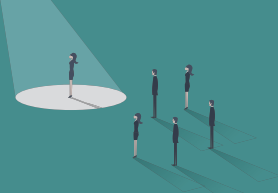




The 7 Habits of Highly Effective Financial Technology Leaders



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Over the past year, the advent of the global pandemic has challenged us all to demonstrate our resilience, to call upon our unique strengths and to show leadership as we struggle to face up to the enormous upheaval in our personal and professional lives brought about by Covid-19. Entrepreneurs and innovators have been no exception to the rule but arguably these individuals have been better equipped to adapt to change due to the inherent nature of what they do.

In this article, we examine some of the common characteristics of leaders who have thrived through the pandemic, setting their teams up for lasting success in the new era. We speak to a group of financial technology pioneers about how they have survived and thrived in the Covid era. While they come from a variety of different businesses, financial technology leaders tend to share the following key traits:

1. They capitalise on market opportunity
2. They listen to customers and look to solve their problems
3. They look to add value throughout the customer journey
4. They reduce friction and create efficiency in complicated processes
5. They are masters of engaging teams and driving purpose
6. They are investing in growth and playing offence rather than defence
7. They are constantly innovating and challenging the norm

We talk to 6 leading entrepreneurs in the field – **Jennifer Nayar** (CEO, Vela Trading Systems), **Leda Glyptis** (Chief Client Officer, 10x Future Technologies), **Remonda Z. Kirketerp-Møller** (Founder & CEO, Muinmos), **Liam Huxley** (CEO & Founder, Cassini Systems), **Philip Miller** (Co-CEO & Co-Founder, Solidatus), and **Thomas McHugh** (CEO & Co-Founder at Finbourne Technology) about how they used these habits to face 2020's challenges – and to find the new opportunities that lie ahead.





The Covid-19 pandemic has created challenges at all levels of society and the economy. The financial services community has faced a particular pressure, in continuing to perform and to support and underpin economic activity, whilst individual employees cope with the demands of working from home whilst home-schooling and caring for children, social isolation and uncertainty about the future. For financial institutions, the importance of all employees – not just sales and traders, but also middle and back office, technology and support staff, and legal and compliance teams – was vital in ensuring their smooth continued operation. And, often unrecognised and overlooked, behind the scenes these institutions and teams are supported and enabled by an array of financial technology providers.

Financial technology now underpins all aspects of our financial ecosystem, front to back within organisations, and as a connector of the financial markets community. In many cases, the pandemic highlighted the importance of financial technology. Technology, of course, underpinned successful remote working and collaboration across a number of industries. For financial institutions, however, a key differentiator of resilience and success arose from the extent to which they had adopted best-of-breed financial technology solutions, whether these were AI / ML based chatbots and other tools augmenting their sales and trading or compliance functions, cloud-based market data solutions, trading platforms and connectivity suites, or operational and process-driven automation solutions. For the general public as well, the availability of consumer-focussed financial technology in the form of mobile banking and payment apps, and other innovative financial products and services, eased the rapid transition, during lockdown, towards a more digital and online-based economy. A common thread across financial technology firms is their constant pursuit of innovation and their desire to apply technology to the challenges, operational inefficiencies and barriers to market access and to optimal performance facing their customers, be they individual consumers or large institutions.

And these financial technology firms also have their own employees, who have been carrying on the development of products and services, sales to new customers and support for existing ones, all whilst dealing with the same challenges around home working and family commitments. Their leaders, pioneers and entrepreneurs with visionary aspirations, have had to motivate – and sometimes build – teams and share their visions, goals and company culture in a remote working environment. For many, it's been an extremely challenging time, under circumstances they had previously never considered or planned for. However, the nature of financial technology firms has also given them advantages over other firms in the past year, some of which are readily apparent, others slightly more unexpected.

Organisations are defined by their leadership. Leadership sets the culture, tone and values which then permeate down and through the wider organisation. The strongest organisations are those with leaders who actively define the culture and values that they want to espouse to both employees and clients and take steps to ensure that these are instilled across the organisation. These leaders also typically demonstrate the 7 key traits we've identified. Whilst they don't always consciously strive for these traits, they do become apparent when we look at the drivers behind their success. And many of these traits have served them well through the turmoil and uncertainty of the pandemic – although, for some, there have been unexpected changes in the extent to which they've utilised certain traits for success during this time!

Let's now take a look at each of the 7 traits, and the ways in which our interviewees have exhibited them – and been served by them – over the past year.



1. They capitalise on market opportunity

In more prosaic times, “capitalising on market opportunity” typically involves identifying a potential gap or opportunity to be filled in the market, and then taking steps to research it and to develop an offering around it. In pandemic times, however, “market opportunity” became a rather more unexpected target, involving rapid mobilisation and movement towards capitalising on it.

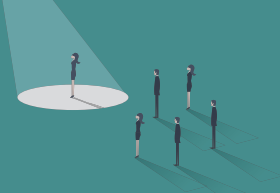
Solidatus is a firm whose product empowers organisations to effectively map, manage and monetise their key asset – data. At the beginning of 2020, Solidatus entered the pandemic in rude health. It was already capitalising on a huge market opportunity – the ability for firms to understand their data estate and associated intellectual property, in a disparate, fragmented environment of systems, applications, processes and people that is subject to a high degree of change. The pandemic served to further reinforce these sorts of intellectual property problems amongst Solidatus’ client base: workforces became even more spread out, it became even more difficult to speak to the subject matter experts and to understand what was happening with data across an organisation. The firm found itself with a huge volume of inbound leads, at the exact time it was also having to adapt to new working conditions. With 50% planned growth and another 50% demand-led growth for the firm, it’s been a hugely successful year.

The pandemic created a perfect storm around demand for the services that Solidatus offers. How did they capitalise on it? And how have they continued to develop sales relationships and new client relationships under pandemic working conditions, whilst still capitalising on the opportunity? Says **Phillip Miller**, Co-CEO and Co-Founder of Solidatus, “For the first 6 or 7 months, we let the opportunities come to us. We were almost bewildered by the number of incoming leads we had not deliberately built. We were stunned. Our natural growth led us to bring on more sales personnel, but demand still outstripped our capacity. We then actively invested in building out our team, and at the beginning of this year, we started making a conscious effort to reach past those incoming leads and to start generating leads for ourselves. We’ve also adapted our strategy, reaching out beyond financial services to the insurance sector, and to the Treasury operations within large multinationals as well. We’ve moved into a bigger pond now, by seeing the opportunity and making investment to capitalise on it.”



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Phillip Miller, Solidatus



2 and 3 – They listen to customers and look to solve their problems, and they look to add value throughout the customer journey

A business of any kind would not have a market, if it didn't understand customer needs and wants, and how to add value to the customer throughout their journey. In financial technology, leaders need to keep their ear close to the ground, to understand the challenges facing their customer base and spot the opportunities to address these. The pandemic didn't only create new market opportunities; it also highlighted certain client needs that had been there all along but were exacerbated by market conditions, and gave financial technologists the opportunity to respond to these and to strengthen their client relationships.

The phased introduction of new regulatory requirements around margin and collateral for uncleared trades has created a need, amongst financial institutions that are subject to those Uncleared Margin Rules (UMR), for a better understanding of margin and collateral data and exposures. In order to fully understand the cost of trading, firms need to be able to assess, on a pre-trade basis, comparative trading routes on different exchanges or with different counterparties, and the costs of collateralising each of those options.

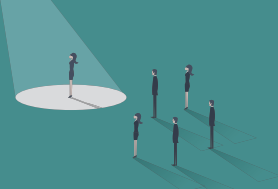
Cassini Systems provides a margin analytics platform that addresses precisely this need, having identified it as a growing problem for clients, as the rollout of the UMR progressed. In the early stages of the pandemic, markets became extremely volatile, all over the world. This created huge spikes in demand for margin and collateral and made collateral liquidity a front and centre issue for market participants. Firms were being called for hundreds of millions of dollars in collateral and having to unwind huge portions of their book just to free up cash to meet their margin calls. This helped to emphasise Cassini's key message, around visibility of data, cost management and risk management. As that sort of stress in the market came to the fore, it emphasised, for Cassini and its clients, the role that their product could play in addressing these challenges and solving clients' problems.

Liam Huxley, CEO and Founder of Cassini Systems, describes the importance of listening and adding value to customers: "I think that listening to customers is in our DNA. We position ourselves to our customers as partners, rather than as a vendor – we want to create a long-term engagement with them, and to have an ongoing understanding of their needs and how we can evolve to address them. We have quarterly review sessions with our clients, and actively respond to them in terms of the types of data and analytics that they need. That's not just about Covid, it's our general business approach – but as a principle it has served us and our clients very well during this time and enabled us to better respond to their needs. Customers need to know that they're going to get a great level of support, and that they can trust us to deliver and to help them. That trust creates a bedrock on which to grow the business over time."



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Liam Huxley, Cassini Systems



4. They reduce friction and create efficiency in complicated processes

The ability to identify and effectively analyse the root cause of complex problems, in order to reduce friction and to create efficiency, is fundamentally important in the financial technology space. It's a key leadership attribute when assessing client and market challenges and opportunities, as well as when turned internally, to focus on the organisation's own areas for improvement. The transition to remote teams and to working from home, maintaining a collaborative and effective work environment whilst also recognising and dealing with the logistical challenges, was called out by all of our participants.

For **Thomas McHugh**, CEO and Co-Founder at Finbourne Technology, a firm specialising in portfolio management systems and investment data management solutions, this is the single most important habit for a financial technology leader to have. However, it's also one that has evolved and developed in new directions during the pandemic. "My immediate reaction was that this is all you've got to do as a leader, distilled down to its essence. Everything else stems from it. But when I thought about it in the context of the pandemic, the world has completely changed. As a financial technology leader, your main job is to think about how your customers are served efficiently, how people can get what they need from your organisation efficiently, how you employees can efficiently get the answers and resources they need to solve the problems that they want to solve, how your teams are operating efficiently, and all the metrics and KPIs we have around those kinds of efficiency. Now, however, it's become much more about making sure that people are on the same side and on the same team, so that we can build relationships both amongst our own team and with our clients that are strong, even if we're only able to interact over Zoom. It's through those improved relationships that we can maintain a focus on efficiency."

The link between relationships and efficiency, particularly during the pandemic, is taken to the extreme for those who are trying to establish a new regulated business, new partnerships and relationships, and build a new team, in the midst of a series of lockdowns. Many entrepreneurs have found themselves in exactly this position of recruiting and hiring people they have never met in person. It has created many challenges in terms of building relationships but also some positives in terms of employees' efficiency and focus. With no water cooler conversations at the office and the need to juggle multiple competing priorities at home, it can mean that everyone is more focused on the task at hand.



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Thomas McHugh, Finbourne Technology



5. They are masters of engaging teams and driving purpose

Whilst financial technology leaders are entrepreneurs and visionaries, none of that can be translated to success in the real world without the ability to mobilise, inspire and guide teams of people. It's not a habit that comes naturally to everyone, but successful leaders who are less naturally talented in this area will identify those within their organisation to whom they can delegate and drive this important form of internal engagement. The pandemic has required all of our financial technology leaders to lean in more when engaging with their staff and teams. Without the nuances of day-to-day interactions, driving teams towards a single purpose becomes impossible without taking the time to make sure that everyone is engaged, clear on the mission, and has the support they need.

Vela Trading Systems is headquartered in New York but has offices in London, Belfast, Chicago and Manila. The firm therefore experienced the onset of lockdown as a wave slowly breaking across their offices around the world. Remote working was already fully enabled via their business continuity plans, and given its global footprint, the firm had already experienced and learned from events such as 9/11, Hurricane Sandy, monsoons in Manila and others. Staff were accustomed to switching to remote working when necessary, and the transition was fairly seamless. What they weren't accustomed to was doing it for long, indefinite periods, amidst the personal stress and uncertainty of a global pandemic.

"In terms of the mechanics of moving to remote, that was pretty straightforward. And certainly, I think our clients appreciated that because there was no impact on service. It was a very different situation from a hurricane or some other natural disaster – that gets cleaned up and you head back into the office. The real challenge was all the uncertainty that the situation created for people, the concern and anxiety that people had around this pandemic, and in many cases, the fear that they would be asked to return to the office when they weren't actually ready. I certainly took the approach that the first thing we had to step up very quickly was our communication.", says **Jennifer Nayar**, Vela's CEO. Instead of holding town halls every quarter, these became monthly. Nayar sent out notes to the entire organisation, every week on a Friday, even if there was no news, to reassure them and to maintain a sense of common purpose and membership of a wider team. They acted swiftly to reassure staff that there would be no pressure to return to the office. Nayar adds "Dealing with a different type of anxiety across the organisation was a new challenge for me. People were dealing with family members getting sick, and in some cases losing those family members. That was a real challenge, I think, for everyone around the globe, but also being a head of an organisation in which some of these things are happening. You have to dig deep to get through some of these times."

For **Leda Glyptis**, Chief Client Officer at 10x Technologies, leading a business in lockdown has been both easier than and different to leading a team. "The business will get done, the contracts will get signed, the deal will be closed – especially as your clients and your suppliers are all in the same situation as you are, and keen to keep things moving. The far more difficult aspect was maintaining a connection to our people. Because you only interact with other people in meetings and on screen, you lose your lateral vision. When I was in the office, I could sense a 'disturbance in the Force', even if I wasn't in a meeting with anyone affected by said disturbance, just from noticing what was going on around me, who was talking to whom, who wasn't interacting, who was looking upset, and who was having a birthday. There's no science to this, but it's really important to understand how the team is engaging with each other and emphatically not via you as their leader."

Glyptis tries to address this lack of information by making a lot of personal time for her team members. It's time consuming, and exhausting, but pays dividends in the long run. Miller has put in place similar strategies to manage the same challenges, especially as applied to a growing organisation. "For me, it's been a matter of keeping people in touch with other people, becoming much more of a servant-leader, a kind of facilitator, than perhaps I would have been otherwise. Trying to create a mesh of communication, and instilling that kind of tight knit community, I think, has been the real challenge over the last year. For me, it's been about presenting a human face by trying to give people an esprit de corps, you know, sort of a real sense of family, while nearly no one had met each other.



It's often the small things, like making sure a new joiner has met someone before their first day, even if it was three minutes on a driveway, passing them equipment across the fence, or, when we've been able to get together in groups – sometimes larger groups, sometimes smaller depending on the regulations at the time – that people have felt happy to be in other people's company."



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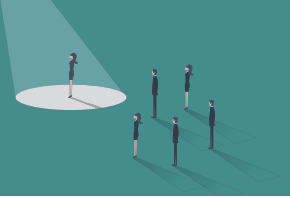
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Leda Glyptis, 10x Technologies

6. They are investing in growth and playing offence rather than defence

Financial technology is not always an easy sell. It's often about solving problems that not everyone has yet fully acknowledged and recognised or introducing efficiencies to processes and organisations that aren't always wanted and accepted by all stakeholders within the organisation. Some of our most successful visionaries have been truly ahead of their time, recognising the wider trends in the market landscape, seeing how they are evolving, and acting to secure their place in the world of the future. This has meant that investment has been for the long term, and their strategies are proactive rather than reactive.

Back in 2012, when **Remonda Kirketerp-Møller** founded Muinmos, a Regtech company that developed an AI-driven compliance engine for client on-boarding, RegTech wasn't yet an articulated concept in the marketplace. A true pioneer of the RegTech space, the firm had to invest heavily in R&D in order to grow their product and bring it to a market that largely did not even yet see the need for it. Kirketerp-Møller, however, had a clear vision of the future.



“Everything we predicted back in 2012 has come into play. We have not been surprised by any regulatory frameworks, or commercial drivers. The pandemic, yes, that’s come as a surprise to the market. But for us, actually, the entire foundation of the company was simply an understanding that the financial sector could not survive in the state it was in at that time. And neither can it survive in the state we are in now, there is more change, and more pressure – both regulatory and commercial – to come. And we’re looking into that crystal ball, we’re prepared, we’re ready for this.”

For Muinmos, the uphill battle has really been around human behaviour, and the pandemic has actually driven market demand for the firm’s product. “There were still huge barriers to adoption of RegTech solutions before the pandemic. Lawyers didn’t want it, because they saw it as a threat to their jobs. Neither did compliance officers, for the same reason. But when we’d demo the solution to executives, they were amazed, and keen to bring it into their organisations. And of course, there are still jobs for lawyers and compliance officers. RegTech just frees them up to focus on the high-value and interesting work. Regulators are now embracing and encouraging it, having seen the benefits. And it enables organisations to be more resilient, during, for example, an unexpected pandemic.”



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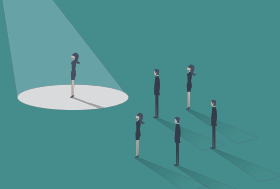
Remonda Kirketerp-Møller, Muinmos

7. They are constantly innovating and challenging the norm

Innovation is in the nature of financial technology. It’s all about finding new and better ways of doing things, of challenging existing conceptions of what is possible and feasible. It’s an exciting space to be in, and an inquisitive mind and spirit of challenge are vital traits for its leaders. However, it’s all too easy to innovate in a vacuum, without thinking of how change can realistically be adopted and embedded within organisations and across the industry.

Human beings fundamentally don’t like change. A leader can come in and question, can challenge and innovate but this has to be done with sensitivity and resilience. Successful fintech leaders are aware that you can’t just introduce something new without considering the context into which it fits, and how you’re going to ensure that it fits into the organisational culture.

McHugh broadly agrees with this sentiment. “I describe it slightly differently; I really don’t like the term ‘challenging the norm’. Because that indicates disruption, and what most people don’t want in their life is disruption. And so I look at it in the context of Habit #4, which was about creating efficiency, rather than challenging norms and bringing disruption to people. I look at it differently. As the leader of an organisation, you’ve got to set the tone from the top, and come up with a strategy and lay out the plan. The most important quality of leadership is recognising that you can always be wrong, that you will always be getting new information and that you have to figure out how you bring that information into the journey to make sure you don’t deviate too far off the path.”



Conclusion

All of our financial technology leaders emphasised the impact that the pandemic has had on their leadership of people – how they’ve had to adapt and evolve their people management skills, to become more aware of the role of communication and to actively lead the charge in ensuring good communication, teamwork, morale and support frameworks in their organisations.

“In order to manage a team, at the best of times, there are two things you need to be able to do well, and those two things become both much more important, and significantly harder, during a pandemic. You’ve got to drive results, and you’ve got to still be human. And that puts a burden on you as a leader. But having that human connection with your teams, particularly in times of stress is extremely important. And it’s extremely important that you maintain that humanity while driving results.”, says Glyptis.

Miller agrees: “We’ve had to re-learn to trust the human condition a little bit. And that’s probably one of the best things to come out of this. We’ve had to recognise that we’re all in this together, that everyone’s got the same worries and we’ve all been at home and locked away from our colleagues. So that’s one of the biggest positives, that we will be more empathic as a group of people when this is all over. I don’t think that will disappear too quickly. I think people will respect other people a little bit more. And I think that’s going to be a good thing.”



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