

## **FINTECH REVOLUTION: ARE WE PREPARED?**

**Adina Teodora Paşa<sup>1</sup>, Nicoleta Onofrei<sup>2\*</sup> and Elena Mădălina Gherghina<sup>3</sup>**  
*<sup>1)2)3)</sup>The Bucharest University of Economic Studies, Romania*

### **Abstract**

Financial Technology (FinTech) has brought a revolution in the financial sector including incremental technological innovations in financial services. FinTech has triggered significant changes in the way financial sector is designed and it operates in the digital era. By increasing speed and reducing costs, FinTech has strongly influenced consumers to move towards digitalization. This has had as result the development of more tailored financial services addressed to individuals. For this purpose, a minimum level of financial literacy is considered a key driver of consumer behaviour. The main objective of this study is to analyse the impact of FinTech revolution on the labour market. In this paper, we have performed the statistical analysis of secondary data for EU-28 Member States (including United Kingdom) within the interval comprised between 2017 and 2019 with the aim to identify which is the level of labour substitution triggered by FinTech and its short-and medium-term effects on the labour market in the financial sector. Conclusions of this study revealed that although a higher level of digitalization is associated with a lower number of individuals employed in the financial sector, especially in the countries with the highest degree of digitalisation in the EU-28 (Digital Frontrunners), there are still a number of IT professionals performing operational tasks.

**Keywords:** Financial Technology, financial and banking sector, labour market, financial literacy.

**JEL Classification:** O33, G20, J40, G53

---

---

*<sup>1</sup>The information and views set out in this article are those of the author and do not necessarily reflect the official opinion of her employer.*

\*Corresponding author, **Nicoleta Onofrei** – onofreinicoleta.94@gmail.com