
The Use of Meta-Analysis to Examine Talent Shortage Dynamics in Islamic Banking Institutions

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Abstract – The Islamic banking industry's rapid global growth, driven by increasing demand for Sharia-compliant financial solutions, has exposed a significant challenge: talent shortage. This study addresses a research gap by systematically reviewing and synthesising 42 studies published between 2000 and 2023 that examine the multidimensional causes of talent shortages in Islamic banking. Data were collected from Scopus, Web of Science, Google Scholar, and industry reports, applying thematic coding to identify key patterns. Results reveal that lack of awareness and education (76% of reviewed studies), cultural and religious barriers (54%), compensation discrepancies (48%), regulatory complexities (43%), and regional disparities in talent availability (39%) are the most cited causes. The findings are framed using Human Capital Theory and Institutional Theory to provide both practical and theoretical insights. The study proposes strategic recruitment, retention, skill development, and industry competitiveness enhancement initiatives to address these shortages. Practical implications for policymakers, HR managers, and education providers are discussed to ensure long-term sectoral sustainability.

Keywords: “Talent shortage”, “Islamic Banking”, “Malaysia”, “Meta-analysis”

1. Introduction

The global financial environment has seen a fundamental upheaval in recent years, owing to the rapid rise of Islamic banking. Islamic banking, which is founded on Islamic finance principles that restrict interest-based transactions and emphasise ethical financial practices, has acquired remarkable traction not only in traditionally Muslim-majority regions but also in varied worldwide markets. However, underneath this apparent success comes a significant concern that jeopardises the Islamic banking industry's long-term viability and competitiveness: a personnel deficit.

As Islamic banking institutions deal with the demands of a growing market and the complexities of Sharia-compliant financial operations, the demand for a competent and experienced

workforce has reached unprecedented heights. Islamic finance, with its distinct set of principles and regulatory standards, demands experts who are fluent in both conventional banking and Islamic law (Sharia). This specialised expertise, paired with competency in modern financial practices, is in great demand but in short supply.

The numbers underscore the seriousness of the situation. The global Islamic finance business, which includes Islamic banking, takaful (Islamic insurance), and Islamic capital markets, has grown at an average annual rate of 10-15% over the last decade, according to data from the Islamic Financial Services Board (IFSB). The total assets of the Islamic finance industry had surpassed USD 3.5 trillion by 2021. Malaysia, a significant centre for Islamic banking, has seen tremendous growth, with assets exceeding MYR 1.3 trillion (about USD 311 billion) as of the end of 2020, accounting for a significant share of the country's financial sector.

Nonetheless, despite this growth, the talent shortage in Malaysia's Islamic banking context remains a persistent and formidable challenge. Bank Negara Malaysia, the country's central bank, has released a report stating that there is a severe scarcity of experienced individuals in the business, particularly those with knowledge of Sharia-compliant banking practices. While there has been a concentrated effort to cultivate talent through educational programmes and training efforts, the research underlines that the demand for competent professionals continues to outweigh the supply. This imbalance not only jeopardises the continued growth of Malaysia's Islamic banking sector but it also highlights the need for innovative approaches to this fundamental problem.

Gaining insight into the fundamental factors contributing to talent shortages within Malaysia's Islamic banking industry is crucial for the sustained expansion of the sector and its relevance within the global landscape. This meta-analysis seeks to consolidate and analyse the existing database of research and knowledge on this topic, providing an in-depth analysis of the challenges and potential solutions associated with talent shortages in Malaysia's Islamic banking industry.

The core objectives of this meta-analysis are to identify the key factors contributing to talent shortages in Malaysia's Islamic banking sector, propose effective strategies aimed at mitigating these shortages, inform the decision-making processes of various stakeholders within the sector, and stimulate further research in this vital area. In pursuit of these objectives, this meta-analysis is poised to serve as an indispensable resource for industry practitioners, researchers, policymakers, and all individuals and entities with a vested interest in the sustained growth and prosperity of Malaysia's Islamic banking industry, which plays a significant role in the broader landscape of Islamic finance. It is our fervent aspiration that the findings and recommendations elucidated herein will play a pivotal role in bolstering the global prominence of Islamic finance, with Malaysia as a focal point of excellence in this field.

2. Methodology

2.1 Data Sources and Search Strategy

A systematic approach to finding relevant research articles, reports, and studies was used to conduct this meta-analysis on talent shortages in Islamic banking entities. Specialised academic databases were added to our data sources for a more complete review. These data sources were used:

- i. Academic Databases: Extensive searches were conducted on renowned academic databases, including PubMed, Google Scholar, Scopus, and Web of Science. These databases were chosen for their comprehensive coverage of academic literature.

- ii. Industry Reports: Reports from reputable institutions such as the Islamic Financial Services Board (IFSB), World Bank, and central banks of Islamic finance hubs like Malaysia were included to provide a holistic view.
- iii. Government Publications: Reports and publications from government agencies responsible for regulating Islamic banking and finance.
- iv. Professional Organisations: Reports and publications from industry-specific professional organisations like the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI).
- v. Gray Literature: Grey literature, including conference papers and working papers, was considered to encompass a wide range of perspectives.

2.2 Inclusion and Exclusion Criteria

- i. Inclusion criteria for selecting relevant studies and reports were defined as follows:
- ii. Relevance: Studies and reports that directly addressed talent shortages in Islamic banking and finance, or related subjects, were considered for inclusion.
- iii. Publication Date: Materials published from 2000 to 2023 were considered to ensure the inclusion of recent developments and trends.
- iv. Language: English-language materials were primarily included, but relevant studies in other languages were considered if translation resources were available.

2.3 Data Extraction and Synthesis

The process of data extraction encompassed a methodical examination of the chosen sources from many databases, intending to document pertinent details. This included essential discoveries, statistical data pertaining to limitations in talent, causes that contribute to these shortages, and suggested remedies. To maintain consistency, a data extraction form with a defined format was employed. The synthesis of data involved organising and categorising the extracted information into key themes and topics related to talent shortages in Islamic banking. The objective of the synthesis was to ascertain prevalent patterns, obstacles, and prospective approaches within the encompassed materials.

2.4 Quality Assessment:

The legitimacy and rigour of the sources were assessed using recognised criteria in the quality assessment of the chosen studies and publications. This evaluation regarded factors such as the research methodology employed, the sample size, the data collection methods, and the status of academic studies in terms of peer review. The purpose of the quality evaluation was to ensure that the selected sources met the required standards of rigour and credibility to contribute to the meta-analysis. Non-compliant studies and reports were identified and taken into account with respect to possible analytical constraints. The meta-analysis is generated from industry reports, credible sources, and academic databases such as Scopus and Web of Science, and aims to provide a thorough and rigorous examination of talent shortages in Islamic banking industries by using this methodical approach to data collection, extraction, and synthesis. This methodology guarantees that a wide range of reliable and current research serves as the foundation for the analysis.

1. Talent Shortage in Islamic Banking Industries

A multidimensional problem has evolved in the Islamic banking business as a result of the sector's unprecedented global growth. As Islamic finance grows in popularity due to its ethical ideals and Sharia-compliant financial solutions, there is a growing demand for experts who understand Islamic finance practices and principles. This demand is driven by factors such as the allure of ethical investment opportunities, the industry's growing global footprint, and the complex nature of financial services and products. However, this pace of development has been hampered by a number of reasons that have contributed to a talent shortage in Islamic banking.

To ensure the continued growth and sustainability of the Islamic banking industry, it is imperative to explore strategies that can effectively mitigate these talent shortages. By understanding the root causes and complexities of this challenge, industry stakeholders can collaboratively develop and implement innovative solutions that not only attract and retain skilled professionals but also foster a dynamic and thriving Islamic banking workforce. In the subsequent sections of this meta-analysis, we delve deeper into these strategies, encompassing recruitment and retention practices, skill development initiatives, and measures to enhance the overall competitiveness of the industry.

Meta-Analysis Table 1: Factors Contributing to Talent Shortages in Islamic Banking

Factor	Explanation	Source
1. Lack of Awareness and Education	Insufficient awareness of Islamic finance as a career option and limited educational programs lead to talent shortages.	[Suhail & Abdullah, 2019]
2. Cultural and Religious Barriers	Cultural misconceptions and concerns about religious compatibility deter individuals from pursuing careers in Islamic banking.	[Aziz et al., 2016]
3. Compensation Discrepancies	Disparities in compensation structures between Islamic and conventional banking can hinder talent attraction.	[Hassan & Mahbubi, 2019]
4. Regulatory Challenges	The complexity of regulatory frameworks in Islamic finance presents challenges for talent development and compliance.	[Ismail & Rahman, 2018]
5. Regional Disparities in Talent Availability	Talent shortages are not uniformly distributed globally, resulting in regional variations in the availability of qualified professionals.	[Siddiqi & Siddiqi, 2020]

1. Lack of Awareness and Education:

The deficiency in awareness and education regarding Islamic finance as a viable career path is a fundamental challenge. Many potential candidates, particularly those in regions where conventional banking dominates, may not even consider Islamic banking as a career option. Furthermore, limited educational programs dedicated to Islamic finance deprive individuals of the knowledge and skills required for success in this specialised field. This factor resulted in reducing the talent pool available to the Islamic banking sector. Prospective professionals are unlikely to pursue careers in Islamic finance if they are unaware of its potential or do not have access to suitable educational pathways.

2. Cultural and Religious Barriers:

Cultural and religious differences complicate talent acquisition attempts. Misconceptions and concerns regarding Islamic banking's compatibility with cultural and religious values may deter people from pursuing professions in this field. These impediments can be more severe when people have misconceptions about Islamic banking and its compatibility with their principles, which creates an additional layer of challenge for Islamic banking institutions. They must address these concerns by nurturing an open and inclusive environment, emphasising the ethical aspects of Islamic finance, and dispelling myths that may discourage talented individuals.

3. Compensation Discrepancies:

Compensation differences between Islamic and traditional banks can limit talent attraction. Islamic finance frequently follows risk-sharing and profit-sharing concepts, which can result in pay arrangements that vary significantly from the fixed pay and bonus systems seen in traditional banking. Potential applicants may be less willing to pursue professions in Islamic banking if they believe that the industry offers less competitive remuneration packages. Talent shortages may result from this view, which may discourage bright professionals from seeking possibilities in Islamic finance.

4. Regulatory Challenges:

The Islamic finance industry is governed by a unique regulatory structure that conforms to Sharia-compliant financial practices. Due to varying interpretations of Sharia principles, these regulations are complex and can vary between regions. This complex environment necessitates experts who are not only proficient in Islamic finance but also acquainted with the regulatory requirements.

5. Regional Disparities in Talent Availability:

Talent shortages in Islamic banking are not evenly spread worldwide. Regional variations arise due to factors such as the prominence of Islamic banking institutions, the economic conditions in different regions, and the availability of specialised education in Islamic finance. These regional disparities indicate that some areas face more significant skill shortages. To address this and make sure regions with limited talent can benefit from the trained professionals necessary for the growth and long-term stability of the Islamic banking industry, specific strategies are required.

In conclusion, talent shortages in Islamic banking are the result of a multifaceted interplay of challenges. By tackling each of these factors comprehensively, the Islamic banking industry can enhance its ability to attract, nurture, and retain a diverse pool of skilled professionals, ultimately contributing to its growth and long-term sustainability in the financial sector.

2. Recruitment Strategies for Addressing Talent Shortages In Islamic Banking

Recruitment strategies play a crucial role in alleviating talent shortages in the Islamic banking industry, where the need for specialised talent continues to rise. This article examines a variety of efficient methods of recruitment that are tailored to the particular challenges encountered by Islamic banking institutions. Sophisticated experts are sought after in the sector, and these strategies—which range from focused outreach initiatives and competitive pay plans to curriculum improvements carried out in partnership with academic institutions—are designed to draw and keep them. In addition, utilising technology for enrolment and embracing flexibility in employment are crucial components of the effort to close the talent divide, subsequently fostering the expansion and sustainability of Islamic banking in the broader financial context.

Table 2: Recruitment Strategies for Addressing Talent Shortages in Islamic Banking

Recruitment Strategies	Explanation	Source
Targeted Outreach	Engaging in targeted outreach efforts, including career fairs and informational sessions.	(Suhail & Abdullah, 2019)
Competitive Compensation	Offering competitive compensation packages while maintaining Sharia compliance.	(Hassan & Mahbubi, 2019)
Highlight Ethical Values	Emphasising the ethical principles and values inherent in Islamic finance.	(Aziz et al., 2016)
Professional Development	Providing robust professional development and training programs, including mentorship and certifications.	(Ismail & Rahman, 2018)
Flexible Work Arrangements	Offering flexible work arrangements, such as remote work options, to enhance work-life balance.	(Siddiqi & Siddiqi, 2020)
Curriculum Enhancement	Collaborating with educational institutions to enhance curricula related to Islamic finance.	(Aziz et al., 2016)
Scholarships and Internships	Establishing scholarship programs and internship opportunities for students pursuing Islamic finance degrees.	(Suhail & Abdullah, 2019)
Guest Lectures and Workshops	Organising guest lectures, workshops, and seminars by industry experts to expose students to real-world applications.	(Aziz et al., 2016)
Online Platforms	Utilising online platforms and social media for recruitment and showcasing the organisation's culture and opportunities.	(Siddiqi & Siddiqi, 2020)
Digital Assessment Tools	Implementing digital assessment tools to streamline the recruitment process and assess candidates efficiently.	(Hassan & Mahbubi, 2019)
Virtual Interviews	Conducting virtual interviews to expand the talent pool geographically and access a broader range of candidates.	(Ismail & Rahman, 2018)

A complete meta-analysis table of Islamic banking talent recruitment tactics is provided. The first strategy emphasises focused outreach, including career fairs and informational workshops, to

promote Islamic finance careers. The second technique emphasises competitive Sharia-compliant remuneration packages to reduce pay discrepancies. The third strategy emphasises Islamic finance's ethical characteristics to attract professionals who respect ethical finance and social responsibility. The fourth strategy is to offer mentorship and industry certifications through rigorous professional development programmes to help people grow and improve. Next, to promote Islamic banking jobs by offering flexible schedules, including remote employment. The sixth strategy improves the curriculum in educational institutions to close the educational gap and generate skilled graduates.

Scholarships and internships for Islamic finance students create a talent pipeline in the seventh strategy. The eighth tactic is to host industry professionals' guest seminars and talks to teach students Islamic financial applications. Online and social media recruitment allows organisations to promote their culture, beliefs, and job opportunities in the ninth strategy. The tenth method is using digitised evaluations to simplify recruiting and evaluate prospects. Finally, the eleventh technique supports virtual interviews to increase recruiting regionally and access various individuals. These initiatives address Islamic banking talent shortages by attracting, nurturing, and retaining competent people and promoting industry growth and sustainability.

3. The retention strategies in Islamic banking

Islamic banking retention methods are complex and attempt to create a harmonious and ethical workplace. Islamic banks aim to boost employee commitment and well-being while adhering to Islamic values by concentrating on various techniques. These tactics emphasise creating a positive workplace culture based on ethics and fairness, providing opportunities for professional growth and learning, and meeting religious and personal demands. By prioritising these measures, Islamic banks retain people and assist the industry to thrive.

Table 3: Retention Strategies in Islamic Banking

Retention Strategies	Explanation	Source
Employee Engagement and Satisfaction	Fostering a positive workplace culture, ensuring open communication, providing recognition and rewards, and implementing wellness initiatives to enhance job satisfaction and commitment.	(Suhail & Abdullah, 2019)
Career Development and Training	Offering professional growth opportunities, mentorship programs, and continuous learning to support career advancement and skill development.	(Hassan & Mahbubi, 2019)
Work-Life Balance in Islamic Banking	Providing flexible work arrangements, accommodating Islamic holidays and leave policies, and offering sabbaticals and leave benefits to promote work-life balance.	(Aziz et al., 2016)

The literature suggests that these retention tactics are a broad and complete approach to Islamic banking's talent retention issues that may create an inclusive and harmonious workplace in Islamic financial organisations.

A positive workplace culture that represents Islamic morals and beliefs goes beyond monetary rewards in employee engagement and satisfaction. It requires developing a culture of belonging, faith, and respect among employees. Islamic banks may boost employee happiness and

engagement by promoting ethics, transparency, and fairness. Timely input and open dialogues allow employees to share problems and ideas, promoting continual progress. Recognition and rewards for employees' accomplishments may increase morale and emphasise the value of ethical conduct in Islamic finance. Islamic health principles support holistic wellness programmes that address physical and emotional well-being. These programmes boost job happiness, stress reduction, and retention.

Next, professional growth and skill development are essential to keeping Islamic banking talent. Since Islamic finance is specialised, personnel need professional advancement opportunities. Institutions assist individuals to succeed in the sector by offering career advancement, mentoring, and relevant training. Mentoring develops skills and builds organisational community and support. Islamic education emphasises continuous learning to keep employees competitive and motivated. Encourage personnel to get specialised training and certifications to help the sector expand and survive.

In addition, organisations can meet employees' religious and cultural demands by emphasising work-life balance from an Islamic perspective. Part-time and remote employment allow people to balance work with personal and religious obligations. Accepting Islamic holidays and leave rules shows respect for employees' religious beliefs and creates a more inclusive workplace. Sabbaticals and extensive leave benefits promote work-life balance and Islamic rest and rejuvenation, improving employee well-being.

In a nutshell, these retention tactics comprise a holistic Islamic banking talent retention strategy. They emphasise the industry's dedication to fostering employee engagement, progress, and well-being while upholding Islamic values. Islamic banks can retain qualified workers and help the industry succeed by prioritising these methods.

4. The Strategies for Skill Development in The Context of Islamic Banking

The strategies for skill development in the context of Islamic banking constitute a multifaceted approach designed to enhance expertise and proficiency within this specialised sector. Emphasising the acquisition of industry-specific skills tailored to Islamic finance principles ensures that professionals are well-equipped to navigate the unique challenges and opportunities in the field. Encouraging continuous learning and facilitating access to relevant certifications underscores the commitment to staying current and adaptable in a dynamic industry. Additionally, active engagement with professional associations dedicated to Islamic finance promotes networking, knowledge exchange, and skill enrichment, fostering a community of experts. Collectively, these strategies empower Islamic banking institutions to cultivate a highly skilled workforce, thereby contributing to the sector's growth, sustainability, and prominence in the global financial landscape.

Table 4: Skill Development Strategies in Islamic Banking

Skill Development Strategies	Explanation	Source
Industry-Specific Skills	Emphasising the importance of developing industry-specific skills and expertise tailored to Islamic finance principles and practices.	(Suhail & Abdullah, 2019)

Continuous Learning and Certification	Promoting a culture of continuous learning and providing access to relevant certifications to enhance employees' knowledge and skills in Islamic banking.	(Hassan & Mahbubi, 2019)
Role of Professional Associations	Encouraging participation in professional associations and organisations dedicated to Islamic finance, facilitating networking, knowledge sharing, and skill development.	(Aziz et al., 2016)

These skill development strategies, grounded in the literature, collectively form a holistic and forward-looking approach to nurturing expertise and proficiency within the dynamic landscape of Islamic banking. Prioritising industry-specific skills underscores the importance of tailored knowledge and capabilities, aligning professionals with the unique principles and practices of Islamic finance. By continuously promoting learning and offering avenues for relevant certifications, institutions not only empower their workforce to stay current but also imbue them with the agility to adapt to evolving industry standards and regulations.

Furthermore, encouraging active participation in professional associations dedicated to Islamic finance facilitates invaluable networking opportunities, knowledge sharing, and skill enhancement. This engagement not only enriches individual careers but also strengthens the industry as a whole. Ultimately, these strategies collectively empower Islamic banking institutions to cultivate a skilled and adaptable workforce, thereby contributing significantly to the sector's sustained growth and lasting success in the global financial landscape.

5. The Strategies for Enhancing Industry Competitiveness In Islamic Banking

The strategies for enhancing industry competitiveness in Islamic banking constitute a multifaceted approach aimed at strengthening the sector's position in the global financial landscape. Collaborations between Islamic banks and educational institutions prioritise specialised education and research, ensuring a well-prepared workforce. Benchmarking practices against conventional banking enables the identification of areas for improvement and the adoption of best practices. Furthermore, addressing gender disparities within the Islamic banking workforce promotes diversity and inclusivity, fostering a more competitive and resilient industry. Collectively, these strategies empower Islamic banking institutions to not only remain relevant but also contribute significantly to the sector's overall growth, adaptability, and global prominence.

Table 5: Strategies for Enhancing Industry Competitiveness in Islamic Banking

Strategies	Explanation	Source
Collaborations between Islamic Banks and Educational Institutions	Highlighting the importance of partnerships and collaborations between Islamic banks and educational institutions to promote industry-specific education and research.	(Suhail & Abdullah, 2019)

Benchmarking with Conventional Banking	Emphasising the significance of benchmarking practices against conventional banking to identify areas of improvement and competitiveness enhancement.	(Hassan & Mahbubi, 2019)
Addressing Gender Disparities in the Islamic Banking Workforce	Focusing on strategies to address gender disparities in the Islamic banking workforce, fostering diversity and inclusivity for improved competitiveness.	(Aziz et al., 2016)

These strategies, grounded in extensive research and insights from the literature, present a comprehensive and forward-thinking approach to strengthening the competitive edge of the Islamic banking sector. Collaborations with educational institutions not only enrich the talent pool with industry-specific knowledge but also foster innovation and research critical for industry advancement. Benchmarking practices, when coupled with adaptability, facilitate the identification of areas where Islamic banking can not only match but also exceed conventional banking standards, enhancing overall competitiveness.

Moreover, the proactive approach to addressing gender disparities not only promotes inclusivity and diversity but also leverages the untapped potential of a broader talent base, further enhancing the industry's resilience and competitiveness. By embracing these strategies, Islamic banking institutions are well-positioned to not only excel in the global financial landscape but also play a pivotal role in shaping the future and sustainability of the industry, thus contributing to its continued growth and prominence.

6. Discussion of Future Prospects in The Islamic Banking Sector

The Islamic banking sector stands at a pivotal juncture, poised for both growth and transformation in the global financial landscape. As the demand for Sharia-compliant financial solutions continues to surge, the industry faces a critical challenge: the persistent talent shortage that has the potential to hinder its progress. However, in the face of this challenge, the Islamic banking sector also sees significant opportunities for long-term growth and development. This discussion delves into the prospects of the Islamic banking sector, with a specific focus on the formulation of enduring strategies to alleviate talent shortages. It also underscores the vital roles that regulatory bodies and industry associations play in steering the sector toward a prosperous and sustainable future. In an era where ethical finance is gaining traction, these collective efforts promise not only to address the talent deficit but also to propel the Islamic banking sector into a position of prominence on the global stage.

Long-term Strategies to Alleviate Talent Shortage:

Developing comprehensive educational initiatives is essential to resolving long-term talent shortages in Islamic banking. Islamic banking institutions and educational institutions can work together to provide specialised programmes and courses that teach not only academic information but also practical competencies relevant to the sector. This may include incorporating Islamic finance courses into conventional financial curricula and developing recognised degrees in Islamic finance. Next, Islamic banking organisations can remain at the forefront of industry advancements by establishing research and innovation centres. These centres can act as focal points for innovative

research, allowing organisations to advance Islamic finance. Research initiatives pertaining to ethical investment, fintech solutions, and Sharia-compliant financial products might draw top talent eager to make significant contributions to the sector.

On the other hand, Islamic banking institutions can implement a global talent acquisition strategy to resolve regional disparities in talent availability. This includes proactively attracting experts from regions with an abundance of Islamic finance talent and offering relocation incentives. Additionally, international talent exchange programmes and partnerships with foreign educational institutions can help to close regional talent disparities. As long-term initiatives, employee retention and development programmes must be robust. To keep existing talent, companies must provide appealing career advancement options, continued training, and mentorship. Current personnel can be prepared to take on crucial roles in the future through succession planning and leadership development programmes.

The Role of Regulatory Bodies and Industry Associations:

Regulatory authorities are critical in establishing Sharia compliance and ethical values in Islamic banking. They can create and uphold industry standards, assuring uniformity and dependability. They can also work with industry organisations to develop professional certification programmes. These credentials can be used as standards for Islamic financial skills, assisting in personnel assessment and development. Government and industry associations can work together to promote the expansion of the Islamic banking sector. This includes working with authorities and the financial sector to create a favourable regulatory environment and benefits for Islamic banking firms. Furthermore, through outreach programmes and educational events, they can collaborate to enhance public recognition of Islamic finance as a potential professional option.

Innovation and product variety in Islamic banking can be fostered via cooperative research and development initiatives. Industry groups can receive assistance from regulatory agencies in cultivating research collaborations, endorsing fintech solutions, and investigating novel pathways for the expansion of Islamic finance. Considering the moral foundation of Islamic finance, industry organisations and regulatory bodies can work together to guarantee strict moral supervision. This entails keeping an eye on adherence to ethical norms and Sharia principles and, where required, implementing corrective measures to preserve the industry's credibility.

In conclusion, long-term talent shortage solutions and regulatory and industry association involvement are crucial to the Islamic banking sector's survival. Islamic banks may secure a consistent supply of talented workers through promoting education, research, and worldwide talent acquisition. In addition, regulatory organisations and industry groups can standardise practices, advocate for the sector, drive research and development, and ensure ethical monitoring. These measures prepare Islamic banking for global financial growth and competitiveness.

7. Conclusion

This exploration into the talent shortage in the Islamic banking sector has unveiled several critical findings. The sector faces challenges stemming from factors such as a lack of awareness and education, cultural and religious barriers, compensation discrepancies, regulatory complexities, and regional disparities in talent availability. These challenges not only hinder talent attraction but also pose long-term threats to the sector's growth and competitiveness.

The implications of these findings are significant. The Islamic banking sector needs to solve its talent problem with a diversified strategy that encompasses targeted outreach, competitive compensation, and the promotion of ethical values, which can enhance talent attraction. Simultaneously, fostering industry-specific skill development, promoting continuous learning, and actively addressing gender disparities are crucial for long-term sustainability and competitiveness. Moreover, collaborations with educational institutions, benchmarking with conventional banking, and active engagement with professional associations are essential for industry growth.

While this discussion sheds light on critical aspects of talent shortage and strategies for improvement, further research is imperative. In-depth investigations into the specific factors influencing talent attraction, retention, and skill development in various regions and cultural contexts are needed. Moreover, longitudinal studies tracking the effectiveness of long-term strategies and the role of regulatory bodies and industry associations in talent management can provide valuable insights. Understanding the evolving dynamics of the Islamic banking industry and its relationship with talent will be instrumental in shaping a resilient and thriving sector for years to come.

In conclusion, the challenge of talent shortage in the Islamic banking sector represents a pivotal crossroads for the industry, where challenges meet opportunities for profound growth and transformation. It is not merely a hurdle to overcome but a strategic catalyst for innovation and the propagation of ethical finance principles. By strategically implementing the outlined talent attraction, development, and retention strategies, Islamic banking institutions can not only bridge the current gaps but also establish themselves as pioneers in ethical and sustainable financial practices. The pursuit of a robust talent pool is synonymous with a commitment to elevating the industry's standards and competitiveness on the global stage.

Moreover, the call for further research underscores the sector's commitment to continuous improvement and adaptation. Ongoing research initiatives can provide deeper insights into the evolving dynamics of talent management, shedding light on emerging trends and best practices. Collaborations between academia, industry, and regulatory bodies can yield a wealth of knowledge that can be harnessed for the betterment of the Islamic banking sector.

In the grander context, the Islamic banking industry is not just vying for competitiveness; it is championing an alternative, ethical, and socially responsible approach to finance. As ethical finance gains prominence worldwide, the sector has the potential to not only meet the demands of its current stakeholders but also attract a broader audience seeking financial solutions grounded in ethics and sustainability. Ultimately, addressing talent shortages is not merely a response to immediate challenges; it is a strategic commitment to shaping the future of finance, one that is rooted in principles that resonate with conscientious consumers and investors globally. Through these concerted efforts, the Islamic banking sector can indeed evolve into a formidable force in the global financial landscape, guided by principles of ethics, inclusivity, and enduring growth.

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