

# SAVING MILLIONS OF PEOPLE MONEY

Money moving service TransferWise launched on TechCrunch in 2012. It had its first customer just 15 minutes later. TransferWise's unique approach to currency exchange allows it to cut out the expensive middle-man, by storing money in different currencies all over the world and simply adding to or withdrawing from each fund. Now available in 40 countries and sending money to over 70, this London-based startup has reformed the outdated model for transferring funds over international borders and has saved more than 3 million people a lot of money in the process.

## TransferWise

A tech guru with one eye firmly on the future, Estonian-born Taavet Hinrikus is adept at anticipating the needs of the world. One of Skype's first employees, he's now the co-founder and chairman of TransferWise – a money transfer service that's revolutionized the way we send money internationally. Taavet lives in London with his wife and two children and is looking for ways to slow down after his seven-year marathon to the top.



### Taavet Hinrikus

Co-founder of TransferWise

**'Look for a solution to a personal problem and you might find a business'**  
I'm Estonian but moved to London in 2007 to work for Skype. One thing that irritated me straightaway was how difficult it was to transfer money from Estonia to the UK and vice versa. I would stand in line for what felt like hours, only to be told it would cost €25 (\$30) to wire the money internationally. I'd then have to wait four or five days for it to arrive – all at a time when sending an email was instantaneous. The final straw would come when my bank statement would arrive and I'd see they'd added their own charges and used a different exchange rate. Ultimately, I was losing about 10 percent of my money each time I did a transfer, which felt plain wrong.

**'You can either talk about a startup, or you can launch it'**  
Back in 2011, my friend Kristo Käärman and I realized that updating this outdated approach to global transfers could change the world. Our conviction became even stronger when we set up a private transfer method for our friends and saved them thousands of euros. We knew there must be so many other people in our situation. I was quite pragmatic and just got started. I said to myself that we could either talk about it, or we could just do it. We chose to do it.



**'Launching a business comes down to commitment'**

Most people are afraid to take the first step, but you need to be committed. If you think it's an idea with potential, then leave your job and get started. Because if you keep procrastinating, it'll never happen. We started working on TransferWise in our spare time, but quickly realized we had to quit our jobs. At the time, Kristo was a consultant at Deloitte and I was working on a mobile startup in Switzerland. We both wanted to focus on TransferWise full time, so it was an easy choice. Our focus was on getting our product ready for market, so using a cloud infrastructure provider was far more efficient than building our own.

**'You have a better chance of success if you're doing something you believe in'**

I have a background in startups, so it's a world I feel comfortable in. I'm not sure I would have enjoyed a normal office job after tasting the excitement of building something, but I never had the urge to launch a startup just for the sake of it. With TransferWise, I saw an opportunity to build something that would make the world a better place, not just further my career. Everyone has their own motivations, but you have a better chance of success if you're doing something you really believe in, rather than just because you like the idea of being an entrepreneur.

**'Changing the world is a far more powerful motivator than making money'**

Find an answer to one of the world's problems – something that impacts a lot of people – and if your solution is 10 times better than anything else on the market, then eventually it will work. The motivation to help people really inspired me in the early years. I believe financial success happens along the way, but it's much less motivating than the thrill

that comes from solving a problem or improving people's lives. Money should never be the driving force. Banks work like that and the culture there isn't particularly appealing. At TransferWise, our culture is very different – and let me tell you - it's a lot easier to get people out of bed in the morning if they know they're doing something useful. Hearing stories about customers whose lives we've impacted keeps us all going.

**'I'm lucky enough to live in a city where my company can flourish'**

London is a pretty exciting city for startups, especially in financial tech, as it's one of the rare places where finance and tech really come together. In London, we have a significant population with a background in both, which is amazing. There's a whole ecosystem around financial tech in London – lawyers, design companies, everything. I have to fly around the globe for TransferWise, so London being an airline hub helps a lot. And luckily, it's also a nice place to live.


**UNDERGROUND**

DO SOMETHING YOU BELIEVE IN,  
RATHER THAN BECAUSE YOU LIKE  
THE IDEA OF BEING AN ENTREPRENEUR

OUR FOCUS WAS ON GETTING OUR PRODUCT READY FOR MARKET,  
SO USING A CLOUD INFRASTRUCTURE PROVIDER WAS  
FAR MORE EFFICIENT THAN BUILDING OUR OWN

THE FLEXIBILITY AND AUTOMATION  
SUPPORT OFFERED BY AWS ALLOWS  
US TO GROW AT OUR OWN SPEED

**'I didn't accept the status-quo as a child, which later gave me a head for problem solving'**

Coming from Estonia gives me an edge. I had the same problem as everyone else with an international background: I was badly served by banks. Would I have known that, if I'd been English? I'm not sure. I also grew up in a Soviet and post-Soviet world, which definitely gave me an aptitude for fixing things. If our washing machine or car broke, we couldn't buy another one, so I had to learn to be resourceful. That environment makes you hustle for solutions and learn not to just accept the status-quo.

**'In the tech world, the only constant is change'**

Our relationship with banks is changing rapidly. Ten years ago, your bank was a brick and mortar place; now it mainly

exists on your smartphone. Who knows what the next decade will bring? Progress moves at ultra-high speed in the tech age and the only constant is change. You can't assume anything will be the same in a few years' time. If you keep that in mind, you'll be in a good place.

**'TransferWise grew faster than we could have imagined'**

In 2011, we were five people. By the end of 2012, we were 30 and now we're 1,000. We grew much faster than we could ever have imagined. Once you grow, you can't do anything hands-on, so making sure you have strong teams is crucial. Egos can be dangerous and this holds true for everyone - from the person on the help desk, all the way up to me and Kristo. Part of our culture has always been to be very helpful and know the customer is more important than the team and that the

team is more important than ego. We've got a long way to go together - there are 3 million people using TransferWise, but there are still 7 billion people who don't.

**'Choose providers that allow you to be flexible'**

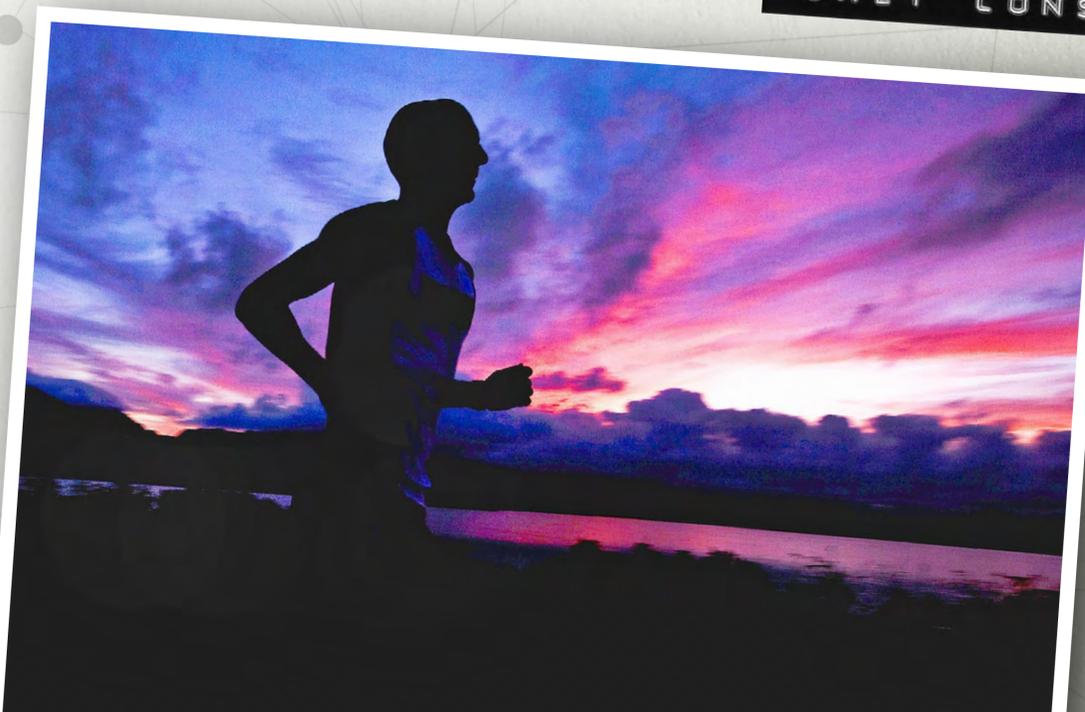
Our vice-president of engineering, Harsh Sinha, finds the flexibility and automation support offered by AWS particularly helpful, as it allows our engineering team to grow at its own speed. AWS' security groups and VPCs enable us to have infrastructure that supports flexible routing, but has solid access control. As our business expands to more countries around the world, we're planning to leverage AWS' global infrastructure to deploy services instead of having to build our own.

**'In a high-pressured startup environment, everyone occasionally needs proper time out'**

I run to work most days, even in my busiest periods. That's essential downtime for me, where I can step away from the minutiae of growing a company and figure out how we're tracking against the long-term view. I've also always made time for my family. People underestimate the power of holidays - we try to fit them in around business travel, which helps a lot. At TransferWise, we've just introduced a paid six-week sabbatical for employees who've hit four years. Everyone, not just founders, gives so much to building the company, so it's important they have time out.

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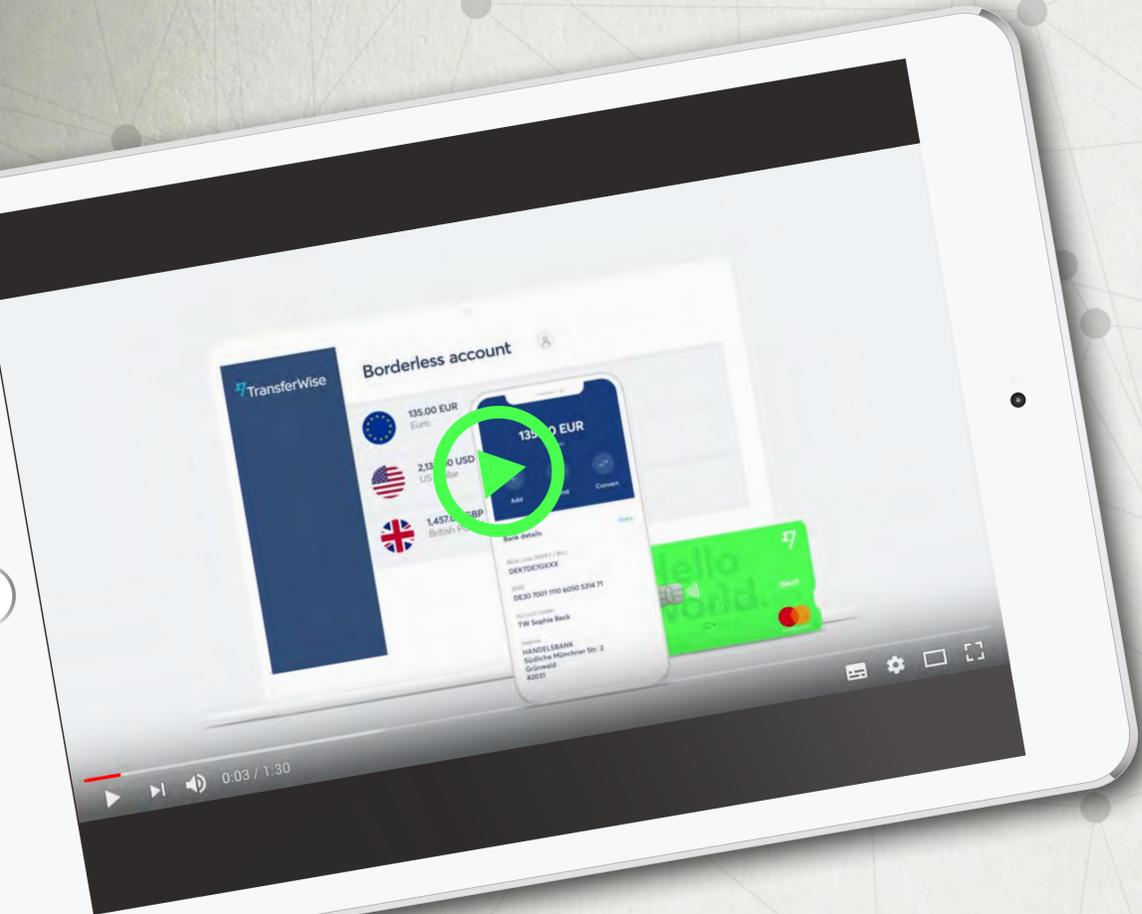
GROWING UP IN ESTONIA,  
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**'There are other things in life than work'**  
I'm no longer CEO. I gave up that role last year after seven years of what felt like running a marathon, in a sprint. We'd built a company that was profitable and growing fast and I could see there was a long journey ahead. While seven more years of it would have been amazing, there are other things to do in life. The company is in a great place, so I passed on the CEO job to my co-founder and I'm now chairman, which means I'm still involved, but less caught up in the day-to-day running of the company.

**'Life comes in phases: there's a time for work and a time for family'**  
I've had a couple of kids and it's wonderful to finally have the time to get to know them. My kids are two and four and were born while the business was at its most frenetic. Five days after my son was born, I had to go to Australia for 10 days for work. That's not ideal, but I did what I had to do. Luckily, I have a very understanding family who accepted that my company is important and that this was a moment in time and not forever.

**'Perfectionism never gets you anywhere'**  
I have a poster in my room that says: 'Done is better than perfect'. It sounds negative, but it's not at all. When you're building a company, the most important thing is to just get started, but so many people have a tendency to lock themselves in a dark room until their product is perfect. That's the wrong approach, as you need to get your idea out to market to see if it works. An 80 percent job that's done, is worth far more to the world than a perfect product that's never completed. Over time, you can see where you need to improve; but in the initial stages, just get it out there.



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## AT A GLANCE



Taavet Hinrikus moved from Estonia to the UK in 2007 to work for Skype.



He was frustrated with the expense and hassle associated with transferring money internationally.



So he co-founded TransferWise with his friend Kristo Käärmann.



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AWS' security groups and VPCs enable TransferWise to build infrastructure that supports flexible routing.



Today, TransferWise has 3 million customers and transfers money to 70 countries around the globe.



[www.transferwise.com](http://www.transferwise.com)

### CONCENTRATE

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### GET PUMPED

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### CHILL-OUT

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