banking technology

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EDITOR'S NOTE

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FinTech Futures

The fintech industry's bumpy ride continues as we are moving closer to the end of the year and there is little doubt this is just a taste of things to come in the 2023 and beyond…

Marcus, a once much-hailed digital bank for consumers launched by Goldman Sachs in 2016, is about to disappear from the fintech map. With predicted losses of $1.2 billion this year, Marcus is now being folded into Goldman Sachs' wider asset and wealth management division as the banking group shifts its focus away from its retail banking proposition (more on this story on p4). Building a consumer bank at scale is tough, even the likes of mighty banking conglomerates like Goldman Sachs.

At the same time, Goldman Sachs teamed up with Apple to launch a new "high-yield" savings account for Apple Card users.

Credit Suisse is cutting around 9,000 jobs (from its current 52,000 full-time workforce) as it looks to "radically restructure" its investment banking business and "deliver a new, more integrated business model" (see p5). New CEO Ulrich Körner describes the restructuring as a "historic moment" for Credit Suisse.

On a smaller scale, Flux, a UK-based digital receipts and cashback firm, has closed down after six years in operation. A Barclays Rise graduate, it claimed to have recently surpassed one million users, generated 11 million digital receipts, and paid more than £140,000 in cashback.

But it's not all doom and gloom. This issue of the magazine is also full of stories about companies and people riding the fintech wave and demonstrating that digital capabilities, innovation and problem-solving are still very much in demand.

And if you are looking for an opportunity to apply your digital and banking expertise, check out this vacancy below for a chief digital officer.

As always, I hope you find the *Banking Technology* magazine engaging and worth your time.

NEWS ROUND-UP

Google and Santander team to simplify enterprise cloud journey


Image source: Santander

Google has partnered with Spain's banking heavyweight, Banco Santander, to launch a service to help companies transition from legacy systems to the cloud.

Dubbed "Dual Run", the service is built on top of the technology developed by Santander (dubbed Gravity) and is described by the two firms as "a first of its kind".

Santader has already started utilising Dual Run to bring data and workloads onto Google Cloud's infrastructure. Dual Run will be commercialised by Google and offered to companies across various industries.

Santander is one of the first major banks worldwide to digitalise its core banking – helping improve service for its 157 million customers and efficiency. The cloud adoption also reduces the bank's energy consumption for the IT infrastructure by 70%, contributing to its responsible banking targets.

For this initiative, Santander is using Gravity, its in-house built internal software. It allows parallel processing, enabling the bank to simultaneously run workloads on its existing mainframe and on the cloud, thus allowing it to perform real-time testing with no disruption to its businesses.

Santander expects to complete the transition in all its core markets and businesses within two to three years.

NatWest and Vodeno team up for Banking-as-a-Service venture


Image source: NatWest Group

NatWest Group has entered into a strategic partnership with Vodeno Group to create a Banking-as-a-Service (BaaS) business in the UK.

The two firms aim to provide businesses the ability to embed financial services products such as payments, deposits, point-of-sale (POS) credit and merchant cash advances directly into their ecosystem.

The partnership will leverage Vodeno's BaaS technology and NatWest's banking technology, as well as UK banking licences.

The new UK entity will be majority-owned by NatWest, with Vodeno owning the minority shares. NatWest has committed to make a capped investment of £120 million into the UK entity, and a €58 million investment in Vodeno Group for an 18% minority stake in it.

Vodeno is a European BaaS provider, majority-owned by Warburg Pincus. It consists of Poland-based firm Vodeno, a software firm with API technology, and Belgium's Aion Bank, which has a banking licence for loans, deposits and access to EEA payment systems.

Goldman Sachs plots reorganisation, with a change for Marcus

Goldman Sachs is folding its digital bank offering Marcus into its wider asset and wealth management division as the firm shifts its focus away from its retail banking proposition.

Marcus has $110 billion worth of digital deposits and approximately 13 million customers, but Goldman Sach's consumer business could make a loss of around $1.2 billion this year.

As part of a broader reorganisation, Goldman Sachs will look to slim down its operations to focus on three divisions: trading and investment banking, asset and wealth management, and a third division including transaction banking and other partnership operations including those with Apple.

Goldman Sachs chair and CEO David Solomon says organising the firm this way makes it easier for investors "to understand and see how we look at our client set and how we operate against our client set".

"That's what the big business is, banking and markets, and asset and wealth management," Solomon adds, with the reorganisation reflecting the lessons learnt from launching the full-scale digital bank in 2016.

Temenos cuts 2022 guidance, CRO leaves after just seven months

Image source: Temenos

Swiss banking software provider Temenos has cut its targets for 2022 due to rising costs, banks delaying the signing of contracts and ongoing wider market uncertainty.

In its Q3 results, the firm revised its annual recurring revenue (ARR) guidance for FY 2022 from 18-20% to 17-18% and its software licensing growth from 16-18% to 0%.

Temenos was also expecting earnings growth to be in the region of 10%, but now says FY 2022 will see earnings before interest and taxes (EBIT) fall by 25%. To stem the tide, Temenos intends to boost its recurring revenues by selling five-year subscription contracts for on-premise licence and maintenance "as standard", including for renewals. Its share price dipped at the announcement, trading at 23% lower than the day before.

The firm cites banks being "more cautious in their decision-making" given the ongoing macroeconomic uncertainty which has plagued the fintech sector in recent months, which has led to some delaying signing decisions.

Chief revenue officer (CRO) Erich Gerber, who only joined the company in March, after a lengthy career at Tibco, has left the business "effective immediately". Temenos CEO Max Chuard says that although he is "disappointed" by the Q3 results, the firm has "a greater than average number of large deals in the pipeline" with lengthy sales cycles on several of these.

In May, it was rumoured that Temenos was approached by fintech-focused private equity firm Thoma Bravo about a potential takeover, news that saw shares in the Geneva-based firm rocket by as much as 16% at the time.

Bunq wins "landmark" case against Dutch Central Bank

Image source: Bunq

Digital challenger Bunq has won its appeal against the Dutch Central Bank (DNB) regarding the use of modern technology such as AI and machine learning for anti-money laundering (AML) checks.

The firm took the regulator to court earlier this year to challenge what it calls the DNB's "antiquated and ineffective" AML strategy.

"Where DNB insisted on using one-sided reporting from account holders – a system resting squarely on the honesty of fraudsters – Bunq favoured the use of technology such as machine learning to fight money laundering effectively," Bunq says.

Describing the appeal as a "landmark case", Bunq says it is the first time a bank has sued a regulator "over such a fundamental issue", adding firms usually prefer to settle any disputes "behind closed doors".

"Bunq however considered the long-term detriment to its own users and, on a larger scale, the stability of the banking system as a whole, had it yielded to DNB's anti-money laundering strategy," the bank says.

Bunq's founder and CEO Ali Niknam adds: "We made history today. The court has paved the way for progress."

Nubank to launch its own cryptocurrency

Nubank, one of Latin America's largest challenger banks, has created its own cryptocurrency named Nucoin on the Polygon blockchain network (the Ethereum scaling blockchain). Expected to launch in H1 2023, Nubank says its crypto tokens will be distributed to customers "free of charge" with the intention of creating a rewards programme in Brazil. Through Nucoin, it aims to offer customers benefits such as discounts and perks. The challenger will initially invite 2,000 customers to test its offering and provide feedback, choosing from the "most engaged" members of its NuCommunity.

Credit Suisse restructure sees plans for 9,000 jobs to go

Credit Suisse is set to cut around 9,000 jobs and "radically restructure" its investment banking business as part of a new strategy and transformation plan as it looks to "deliver a new, more integrated business model". Its workforce will stand at 43,000 by the end of 2025, with 2,700 jobs set to go before the end of this year. Credit Suisse is also seeking to raise around $4 billion in capital through the issuance of new shares. Saudi National Bank has already committed to invest up to $1.5 billion as it looks to take a 9.9% stake in the Swiss banking group.

FINTECH FEED

THE NUMBER GAMES

To read more about any of these stories, visit *www.fintechfutures.com/type/news*

$304 million
raised by TripActions, a US-based travel, corporate card and expense management company, in its Series G financing round

£1.5 million
fine handed by the UK's Financial Conduct Authority (FCA) to Gatehouse Bank for "significant weakness" in the bank's anti-money laundering (AML) checks

$82 million
to be paid by Taiwan's Taichung Commercial Bank to acquire California-based American Continental Bank

50%
stake in specialist lender ASK Partners bought by UK-based challenger OakNorth Bank

$300 million
in debt funding secured by Step, a financial platform for teens and young adults, led by Triplepoint Capital and Evolve Bank and Trust

£100 million
corporate revolving credit facility secured by Capital on Tap with Atalaya Capital Management to support small businesses in the UK and US

3 new payment providers – Token, Tink and Yapily – have been added by UK bank NatWest to its growing Variable Recurring Payments (VRP) stable, joining the earlier firms TrueLayer, GoCardless and Crezco

5%
of the workforce laid off by paytech firm Xendit in Indonesia and the Philippines, citing uncertainty in the macroeconomic environment

136 employees let go by fintech Brex – approximately 11% of its total workforce

$4 billion
planned to be raised by Credit Suisse in capital through the issuance of new shares as part of its new far-reaching strategy and transformation plan

$100 million
hoped by be raised by UK challenger Zopa before mooted public listing

THEY SAID IT...

"Despite pledges from the Net Zero Banking Alliance committing to aligning its members' lending and investment portfolios with net-zero emissions by 2050, Citigroup, Wells Fargo, Goldman Sachs, and Bank of America spent a combined $137 billion on fossil fuel projects last year alone."

Theo Lau, founder, Unconventional Ventures, talking about the bank's contribution towards sustainable future

• Read the full article on the *FinTech Futures* website here

TRENDING

Revolutionary UK start-up is on Clowd9

Clowd9, a cloud-native, decentralised payments processing platform, has launched in the UK with the aim to "revolutionise" the technology powering global transactions.

Founded by Suresh Vaghjiani, Cosmo Spens, Artur Grabowski, Robert Hampel and Peter Selman, the London start-up intends to "transform" the technology that underpins the global payments system through on-demand, real-time and cloud-native payment processing. Built with microservices architecture, Clowd9 can "scale up and down" according to transactional demand, making the platform more energy efficient and resilient compared with legacy architecture.

Operating entirely in the cloud, the company has removed the need for physical back-end systems hardware and its decentralised model allows virtual access anywhere in the world, with payments transactions routed to the nearest regional cloud.

Clowd9 also offers clients real-time transaction monitoring and customised data reporting, with integrated technology that enables clients to provide enhanced controls for the end user, including spending limits. Its investor base includes former partners at Goldman Sachs, Morgan Stanley, JP Morgan, Deutsche Bank and Vantage Capital Markets.

Google Coining it in

Google Cloud has entered a long-term strategic partnership with Coinbase to cater to the growing Web3 ecosystem and its developers.

The partnership, which had been in the works for "many months", has four parts to it.

First, Google Cloud will allow select customers (initially from the Web3 ecosystem) to pay for its cloud services with select cryptocurrencies through Coinbase Commerce, a platform for merchants globally to accept crypto payments.

Additionally, the partnership will enable Web3 developers to access Google's BigQuery crypto public datasets, which will be powered by Coinbase Cloud Nodes, across leading blockchains. The integration will allow developers to "instantly and reliably operate Web3-based systems without the need for expensive and complex infrastructure".

Google will also use Coinbase Prime – an integrated solution offering secure custody and an advanced trading platform for institutional investors and corporates.

Lastly, Coinbase plans to leverage Google Cloud's compute platform to process blockchain data "at scale" and enhance global reach of its crypto services via Google's fibreoptic network. Coinbase also intends to build its global data platform on Google's infrastructure to provide its customers with machine learning-driven crypto insights.

UBS cleans up with Azure

Swiss banking giant UBS intends to move more than 50% of its applications on Microsoft Azure over the next five years, which is now UBS's primary cloud platform.

Microsoft and UBS also intend to go beyond cloud services to include the co-development of innovations and greater collaboration in areas such as carbon reduction and other sustainability goals.

In some use cases, moving certain tech platform workloads to Azure has resulted in cuts to energy consumption by up to 30%.

UBS and Microsoft have also co-developed the Carbon Aware API, an open-source solution that provides recommendations on how to schedule workloads that require heavy compute power during times when clean, renewable or low-carbon sources of electricity are most available.

"The developments and learnings that stem from this partnership will benefit the financial services industry and beyond," comments UBS chief digital and information officer Mike Dargan.

THE HEART OF THE MATTER

Metro AG and Vodeno: bringing embedded banking together

By Dave Wallace

I have spent the last 25 years trying to make sense of the complexities of financial services and working mainly with technology to create the best and most customer-friendly experiences I can.

As I have stated in previous articles, this has primarily been an exercise in process optimisation. While achieving amazing things, at no point have we really been able to point at a project and claim it to be truly transformational.

One of the promises of the emerging models of embedded banking and banking-as-a-service (BaaS) is the ability to create new products and services quickly and at scale. But like so much that happens in the world of technology, the hype and promise have far outstretched the reality, and honestly, the actual in-market case studies have been relatively thin on the ground.

However, things are changing, and some fantastic examples of true transformation are emerging as companies start to stand up to the opportunity. As a passionate believer in the power of digital to transform financial services, it feels like we are at the moment in time where all the stars are aligning.

Regulation, technology, devices and consumer expectations overlap, providing a sweet spot for new thinking, products and services. When I hear something interesting, I want to shine a light on it. This brings me to Metro AG, Vodeno and Aion.

Metro AG is a German multinational wholesale company based in Düsseldorf which operates business membership-only cash and carry stores primarily under the Metro and Makro brands. It was founded in the 1960s, and its customers are mainly hotels, restaurants, the catering industry and independent merchants. It serves 17 million customers in more than 30 countries through a network of stores, delivery services and an online marketplace.

A few years ago, it recognised that its customers' pain points were changing as the world digitised and 'Uberised' around them – for example, the rise of food delivery services and online bookings. It saw an opportunity to use finance to develop a deeper engagement with its customers, moving away from a purely transactional relationship to one that supported them across their entire lifecycle and business model.

According to Michael Zyber, the CEO of Metro Financial Services, inspiration came from the auto manufacturers and Amazon and Apple, which have all identified financial services as a way of deepening customer relationships. Metro started researching its customers' pain points. It could see that its customers had current banking relationships (hospitality businesses rely on the bank branch networks for depositing cash) and wallets full of 'neobank' cards doing very little. But these existing relationships were entirely transactional and offered almost no added value. The hospitality sector is run on wafer-thin margins, so it identified cashback as a potential benefit.

So, unlike some other retailers, it did not look to start a bank. Instead, it conceived of a new product, a decoupled debit card that could work alongside customers' existing banking relationships but add tangible value. The card is free to customers, can be used for all card-based expenses and offers up to 1% cashback. It uses open banking to connect with customers' existing banks.

Another pain point that Metro identified is working capital and cash flow. The hospitality sector relies on upfront payment for goods and services, with payback from the end consumer sometime later. Depending on the circumstances, customers are offered a credit line when they are onboarded to Metro Financial Services. This has also enabled it to launch a buy now, pay later (BNPL) product.

> "Metro has taken the concept of financial services and made it much more of a business and marketing response to customers. It has not had to worry about the platform and the licence."
>
> **Dave Wallace**

Rather than being offered at the check-out process, post-purchase customers can opt to postpone the payment by up to 60 days or pay in up to 48 monthly instalments.

Having identified other pain points, Metro FS is also rolling out employee cards, which go live in the Autumn.

The Vodeno BaaS platform has enabled this excellent example of embedded banking. Metro Financial Services did not have to build the technology or endure the pain of obtaining a banking licence. Through Aion Bank, Vodeno has access to the requisite licence and all the regulatory angles covered. Under the hood, Vodeno is doing some exciting things. Its cloud-native, fully API-based platform uses PSD2 open banking standards to enable the Metro Financial Services app to check a customer's bank balance in their existing bank four times per day to ensure funds are available for purchases.

Then, via SEPA, direct debits are taken automatically from the bank, so customers do not have to worry about repayments. This occurs once at the end of every business day, and all balances on the Metro app update dynamically – for example, the available BNPL credit line. The intricacies of what is happening are hidden from the end customer. They just see an elegantly simple interface. Metro Financial Services has access to all the transactional data, with the legacy banks losing access to the richness of that data – instead, they just see one transaction with Metro daily.

Metro has been able to think about its customers and develop products and services that add real value to them. It has taken the concept of financial services and made it much more of a business and marketing response to customers. It has not had to worry about the platform and the licences. Vodeno, for its part, has built a flexible platform that leverages technology through APIs as the enabler.

Wojciech Sass, co-founder of Vodeno, explains: "It is like we have the magic pen (from those cartoons we all used to watch), that draws something, and ping it becomes real. We provide the pen and our customers the ideas, and together we can make them a reality."

Brands with large customer bases can use BaaS platform providers to create deeper relationships with customers, offering embedded finance products.

This feels like modern FS in action.

Dave Wallace is a user experience and marketing professional who has spent the last 25 years helping financial services companies design, launch and evolve digital customer experiences.

He is a passionate customer advocate and champion and a successful entrepreneur. Follow him on Twitter @davejvwallace.

Mind the gap: working to boost the UK fintech scene

By Alex Pugh, reporter, FinTech Futures

A growth fund to support UK fintechs was one of many proposals suggested by Ron Kalifa in his wide-ranging report into the industry released in February 2021.

Designed to plug a £2 billion funding gap in the UK's fintech sector highlighted in the Kalifa Review, the provisionally named Fintech Growth Fund (FGF) is set to be independent from government, raising capital from institutional investors to pump money into UK fintechs beyond the Series B stage and looking to scale. An official announcement could be made before the end of the year.

To discuss the move, *FinTech Futures* spoke with one of the key architects behind the recommendation for the FGF in the Kalifa Review, Axe Ali, UK private equity and fintech partner at consultancy firm EY.

THE UK'S SECRET SAUCE

It's important to note that when it comes to fintech, the UK does a lot of things right. The UK ranks second on the Global Fintech index, trailing only the world's largest economy, the US, in terms of the strength of its ecosystem.

"It is also worth noting that the fintech adoption rate in the UK is strong," Ali says. It currently stands at 71%, above the global average of 64%.

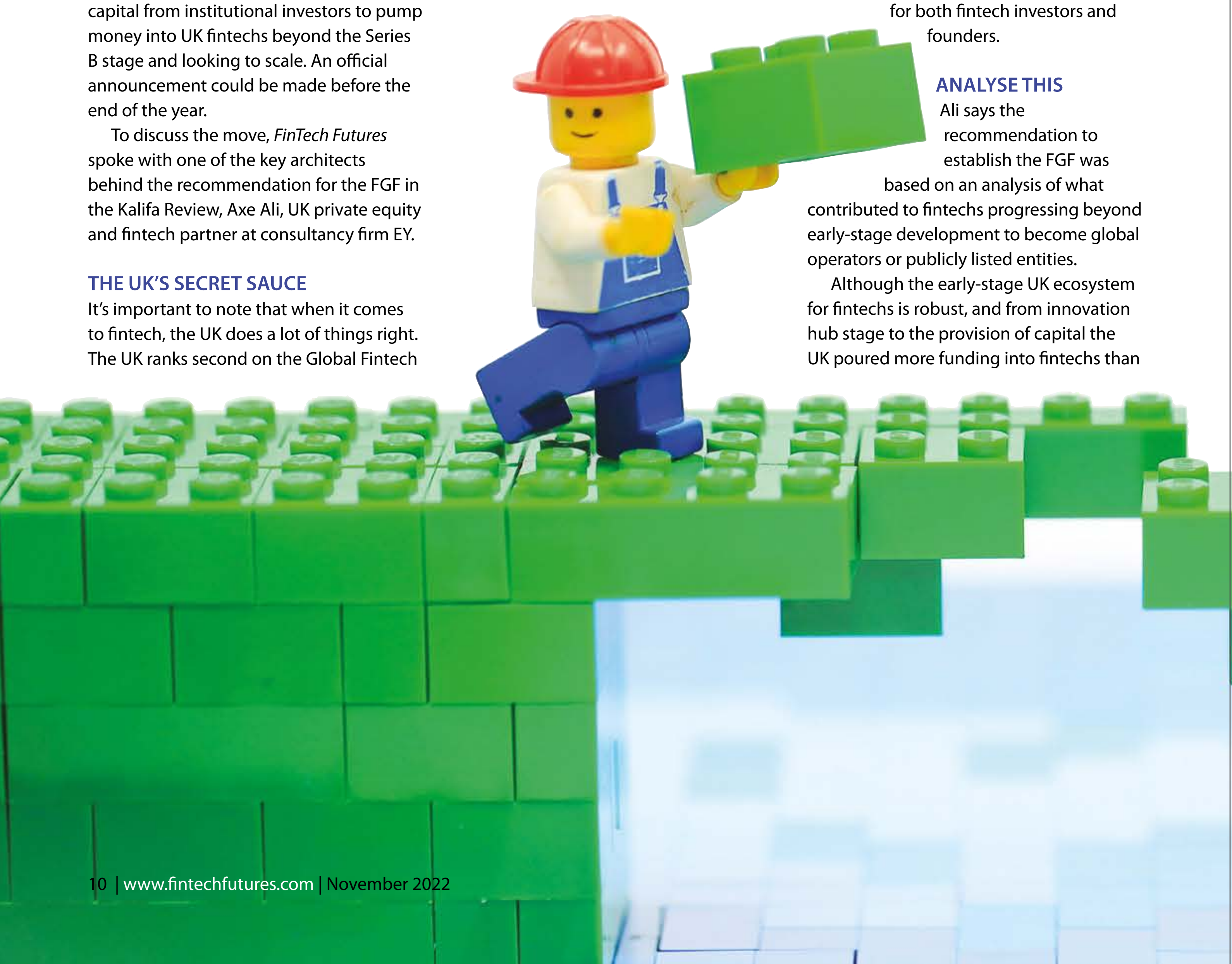
A "crucial element" of the UK's success, Ali says, is a supportive regulatory environment. Sandboxes, for example, allow firms to test innovative propositions in the market, with real consumers.

Add in the various government agencies and entities, trade bodies and associations that work to enhance the profile and growth of the fintech sector, blend it all together and you have a secret sauce which makes the UK a very attractive place for both fintech investors and founders.

ANALYSE THIS

Ali says the recommendation to establish the FGF was based on an analysis of what contributed to fintechs progressing beyond early-stage development to become global operators or publicly listed entities.

Although the early-stage UK ecosystem for fintechs is robust, and from innovation hub stage to the provision of capital the UK poured more funding into fintechs than the whole of Europe combined, there was one gap identified in the analysis: funding at the scaling stage.



But the FGF isn't just about applying a sticking plaster to the problem hoping to plug the gap, "it also has to be truly differentiated in the way it operates and the outcomes it achieves", Ali says.

How could the fund address the needs of the various fintech sub-sectors and what could it offer beyond an injection of capital?

"Achieving these outcomes requires a dedicated fund focused on the fintech sector with highly specialised expertise, from the investment team, investor relations, to fund operations," he says.

READING THE ROOM

At the Bank of England, in preparation for the Kalifa Review, Ali spoke to several key figures within government, business and venture capital, as well as fintech founders. Despite this varied and wide-ranging cohort of advisors and experts, there was one thing they all agreed on – the importance of the fintech sector to the UK economy.

The review included interaction and engagement with a broad range of stakeholders within the fintech ecosystem and "all involved believed in the necessity to invest in the relevant skills and talent required," Ali says.

And while the Kalifa Review covered a lot of ground, "there were a number of key elements" that were considered critical to enhancing the fintech ecosystem holistically.

For example, the government has taken forward key recommendations from the Kalifa Review on primary capital markets, attracting talent, "and establishing and mobilising the Centre for Finance, Innovation and Technology (CFIT)," Ali says.

As a result of this applied consultancy with key players in the space, the recommendations in the Kalifa Review – including the FGF – "have been well received".

PULLING THE RIGHT LEVERS

Nonetheless, the Kalifa Review was initiated for a reason. Global competition for talent, ideas and capital is fierce and the UK cannot afford to kick back and hope for the best.

Fortunately, there are a number of levers to pull and buttons to press on the government dashboard that could make the UK an even more attractive place to found, develop or invest in fintech.

One area for further development could be focused around making the fintech value chain more cohesive. "This would include a sharper focus on education and skills at an early stage to build the talent pool, facilitating easier access to the right resources for founders to be successful, and building the skillset of specialist investors and analysts to address capital issues," Ali says.

The government must also ensure that further investment into fintechs is "facilitated in more innovative ways". It should also investigate other regulatory and policy initiatives that can be optimised from an investor and founder perspective, Ali adds.

"Ultimately, there is no one lever that can continue to drive the success of the fintech sector," he says. "It requires a holistic approach and continuous innovation, and the ongoing support across government and industry."

Delivering seamless, differentiated customer experience

In its latest report, FinTech Futures in association with Genesys looks at customer journey analytics and management in financial services

As economic uncertainty increases, financial institutions are under immense pressure to gain and retain customers and maintain and improve satisfaction. The first requirement is clearly linked to the second, with both having a direct impact on profitability.

Clients' relationships with an institution are formed by their experiences on the journeys they take to achieve their personal financial goals. Indeed, institutions are now more likely to win consumers' business and loyalty with experiences rather than with products and services. The latter have become relatively commoditised and are less likely to be differentiators as a result.

Firms are responding to the competitive landscape of customer experience with massive investments in CX initiatives, particularly related to digital transformation. However, customers are experiencing inconsistent interactions across physical and digital channels.

Journey analytics is the key to eliminating blind spots. By identifying the drivers of poor experiences across channels, financial institutions can improve customer experience and business performance, quantifying the impact of improvements on revenue and cost to serve, and increasing customer satisfaction.

Next to telcos, financial services companies have more data on their customers than any other sector but many are only starting to harness the power of journey analytics or have yet to do so. That mass of data is both a challenge and an opportunity.

Journey analytics provides the visibility firms need to operate efficiently and gain transparency over customer satisfaction, thereby enabling evidence-based improvements. Journey analytics enables firms to:

- Measure customer journeys and identify opportunities for improvement;
- Orchestrate actions that maximise journey success;
- Align cross-functional teams on customer and business goals;
- Quantify the impact of changes to CX on customer behaviour and business outcomes.

This report shows how to transform the banking experience for customers, with multiple benefits for the financial health of the institution, through customer journey analytics. It can be done through a phased approach, allowing early wins while building the necessary internal expertise.

Download the report today from the *FinTech Futures* website!

FOOD FOR THOUGHT

Happy feet

By Leda Glyptis

The story starts about three weeks ago. In Copenhagen. Over a drink at Nordic Fintech Week where one of my fellow speakers casually told me that his bank had a spectacular bit of swag lined up for their delegation attending Sibos two weeks later.

A Stan Smith-style sneaker only with an orange lion where the green logo would normally be. Pristine white with orange laces. (If you haven't worked out who they are yet, you need to get yourself a new career. Banking ain't your thing. No offence.)

You understand… the minute I heard this… I needed a pair.

Needed them urgently.

No dice.

They are just for the team, of course.

It's a very expensive and fiddly bit of swag to be handing out more widely.

So although I desperately wanted a pair and asked for one, of course (you don't get to do my job for as long as I have without learning to ask for what you want, even when it is entirely unlikely that you will get it), I didn't get one.

I didn't expect to get a pair, you understand. Me saying, "oh my god I want a pair" was sort of my way of saying, "this is the coolest bit of swag in the history of swag".

And it was.

Fast forward to Sibos week and the entire orange-lion-bank contingent are wearing those sneakers. And they are cool. They look good. They stand out from the crowd but in a 'I would totally wear those all the time' way.

In fact, I am wearing them right now. See what I did there?

How did I get a bit of swag that was not intended for anyone but the team? Not by applying for a job, if that's what you are thinking. And not by sizing up people's feet and knocking someone who looked like a good fit out cold in the ladies' loo, as some of you suggested.

No sir.

I got my very cool and very comfortable new sneakers exactly (and I mean exactly) the way we get digital transformation done inside big banks. Smooth segue or what?

OBSERVE

The thing I wanted seemed entirely impossible, but by speaking the desire out loud, the conversation starts.

"Oh my god, what do I need to do to get a pair of those sneakers," or "If we are really serious about digitising our capabilities in a way that reduces total cost of ownership and scales both to our existing reach and our ambitions, we should consider our underlying core infrastructure."

You may not get to yes immediately.

You may not get to yes in your time in the organisation.

But unless you start the conversation, you will never get to yes at all.

Now, I was told that the sneakers were for the team only and I totally got that and didn't ask them to find a way to get me a pair. But I did, every chance I got, praise them. Both as an artefact and as a branding idea. It was a good idea.

I always praise good ideas. Vocally and repeatedly. I have never known anyone to mind their idea being praised, to be honest.

Part of the reason I do that is that humans don't say good stuff enough to each other.

The rest of the reason is that, if our job is to advocate for change, we need to give it voice. We need to speak about the things people do that are interesting and different and inspired and daring and cool.

So yes, I praised the sneakers not ever expecting to get a pair…

I praised them the way I praised API-first product organisations to my CTO in the bank 10 years ago… and automated account maintenance to my CEO about three years after that. I got both of those in the end… but not via the direct route, not quicky and not for the reasons you may think. A bit like the sneakers, come to think of it.

And the point stands: voicing the thing is important. In life and in the work we do.

Speaking about the things you want or the things you admire or pointing out a good idea we should be considering for ourselves… like lowering our overall cost of ownership for the tech estate or giving me a pair of sneakers with an orange lion on the tongue… it's important.

I was absolutely persistent with my love of the sneakers.

I was enthusiastic. I was effusive.

I am like that with new ideas, with good ideas and with things that are important. I also have a childish enthusiasm when it comes to sneakers.

But it was not about the sneakers.

It was a standing joke, a good-natured constant conversation backdrop. A door opener for other chats. An ice breaker. A rapport builder.

My love of the sneakers had a purpose even when I didn't expect to get the sneakers. It opened a door to a personal, informal, human conversation alongside the serious banky ones.

But make no mistake.

I did ask. Again and again. But honestly, I didn't expect to get. Me asking was a compliment to them and a way of consolidating rapport with a team that proved to be super interesting. In fact, me talking about trainers was an accent to an otherwise substantive and engaging set of conversations with a team that had some epic footwear and some great ideas to match.

A bit like, you got it, how we get our organisations going with the big, complex-beast ideas. Break the ice, talk broadly, focus on the things we can get over the line first, keep going.

ALWAYS KEEP GOING

Find ways to make it easier to keep going. Make it personal. That's the only way any of this work gets done. It's personal to all of us.

It's personal to move off mainframes.

It sounds weird but look at the organisations that have successfully moved off decades' old infrastructure and those who haven't. You know what the success stories have in common? Someone inside their shop took this personally. Asked and asked again. Didn't take no for an answer. Managed to stay on the right side of persistence (if you get too annoying you won't get too far). And didn't let the subject drop. A bit like me and these sneakers, really.

Even if success seemed dubious at most times. Even if they didn't believe that they would themselves get it over the line. People like us put in the effort viscerally. Because we know of no other way to be.

And hey, look, sometimes you get somewhere. The door opens, the brick wall gives. You get things over the line.

And sometimes you get exactly and all of what you were hoping for, or in fact, in my case… more.

Because I genuinely didn't expect to get the sneakers, much as I wanted them.

And that's the last way in which me getting the sneakers is just like driving digital transformation inside a bank.

Ultimately, me asking again and again to anyone who'd listen is how it became known that I wanted them. The answer to how I got them, however, is: I made a friend who made it happen for me.

And more than anything, that's the key to getting going, keeping going and staying sane both inside your transforming organisation and across this industry. This industry where the first answer to everything is always no.

Make friends with the people who find ways to get to yes. Be the person who helps your friends to get to yes.

Because those are the people who eventually find the way.

Find those people and walk with them.

I will be walking right there beside you all, every step of the way. In my new sneakers.

#LedaWrites

Leda Glyptis is *FinTech Futures*' resident thought provocateur – she leads, writes on, lives and breathes transformation and digital disruption. She is a recovering banker, lapsed academic and long-term resident of the banking ecosystem.

All opinions are her own. You can't have them – but you are welcome to debate and comment!

Follow Leda on Twitter (@LedaGlyptis) and LinkedIn (Leda Glyptis PhD). Visit our website for more of her articles.

Driving the lending industry's digital transformation

By Sara Parrish, president, CampusDoor

While women continue to make strides in driving innovation across a variety of sectors, it's still challenging to find their talents and skills being leveraged at the c-suite level, especially when it comes to careers in fintech.

According to recent research, just 6% of CEOs in fintech are women and only 30% of those who work in the field are women.

That said, banks and lending institutions are now realising the need to use fintech to compete more effectively, and they are doing it by adopting fintech solutions that embrace consumers in new and different ways.

ADVANCING THE STRENGTHS OF FEMALE LEADERS

In the past, women across a variety of industries felt the need to align their leadership and communications styles with those of their male counterparts, believing this would help them be more successful.

This is changing as women realise the benefits of harnessing their intuition and empathy – two great strengths that are influencing workplace cultures as well as the services and innovation they produce.

The power of empathy is demonstrable. In one study by Catalyst, 61% of participants reported they were always innovative at work because of having a highly empathic leader, as compared with only 13% who were shown less empathy. Furthermore, since women tend to embrace empathy, this trait often carries over into the digital solutions they develop. When technologies are created through an 'empathic' lens, the resulting solutions deliver a more supportive and customer-centric experience. This human-centred approach makes customers feel taken care of, not just processed. And it can be a big advantage, especially in lending when borrowers are naturally anxious about taking on debt.

There are female leaders in lending who are so passionate about serving people that they train their teams to remember that on the other side of every digital loan transaction is a real person, a real parent or a real student with aspirations for the future. This ensures that loan experiences are facilitated in a seamless way, while always keeping the borrower's goals and personal objectives first. This type of personalised experience can not only influence a customer to become a borrower today, but also inspire them to stay on board for many years to come.

Fintech solutions that deliver an 'empathetic experience' for Gen Z borrowers can provide very valuable outcomes. As financial institutions use these types of technologies to deliver a positive experience for Gen-Zers who are currently seeking educational loans, they can also gain a unique advantage in encouraging them to return when they need to refinance a student loan, or even apply for their first mortgage.

Providing a personalised Gen Z experience includes using digital and social media platforms as forms of communication, offering digital origination tools that are intuitive to use, and providing financial literacy on how loans work (for instance, a student loan versus a mortgage loan).

EMBRACE MORE FEMALE LEADERSHIP

For organisations looking to attract and retain more women in fintech roles, here are a few tips that can put you on the right path.

Provide mentorship opportunities

One of the most important steps that any company can take is providing mentorship opportunities for women in the fields of finance and technology. Across many industries, including finance, c-suite executives must be passionate about helping women on their teams grow and excel. Furthermore, companies have to empower their executives with the financial resources and tools they need to develop comprehensive training and mentorship programmes for the next generation of female talent.

> "Data shows that women lead with a participative work style that inspires everyone on the team to engage and put their best thinking forward."
>
> Sara Parrish, CampusDoor

Organisations such as the Mortgage Bankers Association are making great strides here with their mPower programme, which is one of the largest networking organisations for women in real estate finance designed to provide networking opportunities, events and workshops, and educational resources for female leaders in the industry.

Embrace work-life balance

Many fintech leaders are also parents and caregivers. This is why it's important to have work-life balance policies that allow them to excel at work without expecting them to sacrifice the time they need to spend with their families. When companies offer work-life balance programmes, they also experience many benefits, such as increased productivity, greater employee satisfaction and increased employee retention.

This is why many lending and financial organisations now have policies in place to encourage both men and women to put their families first, and to take the time they need to enjoy those things in life that matter to them the most.

Be open to new styles of leadership

As the banking sector goes increasingly digital, many women fintech leaders are in the vanguard of this evolution. Embracing their leadership can actually be transformational for the entire industry since data shows that women lead with a participative work style that inspires everyone on the team to engage and put their best thinking forward. This level of ideation can be a tremendous asset to any company looking to create the 'next big thing' and stay technologically competitive in the marketplace.

As companies work to embrace diversity at greater levels, they can realise tremendous value in fintech by including more women as part of the equation. Since women are able to help organisations connect with customers beyond the logistics of just executing a loan, institutions who use their talents are able to build businesses that are more profitable and better equipped at supporting the financial wellbeing of the people in the communities that they serve.

FEATURE: WOMEN IN FINTECH

End of the line for programmers?

By Dharmesh Mistry, CEO, Askhomey

I'm not sure when I officially joined the "oldie" camp, but I had a sudden realisation I was in that camp when I got involved in a discussion about 'low/no-code' development platforms recently.

Before I define it, it's worth understanding a bit of the history behind coding. At school, I was shown how to code in machine code using punch cards. This is categorised as 1GL (first-generation language programming). At college, I wrote a cross assembler for the 6502 processor which got me into programming in 2GL, also known as assembly language. Life got a whole lot easier when I wrote in Pascal and Basic and then Cobol. These were 3GLs. An example of 4GL is SQL, basically nonprocedural languages. These languages are used to tell the computer what to do and not how to do it. Finally, we have 5GL, also known as natural language. These can translate human instructions into code that executes and are designed to make the computer solve a given problem without the programmer.

I would strongly argue that low/no-code is neither a 5GL or even 6GL, as many of these platforms don't use language as such and are much more visual in their development approach.

Low/no-code platforms often have a well-defined boundary and context within their given problem domain, so *configuration* becomes a relatively simple task to execute, whereas *customisation* beyond the boundary becomes more complex, requiring traditional programmer intervention within the new tool. Salesforce (for CRM), Pega (for RPA/workflow), and SAP (for ERP) are examples demonstrating this principle. Gartner would later define these as composition technology 'precursors' within their magic quadrant product category, not pure play application composition platforms.

HOW LOW CAN YOU GO?

I'm not sure exactly when 'low/no-code' came about, but my research identifies Excel being the first example of a no-code platform. For me, it was in the late 1980s on an IBM 4700 using a development platform called Application Map Generator (AMG). This solution allowed you to separate user interface definition, rules/logic and text. Its goal was to maximise reuse and make it easy to create screen-based solutions. It worked very well for character-based interfaces.

Fast forward 15 years to 2001 when I co-founded a company that created a development platform that allowed you to create multi-channel apps (supporting offline, web, mobile and portal) without writing code. Internally, we called it a zero-code platform. However, we were not alone and there were other similar platforms, some with stronger rules engines, some focused on workflow. Essentially, each platform had its nuances and points of differentiation.

Around this time, Gartner coined the term 'citizen developer' for the users of such platforms, and later in 2015 it extended the phrase to integration, stating IT departments, line of business (LOB) developers, mobile application development (AD) teams, application teams and even business users were 'citizen integrators' who leverage the capabilities of these platforms to develop, execute, and manage integration interfaces (or 'integration flows') in the cloud.

These platforms appealed to smaller companies that needed more from their scant IT resources, and the tech talent shortage drove the rising demand for such platforms out of off-the-shelf necessity and urgency. In bigger organisations, they also appealed to areas of the business that didn't get priority access to IT resources. However, most struggled to replace mainstream development in 3GLs like Java or .Net. Mostly, it was IT departments that would cite inflexibility of the platforms and a lack of available trained resources. Other questions raised included:

1. What about source control and reuse?
2. Will it work with automated testing?
3. Can we bring/embed our own code if we reach limitation?
4. What security standards does it conform to?
5. Regarding extendibility, can we develop or use third-party user interface widgets?
6. Can it scale?

I could add more, but I'm sure you get the gist that IT teams wanted to protect their skill sets and expertise and not be locked into a proprietary toolset or long deals with third-party vendors at all costs.

STRUGGLING TO KEEP UP

Fast forward to now (20 years on… gosh, I am old!) and we come to the current business landscape where 'software is eating the world' and hence there is a 'war for talent' in IT. At the same time, technology is moving at a pace and keeping up with new capabilities is hard.

In the world of composable banking, however, the focus tends to be much more on outcomes and business value rather than how you get something done and the tools and technologies used to get there. The speed of reaching production release has become much more important. As such, buy before build becomes the mantra for reusable components, and now composing before coding to 'orchestrate' these components is much more efficient.

In banking, smaller banks have benefitted from incumbent core vendor solutions that are 'configurable', allowing business users to define products like loans or deposit accounts. The larger banks still tend to prefer ultimate flexibility, which generally boils down to the ability to code anything that is not possible in the core solution.

Composable banking platforms are increasingly providing their own low/no-code development solutions to help orchestrate their platforms. This should lead to greater productivity and time to market while taking the heat off valuable IT resources, which most companies will claim they never have enough of. IT departments have become more comfortable with tools to manage workflows, business rules and banking product definitions. They have been less comfortable, certainly in large banks, with user interfaces or 'integration' tasks, where the 'vision' of the API economy has still yet to yield the nirvana state of promised realised benefits.

Like most platforms, development platforms have moved to the cloud. Better bandwidth and better browser support is making cloud-based development much more feasible and accessible. For example, platforms like Appeggio, Betty Blocks and Bubble.io make it possible to create solutions with no code. Such solutions have templates and reusable components to fast-track the development of any new solution. They are cloud-based and not only automate the development but also the deployment, whether that's to mobile phones (via app stores) or to servers hosting a web solution.

Working with legacy systems and on-premise for data sovereignty solutions are more challenging tasks for them, it should be noted. A key feature is their ability to manage non-functional requirements so users do not have to develop for performance, scalability, security and resilience. These non-functional requirements alone can account for a 40% saving over traditional development approaches that use code.

Some tools have AI in the background trying its best to understand user intentions. Their goal is clear: you don't need to be an IT professional to build and deploy enterprise-grade apps. This doesn't mean you don't need IT resources. It just means you can keep your resources focused on the urgent and high-level tasks like sourcing or creating reusable components.

For me, the maturing of such platforms couldn't come a moment sooner as there has always been some inevitability towards a smarter and faster way to automate business. As industries merge, the need to mix and match software continues to grow, as we are witnessing with embedded banking. I'm not saying that programming is dead, I'm just saying that low/no-code allows us to improve productivity when we put it in the hands of the next generation of emerging tech talent. We can also improve time to market in a world where it is challenging to constantly find good programmers and maintain business agility similar to the way that AWS abstracted itself over the data centre both in terms of marketing 'the cloud' as a concept and functionality in terms of business outcome.

So, while low/no-code has and will continue to have its critics and limitations, largely from the incumbents and the developer community, I see an inevitable evolutionary path emerging towards composable platforms that will be to code what cloud IaaS (AWS, GCP, Azure) was to the data centre.

Dharmesh Mistry has been in banking for 30 years and has been at the forefront of banking technology and innovation. From the very first internet and mobile banking apps to artificial intelligence (AI) and virtual reality (VR). He has been on both sides of the fence and he's not afraid to share his opinions.

He is CEO of AskHomey, which focuses on the experience for households, and an investor and mentor in proptech and fintech.

Getting urban mobility on track

By Shruti Khairnar, reporter, FinTech Futures

As digital transaction volumes in India continue to break records, transportation and urban transit remains a segment playing catch up.

In an effort to boost the country's transport payments sector and align with the Indian prime minister Narendra Modi's "one nation, one card" vision, Paycraft is taking definitive steps towards closing the gap between offline and online payments.

Paycraft was founded in 2013 with a focus on catering to offline digital transactions, a segment it considers niche and overlooked compared to the online payments market in India, which had seen many players emerge by then.

Headquartered in Mumbai with offices in Pune and Bangalore, Paycraft has over the years grown to employ more than 200 people. Its current product offerings include SaaS-based card management solutions to enable companies to issue debit and prepaid cards; acquiring solutions for handling offline and online transactions; and NFC payments and mobility card solutions, among others.

The company claims to have achieved a revenue of more than $5 million last year, with an ambitious target to double its revenue every year.

FinTech Futures sat down with Ambarish Parekh, CEO of Paycraft, to discuss what the company offers and how it has evolved over the years.

LAYING THE GROUNDWORK

A first-generation entrepreneur with more than two decades of experience, Parekh has spent nearly half of his working life in the payments space.

He says offline payments was such a niche sector in India that Paycraft had no government specifications to rely on during its early days.

"Nobody was doing offline payments in India," remarks Parekh. "We engaged with various government bodies, including the Ministry of Finance and the National Payments Corporation of India (NPCI). A body was formed, and Paycraft was part of the technical specifications committee for offline payments in India."

Once the specifications – called the National Common Mobility Card specifications – were laid out, offline payments were officially brought into India in 2014.

"The next hard work was to convince the banks and the transport authorities to implement that," says Parekh.

By that point, Paycraft had doubled down on building an entire ecosystem – a proprietary automatic fare collection system, a card issuance platform and an acquiring and issuing side switch – for metro and bus implementations, allowing transactions on a bank-led card.

"Today, Paycraft holds almost 95% market share in India in the transport sector wherever a bank-led implementation is happening, be it in a metro or bus," Parekh claims.

EXPANSION INTO AFRICA AND THE UAE

Paycraft expanded its footprint into Africa almost a year ago by forging a partnership with Yopesa, a fintech start-up belonging to Bidco Group in Kenya.

A fast-moving consumer goods (FMCG) group with operations in 17 African countries, Bidco wanted to enter the payments space, which led the company to establish Yopesa.

In this partnership, Paycraft and Yopesa are working on digitising the "entire" web payments space of the logistics sector in Africa, across the 17 countries Yopesa's parent group operates in.

"Currently, all transporters in Africa work on a cash mode," explains Parekh. "All payments are done by truck drivers in cash, whether it is for fuel, car repairs or anything else."

PROFILE: PAYCRAFT

> "Currently, all transporters in Africa work on a cash mode. All payments are done by truck drivers in cash, whether it is for fuel, car repairs or anything else."
>
> **Ambarish Parekh, Paycraft**

Together, the two firms are building a digital payment ecosystem that will be both mobile and card-based. Parekh adds it is due to go live soon.

"In the UAE, we have gone the extra mile," he says.

Mercury, the Middle East's first domestic payment scheme, is headquartered in the UAE and supported by the country's government.

Paycraft became the preferred processor for Mercury and has set its sights on expanding its reach in the MENA region. To that effect, the firm has plans to open a new office shortly, from where it intends to run its MENA operations, with an eye on Europe and Southeast Asia as well.

NEXT IN THE PIPELINE

Paycraft's latest offering is defined as a "one nation, one corporate card" solution that is currently undergoing closed user group testing. The company is aiming for a commercial launch in mid-October.

The firm has created a payment ecosystem for corporate employees wherein a single card can be used for meal benefits as part of an employee's cost to company (CTC), travel reimbursements, receiving sales incentives, getting a personal loan from banks and travel on a metro or bus anywhere in India.

Parekh describes it as "one single card which covers the entire end-to-end 360-degree lifecycle of a corporate employee". He adds that the company is aiming to onboard 50+ corporates within this financial year for this new product.

Parekh stresses its exclusivity, claiming "there will be no other entity" able to provide an integrated solution like this one.

For the new launch, Paycraft's banker will be NSDL Bank, with a view to onboard multiple banks in the future.

In terms of funding, Parekh disclosed that the firm is currently in "advance level discussions" to raise $10 million, with the round expected to close by the end of this year.

Paycraft received strategic funding from Mastercard in January 2020 with a vision to support the transit ecosystem digitisation in India, before which it was a bootstrapped venture.

It's not all evil – crypto can also do good

By Gihan Hyde, founder & CEO, CommUnique

Many people when hearing the term cryptocurrency tend to think of it as fake money because we can't use it to buy a pack of crisps, for example. But it's no longer something we can deny or ignore.

It is very much a real business, with almost 19,000 cryptocurrencies in circulation currently equating to around $1.75 trillion – about the same as the gross domestic product of Italy, the world's eighth largest economy.

Cryptocurrency doesn't have a good reputation among my Greenie friends because it uses a lot of energy. And I mean *a lot*. For example, according to a recent report by the White House: "Annual global electricity usage from the Bitcoin blockchain is estimated to be 90 to 145 billion kWh, with a theoretical range from 40 to 180 billion kWh." But we all need to understand that the energy consumption is not from the transactions of the currency, it's from the rewards that the miners receive for their work on a blockchain.

As an ESG and sustainability integration and communication specialist, last year I became interested in the technology behind cryptocurrency and the data traceability that comes with it. I spent about 30 hours trying to understand it, and I still call myself an amateur in this space.

So this article is not about educating you on crypto, it's about highlighting the fact that what could be perceived as evil can be transformed into good and can be communicated in a powerful way if we understand it and understand what good it can do.

This is when I started reading and meeting several blockchain technology companies to demystify this matter, one of which was Zumo.

The data is telling us that consumers, regulators and investors are all interested in solving this technology's sustainability impact and its downfalls. For example, the Crypto Climate Accord (CCA), the crypto industry's own voluntary association on this issue, has put in place an ambitious 2030 net-zero target and is working collectively to define standards, agree on reporting and tackle the problem at source with 'proof of green' solutions that target the industry operators at the source of crypto electricity consumption.

Zumo's whole purpose as a blockchain technology company is to bring the benefits of blockchain and digital assets to people and businesses everywhere. It provides sustainable, simple and secure technologies to unlock the benefits of crypto and Web3. Zumo is one of the first signatories of the CCA and it launched its own net-zero strategy in 2021.

Speaking with the firm's board environmental adviser, Kirsteen Harrison, she says: "Some proof-of-work cryptocurrencies (notably Bitcoin) are big users of electricity. The good thing is, we know how to decarbonise electricity generation – the technology already exists, and the more we install, the more the price comes down.

"We can achieve this decarbonisation through renewables either directly (as cryptocurrency miners using renewable energy sources) or indirectly (via the purchase of renewable energy certificates, RECs). RECs are a market instrument recognised by the GHG Protocol that can be used by anyone in the crypto

"Crypto and its features are not difficult to communicate, it's how you speak about it that makes or breaks your product and service."

Gihan Hyde, CommUnique

ecosystem to account for their own 'share' of the electricity use. If we do this at scale within the crypto sector, we have a real opportunity to drive demand for renewables globally."

Amelie Arras, Zumo's marketing director, adds: "Sustainability is a key value to Zumo. From the outset we wanted to bring the benefits of crypto to everyone in a sustainable way. We knew that we were not taking an easy path, we had big challenges, our first one was to break down two complex topics – crypto and decarbonisation – and now we use that knowledge to build meaningful solutions.

"Every step of the way we thrive to be transparent, simple and inclusive – that means inviting people to collaborate and join us on that journey. Our biggest strength was the buy-in from everyone internally and this has so far been key to our success."

Until cryptocurrency becomes the norm, we need to communicate its features in a certain way. Here are my three recommendations to communicate its features:

- **Cut to the action:** tell your audience what you need from them and what role they play in your crypto story.
- **Cut to the emotions:** take your audience to the moment where your crypto story will generate extreme emotions and trigger a sense of belonging.
- **Cut to the lessons learnt:** cement with your audience what lessons they should have learned from reading, watching or listening to your crypto product or service story.

Crypto and its features are not difficult to communicate, it's how you speak about it that makes or breaks your product and service. And before you communicate its features, make sure the facts and figures are accurate to avoid reputational damage and avoid being accused of green washing.

Gihan Hyde is the award-winning communication specialist and founder of CommUnique, an ESG communication start-up.

She has been implementing ESG campaigns in eight sectors, across six countries over the past 20 years.

Her campaigns have positively impacted over 150,000 employees and 200,000 customers and have closed over £300m in investment deals. Some of the clients she has advised include The World Health Organisation (WHO), HSBC, Barclays, M&S, SUEZ, Grundfos, Philip Morris, USAID, and the Saudi Government.

Follow Gihan on Twitter @gehanam.

LEADERSHIP

From A to Z: the road map to success as an entrepreneur

By Theodora Lau, founder, Unconventional Ventures

People often ask, how did you end up doing what you do?

Truth be told, it was not a straightforward path, and I certainly didn't wake up one day and decide that I would leave the safety and comfort of corporate life and venture into the wild.

It's easy to start a company, but it's much harder to sustain it. Life can be so full of surprises that sometimes, just sometimes, you wonder out loud: Why am I doing this? Do I have what it takes?

But you are not alone. Here are a few traits and tricks that we don't talk about enough, though these are by no means exhaustive nor pre-determinant of success. Ping me if you have more to share!

Authenticity. You need to be you – the real you. Being genuine is probably one of the most important things that separates you from others. Don't fake.

Brand. You are the brand. If you are a solo-entrepreneur, you are the only brand. What do you represent, as a brand? And is that something clients want to be associated with?

Curiosity. Being a problem solver is part of our mojo. Stay curious and ask why. And don't stop learning. We can't possibly know *everything*, can we?

Determination and Discipline. Starting out on your own is hard work; keeping it going is even harder. Being determined and disciplined will keep you going and keep you grounded. Once you have made a commitment to a client, you stick to it. Think Energizer Bunny.

Execution. A great idea is nothing but a pretty deck unless it's executed.

Focus. The world is an exciting place. But don't be like a squirrel. Focus. Focus. Focus. Entrepreneurship is like running a marathon. Stick to your strategy and stay focused.

Generosity. How do we embed generosity in our everyday lives? We can all be a bit more considerate, especially in trying times. Be generous when you are able to and pay forward. Be the light in the world you want to see.

Heart. What separates you from a machine? 'Nuff said. You gotta have heart.

Integrity. I should not have to say this out loud. Good behaviour is simply good for business. It's your reputation after all. And to be honest, this is simply essential for anyone, not just entrepreneurs.

Judgement. Being able to exercise sound judgement is critical, especially in a highly uncertain environment. Slow down and clear your head; and it gets better with time and experience.

Kind. When you can be anything in the world, choose to be kind. That should be a guiding principle not only for entrepreneurs, but everyone.

Listening. Talk less, listen more. Make decisions based on not only what you know, but also what you learn from others around you, including your stakeholders, colleagues, advisors, VCs and customers.

Motivation. We have all been there, having someone watching over us (and not always in a good way) as the year-end review approaches. Now that you are on your own, being goal-oriented is more important than ever. Don't be lazy. Think of motivation as jet fuel. Now make a plan and go!

Network. It takes a village. Entrepreneurship is a lonely journey, so it's even more important that we are there to support each other, share learnings and celebrate small wins. Go build relationships. I can't stress this enough.

Open mind. Listen to different points of view and try to look at a problem through different lenses. We all have much to learn.

Purpose. What guides when the going gets tough? What keeps you up at night and more importantly, what gets you out of bed in the morning? Ask yourself this: Why do you do what you do? And be honest with yourself.

Quality. According to Henry Ford, "Quality means doing it right when no one is looking." So make this a habit!

Reliability. Can your team rely on you? Can your clients depend on you to deliver? Remember the old adage: Don't make promises you can't keep.

Storytelling. A successful leader is also a great storyteller.

Trust. Trust goes hand in hand with reliability, and it is the most powerful tool that you have. Building trust with your colleagues, stakeholders and clients can go a long way in helping you grow your business and survive turbulent times (hint: now).

Uncompromising. Have a relentless and uncompromising focus on what matters most: culture and vision.

Vision. Having a vision is a great start. Being able to articulate it and inspire others to get behind it is even more crucial.

Why. Notice how kids always ask why? Learn from the kids!

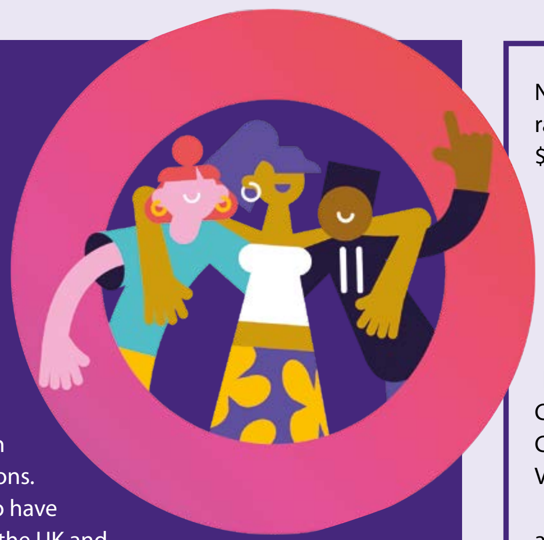
eXperiment. We don't always get it right the first time. Give yourself space to identify and prioritise risks and conceptualise experiments to address them. Experiments are there to help guide you which direction to go. And sometimes, it's okay if experiments don't work; you need to be able to learn from it and let go.

You. Knowing what you know now, what would you tell your younger self? Would you have taken the same path? What would you change? Slow down and allow yourself a moment of reflection. Read a book. Take a walk. And take care of yourself.

Zigzag. You never know what life will throw at you and things aren't always as straightforward as we would like. But these twists and turns can add to our lived experiences and make us stronger and more empathetic. Embrace the change and the challenges.

Remember, you got this!

FINTECH FUNDING ROUND-UP



GoHenry, a UK-based fintech that provides prepaid debit cards and a financial education app for kids and teens, has raised **$55 million** in a growth capital round.

Existing investors Edison Partners and Revaia took part in the round and Italian paytech Nexi joined in as a new investor.

With the fresh capital, GoHenry intends to fuel its global expansion and add new products, such as Junior ISAs in the UK and in-app gamified money lessons.

Launched in 2012, GoHenry claims to have more than two million members across the UK and US and recently in France and Spain through the acquisition of a French fintech, Pixpay. It plans to launch Pixpay in Italy later this year.

New York-based **Bilt Rewards** has raised **$150 million** in funding at a $1.5 billion valuation as it looks to expand its loyalty programme and credit card offering for renters, to help them "build a path towards homeownership".

The round was led by Left Lane Capital with participation from banking giant Wells Fargo, Smash Capital, Greystar, Invitation Homes, Camber Creek, Fifth Wall and Prosus Ventures.

Customers can earn points on any rent payments made with the Bilt Mastercard, developed with, and issued by, Wells Fargo, with no transaction fees. These points can then be used to help cover any down payment and closing costs required when buying a home through the Bilt Homes service.

Launched last year, the start-up claims to have already processed more than $3 billion in annualised rent payments and more than $1.6 billion in annualised card spend to-date.

Airwallex has secured an additional **$100 million** in its second Series E extension "Series E2" at the same $5.5 billion valuation.

Existing investors Square Peg, Salesforce Ventures, Sequoia Capital China, Lone Pine Capital, Hermitage Capital, 1835i Ventures and Tencent took part in the round, along with HostPlus, an Australian industry superannuation fund, as well as a North American pension fund.

The extension round brings Airwallex's total funding to more than $900 million.

Established in 2015 in Melbourne, Airwallex provides payments and banking infrastructure for businesses of all sizes, enabling them to accept payments, move money globally and "simplify" their financial operations through a single platform.

ConnexPay, an US-based paytech that combines payments acceptance and virtual payments issuing in a single platform, has secured a **$110 million** growth equity investment.

The round was led by FTV Capital and saw participation from previous investors. It brings ConnexPay's total funding to date to $145 million.

The firm says the funding will be used to support its international expansion in Europe and beyond, and towards "enhancing" its payments platform.

Initially developed to serve the travel industry, including travel agencies and tour operators, ConnexPay has branched out into other verticals to support more companies that function as payment intermediaries, such as online marketplaces, delivery services and fintechs.

Over the past 12 months, ConnexPay claims to have more than doubled its number of active clients and its employee count and boasts 500% net revenue growth year-to-date over 2022.

US-based B2B payments-as-a-service firm **Finexio**, which specialises in providing accounts payable (AP) payment capabilities, has secured a **$35 million** Series B funding round valuing the company at $100 million.

The oversubscribed round was co-led by Mendon Venture Partners and National Bank Holdings Corporation and saw participation from banking giant JP Morgan, which came in with the largest investment. Existing investor Patriot Financial Partners and new investors Discover Financial Services, Valley Bank and Trogg Hawley Capital also participated along with several c-level financial services and fintech executives.

Banyan, a stock keeping unit (SKU) data network for businesses, has landed a **$43 million** Series A round led by Fin Capital and M13.

The round consists of $28 million in equity and $15 million in venture debt, with the firm's total funding raised to date now standing at $53 million.

FIS Impact Ventures, Bridge Bank (a division of Western Alliance Bank), Interplay and TTV Capital also participated in the round.

Additional investors include More Than Capital, Manifold, Motivate Venture Capital, Elizabeth Street Ventures and Gaingels along with angel investors Jonathan Weiner, David Chubak and Kush Saxena.

Railsr has landed **$46 million** in a Series C funding round, consisting of $26 million in equity and $20 million in debt.

The equity part of the fundraise was led by Anthos Capital and featured participation from existing investors Ventura, Outrun Ventures, CreditEase and Moneta. The debt facility has been provided by Mars Capital, a new investor in Railsr.

Founded in 2016, Railsr provides embedded finance services to businesses, including banking products, wallets, cards, credit and rewards. It claims to work with more than 300 customers from the financial and retail industries.

Railsr CEO and co-founder Nigel Verdon says the funding is a "significant step on our route to profitability".

New York-based challenger **NorthOne** has raised **$67 million** in a Series B funding round.

The round featured participation from a number of new and existing investors including Battery Ventures, Ferst Capital Partners, FinTLV, Next Play Capital, Operator Stack, Redpoint Ventures and Tencent.

NorthOne was founded in 2016 by Eytan Bensoussan and Justin Adler to provide financial services to "traditional businesses" in the US that the company feels have been "deeply underserved" by financial institutions in the past.

NorthOne says its mobile app and web banking product has been used by more than 320,000 small businesses in the US. Its banking services are provided by The Bancorp Bank.

California-based **Jiko**, which has launched a corporate money storage solution to "make money work harder", has landed a **$40 million** Series B funding round.

The round was led by Red River West, with participation from Trousdale Ventures, Owen Van Natta, Temaris & Associates, La Maison Partners, BPI France, Anthem Ventures, Upfront Ventures, and Radicle Impact.

Jiko's Money Storage solution provides firms of all stripes low-cost access to storing and moving money in spendable T-bills. Cash is securely stored at custody bank BNY Mellon, put directly into T-bills with on-demand liquidity and is moveable around the clock on the Jiko network.

Jiko says its platform operates more cost efficiently than other fintechs on the market due to its technology stack, bank charter and status as a broker-dealer and also enables companies to conduct banking and financial activities in a manner that is "simple, effective and secure".

The firm is led by CEO Stephane Lintner, who co-founded the company after nearly a decade at Goldman Sachs leading strategies across multiple asset classes.

UK-based data and payments fintech **Moneyhub** has secured an initial **£35 million** in funding from Legal & General and Lloyds Banking Group, with an additional £5 million debt facility provided by Shawbrook Bank.

Legal & General and Lloyds Banking Group are both set to take minority stakes in the business as well as utilise Moneyhub's open data technology to boost their commercial offerings.

Moneyhub says the money will support the development of its wealth, pensions, payments, distribution, affordability and data-as-a-service solutions, among others. Funds will also go towards expanding the fintech's international footprint and global client reach.

Reap has raised **$40 million** in a Series A funding round led by Acorn Pacific Ventures, Arcadia Funds and HashKey Capital.

The round, made up of a combination of equity and debt financing, also saw participation from Hustle Fund, Fresco Capital, Abacus Ventures and Payment Asia.

Reap began operations in 2018 offering payables management, international payments and collections. It has a client base of over 20,000 and operates in Hong Kong, Australia, Canada, Japan, Malaysia, Singapore and Vietnam.

This is just a snapshot of the fintech funding activity worldwide. For more info on these and many other deals, head over to the *FinTech Futures* website!

MOVERS AND SHAKERS

Tech veteran **Wellington Holbrook** has resigned from his role as CEO of Canada's **connectFirst Credit Union**.

He initially joined Alberta, Canada-based connectFirst as chief operating officer (COO) back in 2020 following his departure from ATB Financial, where he had spent nearly ten years. He was made CEO in February this year.

In a post on LinkedIn, Holbrook writes: "I've had a lot of time to reflect on the circumstances that led to my departure. I'm disappointed that I won't be able to continue leading the change there. We were just getting started (words my friends at connectFirst know well) but in the past few years, truly, we accomplished so much."


Wellington Holbrook

Image source: connectFirst

Commenting on his next steps, he writes: "I have a few ideas. I love a big challenge – the bigger the better. That's what gets me excited. I want to do work that's truly transformative. I want to pursue big ideas and take on the greatest challenges our communities are facing. Because now is the time for innovators to lead – and create hope for tomorrow."

ConnectFirst has named its current chief risk and administration officer **Kendra Holland** as interim CEO while it searches for a permanent replacement.

US-based digital bank and fintech firm **Green Dot** has fired its CEO and president **Dan Henry** and promoted its chief financial and operating officer **George Gresham** to the post.

The firm says Henry was let go by the company and also resigned from the board of directors. He became Green Dot's CEO in March 2020; previously, he was CEO of prepaid debit card company Netspend. He replaced Green Dot founder Steve Streit, who stepped down from the CEO position in December 2019 after 20 years at the helm.

Green Dot's newly appointed CEO Gresham joined the firm in October 2021, with three decades of experience in finance and payments, including as CFO of Netspend and Global Cash Access.

Rauva, a Portuguese start-up developing a new financial 'super-app' for small and medium-sized enterprises and freelancers, has appointed **Maxence Cornet** as chief technology officer (CTO). Cornet has software development experience in fintech and web3 environments and was previously CTO and co-founder of Vybe, a French challenger bank that launched in September 2019 but closed down last month after running out of money.

UK consumer lender **Fluro** has appointed a new CTO, **Jason de Carvalho**, and a new head of data science, **Tommy Fennelly**, as it looks to boost its ongoing growth.

De Carvalho joins from online supermarket Ocado, where he spent more than 11 years leading the development of the firm's logistics, supply chain and micro-fulfilment software. At Fluro, he will be tasked with developing the company's loans platform, with the aim to ensure that more than 90% of loans are fully automated and credit decisions are made within ten seconds.

Fennelly previously worked for IBM. His appointment will enable the Fluro to 'turbocharge' its data initiatives, ensuring data science, machine learning, analytics and data engineering continue to play a key role in the company's offering.

Established in 2014 as LendingWorks, it was acquired by private equity firm Intriva Capital in 2020. It recently rebranded as Fluro and secured £200 million financing from BNP Paribas.

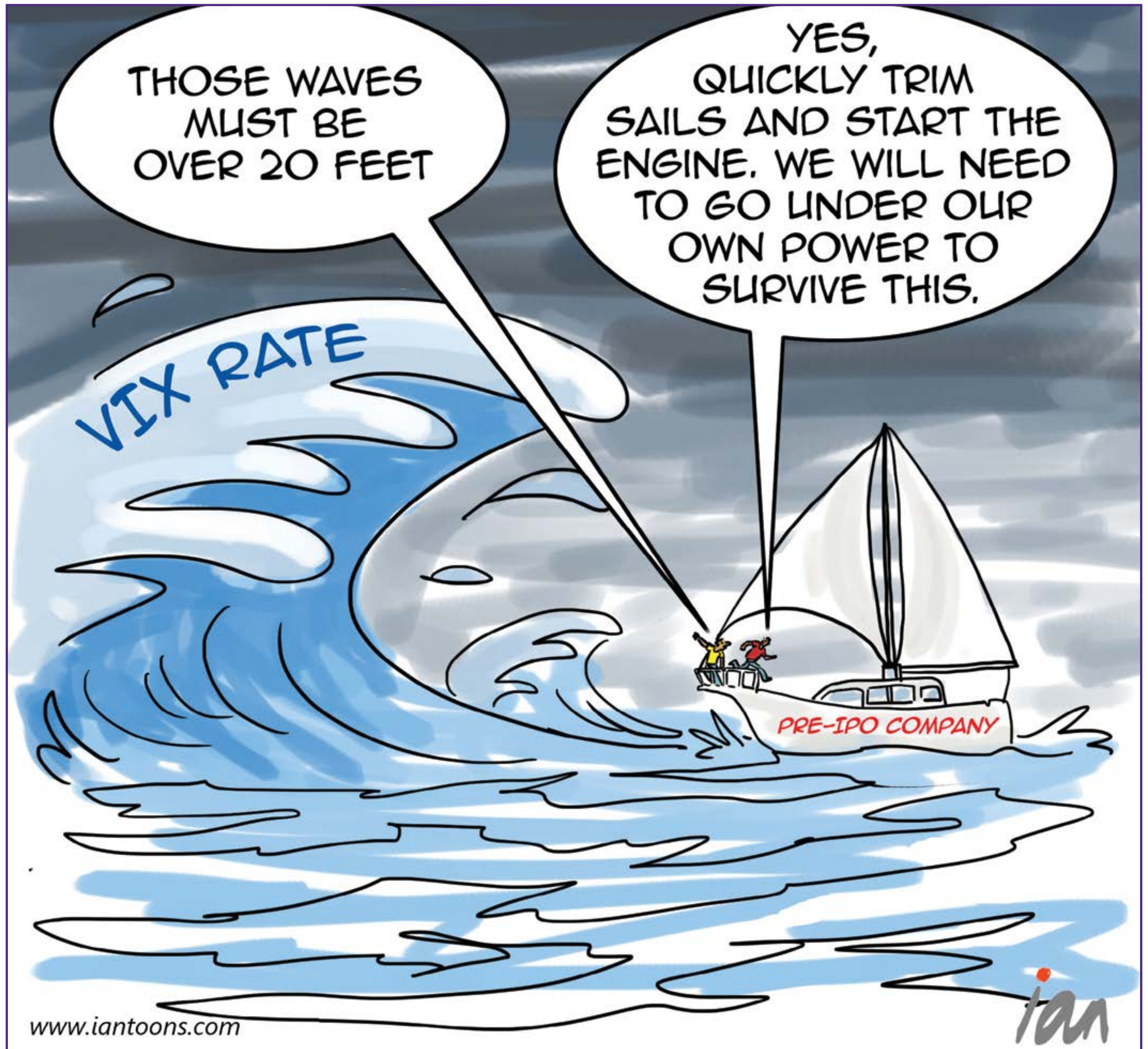
Pay.UK executive **Simon Lyons** has left the organisation to join UK-based open banking company **obconnect** as its chief strategy officer (CSO). Lyons joined Pay.UK in October last year as its standards transformation lead, leading a piece of work between the HM Revenue and Customs (HMRC), Pay.UK and the wider open banking ecosystem to address a "long-standing" legacy problem. He was also involved in delivering a solution for small and medium-sized business (SME) salaries.

In a career spanning more than two decades, Lyons served as the head of ecosystem management at Open Banking before joining Pay.UK. He has also worked at Slide, Conferma, Cashfac Technologies and The Co-operative Bank.

Financial assistant app **Cleo** has appointed **Anita Woods** as its new vice president of product. Woods brings over 15 years of experience to the role, having previously worked at Bain and Company, Amazon and Google. She has also held product leadership roles at Zava and Wefarm, where she built the company's product functions from scratch and launched new products including Wefarm's online knowledge sharing platform for small-scale farmers in East Africa.

Founded in 2016, London-based Cleo claims to have helped four million people improve their financial health through its AI-driven conversational financial assistant app.

Earlier in the summer, it raised $80 million in a Series C funding round at a valuation of $500 million.



FEAR GAUGE

Cartoon by Ian Foley

Public markets use the CBOE Volatility Index (VIX) – also widely known as the 'Fear Gauge', which analyses the S&P and the options market – to determine market volatility.

Currently, there is a healthy pipeline of more than 1,200 unicorns that are waiting to go public, but according to Morgan Stanley, we are now over 250 days since a tech IPO of over $50 million, beating the record set after the 2008 financial meltdown and the dot.com bust in the early 2000s.

The *Financial Times* reported that the US' overall IPO volume is down 94% year-over-year, with just $7 billion raised so far compared with $110 billion at this time last year.

Companies are hesitating on going public because the market can experience huge swings caused by macro-economic factors that might have nothing to do with a tech company's business.

Over the last six months, the VIX index has been hovering around 25-33. NYSE's president Lynn Martin remarked that, "until the VIX is consistently below 20, I don't think the floodgates are going to open for those companies who have been talking to us and we've been working with for a while".

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