15]. To suppress the spread of the corona virus, the government as the regulator has issued several policy instruments. Several policies issued by the government in suppressing the spread of the corona virus include social distancing and physical distancing. This policy is implemented nationally, it means that this policy is implemented throughout Indonesia, covering both affected and non- affected areas [16]. With this policy, it is hoped that the spread of the corona virus can decrease and the number of recovered patients will continue to increase.

2.1 Sharia Fintech

In Indonesia, financial technology innovation is advancing at a rapid pace, with the fintech industry experiencing significant growth in recent years. Sharia fintech is a domestic fintech industry that is currently being developed. Sharia fintech is defined as financial technology innovation that provides financial service products aimed at facilitating business processes and transactions based on Islamic principles. [17]. This innovation's presence is expected to be a solution for assisting the community in carrying out economic activities and transactions in accordance with Sharia principles. [18]. This financial technology innovation's presence can also be widely used to drive the community's economy. For example, through fintech financial technology innovations, this technological innovation can be a driving force for the people's economy, particularly small businesses, by providing capital services such as small business enterprises. [19]. The presence of fintech must be capable of assisting small businesses in expanding their marketing network, in addition to providing financial services to small businesses [20]. This innovation must also address the still-low level of community financial inclusion.

2.2 Human Resource Management

Human Resource Management can be interpreted as a field in management that focuses on learning about human relationships and roles in an organization or company. In human resource management are matters that cover the development, use and protection of human resources both in work relationships and those who are self-employed. Human resource management can also be interpreted as a science and art that regulates the relationship and role of the workforce so it can be effective and efficient in realizing company, employee and community goals. Human resource management is also an activity that must be carried out by an organization. This is done so that their knowledge, abilities and skills are in accordance with the demands of the work they are doing. Meanwhile, according to Edwin B. Flippo defines human resource management as planning, organizing, directing and controlling the procurement, development, compensation, integration, maintenance, and termination of employees, with the aim of realizing the goals of individual companies, employees, and society. Human resource management is closely related to the use of humans in carrying out a job to the highest level or to be effective and efficient in realizing the goals to be achieved within the company, an employee, and also the community.

3 Methodology

This study discussed the patterns and measures of protection provided by sharia fintech companies or industries in Indonesia. The research method is descriptive qualitative to describe the protective measures provided by the sharia fintech industry to employees from the co-19 pandemic. Data collection was carried out in the first two stages, namely in-depth interviews and second observation. In-depth interviews were conducted with area managers of one of the sharia fintechs in Indonesia. Besides, interviews were also conducted with account officers at one of the sharia fintechs in Indonesia. Observations were made in order to observe the protective measures provided by sharia fintech to employees. The data used is primary data which is obtained directly. The research was carried out in one of the sharia fintech industries in Indonesia.

4 Discussion

4.1 Granting Employee Protection Rights During the Covid-19 Pandemic Era

Human resources are an important component in a company where the function of human resources itself has a function in driving production activities within the company. Employees as human resources are also a very valuable asset in the company. The company will do various ways so that the human resources it has remain in the company. On the other hand, the COVID- 19 pandemic of course a threat to companies, not only on the business side, but also on the human resources side they have. The danger of the Covid - 19 pandemic that is posed also have an impact on the health of employees in the company with the worst risk being the loss of life of the employee. This is why, that the companies should pay attention to so that their employees do not become victims

of the COVID-19 pandemic. On the other hand, companies are also required to provide protection, both legal and health protection to employees. Affected employees will also have an impact on the company's operational costs. Indirectly, the company will incur a number of costs to deal with its employees affected by the co-19 pandemic.

The provision of legal protection for employees is something that must be of particular concern, because it will determine the rights of employees during the COVID-19 pandemic. According to Iman Soepomo, the provision of legal protection consists of five categories. The first is the category of deployment and placement of workers. The second is the field of labor relations. The third is related to occupational health, the fourth is job security and the last is employee social security. One of the highlights during the pandemic is health protection for employees. There are several things that companies in Indonesia are doing to provide protection for employees from exposure to the Covid-19 virus. Among them is the work from home policy which in this policy gives employees the flexibility to do work at home or anywhere. This policy is expected to reduce the transmission of Covid-19 among employees. Health insurance is a right that employees really need during the covid pandemic. This is important considering that the health of employees is a matter that must be a concern of the company.

4.2 Protection of Sharia Fintech Employees in the Covid – 19 Pandemic

The outbreak of the Covid - 19 Pandemic in Indonesia has certainly affected the service and manufacturing industry sectors. Various efforts have been made to prevent transmission of the Corona virus. The community was also asked to reduce their activities outside the home. Moreover, several regions have implemented large-scale social restrictions. On the other hand in the formal sector of the workforce, the government has recommended several solution steps to reduce the spread of Covid - 19 among employees. This is also used in the Islamic fintech financial sector. Indonesian Sharia fintech players are working hard to protect their employees from the covid-19 virus. The researchers concluded in this study that there are three types of protection for fintech employees against covid-19 virus exposure. Figure 1 depicts the three categories.

1. Mitigation

In this step, the focus of the company is to ensure that all of its employees are not infected with the Covid-19 pandemic virus. There are several activities carried out in this mitigation step. This stage is the initial stage in providing protection to employees from exposure to the covid-19 virus. The protection activities in this activity are in the form of outreach about the covid-19 virus. The second is to familiarize employees with healthy living during the covid-19 pandemic.

2. Countermeasures

In this step the focus of what is being done to carry out countermeasures for employees who are infected and affected by the co-19 virus. The first steps given to employees affected by the co-19 virus are in the form of providing health services. The second is

the provision of an isolation period of two weeks. The third is giving leave to employees who are infected during the recovery period from the covid-19 virus.

3. Anticipation

This step is an anticipatory step so that affected employees are not infected with the Covid-19 virus. Meanwhile, at this stage, the thing that is given is in the form of vaccination and providing health costs to all employees. In this stage, in addition to preventing all employees from being exposed to the covid virus, it also anticipates that employees will avoid the covid virus - 19 so it does not have an impact on the company's business operations.

5 Conclusion

The pandemic of COVID-19 has had an impact on the Sharia fintech industry's business and human resources. Companies are required to provide employee protection. Employees infected with the COVID-19 virus, on the other hand, will have an impact on the company's high operating expenses. The company has taken several precautions to prepare for the spread of the Covid-19 virus. Mitigation, prevention, and anticipation are the three steps..

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