

Video Transcript Drew Pascarella Fintech

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Everything CEOs and execs realize they need to know about fintech.

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And first is the fintech assault continues. So, there's lots of recent news in the press about how valuations have come down, how funding is slowed, how M&A activity has slowed, but really that's missing the larger point. Fintech as an industry is extremely well-funded. In fact, 2022 is the second-largest funding effort on record by venture capitalists. And over the last five years, about \$350 billion has been deployed in fintech that's money that is now currently being spent, to build, to grow and to take share.

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And that's only half the story. M&A involving fintechs are rapidly changing the financial services landscape. Contrary to prevailing market themes, 2022 is shaping up to be the second busiest M&A year on record for fintech with well over 1,000 transactions executed. Each of those transactions has the potential to rapidly change an already complex and perhaps confusing landscape by creating vertical integrations, pairing capabilities, building market presence or creating cost synergies. So we'll do a thorough review of the landscape and what's changed to make sure that you remain current on the industry.

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Second thing you need to know: Fintechs are not your enemies. In fact, many want to be your friends. There's an entire ecosystem set up to help credit unions digitize and grow while letting you focus on what you do best. We'll review that ecosystem. We'll study successful collaborations and we'll strategize about how and why you might partner with fintechs. and at what cost.

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Third thing you need to know building and deploying fintech and digital capabilities has more to do with employee culture than access to technical skills. While digitizing your capabilities does require technical skills and integration is nontrivial, there are plenty of organizations that can help in that regard. The key is gearing your organization up for that change, change that you will lead. Successful digital transformation is rooted in employee culture, and that culture starts at the top with you.