

FINTECH SNAPSHOT

2023



Work in Fintech in 2023? It's complicated



Welcome to the 2023 eFinancialCareers fintech snapshot. In a difficult period for the industry, we provide both an inside and outside perspective, from people working in fintech today and people with their eye on moving into the sector.

The fundamentals of the fintech industry have changed in the past year; funding isn't nearly as abundant, and jobs are less plentiful than before. New fintech start-ups in the Americas fell 55% according to figures from Statista; in the EMEA they were down 77%. In the words of Brex CEO Henrique Dubugras (following the collapse of Silicon Valley Bank), fintech "founders don't know what to do and who to trust."

We surveyed nearly 1,200 global candidates both already working in fintech and interested in working in the fintech industry in May 2023. Their responses suggest they're amply aware of the headwinds, but also keenly interested in the upsides.

In this report, we look at why people still want to work in fintech and why they don't. We look at how compensation, working hours and workplace culture compares to traditional finance (TradFi). If you're a candidate, this is a chance to assess whether fintech is the right move for you. If you're a recruiter, it will help you understand what fintech candidates are looking for and how to attract them to your roles.

So who wants to work in fintech?... Everyone!

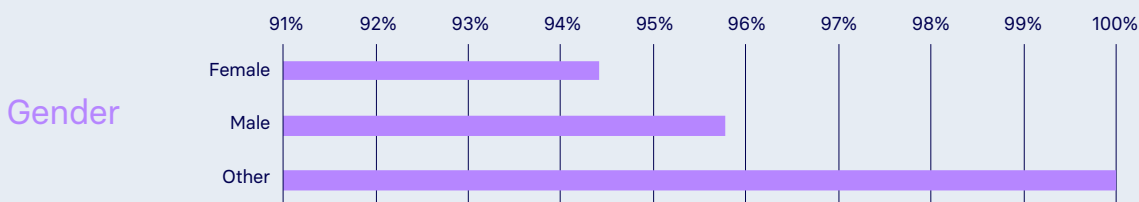
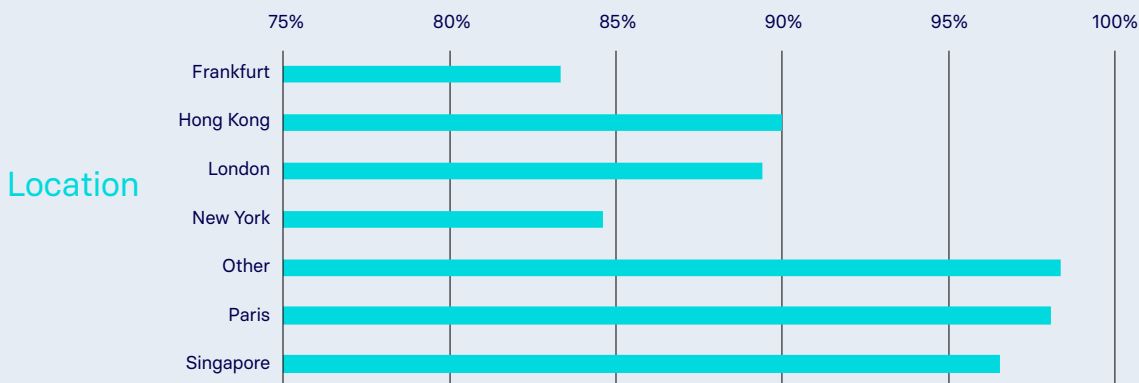
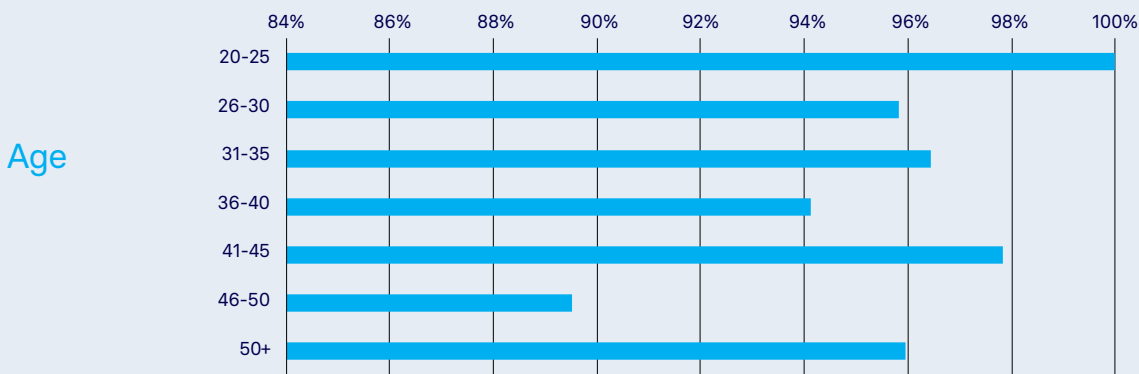
Fintech is still an overwhelmingly attractive industry for job seekers. Respondents to our survey were aged between 20 and upwards of 50 years old, located in six major cities and beyond. In each of our 17 demographics, a minimum of 83% of respondents said they would like to work in the fintech industry.

By age, the two most receptive to the industry were entry level professionals

(between the ages of 20 and 25) and senior professionals (between the ages of 40 and 45). The least interested in the industry were aged 45-50

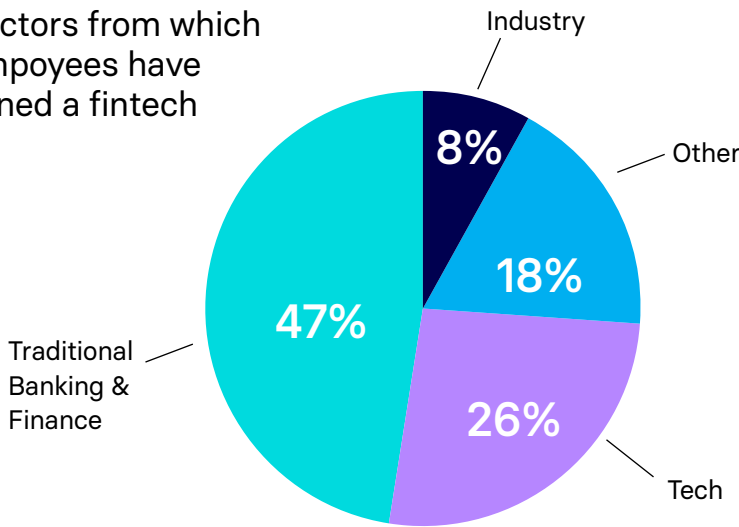
Locationally, enthusiasm for fintech careers was focused on two places Paris and Singapore. Preference for fintech moves was lower in Frankfurt and New York, though the overwhelming majority still wanted to work in fintech there.

Would you like to work in Fintech? Desirability by age, location, and gender



Where do fintech employees come from?

Sectors from which employees have joined a fintech



Where do fintech firms find their people? Our research suggests there's no single source. Operating at the intersection between 'Fin' and 'Tech', there is no clear-cut route into a fintech career. Our data suggests 47.4% of respondents working in fintech today come from a finance background; just 26% of respondents come from a tech background. The remaining moved to fintech from a variety of careers, from commercial bank CEOs to grocery store auditors.

Fintech's lifestyle sell

What makes people want to move into fintech? Unsurprisingly, it's the perception of the opportunity for a culture-shift. Fintechs are seen as being more closely aligned with a startup than a big bank.

There's also a danger, though, that movers will be disappointed. Our survey also suggested that fintech employees in a number of departments work more hours

than in traditional financial services jobs.

This doesn't mean that fintech employees work the kinds of crazy hours notorious in areas like M&A. It does mean that the hours worked at a fintech, 44.4 on average, are far higher than technology in finance. This has the potential to become an issue given the ever-present need for engineers at startups.

Average Working Hours in Financial Services and Fintech

Sector	Department	Average Working Hours Per Week
Fintech		44
Hedge Funds		51
Private Equity		51
Financial Services	Sales and Trading	52
	Investment Banking Division	60
	Equity Research	55
	Quant	44
	Technology	43
	Risk	46
	Finance	44
	Compliance	44
	Operations	45

Working hours alone aren't the only advantage of fintechs, though. Fintech firms are the most work from home friendly of finance companies, with an average of just 2.94 days in the office per week. The sell side (investment banks) is higher on average at 3.23 days per week. However, the survey also suggested that it's the buy side (hedge funds, prop trading firms, etc.) and retail banks that spend most days in the office: staff at these firms averaged 3.56 and 3.55 office days each week respectively. We can also expect these figures to change in the future as firms have been slowly but surely creeping back to five days in the office per week. JPMorgan, for example, have required all their MDs to work in the office five days per week since April.

Days in the office for select sectors, 2023

What do you work in?	How many days a week in the office are you?	How many would you like to be?
A fintech firm	2.94	2.81
A retail bank	3.55	3.25
Buy-side (an asset management firm or other form of investor)	3.56	3.12
Other	3.17	3.16
Sell-side (an investment bank)	3.23	3.14

Fintech firms can also be flexible when it comes to shorter working weeks: Bolt, for example, offers four-day weeks to its employees. However, only 40% of our respondents said syncopated work was on offer.

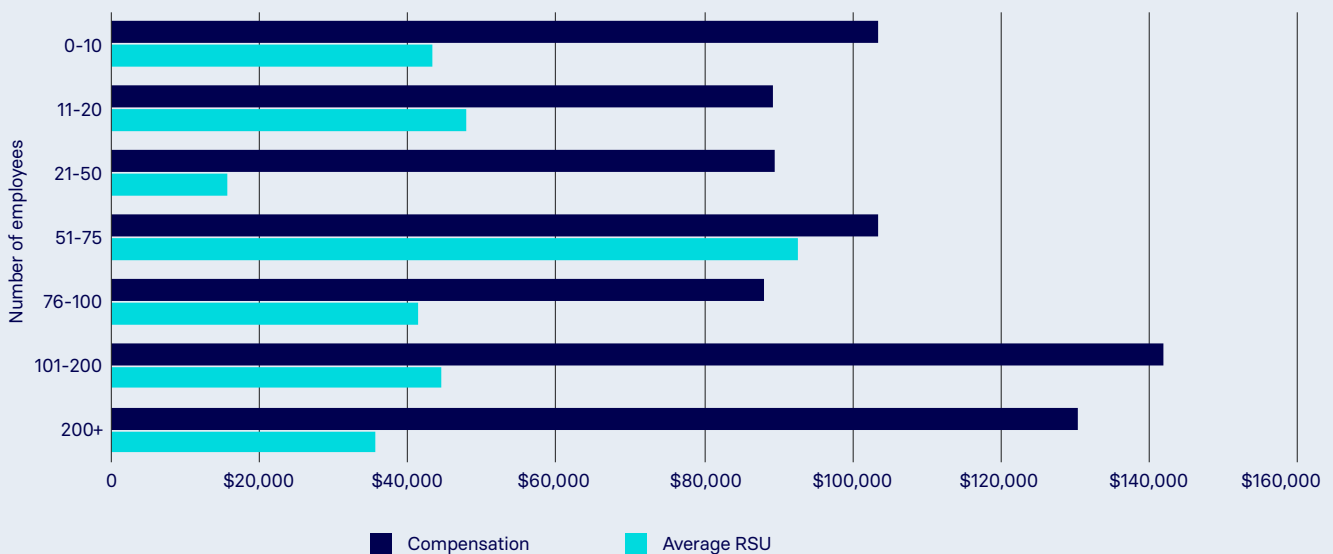
One fintech respondent praised the flexibility of working hours, saying they received “no judgement even if I come in after 9am or leave the office before 6pm unlike traditional banks.”

Fintech still pays

Candidates worried that the declining market has impacted pay are not entirely wrong. Compensation in fintech is not unanimously amazing, but a number of firms offer very competitive packages. For those that love cash in their bank account, the ideal fintech to work in is one

with 100 to 200 employees. They have the highest cash-based compensation at \$142k (£113.9k) on average. Those with an eye on the future might want to join one with 51 to 75 people; stock-based compensation there is over \$40k higher than fintechs of any other size.

Average total compensation and RSU rewards by fintech size



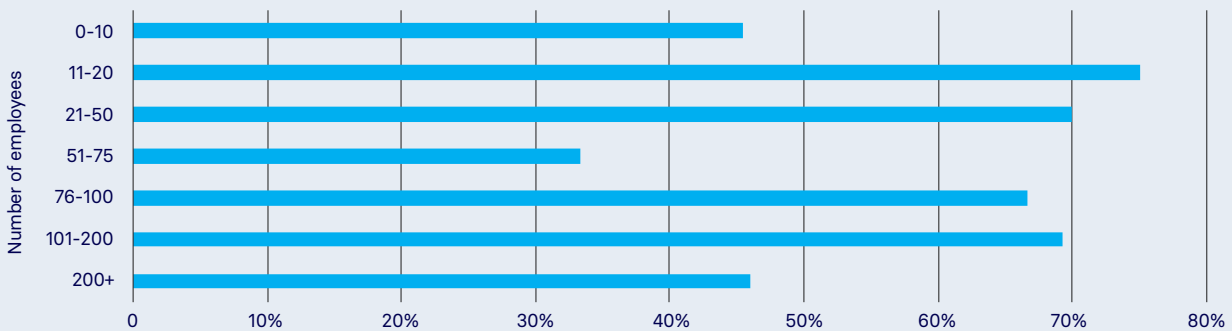
And fintechs are still hiring

In a bid to survive this difficult period, most fintechs are still looking to hire. Over 55% of respondents hiring for fintechs said they intend to recruit more people in 2023. The fintechs looking to hire the most are the medium-to-small sized firms; 75% of fintechs with 11-20 employees and 70% of fintechs with 21-50 employees intend to hire more people this year.

Interestingly, the fintechs growing the least are those in the most definitive stages of growth: early (0-10), middle (51-75) and late (200+). In these groups, only 45.45%, 33.33% and 45.95%, respectively, are looking to grow.

It's not easy to find candidates. Fintech respondents with hiring responsibilities rated the difficulty of finding good candidates in fintech as 6.84/10.

Fintech hiring intentions by firm size



Why finance professionals think fintechs offer the best opportunities (and how to hire them)

We also asked traditional banking employees why they want to work in fintech, and what they think it can do for their careers.

Their responses were varied.

One said: "The world is moving towards dual profile roles, knowing only finance or tech won't get you far." Another said: "All financial services companies are already actively adopting all sorts of tech," and that failing to embrace technology would mean being left behind.

Respondents in technical roles were excited about "interesting tech stacks" that provide "new challenges."

And although the fintech industry is struggling in a tough macroeconomic climate, respondents made statements like: "Fintech will always be here regardless of how gloomy the economy looks," or, "newer fintechs will prosper in such conditions."

Where these people are having an issue with fintech is finding the right jobs. One respondent says they "wish recruiters knew how to find jobs that are actually suitable."

Fintech fears: The doubts fintech recruiters need to overcome

Despite the apparent interest in fintech, our survey also unearthed a number of fears about fintech culture which both fintech firms and recruiters in the sector will need to address.

For example, many of our respondents believed that fintech firms are not paying appropriately for the experience they expect of recruits. "Experience is expensive" said one, "and they want it all for a lot less money." Another said: "It's easy to get a job in fintech, but it's hard to find one I'd really want at a compensation level I'd take." There were also complaints about the "crypto winter", about job insecurity due to a lack of funding, poor management and lack of processes, overwork and long hours.

Among Singaporean respondents in particular, there were fears that fintech might not open the doors it would

elsewhere. "Fintech is not a big name in the market, for Singapore at least," said one respondent there. Another said that "the decision-making process is very slow" in Singapore when it comes to hiring, because decision makers are based outside the country.

Globally, junior respondents felt they were swimming against the tide trying to apply for fintech jobs. One respondent said: "For every role I apply, I'm seeing 200+ applicants." Another complained that the fintech sector is "full of hype."

For recruiters hoping to hire, the path is clear: make sure your candidates are fairly compensated, clarify that your firm is securely financed and offers a stable career, and reduce the amount of time it takes to hire!