

Speaker 1:

Welcome to PayTalk, the podcast for payroll professionals, with your host, Nina Talley. In the podcast, we explore the human side of payroll by speaking with global industry leaders who provide their unique insights to help listeners better understand the issues important to them and their careers.

Nina Talley:

Hey everyone, thanks for joining us for PayTalk, the podcast that brings you payroll's human side. I'm your host, Nina Talley, and today, we're joined by Brian Slowik, Wage and Corporate Disbursements for Green Dot Corporation and the co-founder of rapid! Paycard. Brian has joined us on PayTalk before and we're so excited to welcome him back. With the emergence of on-demand pay systems, the way businesses handle payroll is undergoing an absolutely seismic shift. Brian stands at the forefront of this change and from understanding the origins of on-demand pay to the implication it has for the future of payroll, there is no one better to help us dissect these trends and innovations that are influencing companies worldwide. If you haven't listened to our previous conversation with Brian, which is episode 30 of PayTalk, you may want to go back and check it out. It's not needed to understand the concepts that we're talking about today, but it will serve as a really nice primer. Brian, I would love it if you could introduce yourself and tell our listeners a little bit about your background and the work you've done in the payroll space.

Brian Slowik:

Hey, Nina. First off, thank you for having me today. Really appreciate the opportunity to be here again. And a little bit about my background is that first off, we were founded at rapid! which it is our 20th anniversary this year. We were founded out of a construction staffing company in the Tampa Bay Marketplace. That construction staffing company ended up growing from one office to 40 offices across the Sunbelt of the US and it was sold then to a division of Labor Ready. Why is that relevant? Is that's relevant to the aspect that in that business back in those days, which was the late '90s and very early '2000s, we needed to solve for being able to pay unbanked workers and also being able to take care of advances. And once we sold the business, we needed to start another business and we decided to start rapid!

And in the early days of rapid!, we had debit cards, which pay card. We had what was called rapid! Loan, and then what was called rapid! Dollars, which was International Money Transfer. International Money Transfer got sold off to Citi in '2008, and then debit card, rapid! Paycard still exists today, but the early days of rapid! Loan was actually our vision of earned wage access and we were too early for the marketplace. So we shut that down.

But today, we are right here back again for the last five years, convincing first off, payroll professionals that rapid! On-demand or just earned wage access is not something to be afraid of. It is not taking your payroll cycle and turning into daily pay. And that is usually one of the biggest fears. As well as I am here today at the Texas Payroll Conference, and one of the fears that we hear about in the speaking events that I've done here or conversations with payroll professionals here in Austin, Texas, is I'm afraid that I may be getting my employees into a deeper hole if I allow them access to cash prior to payday. I hope that gives you enough of a start, Nina?

Nina Talley:

Brian, that really does give me a great starting point because I think that the first question is really right at the top of the list is where did on-demand pay come from and what trends around the technology or influencing companies to adopt it, and what trends are you seeing coming from that adoption?

Brian Slowik:

Yes. Well, Nina, as you heard before that our vision of earned wage access in '2003 was not what it is today. What really caused earned wage access to take off today or in the last six years was the gig economy. And in particular, think Uber, think Lyft, think DoorDash, et cetera, is the ability for workers to decide if they want to work on their own by simply going to their phone and using an application to get a job. And what ended up happening, interestingly enough, with Uber, is Uber came to Green Dot, which is the company that provides rapid! and Green Dot was asked to help provide a solution to Uber that allowed for employees to get paid instantly at the end of their shift or during their shift. And that technology was primarily something called direct to debit.

And direct to debit is essentially taking a debit card and reversing the methodology rather than money being pulled from an account, there is money that is being pushed from an account and the pathway that it is occurring on is the debit transaction rails, which are provided by Visa Direct or MasterCard Send or other networks, Green Dot network has one of its own as well because we're the largest cash loading network in the US and it allows for those debit card numbers to provide for an instant payout methodology.

And the gig economy embraced it so well, primarily Uber, as a good example, said it was their most attractive benefit even though the individual 1099 employee would pay a transaction fee to access their monies, it caused many of them to be able to work and get fuel and pay for their things that they need in order to operate their own personal business. And it also allowed for folks to be happier about having access to monies immediately. And one of the reasons that was so important for recruiting those drivers was the aspect that usually, Uber or one of those gig economy jobs is not your primary employment. Can be for many, but it is usually a secondary employment and you're usually doing it for a specific reason to get monies that you need urgently. So it all fits together.

Nina Talley:

That's a really wonderful use case of how this technology can be used to solve a really niche problem. But something that you mentioned at the very beginning of our conversation was the possibility for workers to be putting themselves in the hole with this technology. Would you say that that is something that is influencing the nature of how payroll practitioners are thinking about these technologies and influencing how they're using it?

Brian Slowik:

Well, again, great question because if I go back to the history of my opening statement of where I got started, in the early days of paycard '2003, paycard began like '97 to '2003 in that area. Nobody even knew what a debit card was. And one of the things that payroll professionals were most concerned about then was getting their employees in trouble by the use of paycard, which we had to convince them was not the case. Sometimes, we in the payroll profession are like physicians with the Hippocratic Oath and that our mission is do no harm, right? Or sometimes if you want to take it the other way, as we play a little bit of mother hen and want to be sure that we're looking out for people, which is great, and payroll also typically has to be perfectionist because they need the pay to be delivered promptly, quickly and perfectly. And that is one of the things that is always concerning.

So one of the aspects that payroll professionals have always been concerned about is I don't want... I'm going to say Billy. Billy to spend money before payday to where he is only going to be coming back to me complaining that he either has no money, needs a loan, or is in trouble. And that is one of the factors that is most concerning. The methodology that has been put together by following a patent that was put in place by a gentleman named Frank Dombroski, is that you can go through this patented process and avoid that concern. And that is one of the education pieces that we need to go through in educating payroll professionals and also most importantly, state regulators. This process which Frank had put together, we have an exclusive license on, to follow that process. The process has also been, I believe, the only process that has been adopted by the California Department of Financial Protection and Innovation. And typically in our industry, if you can solve for payroll issues in the state of California, you can solve for anywhere.

Nina Talley:

Yes. That's such a good point. And with how it's influencing different payroll practitioners, I think it would be interesting to talk a little bit about the specific industries or business models where on-demand pay seems to be the most beneficial. And I know that we already talked about gig jobs and things like that. Is there another industry that isn't necessarily at the top of mind but is really ripe for a particularly impactful presence of on-demand pay?

Brian Slowik:

Well, Nina, one of the things that payroll professionals have always stated in the five years I've been talking to them specifically about earned wage access is, "Hey, that's great. Gig workers are 1099. That's not us. 1099 is pretty easy to solve for. Let's talk about how you solve for the W-2 worker."

Nina Talley:

Yes.

Brian Slowik:

It's us. And what really has caused the W-2 worker to want this or embrace earned wage access was gig. Because as I stated in the example with the gig workers, it's usually their secondary job. So whenever they're working somewhere as a secondary job or to fill a need and they're able to access their pay quickly, promptly, and without inconvenience, they end up going back to their regular employer and saying, "How come I can't do that here? I know the technology exists. Why can't you do it here?"

And what has also come about again, pre-COVID, we were at a very, very low unemployment rate, the lowest unemployment rate in history. And then post-COVID, we may be seeing unemployment go up, but we are still seeing the shortage of workers for certain positions. So to answer your question is what areas or jobs are most interested? First off, quick service restaurant or anything hospitality has been very interested. Believe it or not, the healthcare industry has been very interested, manufacturing, very interested. Virtually honestly, it's every industry, very interested because if you having trouble attracting talent and retaining talent, this is a benefit that becomes a great benefit to offer.

One of the things that we have seen in particular in the quick service restaurants, which would be fast food or soft casual type of restaurants, is that they oftentimes are using the aspect of the offering earned wage access as their number one recruiting tool to the point of where they're posting it, we offer earned wage access right there in their front window or maybe even on their sign. Rather than

advertising a 99c hamburger, they're advertising on their sign that they have earned wage access, which allows you to get paid today.

Nina Talley:

The rapid! brand is a trusted leader in corporate disbursements products and is the team that delivers to you the rapid! Paycard program. As an industry leader, rapid! continues to innovate new payment technologies that enable employers to allow their employees to be paid when and how they want. rapid! On-Demand is being leveraged by gig economy firms like Uber and other savvy employers to use innovative pay practices to help recruit and retain the best talent with increased employee engagement. rapid! On-Demand, rapid! Disbursements and rapid! Paycard are simple, smart, and secure.

Instead of it being about a particular business model or industry, it seems more that this type of on-demand pay, this earned wage access, is responding to something that is more of a cultural need than necessarily a specific business models need.

Brian Slowik:

You're correct. It also may be generational, in the aspect that right now we have four generations in the workforce. We have baby boomer, Generation X, the forgotten generation, millennial and Gen Z, and soon to have whatever's next. I think it's Alpha.

Nina Talley:

Mm-hmm. It's coming.

Brian Slowik:

Yes.

Nina Talley:

Just keep coming.

Brian Slowik:

Yes. And what also is driving it with those generational needs is the younger that you get, below basically baby boomer, the more the banking system, the payroll system, everything has been moved to electronic. That being primarily through your mobile device, that is now the banking branch. That is now the interaction where everybody does most of their financial transactions, especially if they're younger. And think about the age of Venmo, the age of Apple Pay, the age of all of that is again, to where if they've been exposed to it, why can't I do that here? So that is what's driving earned wage access as well, is all this speed exists, boomer. I'm a boomer, so I can say that. Is that all that exists. So why can't you bring it to me here? Why can't you bring it to me now? So it is in certain degree, generational, cultural, all of the above that's driving it.

Nina Talley:

And so from a technology perspective, what do our listeners need to be aware of if they're looking to integrate on-demand and earned wage access into their existing payroll operations?

Brian Slowik:

First off, with rapid!, we have a whole team of folks that are out there on a daily basis working with payroll systems, whether they be big, whether they be small, to get integration so that then it becomes even easier for a payroll professional to access the information or the capability to make it essentially seamless because we do require a certain amount of data in order to offer it to an individual. And that data is your pay data, so just who you are and how much you're making and wage information, wage data, and then also, your time and attendance. And once that is available to be sent on an automated basis, it can either be by file or it can be through API and integration, then you're able to access earned wage access and you're able to offer it out to your people. We can do it down to individuals or smaller companies that maybe don't have access to. You don't need really a lot of technology expertise. It's just the ability to gather those two pieces, time data and wage data and forward it to us on a daily basis.

Nina Talley:

And those are two incredibly powerful data points. And if you're able to harness those for earned wage access, I think it's very easy to continue to leverage that data in other ways throughout your payroll processes. And so as always, I really encourage our listeners to collect data, keep it clean, analyze it, figure out what's going on inside of your department. And I think that with earned wage access integrated in, you could begin to monitor who is taking advantage of that opportunity and try and analyze why. Why are those sets doing it? Is there anything that you can do from a payroll perspective to make their lives and their pay easier? And I think that when you're beginning to integrating these systems in, is a great time to look at that data and examine your opportunities.

Brian Slowik:

You're correct. Nina, I have a question for you.

Nina Talley:

Yes.

Brian Slowik:

Is that, have you had any of your payroll professionals and others that you've been interviewing on your podcast bring up the challenges associated with punch in and punch out accuracy?

Nina Talley:

Yes. Yes. We definitely have. I would love to hear your thoughts on that.

Brian Slowik:

What have you heard anything... What have been the challenges that maybe have been brought up?

Nina Talley:

With remote work, it's particularly difficult. That's something that we have discussed. And then also, I have a lot of behind the scene conversations as well. So I'm trying to figure out what exactly I've talked about on the podcast.

Brian Slowik:

Have you heard the aspect that if I could only get people to punch in and punch out, then maybe we could talk about it.

Nina Talley:

Not in relation with earned wage access, but wow, is that a great linking point. Because the eternal problem is time sheets. Clock in, clock out, how do you get it done? And I feel like that's almost a nice little carrot.

Brian Slowik:

Okay. So the carrot with earned wage access is that once you offer earned wage access, you will see anecdotally, somewhere between 27% and 34% increase in punch in time sheet/accuracy for the service.... For making sure you punch in and punch out. Right. Why? Why is that? The reason that it is, is that now, the worker, the person that's been hesitant or didn't think it was that important to submit their time sheet on time or punch in on time or punch out on time, wants to actually see their earned wage balance accrue. And that is part of that process that we talked about. The process is that you don't want the employee... And back to also, you don't want them to dig themselves deeper in the hole, is some systems require you, with earned wage access, to take monies they'll only offer today.

For example, Nina, it's Thursday, do you want to take your money today? That's available to you. And if you don't take it today, then today's is no longer available to you and you'll have to wait until tomorrow and you'll have to take what's available to you tomorrow. Well, that oftentimes causes a Pavlov's dog type of experience where they're taking money, not that they need it, but because they might need it. And one of the dangers of overspending is that you have it convenient in your pocket or you might lose it. So we think it is critical and why we follow a patented process is the aspect of watching the wages accrue, but only taking them if you need them. And if you need them, they're there and you can be confident that they're there. But otherwise, you may not need it at all this week. So you're just going to get a normal paycheck like always.

So with time sheets or punch in, punch out, when we offer it is I want to be able to open my app and be able to see, boom, my money has increased or I have available balance that has increased because I worked. And in doing so, it gives the individual employee great comfort and interestingly enough, they become not Pavlov's dog to getting their money, but Pavlov's dog to seeing their balance increase. And therefore, when they don't see their balance increase and they say, "How come my balance didn't increase?" Well, Brian, it would help if you punched out or punched in.

Nina Talley:

I love it so much. It's earned wage access is your secret weapon for time sheet accuracy.

Brian Slowik:

It is.

Nina Talley:

It's such a wonderful additional effect of it that surely wasn't a part of the intention when it was created, and yet, it provides this wonderful, wonderful aspect for everybody. I don't know a single person in payroll who doesn't have a problem with punch in, punch out time sheet accuracy reporting. I love that. It's such a great use case.

Brian Slowik:

It also causes positive peer pressure in the fact that Nina, you may be complaining to me about, I want to see my balance. I can say to you, "Nina, didn't you punch in and punch out? You got to make that. If

you do that, you're going to see it." And then we start talking to each other over coffee or whatever, and all of a sudden, you've bought in and primarily because it helps you personally and you heard it from a coworker.

Nina Talley:

So I think that's something that's really interesting and definitely worth looking into are the compliance and legal implications of this. Is there anything that our listeners should be aware of?

Brian Slowik:

Absolutely, and this is something that I've been talking to the payroll professional this about four or five years because to me it was [foreign language 00:23:04] as Yogi Berra says, [foreign language 00:23:07] all over again. And I'm really dating myself because most people won't know who Yogi Berra is. He was a very old player with the New York Yankees. As a co-founder at rapid! in the early days of paycard were very much wild, wild west, and all of us in the industry did not do a great job of staying ahead of regulation and actually trying to drive regulation in the right way. And we had to be very reactive. The one thing I can say about... And by the way, if anybody needs compliance information on paycard, rapid! Paycard on its website has a compliance map that is interactive and you can simply register to get a login and be able to access that tool that we maintain on an annual basis, that gives you dynamic capability to build regulatory reports state by state, even issue by issue. And it's free. It's a service that we offer.

But with regulation on earned wage access, we in the industry basically knew it was going to follow the same path. So we, and the American Payroll Association also has done a great job of realizing it was going to follow that path too, and started getting involved with regulatory bodies in the early days. The subcommittee, GTRF, et cetera, has been working on it for a few years and trying to stay ahead. Now, that does not mean that we are not reactive today because the state regulatory bodies do their own thing and also are subject to different pressures out there in the marketplace, usually being lobbyists from certain industries. And we are dealing with a number of states that are taking action towards earned wage access today. And it will continue to be this way probably for the next seven to 10 years where you've got the... And the disparity of their actions are rather interesting and confusing and all of that.

I already mentioned California Department of Financial Protection and Innovation, but we also have like Nevada, that has taken the aspect of essentially through regulation, opening it more wide to almost include even a check cashier as the capability. And then you have states like New York that have really clamped down related to fees, and sometimes, the language doesn't make sense or you're trying to figure out what their goals are. And it could be driven by certain lobbying groups that see earned wage access as a threat to their particular industry. I will tell you that check cashiers do see it as a threat.

Nina Talley:

I'm sure.

Brian Slowik:

And those types of dynamics. So the nice thing is through us as providers and the APA and human resource organizations, we are lobbying... Not lobbying. Well, I guess lobbying. Educating is probably the most important aspect to the lawmakers and also the departments of labor and the respective states, et cetera, as to what the attributes of positive earned wage access are.

Nina Talley:

So because on-demand pay and earned wage access is a newer technology or a newer payroll solution, I should say, if there's a business or a payroll professional who's skeptical, who is a little fearful, what is your counter argument? What are your reasons for why they should embrace this?

Brian Slowik:

Well, first off, I'm proud to say that that is now only about 65% or 70% of the payroll professionals are skeptical because five years ago it was 100%.

Nina Talley:

True.

Brian Slowik:

I felt like I would get rotten tomatoes and rocks thrown at me when we would have this conversation. One of the ways to convince them is they realize that this service product is being driven by forces outside of their control.

For example, coming from the C-level, the C-suite of a particular business, the owner suite or HR, where they've been tasked, the HR department to solve the recruiting and retention problem for quality and steady workers. And oftentimes, that has been done without... In fact, almost always it's done without participation from the payroll office. And so they can enter into, and many payroll professionals have been forced to deal with this, where this decision to offer a service like earned wage access was made independently of the payroll office, but who of course, manages that data that we talked about before? Payroll. And so then when the decision has been made, then all of a sudden it is thrust upon the payroll professional and they have ho, ho, hang on. Have you thought about A, B, C, D, et cetera? No, we didn't realize any of that. It's just payroll. You just go ahead and do it.

Nina Talley:

You just do. You push the button.

Brian Slowik:

Yes. Yes, exactly. Oh gosh, that's such a dirty term in this.

Nina Talley:

Right?

Brian Slowik:

Yes.

Nina Talley:

Just push the button.

Brian Slowik:

Yeah, it's easy. Easy button. And that is so wrong. So I think what has really, in paycard way back when, and even today, it is a decision that is driven by payroll. In earned wage access because of the pressures

on hiring and retention, it has been a decision that has been driven by either C-Suite, HR or both of them combined. And what we've been able to educate payroll professionals is you can't stop this. So you better get ahead of it, learn it, and understand how to do it correctly so that then when the HR groups come to you and maybe even proactively reach out to the HR team within your organization and asks them if they've been exploring it, you can start to point out all the areas where they should be looking and should be concerned about and do it in the proper way right from the front.

Nina Talley:

That's such great advice and I think is something that all of our listeners can really take to heart when thinking about making any changes to their payroll process. So what does the future of on-demand pay look like? How do we see this technology changing and adapting and evolving with the times?

Brian Slowik:

Well, first off, regulation will impact that to a certain degree, but I think that we can start to, like it did in paycard, start to see it be more evened out without earth-shattering type of regulatory changes happening. But that's probably a risky statement on my part because you never know what any of these individual states are going to do. But as far as the industry itself, is that I think it's going to become, in my opinion, table stakes.

And what I mean by that is that you better have it in order to be competitive, especially if you are in any type of labor market where let's say you're operating in a large commerce park, and I'm here in Texas, and one of the conversations that came up at the Texas Payroll Conference was that somebody brought up that they're in an industry or they're in a commerce park that is outside a DFW airport, which is essentially the entire DFW airport is surrounded by commerce parks that all have relatively the same skill type person, and folks are leaving at the end of the day or over lunch, and they can actually get a job not far from where they're working now because it's the same skill level, the same type of labor. And they will take it because a benefit like earned wage access is available at one employer versus another.

So I think that's going to force table stakes as far as it being offered. And then what is most important about the future is the ability for you as the payroll professional or the employer to be able to regulate who, when, where they access earned wage access. It's really none of your business as to why they access it, right?

Nina Talley:

Yes.

Brian Slowik:

I think that's actually one of the reasons why earned wage access has become so popular, is the last thing somebody wants to do is walk into pop a payroll person and say, "I need a loan," right?

Nina Talley:

Yes.

Brian Slowik:

Or can you give me an advance? Because after I say that to you, Nina, "Nina, I need an advance." What's the very next question?

Nina Talley:

How much and...

Brian Slowik:

Why?

Nina Talley:

Why?

Brian Slowik:

Yes, exactly. And it's like none of your business.

Nina Talley:

Yeah.

Brian Slowik:

None of your business why?

Nina Talley:

It's a really uncomfortable conversation. Yeah.

Brian Slowik:

But how much, okay, that's fine. Well, what we're doing is we're going ahead and essentially with earned wage access, giving permission beforehand, and you don't need to ask why. And then giving them the ability to not take up your time as a payroll professional who doesn't need to be dealing with that, to allow to just interact through an app or through the website and access the monies that they need that they've already earned, and just help them get through the problem. Because what is the problem? The problem needs to be solved. And the problem is that my pay cycle does not line up with my wage payments. So there is virtually every employer through either one month or six months per year, are not going to have their pay cycle line up evenly with their bill cycle. And think about the bills that are most important today, especially with remote work. You brought that up earlier, is with remote work, what is the most important aspect of being able to go to work?

Nina Talley:

Connectivity.

Brian Slowik:

Connectivity and internet. And just think about the fact that I may be running late or need to pay my internet bill, but my pay cycle doesn't line up. I've already earned plenty of wages to be able to pay it, and it might be \$45, whatever it is, but I can't afford to miss it and have the potential of them shutting it off. Then I can't work and then there's all kinds of repercussions.

Nina Talley:

Stay up to date on the latest federal and state laws and regulations within the payroll industry by becoming a member of PayrollOrg. With a PayrollOrg membership, you'll be able to increase your skill level through knowledge and the support of community of peers, offering top-rated payroll conferences and seminars, a complete library of resource techs and industry recognized certifications. Connect with over 30,000 other payroll peers worldwide and receive great discounts on PayrollOrg's leading payroll education. For only \$298 a year, you can become a member. Join today at payroll.org/signup and use code, PayTalk35 to waive the \$35 enrollment fee. Again, that's payroll.org/signup.

Currently, in the modern business workplace, we're facing a lot of crunch in a lot of ways. There's a hiring crunch, there's a pay crunch, there is an ability to get client crunch. And I think that finding the ways to ease that crunch for the individuals who depend on you for their paychecks is one of the things that you can do that will actually make a tangible impact on people's lives. That's a big thing that I like to think about, is what will have an actual tangible effect on their lives, what will make them breathe a little bit easier? And it does seem like in this time of economic unrest, that this could make the difference to your employees. And I would encourage anybody who is a little scared or concerned of adopting this new technology and figuring out how to make it work within your pay cycle or within your business model to at least consider it, just for the individuals who might be in need.

Brian Slowik:

Nina, can I add to that?

Nina Talley:

Yeah.

Brian Slowik:

Let's talk about what financial stress does to the employer because financial stress, many of the C-Suite financial people, say CFO, et cetera, tend to think of that as, hey, that's your problem, right? Learn how to fix it. I don't ever have financial stress because I manage my money well. Well, one of the things that needs to be offered in a good program is financial wellness in order to help with the C-Suite to overcome that, we are offering solutions so that people can manage through those issues. But think about the stress associated with having to pay that let's stay with the internet or connectivity bill and how that impacts my ability to do my job. There is data available that says that it costs employers over 4 billion per week due to lost productivity with employees dealing with financial stress.

Nina Talley:

I believe that. I believe that. I think it is one of those Gregorian knots at the moment where you're constantly trying to find new ways to solve the problem. And again, like we talked about it earlier, a little bit of this is outside of our control, it's cultural. But I think that taking charge where you can is what matters most. And this seems like a great opportunity for that.

Brian Slowik:

It allows for responsible access.

Nina Talley:

Yes. So now is the time in our podcast for something that we like to call Payroll Nightmares. And these are always some of my favorite conversations and stories to share because I personally don't find

anything more comforting than knowing that everyone messes up sometimes, even big important C-levels, people who have founded businesses, people who are in charge of on-demand, earned wage access. They have gone through something and they have figured it out. And Ryan, I would love to hear from you if you have a nightmare and a lesson learned that you could share with us.

Brian Slowik:

How about a lesson that we're learning?

Nina Talley:

I love that.

Brian Slowik:

A lesson that we're learning is how to stay ahead of fraudsters. And the payroll nightmare always is that there is a financial tool such as whether it be earned wage access, whether it be paycard, whether it be paychecks, think about even paychecks because most payroll professionals will, I'm afraid to use your product because of fraud. They got hacked. That's the term, right? Is it's not really that. And think about it. Today, everybody is getting their financial product impacted by fraud. The amount of money that we spend to protect against fraud and also to replace the money that may have been accessed fraudulently is tens of millions of dollars monthly in order to try to stay ahead of it. Same thing with Visa, MasterCard, et cetera. And it is not a system got hacked type of problem. It is really the dark web.

And as an example, I just received from my hospital a letter for everybody in my family that 100% of our demographic data has been compromised. And so it's not whether you're with your most favorite bank you've been with for 40 years, or whether you are with a paycard or whether you are with some type of branchless banking, whatever it might be, all of our data is out there. So I do encourage everybody to take advantage of LifeLock or any of those things, but the aspect is they can sell... And there's even commercials on TV about marketing your individual profile on the dark web for somebody to buy.

So the nightmare that we have is just trying to stay ahead of that and put the proper protections in place in order to help. And the main thing that we're doing both is Visa, zero liability, MasterCard protection. We're a bank also. So we have FDIC insurance. We also have stand-in funds for if somebody has that problem. But it is not any more risk with earned wage access or rapid! Paycard than any other financial institution. So it's there. But the biggest thing is that you have another partner to help you and your employee solve that problem.

Nina Talley:

Yes.

Brian Slowik:

In the moment that it is brought to our attention, we can collectively take action and freeze an account, pause an account. That's also a real benefit that we're looking at coming forward that is going to be released very soon, is the ability to freeze your account. Personally, right? Just do it on your own. And the other thing that I would encourage our listeners and to encourage their employees to do is if you're ever suspecting anything, you should immediately contact customer service because then they can freeze whatever account it is. But it also is the same problem with checks, is you don't want a check stock out there because check stock now, they're going to go after that, and that's even harder to stop.

Nina Talley:

Yes.

Brian Slowik:

So the conundrum, the nightmare that is happening, not yet solved is how do you stay ahead of the fraudsters? I think we are staying ahead of them. I don't think we can ever eliminate them because there's very sophisticated individuals, sometimes even governments out there, that are behind these things. And what we have to do is continue to put in protections. And then also, we as an industry need to, and this goes to payroll professionals offering earned wage access or not, is it's very much like fraud or email or whatever. You can make it so that it never happens, and that's just lock it up completely. But then that's not satisfactory to the user.

Nina Talley:

Nope.

Brian Slowik:

So you have to find, you're constantly fighting for that fine balance between the right amount of protection through identity checks, et cetera, it might be, and also having it so that the accessibility is there in order to make it functional.

Nina Talley:

That's a really wonderful point, and I hope that as payroll technologies get more in depth and more intricate, that our payrolls remember that really, your systems are as secure as you are. That is probably the best thing to keep with you when it comes to the security nightmare because you're right, Brian, it's a little bit of a game of spy versus spy. You can one up them, but that they're going to work to get a workaround for that. It is a constant, constant thing and it's always going to be there. But if you can make sure that you are secure, the way that you handle yourself is secure, that is the biggest benefit that you can give to your team for negating these types of potential nightmares.

Brian Slowik:

I see. You're exactly right. The only aspect that you need to be cautious of is you don't go to the... Like our IT person that says, "Well, I can eliminate that email problem and all the spam, we'll just lock it up so much that it's not usable."

Nina Talley:

Exactly.

Brian Slowik:

So protect yourself, but remember, don't lock it up so much that it's not usable.

Nina Talley:

Yeah. The vault needs to still be openable, just like have a really strong encryption key.

Brian Slowik:

Yes.

Nina Talley:

So do you want to hear how our expert guests would've handled a payroll nightmare that you are familiar with? Send an email to podcasts@payroll.org or leave us a comment on PayrollOrg's Facebook page to get involved in the conversation. And we don't really like to leave things on a negative nightmare note here at PayTalk. So I have one more question for you. What is the best piece of career advice you've ever been given or the piece of advice that you wish that you had been given? And as we've already asked you this before, you can give us the second best if you'd like.

Brian Slowik:

Well, I don't know if this is the same best that I had in episode 30 or not, but what I see right now is that if you are a younger person, not a baby boomer, and you are looking for a career that will be rewarding and satisfying, very hard, but rewarding and satisfying, you should look into payroll. Specifically target payroll, because there is a whole bunch of folks that are getting ready to retire, and it is the forgotten department within a business. And it is so interesting to hear the stories of how people got into payroll, but what I'm suggesting is why not go and seek it out? Because there are folks that are starving to let you get into it. And there are great organizations like the American Payroll Association that can help educate you.

Nina Talley:

Yes, yes. And brand update PayrollOrg.

Brian Slowik:

You know what? I'm sorry. I absolutely know that, but I can't get it out of my head 20 years. I can't get it out.

Nina Talley:

I am the exact same way. I have to work so hard here at PayTalk to not mess up my brands.

Brian Slowik:

Yeah, sorry about that.

Nina Talley:

No problem at all. And that was really a great piece of advice for everyone to keep and take with them as they go. And Brian, I just want to thank you for joining us again. This was a great conversation. You're an absolutely amazing guest and I know that the insights that you shared today are going to make the difference for our listeners and will help them navigate the rapidly evolving space of on-demand pay. So thank you so much.

Brian Slowik:

Well, thank you for that pun there, Nina. I appreciate it. And we at rapid! are always interested in helping in any way we can and we'd love to talk to you more.

Nina Talley:

I also want to take a moment to thank all of our loyal listeners out there. Without you ,PayTalk would not be possible. And I mean that folks. Make sure you rate, review, and subscribe on your preferred podcast streaming service. That is the best way to support this podcast and to ensure that we can continue to bring you the human stories that make payroll so personal. Until next time, folks, this has been your host, Nina Talley with PayTalk.

Speaker 1:

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