

# The Role of Human Capital on Driving Fintech Force

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## Abstract

This research is intended to study the relationship between human capital in terms of skills, knowledge and experience with the development of FinTech Industry. A total of 103 respondents, answered this questionnaire. SPSS version 29 was used to transform the data from the survey. The findings were analyzed using descriptive analysis, reliability analysis as well as multiple regression analysis. The findings demonstrated that there is a positive relationship between skills, knowledge and experience of human capital (Independent Variable) with the development of FinTech Industry (Dependent Variable).

**Keywords:** Human Capital, FinTech, Skills, Experience, Knowledge.

## Introduction

According to an article by Finance Magnates, among the main risks involved in Fintech are cyber-attacks, compliance risks, operational risks and breach of data which have become even more prominent over the years as hackers have become more skilled and sophisticated. All these threats can be mitigated with high quality human capital in the sense of employees that possess the required skills and knowledge to prevent such risks or crimes from taking place. One of the issues in human capital highlighted by Deloitte was that the Human Resource department spends a huge amount of time hiring people rather than nurturing or engaging talent among their employees. Thus, the focus is on the issue of the importance of attaining the best human capital available in the market in order to improve development of Fintech Industry.

## Literature Review

### Introduction

The aim of this literature review is to give a comprehensive understanding of the whole concept, key points and other points of view of the relationship of human capital in Fintech.

Since the usage of Fintech worldwide has increased over the years, it is important for us to understand how to manage it in the future. Therefore, this chapter will discuss the very definition of human capital and fintech respectively. Next, the roles of government, company and education in building top-notch human capital for the purpose of improving the Fintech's industry will be reviewed further. Moreover, the key concept and comparison of Islamic Fintech as well as Conventional Fintech will be assessed in this chapter. The last concept to be covered by this chapter is the understanding of the relationship between human capital and Fintech.

### **Human Capital**

Human capital is defined as "the skills, knowledge, and experience of a person or group of people, seen as something valuable that an organisation or country can use" on the Oxford Learner's Dictionaries website. In other words, the term "human capital" refers to a person's knowledge, character, and intelligence, which enable them to develop to their full potential in all areas of their social, personal, and economic well-being. In fact, the term "human capital" was popularised by American economists Gary Becker and Jacob Mincer, who both defined it as a collection of skills, attributes, and knowledge that each of us possesses and that can be used to boost productivity (Lockhart, 2019).

The terminology "human capital" was once controversial as it was thought as demeaning because humans are thought as marketable assets or possession that would be the property of the owner's of the "capital" (Goldin and Katz, 2020). Back then and even till today, the understanding of the term among fellow scholars was considered too narrow as they did not see the bigger picture behind the expression, from their perspective, human capital refers to humans as tools and objects whose sole purpose was for economic gain only. However, regardless of the criticism from many parties, the concept and understanding behind human capital needs to be optimized in a way that benefits the society from a broader perspective of economic and social context.

"Is it people or technology that drives the FinTech growth?" was a term used by Deloitte in their presentation on Human Capital Challenges of a Fast Growing Sector: FinTech. actually demonstrates that one of the key factors in the success of FinTech is human capital. Businesses in Malaysia would benefit more in the long run if they invested in enhancing human capital rather than following the antiquated method of downsizing and firing employees, which is still regarded as the best short-term strategy, according to Lee Yun-Han, consulting director of Deloitte Southeast Asia (Free Malaysia Today, 2022). This comes to show that our country is still struggling in terms of producing resourceful human capital that would benefit the economy and such issues should not be taken lightly as it would give a great impact to the nation in the future. Thus, an immediate strategy is required to be implemented by all sectors in order to ensure that Malaysia is able to compete with other developing countries and improve the well-being of our society.

### **FinTech**

The article titled "What is Financial Technology (FinTech)? A Beginner's Guide" published by Columbia Engineering describes FinTech as "software, mobile applications, and other technologies created to improve and automate traditional forms of finance for businesses and consumers alike". According to the same article, the history of FinTech started in the 1950's with the use of credit cards which represents the very first FinTech product to ever be applied in public. Then in 1998, PayPal, a payment platform was invented, which was

the first FinTech company to have ever been operating through the Internet. From there, the revolution of technology has paved the path to even more innovative FinTech products such as mobile as well as internet banking systems and other payment platforms like Touch 'n Go.

An article published on the Forbes website stated that the trend of using FinTech among society is expected to rise rapidly by 2023-2024 through the increased application of blockchain, IoT and Artificial Intelligence (Tang, 2023). The advancement of modern technology and innovation are the main drive to increasing trends of FinTech. Moreover, the pandemic that took over the world had forced people to ditch the old method of banking to a more convenient system that allows them to perform any transactions from the comfort of their own home, this has caused a change in consumer's behavior towards traditional banking. The demand for a more efficient and effective system is increasing among consumers as they expect FinTech companies to find innovative ways to make life easier for them.

FinTech companies as well as the government of Malaysia should really consider improving every aspect of FinTech's platform through every sector in order to meet consumers' expectations towards the product and services provided. Since FinTech is gaining more popularity worldwide, Malaysia which is still labeled as a developing country should put in effort in improving this sector so that we are not left behind in terms of current technological advancement. Malaysia should be aware of the trends in FinTech in order to stimulate the economy's growth and have the competitive advantage against our closest competitors, Singapore. Moreover, the Global Financial Centers Index 32, reveals that Singapore is at third place in terms of global financial centers after New York and London. This comes to show that our country has a long way to go before we are able to be at par with our rival, which have already received international recognition in many other aspects. Therefore, keeping up with the trends of FinTech is crucial as it would help to improve Malaysia's economy and development as well as being seen as equal to other competitors.

Although FinTech continues to grow with the help of technological development, there are always dark clouds lingering in the distance because the advancement of high tech devices and applications in the financial systems have created new vulnerabilities in terms of security. Since FinTech companies are responsible for managing and protecting vast amounts of personal information from hackers that are seeking to steal those valuable data for their own personal gain, cyber security should be their utmost concern to avoid such incidents. According to a survey on FinTech in Malaysia conducted by PwC Malaysia in 2016, IT security in respect of information security and privacy threats were one of the top three concerns in FinTech. Similarly, in another survey conducted by Ernst & Young, 71% of the respondents who were FinTech users agreed with the statement of "I worry about the security of my personal data when dealing with companies online". Thus, it is clear to see that the concerns regarding security should be promptly addressed accordingly in order to ensure the safety and privacy of FinTech's consumer's data and privacy.

### **Government, Industry and Educational Institution in Producing Quality Human Capital**

Improvement on human capital needs to be conducted collectively as everyone has to play a role in order to build a society that is able to serve the country they are born in terms of possessing world class knowledge, expertise and experience. In this chapter, the roles played by the government, company as well as educational institutions are highlighted for us to see clearly how each stakeholder performs their duty towards the same goal which is to produce high quality human capital.

Since human capital is important in ensuring the future of a country, Malaysia's government is the main party that is mainly responsible in providing the catalysts needed to nurture high quality human capital for the near future. As we all know now, human capital does not exist on its own, as the leader of our country, the government needs to undertake the responsibility of creating a well rounded individual. One of the courses of action that the government should commence is improving the health and wellness of their citizens through preventive healthcare which can be executed via vaccinations and health screenings. Another aspect of health that often gets overlooked is mental health, therefore, Kementerian Kesihatan Malaysia (KKM) should combat this problem which is often known as the silent killer of our society by establishing a low cost and easy to access government centers that focuses on treating mental illnesses throughout the country. Providing complete healthcare necessities for our society is crucial as this will ensure that they are able to focus on improving other aspects of their wellbeing such as their skills and knowledge, which in this case will be more towards sharpening their expertise in digital information.

Training and skills development programmes are a great initiative for improving human capital in Malaysia. The government should provide a more comprehensive, practical training and skills development programme especially in the FinTech sector as it is one of the rapidly expanding workforce in the coming future. Among the few training that could be given to enhance an individual's skills in the said sector would be coding, programming, cybersecurity, data science, blockchain as well as design thinking. Many of the mentioned training are easily accessed through the Internet, however the government should take the initiative of providing a more hands-on workshop that provides courses that are in trend with developed countries. Efforts in these aspects are very influential in developing high level human capital that would be recognised worldwide.

Local educational institutions that work hand-in-hand with the government in boosting human capital in Malaysia are more effective in doing so as they are able to obtain the valuable resources needed in terms of expertise and funds. If we are to focus on the responsibility of the educational institutions itself, the best way to improve human capital is through offering compulsory courses that relates to FinTech, and such courses should not only be offered to students of Finance or Accounting only, it is vital that such programme should be offered to other students that are in the related field. Collaboration with key players in the FinTech industry is also effective, universities should take the initiative of partnering with FinTech companies to provide internship opportunities as well as mentoring programmes for their students to experience first hand the work that goes behind creating and managing a successful FinTech platform. Such strategies taken by these educational providers will surely help produce well-rounded graduates that have sufficient knowledge of the industry and in return drive economic growth and innovation of the FinTech sector.

### **Islamic FinTech VS Conventional FinTech**

According to Capital Markets Malaysia, Islamic FinTech is defined as providing Shariah-compliant financial technology services and products which caters to the muslim community. The four main principles in Islamic Finance sector are, (1) musharakah/mudarabah which means profit-and-loss sharing, (2) valuables are asset-backed and have real economic purposes, (3) investments do not focus solely on monetary benefits, it must have social and ethical benefits and lastly (4) activities that are considered haram are avoided, such as application of interest rates (riba), uncertainty (gharar) as well as gambling scheme (masyir) (Loh and Ley, The Sun Daily, 2023). Malaysia has been labeled the global leader in the Islamic

Finance sector according to the Global Islamic Economy Indicator (Oi, 2022) and ranked first in the Global Islamic Fintech (GIFT) Index (Fintech Report Malaysia, 2022). This comes to show that Malaysia has a huge potential of economic gain from Islamic Fintech, with Islam being the major religion in this country which is the main factor the sector is growing. Malaysia also has a supportive regulatory environment and a strong Islamic Finance background (Oi, Fintech News Malaysia, 2022).

In many ways, Islamic FinTech is very similar to the conventional FinTech with several differences that separates the two, the main comparison being the ethical principles upheld by Islamic finance which prohibits the use of interest-based transactions also known as *riba* as compared to the conventional banking system as risks are not distributed equally (Ethis, Major Differences between Islamic and conventional finance, 2023). Moreover, Islamic FinTech is deemed as more transparent than the conventional system and one of the advantages highlighted was the transparency in blockchain whereby all the transactions are visible and traceable for its users (Rabbani et al., 2020). Islamic Finance is also seen as being socially responsible as well as inclusive as it places importance on the concept of fairness and equality, this can be proved through the practice of Zakat, sadaqah, and waqf which helps to financially aid the underprivileged and underbanked group of people (Loh and Ley, The Sun Daily, 2023).

However, the Islamic Financial industry still faces challenges as compared to the conventional system and one of them being a limited talent pool that makes it difficult to acquire employees that are equipped with the necessary skills and knowledge required by the industry. Besides extensive knowledge of finance and technology, it is mandatory for employees to have a comprehensive understanding of the Shariah law before entering the Islamic Finance industry, and such a combination of knowledge is lacking in our country (Salim & Ilyas, 2020). Thus, it is essential that the related industry work hand-in-hand with educational institutions in formulating a strategy to improve the competencies of graduates by establishing a professional standard on digital skills and the use of Fintech (Jamil & Abu Seman, 2019).

The next challenge faced by Islamic FinTech is limited access to funding for start-up companies which may be caused by several factors (Salim & Ilyas, 2020). According to the Islamic fintech report of the Malaysia Digital Economy Corporation, the venture capital in our country is not mature enough for Islamic Fintech startups to acquire necessary financial resources (Malaysia Digital Economy Corporation, 2019). On top of that, major venture capitalists are more focussed on developed countries such as Singapore, a non-Muslim country whereby the presence of Islamic Fintech is not prominent (Gambe & Estopace, 2022). Such conditions have made it difficult for investors and venture capitalists to be exposed to the principles of Islamic FinTech causing the industry to deteriorate in the future. Malaysia's government plays a crucial role in overcoming such an issue which is to reward private banking sectors that contribute in terms of financial capital to improve the Islamic FinTech startups (Malaysia Digital Economy Corporation, 2019).

All in all, Islamic finance as compared to the conventional system is seen as more transparent, ethical, inclusive and beneficial for both parties as it acts in accordance with Shariah law (Rabbani et al., 2021). Nevertheless, efforts should be taken by every party in order to ensure the development of Islamic FinTech is able to reach the same level as conventional FinTech.

**Human Capital and FinTech**

While many may say that the development of FinTech was due to technological advancement, the real reason behind such innovation often gets overlooked by many. The existence of such a revolution was thanks to the people working behind the scenes, without them we may still be using the traditional banking system. Therefore, it is clear that human capital plays a huge role in managing and developing the FinTech industry. However, not everyone has the capabilities to perform the workload needed as this field requires a set of combined, specialized skills that many still struggle to possess. Therefore, in this chapter, the relationship between human capital and FinTech will be discussed even further in order to provide a more detailed understanding on how the two aspects relate to one another.

The first aspect of human capital that will be highlighted in this chapter is the knowledge; defined as intellectual comprehension of certain concepts (Indeed, 2022), required to maintain and develop the FinTech industry. As it is already known, FinTech is the combination of the term Finance and Technology, thus in order to manage and develop two different fields, an individual is required to master them both together. Among the knowledge required to create the ideal human capital needed by FinTech in the fields of technology are cybersecurity, data analytics, programming, digital developments, cloud computing and many more. On the other hand, education in the finance field is essential as well, namely financial analysis, investment principles, risk management and also regulatory compliance. However, additional knowledge needs to be acquired when discussing about Islamic FinTech, specifically Shariah law, which is the main compliance in this field of FinTech.

Compared to knowledge, skills are more on the practical side, whereby it can be defined as the actions of using their acquired knowledge (Indeed, 2022). The two main skills that can be applied in FinTech are technical skills, soft skills. A literature review produced by Saara Koskipää in 2022, listed the two categories of technical skills required in FinTech as software development and technology skill as well as data science skills. In the software development and technology skills category, skills related to blockchain, open banking related skills, security and authentication technology skills, mobile development skills as well as testing fintech software skills were highlighted in the literature review. In the second category which is data analytics skills, Koskipää has focussed on Artificial Intelligence as well as big data and data mining skills. According to Oxford Learner's Dictionaries website, soft skills are defined as personal qualities that enable an individual to communicate well with others. Even though there are no specific set of soft skills required by the FinTech industry, the main one that is often highlighted by many articles is communication skills. The reason for this is because in this specific industry, everyone is expected to work as a team to provide the best services and products to consumers, thus oftentimes team members are required to express themselves clearly to solve complex issues, be it among their own team or with other departments.

Experience in the context of the relationship between human capital and FinTech is the practical knowledge and skills that employees have gathered during their time in the working sector or even during their educational experience. Experience in this context can be divided into two namely technical experience as well as industry-related experience specifically in the financial sector. Technical experience is the practical knowledge gained during an individual's participation in a department related to designing, maintaining, and even developing certain softwares and technology related to the internet. Taken as an example, an employee that has had several years of technical experience in the cybersecurity department is able to benefit FinTech companies by applying a more complex security system to protect the client's valuable data. On the other hand, industry related experience specifically in the finance

sector is able to provide insights on market trends and latest financial regulations to FinTech companies in order to provide for customer needs. An example taken would be a student that has completed their internship in the banking sector has the necessary experience that could give valuable input as well as an extensive understanding regarding regulations related to the banking sector in a FinTech company.

Overall, FinTech companies should utilize human capital through rigid hiring and developing processes as it is the main resource that enables them to succeed in this industry. Since FinTech is a complex industry that is always evolving and comprises two main sectors namely financial and technology, companies should take into consideration every aspect of an individual in order for them to improve their performance and enable them to adapt to any changes in the coming years. However, it is important to keep in mind that other organizations, especially the government and educational institutions, also play a crucial role in cultivating a society that has the required set of skills, knowledge and experience that would be deemed as valuable to the industry.

### Theoretical Framework

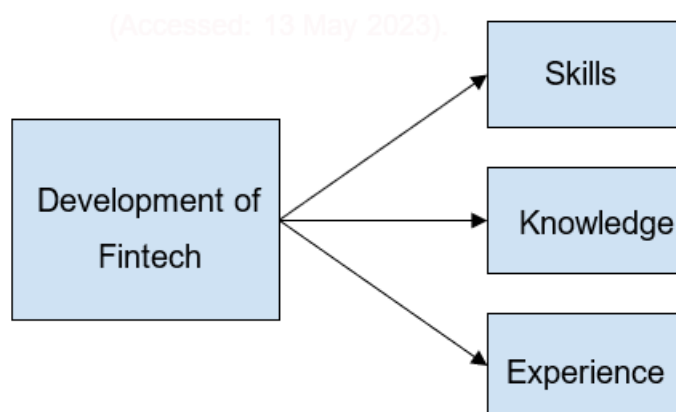


Figure 2.7.1

Figure 2.1 shows the theoretical framework of this study whereby the framework shows the relationship between human capital in the Fintech industry. The key concepts in the framework are related to the elements of human capital namely skills, knowledge and experience. The framework shows that the level and quality of skills, knowledge and experience in human capital is necessary in the development of the Fintech Industry.

### Methodology

#### Research Design

For this study I have chosen quantitative research, whereby Kumar (2010) stated that quantitative studies are validated, identifiable, specific and well-structured. Quantitative research includes approaches of systematic investigation of social phenomena through the methods of statistical or numerical data and often involves measurement whereby the phenomena being studied is assumed to be measurable (Watson, 2015). Moreover, the author also stated that the process involved in quantitative research is making measurements, analysing data and coming to conclusions. Hopkins (2000) stated that quantitative research involves the study of the relationship between two variables namely an independent variable and a dependent variable in a certain population. In this study, the

independent variable is the skills, knowledge and experience that exists in human capital whereas the dependent variable is the development of Fintech.

### Respondents of Study

Since I have employed a simple random sampling method, thus my respondents are not required to have a specific criterion. The survey questionnaires were distributed to the students of UTM as well as to the public for the span of two weeks until the middle of June using a google form link that was created. Due to the time constraint because of academic purposes, this study needed to be completed in a short period of time.

### Population and Sampling

Since it is not practical to conduct a study on a whole population to obtain generalization, researchers would use samples (Khalid et al., 2012). Sample is a subgroup of a population which is normally used to gain data regarding a population's interest and draw inferences about that population (Lind et al., 2008). There are two methods of collecting a sample, namely probability sampling and non-probability sampling, this study uses probability sampling which means that each individual in the population has a fair chance of being selected to conduct the study (Acharya et al., 2013).

Simple random sampling involves randomly selecting individuals from a population to form a sample using a random number table manually or using computers, or through an online number generator (Saunders et al., 2009). The author also stated that each member of the population has an equal and independent chance to be chosen which ensures that the sample is a representation of the population, allowing researchers to make valid statistical inferences. By randomly selecting individuals, simple random sampling helps minimize bias and increase the generalizability of findings. This form of sampling is used in various fields, such as surveys, experimental studies and opinion polls.

### Findings and Discussions

#### Demographic Profile

Demographic information of the 103 respondents was collected from Section A of the questionnaire which includes a total of five items in the section.

Demographic Profile	Category	Frequency (N)	Percentage (%)
Gender	Male	38	36.9
	Female	65	63.1
Age range	Below 20	11	10.7
	20-30	69	67.0
	30-40	16	15.5
	40-50	3	2.9
	50 and above	4	3.9



Ethnicity	Malay	62	60.2
	Chinese	24	23.3
	Indian	14	13.6
	Others	3	2.9
Current status	Studying	57	55.3
	Working	31	30.1
	Studying while working	10	9.7
	Neither studying or working	5	4.9
Familiarity with the term Fintech and Human Capital	Yes	69	67.0
	Maybe	8	7.8
	No	26	25.2

Figure 4.1.1

Figure 4.1.1 above shows that there are 65 female respondents which make up 63.1% of the total respondents compared to the 38 male respondents that make up only 36.9% of the total respondents. Next question highlights the age range of respondents starting with below 20 years old which were chosen by 11 respondents which is 10.7% of the total respondents. Next is the age range of 20 to 30 years old which have obtained the highest number of respondents, 69 or 67% of the total respondents. The following age range, 30 to 40 years old were chosen by 16 people which equals to 16% of the sum of respondents. 40 to 50 years old were only chosen by 3 respondents or 2.9% of the total respondents. Lastly, the age range of 50 and above obtained 4 responses which equals to 3.9 % of the total respondent's pool. Furthermore, in terms of ethnicity, Malay have obtained the highest response of 62 or 60.2% of response, whereas Chinese ethnicity have recorded 24 or 23.3% of respondents. Indian ethnicity recorded 14 respondents or 13.6% whereas other ethnicity recorded only a mere 3 or 2.9% respondents from the total respondents. Additionally, the question of current status, the choice with the highest respondents was studying, which indicates that 57 or 55.3% of my respondents which is more than half of my total respondents were students. 31 or 30.1% of my respondents were already in the working sector. Moreover, 10 or 9.7 of my total respondents are those who are studying while working. Lastly, only 5 or 4.95% of my total respondents were neither working or studying. The last section of the demographic profile has enquired respondents regarding their level of understanding of the term Fintech and human capital, whereby 69 or 69.0% of the total respondents replied yes. Next, 26 or 25.2% of the total respondents replied no towards the question. Lastly, the lowest number of respondents which is 8 or 7.8% of the total respondents for the answer maybe, indicates that these respondents do not have adequate or enough knowledge to truly understand regarding the term Fintech or human capital.

### Descriptive Analysis

In order to analyze the descriptive analysis of the 103 responses obtained from the multiple questions given, the questions are categorized into several sections namely, skills, knowledge and experience in human capital (independent variable) and development of FinTech Industry (dependent variable).

	Category	Number of Items	Mean	Standard Deviation
Independent Variable	Skills in Human Capital	5	3.6485	0.38549
	Knowledge in Human Capital	5	3.6117	0.36710
	Experience in Human Capital	5	3.6039	0.42193
Dependent Variable	Development of Fintech Industry	5	3.6994	0.39187

Figure 4.2.1

This study has used the Likert scale ranging from 1 being strongly disagree and 4 being strongly agree. In this case most of the mean for all categories in both independent variables as well as dependent variables are above 3.600 which is leaning towards the perception of agreeing to the statement given.

### Cronbach's Alpha Reliability Test

	Category	Number of Items	Cronbach's Alpha
Independent Variable	Skills in Human Capital	5	0.803
	Knowledge in Human Capital	5	0.776
	Experience in Human Capital	5	0.840
Dependent Variable	Development of Fintech Industry	5	0.749

Figure 4.3.1

Greater than 0.7 values are recommended. Cronbach's Alpha values for all categories in both variables are greater than 0.7, which is considered the best value. As a result, all the categories above in both variables can be said to be consistent and reliable for analysis.

### Multiple Regression Analysis

Multiple regression analysis was utilized in this study to determine the association between human capital level of skills, knowledge, and experience (independent variables) and FinTech Industry development (dependent variable). Multiple regression analysis was employed in this study to test the following hypothesis:

**H1:** There is a positive relationship between level of skills in human capital towards the development of FinTech Industry.

**H2:** There is a positive relationship between level of knowledge in human capital towards the development of FinTech Industry.

**H3:** There is a positive relationship between level of experience in human capital towards the development of FinTech Industry.

### Multiple Regression Analysis Result

#### Model Summary<sup>b</sup>

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error of the Estimate
1	0.879 <sup>a</sup>	0.772	0.765	0.18992

Figure 4.5.1

Notes: a = Skills, Knowledge and Experience in Human Capital (Independent Variable)

b = Development of Fintech Industry (Dependent Variable)

The value of  $R^2$  represents how far the movements of dependent variables are explained by the movements of independent variables. According to Table 4.5.1, the value of  $R^2$  is 0.772, which can be converted to 77.20%. This means that 77.20% of the dependent variable (Development of Fintech Industry), can be explained by the three independent variables (Skills, Knowledge and Experience in Human Capital). The remaining 22.80% is made up of other factors or variables that impacts the development of FinTech Industry.

#### ANOVA<sup>a</sup>

Model	Frequency	Significance
1	111.755	<0.001 <sup>b</sup>

Figure 4.5.2

Notes: a = Skills, Knowledge and Experience in Human Capital (Independent Variable)

b = Development of Fintech Industry (Dependent Variable)

A frequency of 111.755 suggests that there were around 111 to 112 observations or cases in the study. The p-value is a statistical significance that reflects the likelihood of obtaining the observed results if the independent and dependent variables do not have a relationship. A p-value of <0.001 above indicates strong evidence against the null hypothesis, demonstrating that there is a significant association between skills, knowledge and experience in human capital (Independent Variable) and the development of FinTech Industry (Dependent Variable). Thus, the hypothesis, H1, H2 and H3 is acceptable.

#### Coefficients<sup>a</sup>

Model	Independent Variables	Standardized Beta	t	Sig.	Collinearity Stats.	
					Tolerance	VIF
1	Skills in Human Capital	0.469	7.565	< 0.001	0.599	1.669
	Knowledge in Human	0.261	3.727	< 0.001	0.469	2.130
	Experience in Human Capital	0.288	4.216	< 0.001	0.494	2.025

Figure 4.5.3

Notes: a = Skills, Knowledge and Experience in Human Capital (Independent Variable)

Figure 4.5.3 shows the coefficient results of the conducted research. The results shows that the three independent variables, which are skills, knowledge and experience in human capital, have a significant and positive impact on the dependent variable, which is development of FinTech Industry. This is because a p-value of <0.001 suggests strong evidence in favor of a significant relationship between the independent variable and dependent variable. Moreover, the results show a positive standardized beta value namely  $\beta = 0.469, 0.261$  and  $0.288$  which indicates a positive relationship between skills, knowledge and experience in human capital and fintech development, implying that higher levels of human capital are associated with higher levels of fintech development.

**Conclusion****Discussions**

This study was able to achieve all of its objectives. The findings from this study are have managed to achieve the third goal of this research whereby skills, knowledge and experience in human capital has a positive relationship with the development of FinTech Industry. This can be proven by the results that were obtained from the Multiple Regression Analysis which indicates that there is a significant relationship between human capital and FinTech development. The reliability test for these variables has also shown preferable value which is above 0.7 using the Cronbach's Alpha Reliability Test. The next purpose of the study is to investigate the role of education, industry and government in ensuring the quality of human capital for the development of FinTech Industry. Government plays the role of improving the well-being of society through proper health screenings which includes mental health as well as providing a more comprehensive, practical training and skills development program. Moreover, industries can improve human capital by providing training in terms of upskilling and reskilling their fellow employees as well as promoting work-life balance. Lastly, educational institutions can improve human capital through collaborating with the government through offering compulsory courses related to FinTech as well as the Fintech industry through internship opportunities. The second objective of this study is to identify the differences between Islamic FinTech and Conventional FinTech namely the understanding of Shariah Law by the employees, differences in principles held, limited talent pool as well as lack of funds.

**Conclusion**

In a word, all of these objectives were met satisfactorily, objective one and two are confirmed by some literature review from secondary data and objective three is achieved through findings of questionnaire given out. According to the conclusions of this study, level of skills, knowledge and experience in human capital has a positive relationship with the development of FinTech Industries. Additional information regarding other contributing factors towards development of FinTech is also obtained from respondents through the survey conducted.

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