

# The impact of corporate governance on shared value creation: Case of Tunisian Fintech's

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## ABSTRACT

Fintech's corporate governance practices remain an ambiguity, causing increased risks worldwide. This research examined the impact of corporate governance internal mechanisms, on shared value creation in Tunisian Fintech's. We studied several CG mechanisms, mainly the board of directors and ownership structure. The positive impact of CG internal mechanism on CSV is the most highlighted finding of our study. Shared value creation is our dependent variable. Data were obtained from Tunisian fintech's covering main operating segments, during 2020- 2024. Our methodology is a quantitative approach. We processed using the structural equation method (PLS). This study sheds light on the business and social results generated by Fintech, contributing new data to the literature.

## METHODS

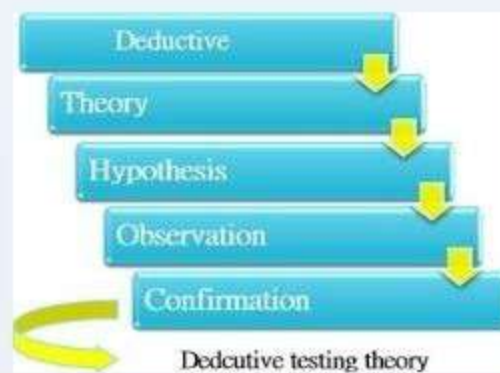
**Quantitative research methods:** To collect quantitative data, we use operationalized definitions translating abstract concepts observable and quantifiable measures. **Research**

**Approach:** Deductive starts with a theory, focuses down to a hypothesis about a specific matter, then makes observations to test the hypothesis, finally confirming or rejecting the hypothesis. In this thesis, we don't plan to develop any theory, so we didn't follow inductive approach.

We followed a deductive approach which provides more specific conclusions to the phenomenon and provides generalized opinions Ketokivi (2010).

**Operationalization of variables:** The Survey.

After having mainly used constructs defined by American researchers, the nature of the scales used is that of Likert (1970). We adopted a five-level Likert scale for data collection.



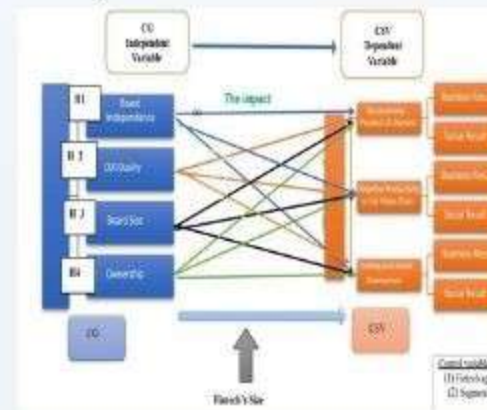
## Objectives

**Central question:** To which extent CG internal mechanisms; impact CSV in Tunisian Fintech's?

**Secondary questions:** What are the - used mechanisms of CG within Tunisian Fintech's? - What are the relevant CG mechanisms to Fintech's issues. - What priority CSV has in Tunisian FinTech's strategic choices?

**Main objectives established:**

- Assess the impact of "CG" on the CSV.
- Determine which CG mechanisms have an impact on the CSV in Tunisian Fintech.
- Demonstrate the mediating role of "Fintech's size" in the relationship Fintech governance and the CSV.
- Demonstrate the role of the control variables "Fintech's segments and Fintech's age" in the relationship between Fintech CG and the CSV.



**Theoretically,** the study aims to :

- Understand the relationship between Fintech governance and the CSV
- Specify a research model translating the relationship between these variables.
- Check if internal governance mechanisms affect the creation of shared value in FinTech's.

**On the empirical level,** the thesis seeks to:

- Operationalize theoretical constructions. (Validate the specified model)
- Test the measurement scales of internal CG and the CSV in the Tunisian context.
- Study the significance of the relationship between the variables of the specified model. - Understand the level of importance of the relationship.
- Identify the determinants of the relationship between CG and the CSV.

## SAMPLING AND DATA COLLECTION

**The sample:**

➤ **Sampling Technique:** Non-probabilistic (or empirical) methods, results based on the most representative units of the population. (Sinéchal 2005).

➤ Due to the nature of the industry and limited listed FinTech's, we used non-probability sampling method adopting the convenience sampling method. It involves selecting participants based on their accessibility and availability to the researcher.

**Research design:**

**Data collection and investigation method:**

➤ **Data collection:** (Primary Data) to analyze our research problem. It provides more accurate information as questions relevant to the research topic are asked in the survey.

As per the nature of our study, purpose, and research question targeting an on-progress industry in Tunisia (Fintech's), primary data is the most suitable

**-Sample's Nature:** the Tunisian FinTech's operating in Tunisia (nature of problem, the international context questioning Fintech's governance and its potential for CSV).

## Data Analytical Methods

- 1.Descriptive research** measures the central tendency of variables
- 2.The correlation matrix** measures the linear relationship between two quantitative variables, and how strong the relationship is.
- 3.The multiple regression analysis** assuming that there is a linear relationship between independent and dependent variables.

## RESULTS

- H1: "The board independence" has a negative impact on CSV. (Accepted)
  - H2: "CEO duality" has a negative impact on CSV. (Accepted in specific conditions)
  - H3: "Board size" has a negative impact on CSV. (Rejected)
  - H4 (a): The ownership structure have a positive impact on creating shared value. (Accepted in specific conditions).
  - H5 Fintech's size moderates Fintech's CG internal mechanism. The moderating effect is verified.
- The positive impact of CG internal mechanism (board's size and ownership structure) on CSV is the most highlighted finding of our study.**

## CONCLUSION

The study results can serve several stakeholder groups to understand the landscape of Fintech's in Tunisia.

- First, the study findings can be beneficial to academics, in terms of new knowledge and understanding of Fintech Tunisian regulator context and ecosystem.
- Second, our investigation may assist Fintech's managers in strategizing shared value creation, enhancing their competitiveness during uncertainty and volatility.
- for Third, the findings have implications policymakers in Tunisia and MENA countries which have a similar culture, ecosystem and/or socio-economic institutions.
- Our study is the first to examine the impact of corporate governance internal mechanism on shared value creation in Tunisian Fintech's.

## CONTACT

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