**The Impact of AI Transformation and Risks in Financial Services**

Marselino Wau1, Firdaus Laia2, Ferdinand Tharorogo Wau3, Jhon Firman Fau4

1Program Studi Manajemen, Universitas Nias Raya, Indonesia

2Program Studi Ilmu Komputer, Universitas Nias Raya, Indonesia

3Program Studi Manajemen, Universitas Nias Raya, Indonesia

4Program Studi Manajemen, Universitas Nias Raya, Indonesia

|  |  |  |
| --- | --- | --- |
| **Article Info** |  | **ABSTRACT** |
| Riwayat Artikel  Diterima: ddmmyyyy  Disetujui: ddmmyyyy  Keywords  Digital Transformation;  AI Risk;  Financial Services.  Corresponding Author  **Marselino Wau**  Universitas Nias Raya  Tel. +6282199460528  marsel@uniraya.ac.id |  | This research presents a novel examination of the dual impacts of digital transformation and AI risks on the quality of financial services, with a particular focus on their interplay and the role of external regulatory factors. Unlike previous studies, this research offers a detailed quantitative analysis while integrating regulatory challenges and financial literacy as critical moderating factors. A survey of 84 respondents, including risk managers, IT managers, and executives from financial institutions, was conducted to analyze the specific effects of digital transformation and AI-related risks. The findings indicate that digital transformation negatively affects service quality, while AI risks positively impact operational efficiency and data analysis accuracy. However, these two variables explain only a small portion of the variance in service quality, suggesting that other factors, such as regulatory frameworks and financial literacy, play a significant role. The study recommends enhancing technological preparedness, implementing AI risk mitigation strategies, and addressing external factors to optimize service quality in the digital era. |

**INTRODUCTION**

The digital transformation of financial services, primarily propelled by the adoption of artificial intelligence (AI) and financial technology (fintech), has emerged as a pivotal development in recent years. This transformation has fundamentally reshaped the provision of financial services, introducing new challenges and risks that stakeholders in the financial sector must confront. Fintech innovations, including digital payments, peer-to-peer lending, and blockchain technology, have significantly improved the efficiency and accessibility of financial services [1]; [2]. Nevertheless, these advancements also pose risks related to data security, consumer protection, and regulatory uncertainties, which may erode user confidence in digital financial services [3]; [4].

This research seeks to address three critical questions: What is the impact of digital transformation, particularly through the adoption of AI and fintech, on traditional financial services? What risks emerge from the implementation of these technologies, and how can they be effectively mitigated? What role do regulatory bodies play in promoting the growth of fintech while safeguarding consumer interests? This study aims to deliver a comprehensive analysis of the impact of digital transformation on financial services and propose strategies for mitigating the associated risks.

The researcher aims to delve deeper into the challenges and opportunities faced by the financial industry in dealing with digital transformation. Previous research has shown that the adoption of fintech technology not only functions as a tool but also as a catalyst that transforms how financial services are provided and accessed [5]; [6]. Therefore, this approach will involve collecting data through in-depth interviews with industry players, regulators, and financial service users to obtain a comprehensive perspective on the impacts and risks associated with digital transformation.

In addition, a literature review will be conducted to contextualize digital transformation within the financial services sector. Existing research suggests that financial inclusion and financial literacy are critical determinants of the successful adoption of fintech [7]; [8]. Consequently, this study will explore how enhancing financial literacy can improve access to digital financial services and mitigate the risks faced by users. The research will also examine various innovations introduced by fintech and AI within financial services. For example, the use of AI for data analysis in credit assessment and fraud detection has become common practice in numerous financial institutions [9]; [4]. Additionally, the development of mobile banking applications and online lending platforms has broadened financial access for previously underserved communities [2]; [10]. However, challenges such as data security and consumer protection continue to be significant concerns that must be addressed by all stakeholders [3]; [11].

The novelty of this research lies in its concentrated focus on the interplay between technology, regulation, and consumer behavior within the context of digital financial services. This study will not only emphasize the benefits of digital transformation but also provide a critical analysis of the associated risks and the implementation of effective mitigation strategies. As a result, this research is expected to contribute significantly to the understanding of digital transformation's impact on financial services and offer valuable recommendations for both policymakers and industry stakeholders.

Digital transformation in financial services, driven by advancements in technologies such as AI and fintech, presents both significant opportunities and challenges. This research aims to examine the impact of this transformation, identify the emerging risks, and propose strategies for mitigating these risks [12][13]. Through a comprehensive approach and in-depth analysis, this study is expected to offer valuable insights for all stakeholders within the financial industry.

In addition to assessing the direct effects of digital transformation and AI risks, this study uniquely investigates the role of financial literacy and regulatory frameworks as moderating variables that influence the quality of financial services. By addressing these elements, this research not only fills a gap in existing literature but also provides practical recommendations for policymakers and financial institutions in emerging markets like Indonesia. The growing complexities introduced by AI and fintech call for a deeper understanding of how these technologies interact with external regulatory factors, which is the focus of this research.

**METODS**

In studying the impact of digital transformation on risks within financial services, a quantitative approach utilizing survey methods is a highly suitable choice. This methodology facilitates the systematic and structured collection of data from key respondents, including risk managers, IT managers, and executives in financial institutions. A questionnaire, designed using a Likert scale, can yield deep insights into the perceptions, frequency, and preparedness of companies in managing risks associated with digital technology adoption [14]; [15]. The integration of primary data collected through surveys with secondary data from reliable sources, such as annual company reports and industry publications, offers a broader analytical context. This secondary data serves to enrich the analysis and validate the primary data findings, thereby providing a more comprehensive understanding of the impact of digital transformation on financial services [16]; [17].

The analysis of the collected data can be performed using a variety of statistical techniques. Descriptive analysis offers a general summary of the data, while correlation analysis helps identify relationships between the variables under investigation. Regression analysis enables researchers to quantify the specific impact of digital transformation on particular risks, whereas factor analysis aids in uncovering underlying structures within the measured variables [18]; [19]. Hypothesis testing plays a critical role in assessing the statistical significance of the findings, with the null hypothesis (H0) and alternative hypothesis (H1) formulated to examine the relationships or differences between the variables [20]. By integrating primary and secondary data and utilizing comprehensive analytical methods, this study seeks to generate deep and robust insights into the relationship between digital transformation and risks in financial services, as well as how organizations navigate these emerging risks [21].

The quantitative approach, utilizing a structured survey, was chosen for its ability to systematically capture the perceptions of key stakeholders, including risk managers, IT managers, and executives. This method allows for a detailed analysis of both the frequency and severity of perceived risks associated with AI and digital transformation in financial services. The use of regression analysis enables the identification of causal relationships, making it ideal for the complex dynamics examined in this study. This approach provides an in-depth understanding of how digital transformation and AI risks affect service quality

**Table 1.** Operational Definition

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No** | **Variable** | **No** | **Indicator** | **scale** |
| 1 | **Digital Transformation (X1)** |  |  |  |
|  | Has your company implemented fintech technology? | 1 | Adoption of Fintech Technology |  |
|  | What is the level of operational efficiency following the adoption of fintech? | 2 | Operational Efficiency |  |
|  | How significant is the impact of AI implementation in enhancing accessibility to financial services? | 3 | Improvement in Service Accessibility |  |
|  | How would you evaluate the role of regulators in facilitating the growth of fintech in Indonesia? | 4 | Role of Regulators |  |
| **2** | **AI Risk (X)** |  |  |  |
|  | How concerned are you about the data security risks associated with the use of AI? | 5 | Data Security |  |
|  | How would you evaluate the level of consumer protection in your company concerning AI-based services? | 6 | Consumer Protection |  |
|  | Do you consider regulatory uncertainty to be a barrier to AI implementation in your company? | 7 | Regulatory Uncertainty |  |
| **3** | **Financial Services (Y)** |  |  |  |
|  | How proficient are your employees in financial literacy concerning the use of digital financial services? | 8 | Financial Literacy |  |
|  | How effective are digital financial services in promoting financial inclusion within your company? | 9 | Financial Inclusion |  |
|  | Is AI utilized for credit assessment and fraud detection in your company? | 10 | Use of AI in Credit Assessment and Fraud Detection |  |

To collect data, this research will use a questionnaire distributed to respondents via Google Forms. The study employs hypotheses connected to the variables:

H1: There is an impact of digital transformation on financial services.

H2: There is an impact of AI risks on financial services.

H3: There is an impact of both digital transformation and AI risks on financial services.

The purpose of these three hypotheses is to empirically test the relationships between the independent variables and the dependent variable.

**RESULTS AND DISCUSSION**

A total of 84 respondents completed the questionnaire distributed via Google Forms. The responses will now be analyzed to gain insights into each respondent's feedback.

**Table 2.** Respondent Description

|  |  |  |  |
| --- | --- | --- | --- |
| **No** | **Gender** | **Frequency** | **Persentage (%)** |
| 1 | Male | 50 | 60 % |
| 2 | Female | 34 | 40% |
| Total | | 84 | 100 % |

**Source:** Processed Data

The table shows that the majority of respondents in this study are male, with 50 individuals accounting for 60% of the total 84 respondents. In contrast, female respondents total 34, representing 40% of the sample. This indicates that male respondents are more prevalent than female respondents in this study.

While the regression analysis indicates significant impacts of digital transformation and AI risks on financial services, the low R² value of 0.078 suggests that other external factors play a critical role. For instance, regulatory frameworks may either facilitate or hinder the successful implementation of AI and fintech solutions. Similarly, financial literacy among employees and customers can influence the effectiveness of digital financial services, as low literacy levels may result in miscommunication or misuse of digital platforms. Future studies should integrate these moderating factors into the analysis to provide a more comprehensive understanding of the dynamics at play.

**Test Validity**

Conceptions of Test Validity: The abstracts present various conceptions of test validity, including a focus on ontology, reference, and causality, along with an emphasis on the impact of testing on individuals [22]. The analysis revealed that the correlation values between individual question items and the total score ranged from 0.640 to 0.684 for the digital transformation variable and from 0.624 to 0.583 for the AI risk variable. For the financial services variable, the correlation values ranged from 0.754 to 0.771, indicating that all items are valid.

**Reliability Test**

Reliability testing plays a crucial role in ensuring the validity of research findings by confirming that the measurements are consistent and free from random error, which is essential for drawing valid conclusions from empirical studies [23]. A reliability test was conducted to evaluate the internal consistency of the questionnaire used in this study. Cronbach's Alpha, one of the most widely used methods for assessing internal consistency, was employed for this purpose. The results showed a Cronbach's Alpha value of 0.85, indicating a very high level of reliability. This suggests that the questionnaire items consistently and accurately measure the variables under investigation, making the instrument suitable for further measurement within the context of this research.

**Table 3.** Reliability Test

|  |  |  |
| --- | --- | --- |
| **Variable** | **Reliability Coefficient** | **Result** |
| Digital Transformation | 0,802 | Reliable |
| AI Risk | 0,749 | Reliable |
| Financial Services | 0,762 | Reliable |

**Source:** Processed Data

While the reliability coefficients across all variables indicate a high level of internal consistency, it is important to note that the sample size of 84 respondents, though adequate for initial exploratory analysis, may limit the generalizability of the findings. Future research should consider expanding the sample size and incorporating respondents from a wider range of financial institutions to enhance the robustness of the results. This indicates that the instrument used in this study is sufficiently consistent and dependable for measuring each of the variables under investigation.

**Classical Assumption Test**

The model does not present significant collinearity issues, as evidenced by the relatively low VIF value of 2.076. This suggests that changes in Financial Services can be predicted based on variations in the Digital Transformation and AI Risk variables, though it is important to note that the model may not fully account for all factors influencing Financial Services. Additionally, the Durbin-Watson value of 1.588 indicates no autocorrelation in the residuals, confirming that the assumption of residual independence in this regression analysis is satisfied.

.

**Multiple Regression Analysis**

**Table 4.** Regression Results

|  |  |  |  |
| --- | --- | --- | --- |
| **Variable Relationship** | **Regression Coefficient** | **Sig** | **Note** |
| Digital Transformation to Financial Services | 0,352 | 0,025 | Significant |
| AI Risk to Financial Services | 0,399 | 0,014 | Significant |
| Constant | 41.727 |  |  |
| R2 | 0,078 |  |  |
| Sig.F | 0,038 |  |  |
| N | 84 |  |  |

**Source:** Processed Data

The regression model demonstrates that both Digital Transformation and AI Risk have significant effects on Financial Services. Digital Transformation shows a negative impact, with a regression coefficient of 0.352 and a significance value of 0.025, indicating that for every one-unit increase in Digital Transformation, Financial Services decrease by 0.352 units. In contrast, AI Risk has a positive effect, with a regression coefficient of 0.399 and a significance value of 0.014, meaning that each one-unit increase in AI Risk results in a 0.399 unit increase in Financial Services. Both p-values (p < 0.05) indicate that these effects are statistically significant and unlikely to occur by chance.

The model's constant value of 41.727 represents the baseline level of Financial Services when Digital Transformation and AI Risk have no effect. Although the model is significant overall, with a Sig. F value of 0.038 and a sample size of 84, its ability to explain the variation in Financial Services is still limited, as indicated by the R² value of 0.078, meaning that only about 7.8% of the variation in Financial Services can be explained by this model.

**Hypothesis 1 (H1): Digital Transformation Has a Significant Impact on Financial Services**

The regression analysis reveals that digital transformation has a regression coefficient of 0.352 with a significance value of 0.025, indicating a significant negative relationship between digital transformation and financial services. In other words, an increase in digital transformation is associated with a reduction of 0.352 units in the value of financial services. While digital transformation offers numerous advantages, this finding suggests that challenges or barriers in the adoption process may adversely impact the quality of financial services.

**Hypothesis 2 (H2): AI Risk Has a Significant Impact on Financial Services**

The regression analysis indicates that AI risk has a regression coefficient of 0.399 with a significance value of 0.014, signifying a significant positive relationship between AI risk and financial services. This means that for every increase in AI risk, financial services improve by 0.399 units. While AI does present certain risks, such as those related to data security, its benefits, such as increased efficiency and enhanced accessibility often outweigh these risks, positively contributing to the quality of financial services.

**Hypothesis 3 (H3): Digital Transformation and AI Risk Together Have a Significant Impact on Financial Services**

The regression analysis demonstrates that both digital transformation and AI risk collectively influence financial services, with the overall model being statistically significant (Sig. F value = 0.038). The model's R² value of 0.078 indicates that 7.8% of the variation in financial services can be attributed to digital transformation and AI risk. Although the explanatory power of these two variables is limited, their impact is still significant. This suggests that additional factors, beyond digital transformation and AI risk, may also play a crucial role in shaping financial services.

**Discussion**

**Hypothesis 1 (H1) states that digital transformation has a significant impact on financial services.** The analysis results reveal a significant negative relationship between digital transformation and financial services, with a regression coefficient of 0.352 and a significance level of 0.025. While digital transformation brings benefits such as increased efficiency and accessibility, challenges in technology adoption can undermine the quality of financial services. Research suggests that companies frequently encounter difficulties in integrating new technologies, often due to insufficient infrastructure and human resource capabilities [24]; [25]. Therefore, it is essential for organizations to not only focus on adopting new technologies but also to develop a carefully planned implementation strategy to mitigate potential negative impacts [26]; [27].

**Hypothesis 2 (H2) proposes that the risks associated with the use of AI have a positive impact on financial services.** The regression results show a coefficient of 0.399 with a significance level of 0.014, indicating that despite risks like data security and regulatory uncertainty, the benefits of AI, such as enhanced operational efficiency and improved data analysis accuracy, can outweigh these risks [28]; [29]. AI improves the accuracy of credit assessments and detects fraud more effectively than traditional methods, thereby contributing positively to the overall quality of financial services [30]; [31].

**Hypothesis 3 (H3) posits that digital transformation and AI risks together have a significant impact on financial services.** The regression analysis yields a Sig. F value of 0.038, confirming that the observed effect is statistically significant. However, the R² value of 0.078 indicates that only 7.8% of the variation in financial services can be attributed to the two variables studied. This suggests that other factors, such as government regulations, technological infrastructure readiness, and human resource capabilities, also play critical roles in shaping the quality of financial services [32]; [33]; [34]. To achieve a comprehensive improvement in financial services, companies must consider factors beyond digital transformation and AI risk mitigation [34], including the dynamics of financial and economic correlation networks in banks as they implement digital transformation with well-targeted policies. In conclusion, while digital transformation and AI risks significantly impact financial services, challenges related to technology adoption, along with other external factors, play an equally crucial role in determining service quality. Therefore, a holistic and integrated approach is essential to achieving optimal outcomes in financial services in the digital era.

**CONCLUSION**

This study reveals that both digital transformation and the adoption of artificial intelligence (AI) have a significant impact on financial services, though the effects are complex and not uniformly positive. While digital transformation introduces various advancements, it may diminish the quality of financial services if the implementing organization is not sufficiently prepared. Conversely, despite the inherent risks associated with AI, this technology offers substantial benefits, such as improved efficiency and enhanced fraud detection, which ultimately enhance the quality of financial services. To optimize the impact of digital transformation and mitigate the inherent risks associated with AI, organizations must take a holistic approach that includes the development of robust technological infrastructure and comprehensive employee training programs. In addition, financial institutions should collaborate closely with regulatory bodies to ensure that AI implementations adhere to evolving legal frameworks, thereby reducing the risks of non-compliance and enhancing consumer trust. Furthermore, promoting financial literacy, both within organizations and among customers, is crucial for ensuring the effective utilization of digital financial services. These recommendations provide a pathway for improving service quality and market competitiveness in the digital era.

Companies must ensure they are fully prepared before adopting new technologies, including having the necessary infrastructure, skilled human resources, and a well-planned implementation strategy to prevent adverse effects on service quality. While AI provides significant benefits, it is essential for companies to implement robust risk mitigation strategies, particularly in areas such as data security and regulatory compliance, to maximize AI's advantages while minimizing potential risks. Beyond digital transformation and AI adoption, companies should also take into account other factors that influence the quality of financial services, such as regulatory frameworks, organizational readiness, and the financial literacy of users. Investing in employee training and the development of digital skills is critical to supporting digital transformation and AI integration, as a skilled workforce is better equipped to manage technological advancements and maintain service quality. By following these recommendations, companies can more effectively manage the impact of digital transformation and AI in financial services, thereby enhancing service quality and market competitiveness.

**REFERENCES**

[1] A. Jamal, Transformasi Industri Keuangan Melalui Perkembangan Teknologi Finansial (Fintech): Analisis Tantangan Dan Peluang, *Movere J.*, vol. 5, no. 02, pp. 297–304, 2023, doi: 10.53654/mv.v5i02.390.

[2] N. H. Posumah, Revitalisasi Industri Keuangan: Tinjauan Atas Perkembangan Terkini Fintech Di Jawa Barat, *J. Akunt. Dan Keuang. West Sci.*, vol. 2, no. 03, pp. 195–204, 2023, doi: 10.58812/jakws.v2i03.656.

[3] M. Khumairok, Regulasi Hukum Perbankan Dalam Menghadapi Tren Inovasi Fintech Dan Keberhasilan Industri Perbankan Di Era Society 5.0, *J. Multidisiplin Indones.*, vol. 2, no. 7, pp. 1719–1731, 2023, doi: 10.58344/jmi.v2i7.335.

[4] A. Alfiana, Analisis Kualitatif Kebijakan Pengembangan Produk FinTech Dalam Meningkatkan Akses Keuangan Dan Perilaku Konsumen Di Indonesia, *Sanskara Akunt. Dan Keuang.*, vol. 2, no. 01, pp. 28–37, 2023, doi: 10.58812/sak.v2i01.253.

[5] S. Budiarti, Teknologi Fintech Sebagai Agen Transformasi Dalam Meningkatkan Kepercayaan Wali Santri Terhadap Layanan Keuangan Syariah Di PM UQI Bogor, *Technomedia J.*, vol. 8, no. 3 Februari, pp. 126–147, 2023, doi: 10.33050/tmj.v8i3.2181.

[6] A. Khoiri, Analisis Implementasi Transformasi Pelayanan Berbasis Digital Lembaga Keuangan Mikro Syari’ah (Studi Kasus BMT UGT Sidogiri), *Iltizamat J. Econ. Sharia Law Bus. Stud.*, vol. 2, no. 2, pp. 69–76, 2023, doi: 10.55120/iltizamat.v2i2.1376.

[7] N. Safitri, I. Permadi, and E. Fathussyaadah, Literasi Keuangan Digital, Keberlanjutan Usaha Industri Kecil Dan Menengah Serta Dampaknya Terhadap Kesejahteraan Keuangan, *J. Ilm. Manaj. Ekon. Akunt.*, vol. 6, no. 3, pp. 1203–1214, 2022, doi: 10.31955/mea.v6i3.2478.

[8] I. K. D. N. Sugita and N. N. S. Ekayani, Pengaruh Literasi Keuangan, Inklusi Keuangan Dan Akses Permodalan Terhadap Keberlanjutan UMKM Pada Bidang Fashion Di Kota Denpasar, *J. Manaj. Dan Bisnis Equilib.*, vol. 8, no. 1, pp. 118–126, 2022, doi: 10.47329/jurnal\_mbe.v8i1.845.

[9] A. Astohar, D. A. M. Savitri, S. Rahmadhani, and S. Sugiharti, Pengaruh Keterampilan Keuangan Terhadap Inklusi Keuangan Pada Usaha Mikro Kecil Dan Menengah (Umkm) Di Kecamatan Kebonagung Kabupaten Demak Dengan Layanan Fintech Sebagai Variabel Intervening, *Ema*, vol. 28, no. 2, pp. 16–26, 2023, doi: 10.59725/ema.v28i2.12.

[10] R. A. Norrahman, Peran Fintech Dalam Transformasi Sektor Keuangan Syariah, *JBM*, vol. 1, no. 2, pp. 101–126, 2023, doi: 10.62421/jibema.v1i2.11.

[11] A. N. Wisung, Peran Otoritas Jasa Keuangan Dalam Menangani Penawaran Pinjaman Uang Online Oleh Layanan Pendanaan Bersama Berbasis Teknologi Informasi (LPBBTI), *Comserva J. Penelit. Dan Pengabdi. Masy.*, vol. 3, no. 1, pp. 233–247, 2023, doi: 10.59141/comserva.v3i1.770.

[12] O. Suryana, Teknologi Finansial Sebagai Modul Penerimaan Negara Generasi Ketiga, *Temat. Technol. Manag. Informatics Res. Journals*, vol. 5, no. 1, pp. 17–28, 2023, doi: 10.52617/tematics.v5i1.464.

[13] I. Ismamudi, Peran Bank Dan Lembaga Keuangan Dalam Pengembangan Ekonomi: Tinjauan Literatur, *Jan*, vol. 1, no. 2, pp. 35–44, 2023, doi: 10.59837/jan.v1i2.10.

[14] R. Shanti, Role of Digital Transformation on Digital Business Model Banks, *Sustainability*, vol. 15, no. 23, p. 16293, 2023, doi: 10.3390/su152316293.

[15] M. M. Thottoli, Embracing Digital Transformation in Financial Services: From Past to Future, *Sage Open*, vol. 13, no. 4, 2023, doi: 10.1177/21582440231214590.

[16] T. Sugihyanto, The Effect of Digital Banking, Digital Transformation on the Efficiency of Commercial Banks in Indonesia, *Int. J. Islam. Educ. Res. Multicult.*, vol. 5, no. 2, pp. 387–408, 2023, doi: 10.47006/ijierm.v5i2.242.

[17] S. Avira, Rofiah, E. Setyaningsih, and S. S. Utami, Digital Transformation in Financial Management: Harnessing Technology for Business Success, *Influ. Int. J. Sci. Rev.*, vol. 5, no. 2, pp. 336–345, 2023, doi: 10.54783/influencejournal.v5i2.161.

[18] M. Hasan, Y. Lu, and S. Khan, Promoting China’s Inclusive Finance Through Digital Financial Services, *Glob. Bus. Rev.*, vol. 23, no. 4, pp. 984–1006, 2020, doi: 10.1177/0972150919895348.

[19] P. K. Ozili, Impact of Digital Finance on Financial Inclusion and Stability, *Borsa Istanbul Rev.*, vol. 18, no. 4, pp. 329–340, 2018, doi: 10.1016/j.bir.2017.12.003.

[20] S. Carbó-Valverde, P. J. Cuadros-Solas, and F. Rodríguez-Fernández, The Effect of Banks’ IT Investments on the Digitalization of Their Customers, *Glob. Policy*, vol. 11, no. S1, pp. 9–17, 2020, doi: 10.1111/1758-5899.12749.

[21] P. Gekhaeva, Global Digital Transformation Trends: Financial-Economic Sector, *SHS Web Conf.*, vol. 172, p. 2025, 2023, doi: 10.1051/shsconf/202317202025.

[22] A. J. Arce and M. J. Young, Test efficacy: Refocusing validation from college exams to candidates, *Int. J. Test.*, vol. 22, no. 1, pp. 100–119, 2022, doi: 10.1080/15305058.2021.2019752.

[23] R. O. Mueller and T. R. Knapp, Reliability and Validity, in *The Reviewer’s Guide to Quantitative Methods in the Social Sciences: Second Edition*, 2018, pp. 397–401. doi: 10.4324/9781315755649-29.

[24] J. Chen, Fintech: Digital Transformation of Financial Services and Financial Regulation, *Highlights Bus. Econ. Manag.*, vol. 30, pp. 38–45, 2024, doi: 10.54097/512jkg86.

[25] D. Rahmawati, A. R. Thaha, and A. Priyanto, Financial Literacy, Digital Transformation Adoption, and Their Significance to the MSMEs Performance in Bandung City, *J. Manaj. Bisnis Dan Kewirausahaan*, vol. 7, no. 1, pp. 213–223, 2023, doi: 10.24912/jmbk.v7i1.20702.

[26] B. R. Dhungana, Customer Perception Toward Digital Financial Services: A Case of Pokhara, Nepal, *Butwal Campus J.*, vol. 6, no. 1, pp. 1–11, 2023, doi: 10.3126/bcj.v6i1.62573.

[27] S. Musau, Digital Transformation and Liquidity Risk of Commercial Banks in Kenya, *J. Financ. Account.*, vol. 6, no. 2, pp. 121–132, 2022, doi: 10.53819/81018102t5079.

[28] S. Zakaria, Has the World of Finance Changed? A Review of the Influence of Artificial Intelligence on Financial Management Studies, *Inf. Manag. Bus. Rev.*, vol. 15, no. 4(SI)I, pp. 420–432, 2023, doi: 10.22610/imbr.v15i4(si)i.3617.

[29] H. Lu, Integration and Transformation: The Impact and Applications of Artificial Intelligence in the Financial Sector, *Appl. Comput. Eng.*, vol. 42, no. 1, pp. 140–146, 2024, doi: 10.54254/2755-2721/42/20230769.

[30] O. B. Adeoye, Leveraging Ai and Data Analytics for Enhancing Financial Inclusion in Developing Economies, *Financ. Account. Res. J.*, vol. 6, no. 3, pp. 288–303, 2024, doi: 10.51594/farj.v6i3.856.

[31] S. Qi, Fintech and the Digital Transformation of Financial Services, *BCP Bus. Manag.*, vol. 41, pp. 289–294, 2023, doi: 10.54691/bcpbm.v41i.4445.

[32] M. P. Loginov, N. V Usova, and A. Baigotanova, Ensuring Sustainable Development of the National Financial Market Based on Digital Financial Services, *SHS Web Conf.*, vol. 93, p. 2029, 2021, doi: 10.1051/shsconf/20219302029.

[33] N. R. Moşteanu and B. M. Fathi, Financial Digitalization and Its Implication on Jobs Market Structure, *Bus. Manag. Rev.*, vol. 11, no. 01, 2020, doi: 10.24052/bmr/v11nu01/art-32.

[34] I. Mavļutova, T. Volkova, A. Natrins, A. Spilbergs, I. Arefjevs, and I. Miahkykh, Financial Sector Transformation in the Era of Digitalization, *Stud. Appl. Econ.*, vol. 38, no. 4, 2021, doi: 10.25115/eea.v38i4.4055.