

Argent sans frontières ?

Money without borders has been the goal of many Financial Technology start-ups in recent years, but few have achieved this vision. Over the last 8 years, TransferWise has come from a small Estonian enterprise to become the largest FinTech start-up in Europe. Gillamor Stephens went to their stunning new Shoreditch office to meet with Ross Seychell - Chief People Officer. We wanted to hear the full story - their origins, impressive growth story, and the race for talent in the competitive and increasingly crowded FinTech space.

Like a lot of good stories, this one starts with two friends...

They're both from Estonia. Taavet was the first employee at Skype, so he got paid in euros. But he lived in London and needed pounds to pay the bills. Kristo worked for Deloitte and lived in London. He got paid in pounds but had a mortgage back in Estonia. He needed to pay that in euros.

Every month they moved their money the old way - which wasted their time and money. So they invented a simple workaround that became a billion-dollar business.

8 years down the line - what have you achieved?

The TransferWise movement has spread far and wide. Over 5 million customers now trust us to move more than \$4 billion dollars every month. (Saving them \$4 million in bank fees every day.) And Richard Branson, and PayPal founders Max Levchin and Peter Thiel, among others, have invested in our vision. The latest round was led by growth capital investors Lead Edge Capital, Lone Pine Capital and Vitruvian Partners.

We've also opened 11 offices across 4 continents.

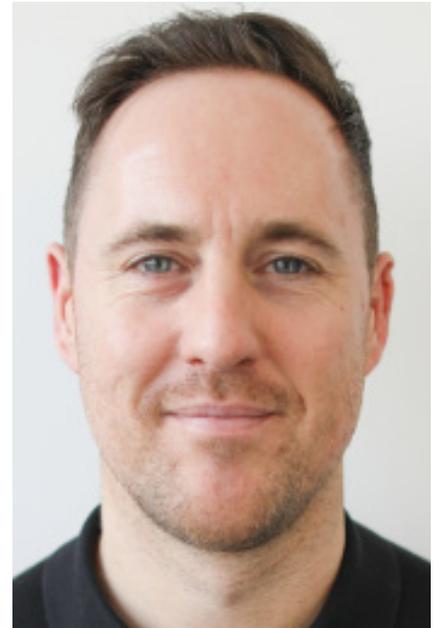
Apart from all that, not too much has changed!

What do investors say about you?

Nimay Mehta, General Partner, Lead Edge Capital said: "The world is moving towards a more transparent way of doing business and we want to be part of that. International money transfers represent a multi-trillion dollar market, until now dominated by banks keeping prices artificially high and transfer times slow. TransferWise has changed all that. For the first time people can send money all over the world at the real exchange rate for a transparent fee, and it's no wonder five million customers have come onboard so far. The opportunity for TransferWise is set to grow exponentially now that regulators from Europe to Australia are making transparency the status quo."

What is the TransferWise culture?

From the very beginning, the founders focused on the culture they wanted to create as much as they did on the product. Having a good working environment was just as important to them and it continues to be so even after eight years. With such a rapid growth in headcount, it can be hard to keep that culture alive - we do it through effort, focus and energy, but also by allowing mistakes and learning from them.



Ross Seychell, Chief People Officer, TransferWise

In the last few years, we have had a clear plan on how we get closer to our mission. Last year we hired about 840 people, the year before that it was 450 people, which is phenomenal growth and we are extremely proud of that. We have quite a large in-house engineering and product team, and about 98% of our roles are direct hires. But it can also be quite tough when you scale a company that fast. This again underscores the importance of culture. When we bring people on board, we start helping them to develop and to become leaders one day.

How do you hire talent?

Our ability to hire in the last couple of years has changed as we continue to become more established in the market. People are aware of our brand and of what we are achieving. This opens up a better qualified and diverse talent pool, including people that perhaps would not have considered TransferWise three or four years ago. We strive to embrace and build on that momentum.

Many of our clients find Engineering talent the most difficult to attract. Is this also the case with TransferWise?

It's a constant challenge. Talented Engineers in the current market are



in demand and have many opportunities and companies competing for their craft.

We are currently in the UK, Estonia, US and Hungary. However, to stay ahead of the curve, we often go out to countries we don't have operations in yet to talk to candidates and build the talent pipeline.

It's not all about external hires though, we are creating internal opportunities. This year is our fifth boot camp, which is an engineering-specific internship-to-campus programme. This initiative brings together about 25 people in 6 different locations. We give them a few real-life problems and projects to work on within a team. They have buddies and support from more experienced developers, and if they do well, we offer them a permanent job. Last year we successfully converted about 70% of the participants.

Do you target just the top universities?

I think you miss a lot of great talent that hasn't been privileged enough to go to some of those universities. We focus more on relevant courses offered by all institutions. It is also important to remember that not all developers and engineers go down the degree route. This can provide an opportunity to bring people in at an earlier age. I think you need to have options.

Sounds like a lot of thought and effort goes into finding them - how do you keep them?

Obviously, things like compensation and career opportunities and other benefits are important. However, we like to think the most vital thing for the people we hire is ownership over something - being able to shape, break, fix and take things forward. Having a vested interest in your work.

In this market, an employer also needs to be innovative and creative in terms of flexible working. For example, we offer a paid six-week sabbatical after every 4 years of service with an added little bonus. You can decide for yourself what you want to do with it - spend time with family, learn a new skill, take up a hobby. Actually, our former Head of Customer Service is in Barcelona, learning to become a data scientist and when he gets back, we will look for a team that needs some data analytics support.

We also have a remote working policy, where individuals across all teams and layers of the company can work remotely for periods of time. They work hard, yes, but can choose to be at home with their family or overseas whilst working at the same time.

TransferWise latest

Since this interview was conducted,

TransferWise has announced it has launched its debit Mastercard in the U.S. It was revealed that this product was built specifically for people without borders. To date, that the card has already helped more than 250,000 users in the UK and Europe avoid hidden bank fees when they spend money abroad.

TransferWise in numbers

- TransferWise's borderless debit card first launched to customers in the UK and Europe in April 2018. Since then cardholders have made more than 15 million transactions.
- They are processing £4bn every month
- TransferWise saves its customers £1bn every year in bank fees
- Almost 20% of its international transfers are instant (delivered in less than 20 seconds)
- 1,600 currency routes, 49 currencies
- Over 1,600 people in the team across twelve global offices - will hire 750 more people in the next 12 months
- Audited financials for fiscal year ending March 2018 revealed 77% revenue growth to £117 million and a net profit of £6.2m after tax