



VENATOR
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Fintech Forward: Emerging Trends & Leadership

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Venator Search Partners

A Retained Executive Search Firm

Table of Content



Objective & Sample	3
Fintech - Bank Partnerships: Will they work?	4
Unsecured Retail Lending: The Future of Fintech?	6
Who will lead Fintechs in Future - Gen X or Millennials?	7
Who will guide the Fintechs in Future?	8
Motivation of an experienced BFSI professional to move to Fintech	9

Fintech Forward

Objective



"Fintech", a word possibly unheard of till a decade ago, has now made its way deep into the financial services space. The incumbents have been bold, nimble, and given large banks and NBFCs possibly a wake up call. It has not been a smooth upward journey for this new breed, and there will continue to be turmoil with shake outs in future.

This report aims to predict the future of this industry - Will it hold its own? Will it partner with well established players? Which are the likely verticals that will see more of fintech participation? In this Gen X versus Millennial race, who will lead the Fintechs? And importantly, what is the talent pool available and what will attract them away from established names.

Read on to hear what experts in this field have to say.



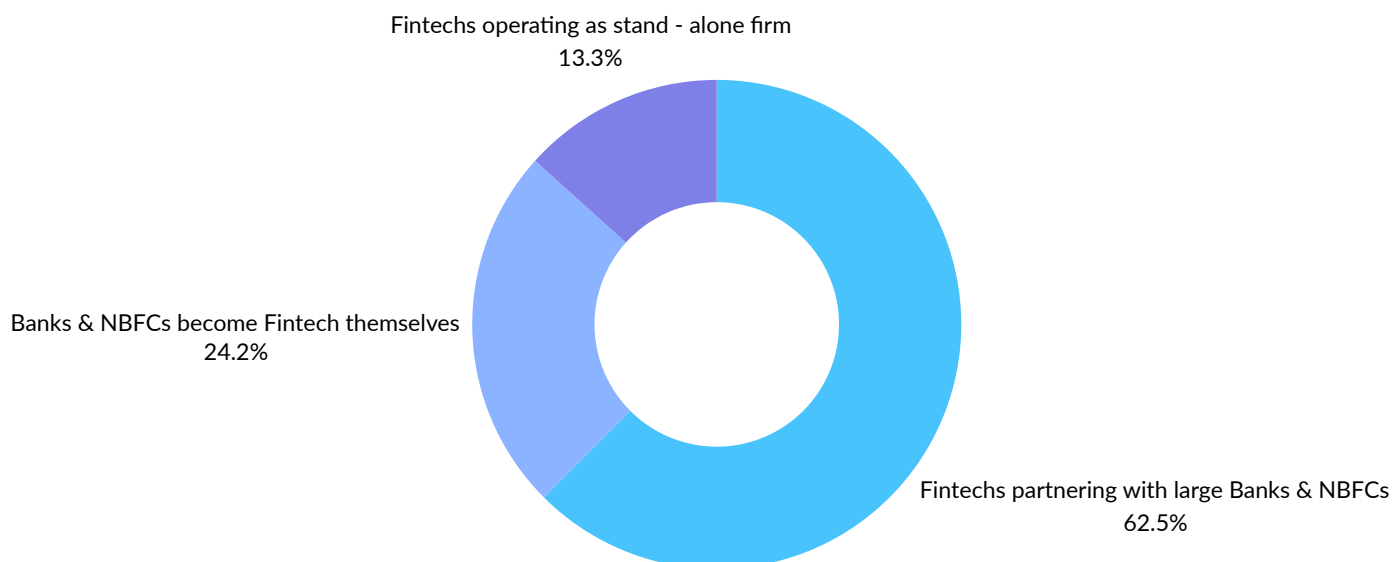
Sample Size

More than 60 respondents which includes CEO's, secured & unsecured lending professionals, HR Heads from leading NBFC's, Banks & Fintechs. It also includes consultants from Big 4 & digital experts.

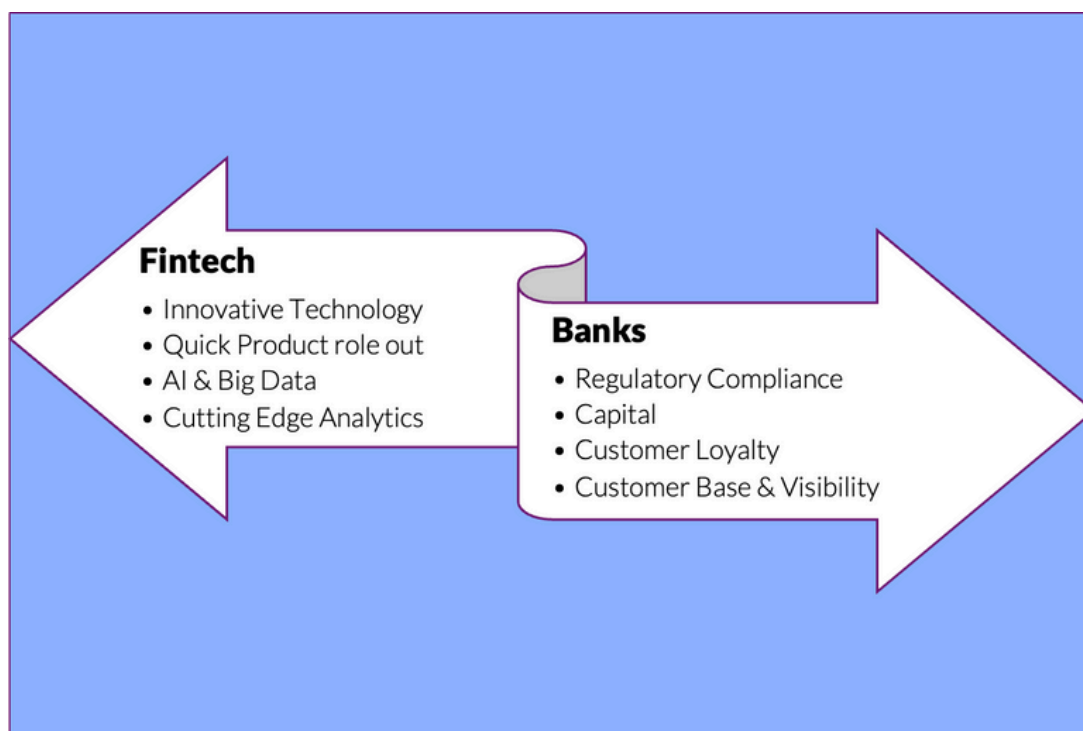
Fintech - Bank Partnerships: Will they work?

The two biggest hurdles that stand in front of traditional banks are: slow capacity for change and legacy processes. A complete overhaul of the processes will be a challenging and resource draining task. Fintechs have completely disrupted the market making innovation and agility the crux of the financial industry. Traditional banks aren't flexible which makes adapting to the fast changing market a cumbersome process.

THE LEADING CONSENSUS IS
THAT 'BANKS - FINTECH' PARTNERSHIPS
ARE THE FUTURE



A fintech-bank partnership needs to be a win-win situation for all parties involved. However, a partnership would not be a smooth sailing proposition considering their contrasting sizes and work cultures. Hence, banks and fintechs need to determine how best to make the most out of the partnership and ensure that their long term goals align

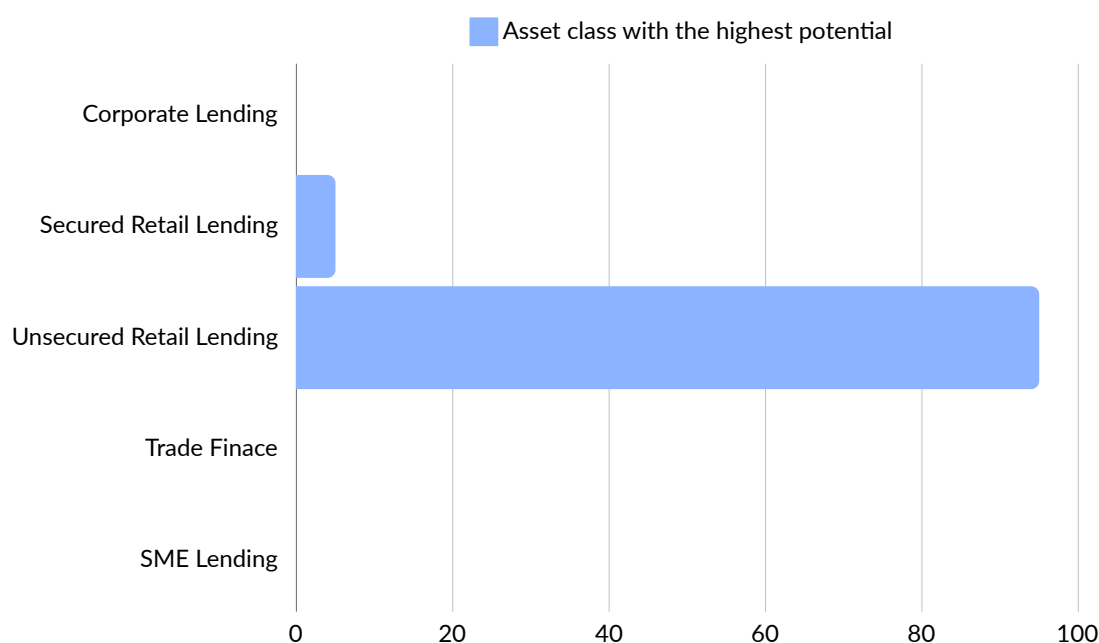


Unsecured Retail Lending: The Future of Fintech?

As digital lending continues to demonstrate legitimate potential, unsecured retail lending is poised to become its biggest beneficiary.

Several new players have already entered the market offering innovative and personalized products. Instead of operating by traditional lending rules, these lenders have shifted focus on innovation, agility and personalization. The spotlight has deviated from rates and payments and shifted towards speedy access to credit that's much doable in unsecured lending compared to secured lending in the digital platform

Pre-approved loan offers and cross selling products to customers are likely to be prevalent in the unsecured retailed lending segment.

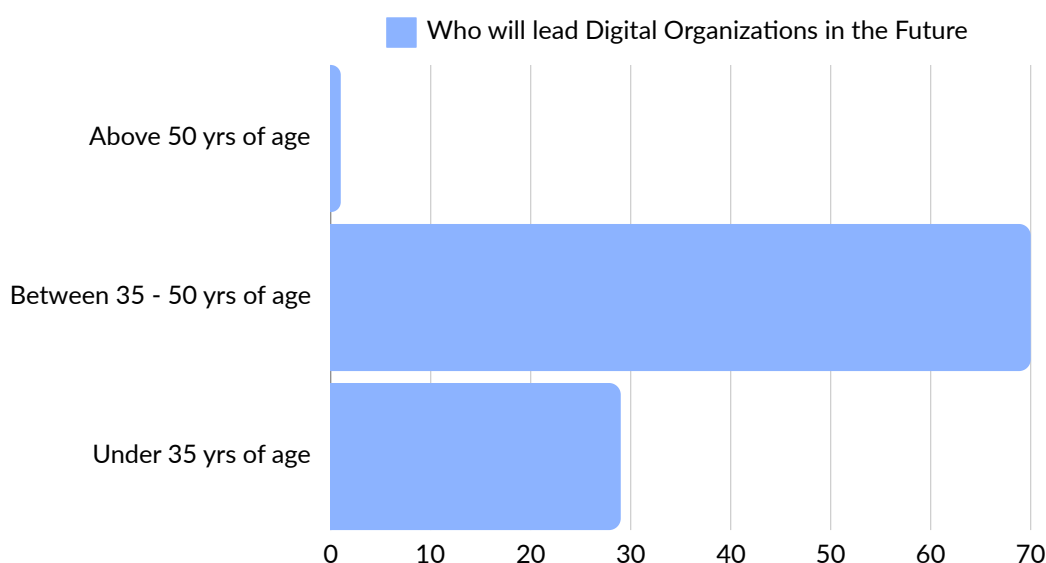


Unsecured Retail Lending is considered as the future of Fintech

Who will lead Fintechs in Future - Gen X or Millennials?

A collaborative report published by Development Dimensions International and EY, says Generation X (35- 50 years old) accounts for 51 percent of leadership roles globally. It is usually the millennials (20 – 35 years old) who are considered to be digitally savvy but a research conducted by Nielsen found that infact Generation X is as digitally savvy as the millennials. Generation X is expected to be at the helm of companies as the industry moves towards a digital era.

Gen X will dominate leadership of Fintech in future

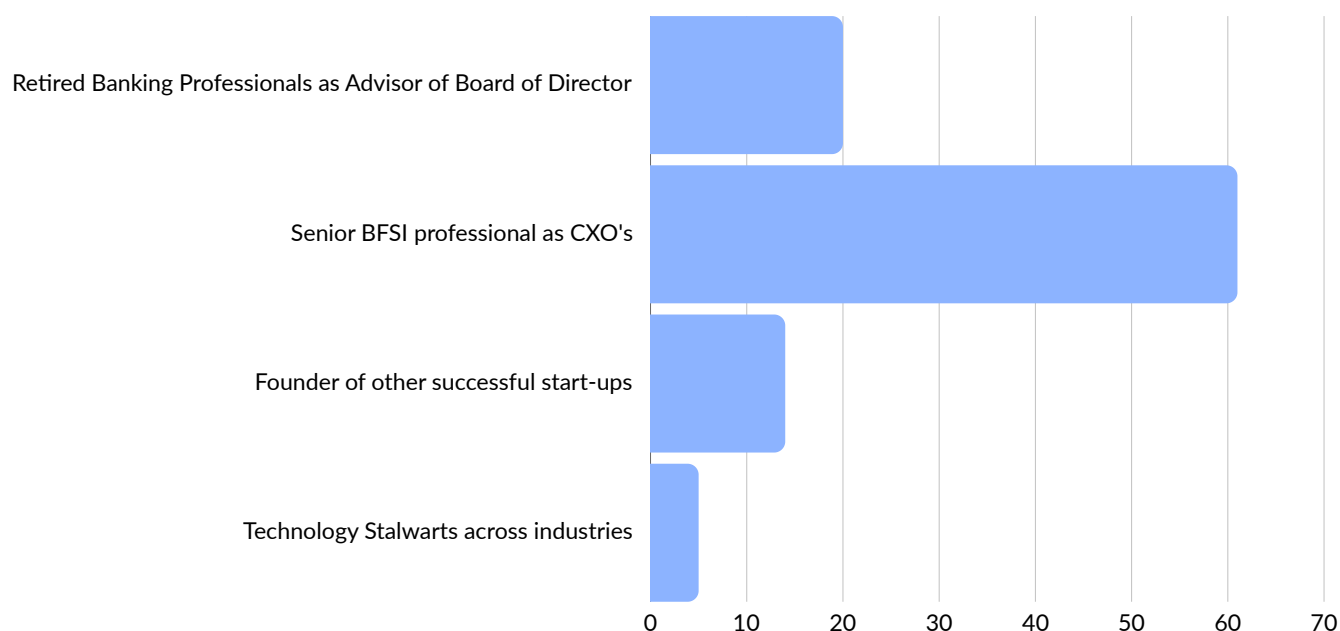


Gen X brings the best of both world – they are digitally savvy and have accumulated leadership skills not found in millennials. They have several years of experience and the perfect skill set to take over the leadership positions in the organizations.

While Gen X is expected to dominate the leadership positions in the digital organisations, millennials are also gradually occupying leadership roles. Presently, millennials represent the largest percentage of the workforce and several of them are climbing the leadership ladder to occupy leadership roles faster than any other generation.

Who will guide the Fintechs in Future?

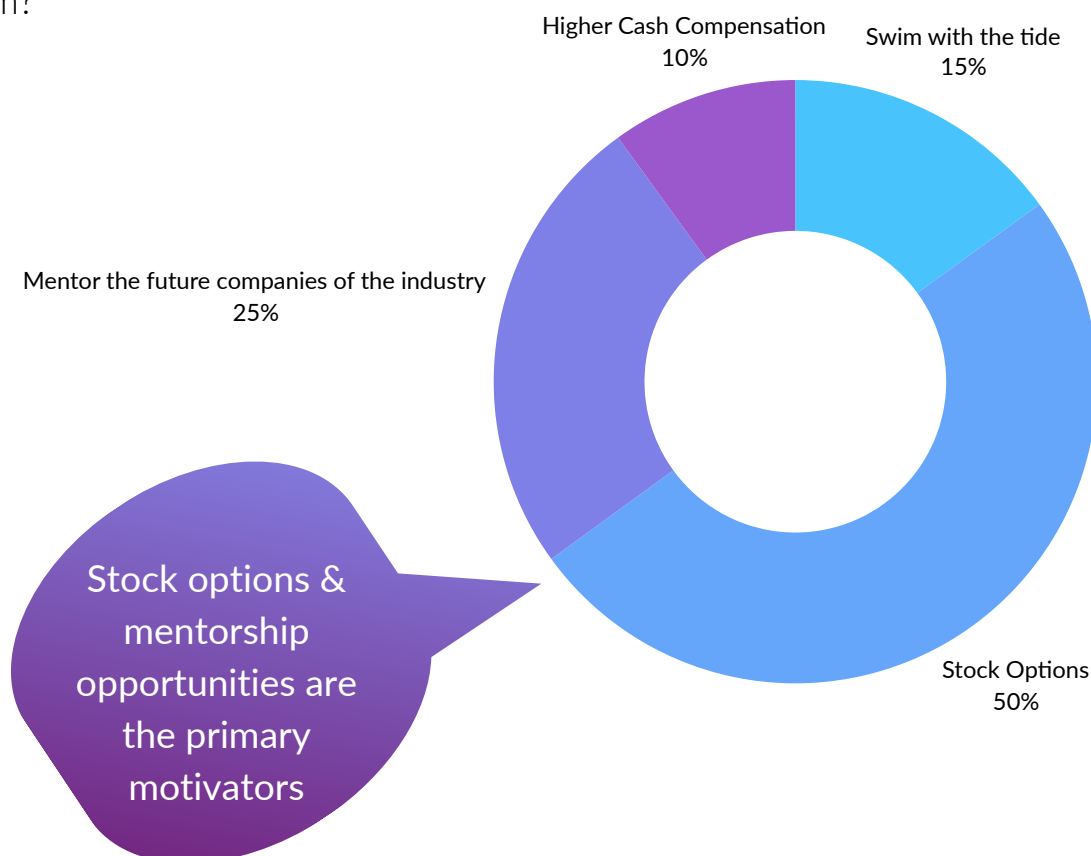
Most of the fintechs in India have emerged in the last 5 years. Naturally, most of the founders are Gen X and Millennials. With the BFSI landscape expected to change with digitalization, a new variety of fintechs are expected to emerge. Considering the age of these entrepreneurs, they will be in need of mentorship to grow their companies. This brings forth the question, who will mentor them as they grow?



Senior BFSI professionals are likely to guide the founders of Fintechs, most likely by occupying CxO roles in the organisations or as members of the board. A harmonious collaboration of the ambitions and technical skills of the young entrepreneurs and the guidance of experienced BFSI professionals will be vital for the overall progress of the organisations.

Motivation of an experienced BFSI professional to move to Fintech

With Fintechs and digital lending platforms growing at an unprecedented rate, leadership roles in such organisations provide an attractive proposition for BFSI professionals. On the other hand, traditional banks provide a safe option for several BFSI professionals. Would an experienced BFSI professional be willing to move to digital lending platform? What would be his motivation in moving to a digital lending platform?



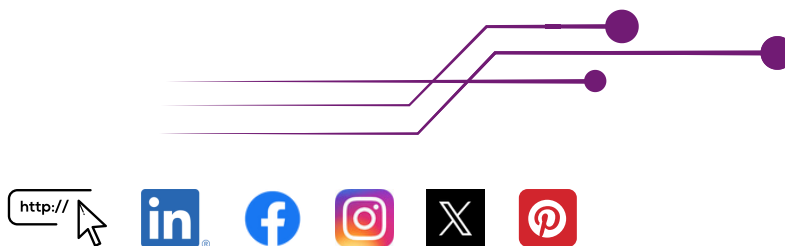
Higher stock options and an opportunity to mentor the future generation seem to be the primary reasons for experienced BFSI professionals moving to digital lending platforms. Fintechs in India and globally have grown at an exponential rate which has increased their financial power.

This has allowed digital lending platforms to offer higher stock options which is an attractive offer for several BFSI professionals. Furthermore, several BFSI professionals are aware of the immense potential that the digital lending platforms possess. Guiding such companies into the future is an attractive proposal for many. It also allows them to be part of the growing movement of fintech

A considerable hurdle in bank to fintech movements comes in the form of compensation. Can Fintechs match the cash-compensation given by traditional banks and BFSI's?



We as headhunters see significantly higher cash compensation that the Fintechs offer compared to traditional banks. That's possibly the only effective way of attracting capable talent. Often such offers from Fintechs are more than 50% higher on cash compensation compared to private sector banks.



WE strongly feel it is imperative
to search the **right talent** for our clients