Original Research Article

Factor Affecting Corporate Governance In Nepalese Telecommunication Sector

Dhan Raj Chalise
Assistant Professor, Faculty of Management, Tribhuvan University
https://orcid.org/0000-0001-7920-234X

Sadiksha Adhikari
Faculty Member, Ambition College, Tribhuvan University

Harshita Lekhak[1]
Research scholar, Shanker Dev Campus, Tribhuvan University
https://orcid.org/0009-0008-3471-9458

Abstract

This study has been designed to extract the factors affecting corporate governance in the Nepalese telecommunication sector. The study aims to explore the impact of ownership structure, board leadership, board diversity, political influence, globalization, and technology on corporate governance. Employing a descriptive and explanatory research design, the study adopts a quantitative approach, utilizing a descriptive research design to gather data from 155 respondents. The study also utilizes a stratified-sampling technique to select its sample. Correlation and regression analyses were conducted to evaluate the relationship between independent and dependent variables. This research investigates the factors influencing corporate governance in the Nepalese telecommunication sector, potentially supporting the implementation of effective corporate governance practices within Nepal's Telecommunication industry. The study reveals significant relationships between ownership structure, board leadership, board diversity, political influence, globalization, technology, and corporate governance. Notably, ownership structure has a negative impact on corporate governance. This analysis contributes to improving firm performance by analyzing the factors affecting

[1]*Corresponding author:* harshitalekhak42@gmail.com

corporate governance and sheds light on the relative impact of those factors on corporate governance in the Nepalese telecommunication sector.

Keywords: *Corporate Governance, Globalization, Inclusive Board Structure, Political Influence, Technology*

Introduction

Corporate governance is fundamental to ensuring transparency, accountability, and ethical conduct in organizations. Within the Nepalese telecommunication sector, the need for effective governance mechanisms is particularly vital due to the industry's critical role in the country's economic progress and service provision (OECD, 2004). Nepal, a developing nation with a transitioning economy, relies heavily on its telecommunication sector to foster growth. However, enterprises in this sector face a complex set of challenges shaped by political influences, regulatory issues, and dynamic market conditions (Thorne et al., 2011).

Effective corporate governance is essential for mitigating risks, optimizing operational performance, and maintaining public trust. Political interference in the telecommunication sector often leads to undue influence on decision-making, which can hinder the implementation of best governance practices. Additionally, the concentration of ownership, especially by government entities, can cause conflicts of interest, reducing accountability and independence in governance structures (Mallin, 2016). The composition and leadership of boards are critical to steering companies toward long-term growth, yet challenges such as inadequate board diversity and independence persist, impacting governance outcomes (Carter et al., 2003).

While regulatory frameworks for corporate governance exist in Nepal, enforcement and adaptability to the evolving market landscape remain problematic (Mallin, 2016). The rapid technological changes in the sector demand governance mechanisms that can keep pace with innovations. However, issues such as inadequate technological infrastructure and low digital literacy further complicate the adoption of modern governance practices (Boubaker, et al., 2018).

Despite these challenges, ongoing efforts aim to improve governance in the Nepalese telecommunication sector. Regulatory reforms are being considered to enhance compliance, accountability, and transparency. Moreover, initiatives to improve board independence, competence, and diversity are being implemented to ensure more effective governance (Clarke, 2017). Technological investments to improve governance systems are also being made, while stakeholder engagement efforts are becoming more common to ensure organizational accountability (OECD, 2004).

Corporate governance has emerged as a serious factor in improving a firm's overall performance, contributing to increased economic value, enhanced productivity, and reduced risks (Shleifer & Vishny, 1997). It ensures that organizations adhere to ethical conduct, transparency, and accountability, which are crucial for maintaining public trust and enhancing investor confidence. However, in developing countries like Nepal, the implementation of effective corporate governance practices, particularly in key sectors such as telecommunications, is still in its formative stages. Despite global recognition of the importance of corporate governance, the telecommunication sector in Nepal continues to face challenges stemming from political interference, ownership concentration, and ineffective regulatory frameworks (Pradhan & Adhikari, 2022).

Corporate governance is essential not only for international investors but also for domestic investors, who often face heightened risks in environments with poor governance structures. Unlike international investors, who can diversify risk, domestic investors remain more vulnerable to governance failures due to the lack of transparency and accountability in corporate practices. The principal-agent theory, as discussed by Jensen & Meckling, underscores the importance of governance mechanisms such as ownership structure, board composition, and managerial incentives to mitigate conflicts of interest among management and shareholders. In this context, understanding the role of governance mechanisms in Nepal's telecommunication sector is vital to safeguarding investor interests and improving corporate performance.

Empirical research in Nepal has highlighted the challenges posed by political influence, board diversity, and globalization in implementing sound governance practices (Poudel & Hovey, 2013). In particular, the ownership structure in Nepalese telecommunications, often dominated by government entities, complicates governance dynamics, leading to conflicts of interest, lack of board independence, and reduced accountability. This research seeks to explore these dynamics further, assessing how factors like ownership structure, board leadership, political influence, globalization, and technology affect corporate governance within Nepal's telecommunication sector.

Technology, while offering opportunities for enhancing governance practices, presents its own challenges. The adoption of modern governance mechanisms depends on robust technological infrastructure and digital literacy, areas in which Nepal lags behind. Studies have shown that insufficient technology adoption can impede transparency, communication, and governance efficiency, undermining efforts to strengthen corporate governance (Poudel & Hovey, 2013). Furthermore, while regulatory frameworks exist, they often lack the enforcement necessary to ensure compliance, leaving gaps that can be exploited to the detriment of the organization and its stakeholders. Employee participation is increasingly recognized as a factor that can influence the effectiveness of governance within organizations. When employees are engaged in governance, organizations often see improvements in both compliance with regulations and overall organizational performance. However, in Nepalese telecommunication organizations, employees often remain on the periphery of governance discussions, despite being significantly affected by governance decisions. Present study is seeks to address the following objectives:

- To identify key corporate governance factors in the Nepalese telecommunications sector.
- To analyze the interrelationships among corporate governance factors within the sector.
- To examine the factors that impact corporate governance practices in the Nepalese telecommunications industry.

Literature Review

Corporate governance is increasingly recognized for its critical role in firm performance, with various theories offering different perspectives on governance dynamics. Agency theory (Jensen & Meckling, 1976; Fama, 1980) highlights conflicts between owners and managers, suggesting governance mechanisms to align interests and reduce agency costs. In contrast, stewardship theory (Donaldson, 1990) argues that managers are trustworthy stewards, with inside directors better positioned to make superior decisions that enhance corporate performance. Stakeholder theory (Freeman, 1984) emphasizes the firm's accountability to a wide range of stakeholders, focusing on balancing interests in decision-making processes. Finally, resource dependency theory (Hillman et al., 2000) views directors as vital in securing external resources necessary for firm success, emphasizing their role in providing information, skills, and connections to critical external parties. Collectively, these theories offer an allencompassing framework for grasping the intricacies of corporate governance.

Corporate governance has added prominence due to its critical role in enhancing organizational performance and protecting stakeholders' interests (Love, 2011). Studies like Bernard, et al., (2018). highlight its impact on employee job satisfaction in telecommunication sector, emphasizing that employees are vital assets whose commitment drives organizational success. Effective governance fosters corporate conscience, guiding behavior towards positive outcomes (Parker, 2007). High-profile scandals, including Enron and Wells Fargo, have spurred reevaluation of governance principles, particularly regarding board effectiveness and independent oversight (Williamson, 1985). Governance models vary, with the Continental-European model advocating for shareholder participation in management (Nestor & Thompson, 2000). Research underscores the necessity of good corporate governance in facilitating Corporate Social Responsibility (CSR) and improving financial performance (Utama, & Utama, 2014; Juniarti & Sentosa, 2009), while changes in board structures are aimed at minimizing agency costs (Sinaga et al., 2022). In emerging economies, corporate governance structures significantly influence environmental disclosures, reflecting growing awareness of climate issues (Gerged, 2021). Overall, effective corporate governance enhances stakeholder value, driving positive financial performance and fostering societal welfare (Dang et al., 2020; Napitupulu et al., 2020).

The studies reviewed provide a comprehensive understanding of how CG influences various dimensions of organizational performance, including firm value, environmental responsibility, employee satisfaction, and financial decision-making. Wahidahwati and Ardini, (2023) reveals that good corporate governance (GCG) significantly enhances firm value, primarily through its direct effects, which surpass the mediated impact via corporate social responsibility (CSR). This highlights the essential role of GCG in shaping firm performance, suggesting that companies prioritizing governance can achieve better financial outcomes. The use of financial and nonfinancial measure for performance can add the value for maintaining corporate governance in Nepalese telecommunications however the financial measure has more significant use and rank than the non-financial measure (Adhikari, & Chalise, 2021).

Harianja and Sinaga, (2022) further emphasize the intricacies of CG by examining its implications for accounting information quality. Their findings indicate that while increased institutional ownership may paradoxically lead to lower governance quality, a greater presence of independent board members fosters better governance practices. This correlation suggests that board composition is crucial for effective governance, reinforcing Wahidahwati's assertion that governance structures directly affect firm valuation.

The intersection of corporate governance and environmental accountability is also critical, as indicated by Gerged, (2021). who calls for stronger integration of governance with environmental regulations in Jordanian firms. This need for concerted efforts in governance aligns with the findings of Gul, et al., (2020), posits that effective governance mechanisms in telecommunications sector facilitate greater engagement in Corporate Social Responsibility (CSR) activities. Together, these studies underscore the notion that robust governance frameworks are vital for enhancing CSR and environmental performance.

The disclosure practices of companies, revealing that larger firms do not necessarily provide more extensive CSR disclosures. This suggests that mere size and profitability do not guarantee effective communication of social responsibility efforts, echoing the findings of Nmai and Delle, (2014) that highlights that good corporate governance positively predicts employee job satisfaction in telecommunications sector. This correlation indicates that strong governance not only influences external perceptions through CSR but also enhances internal stakeholder satisfaction, thus promoting a healthier organizational culture.

The influence of corporate governance extends into the financial domain, as demonstrated by Pradhan et al., (2020) board size and ownership structures that directly impact banks' financial performance, while Pradhan emphasizes the inverse association between the digit of executive directors and non-performing loans. These findings illustrate the complex dynamics between governance structures and financial outcomes, reinforcing the necessity for optimal governance practices to dull risks and improve performance.

Olaifa and Ajagbe (2015) contribute to the understanding of governance in the banking sector by establishing that larger board sizes can detrimentally affect financial decisions. This notion of governance complexity is echoed in Nwafor, (2017). who advocate for stronger alliances among state-owned enterprises in Nigeria to enhance governance effectiveness and cost efficiency.

The collective findings from these studies illustrate a clear nexus between corporate governance and various organizational outcomes, ranging from financial performance to social responsibility. The emphasis on the quality and structure of governance mechanisms is critical for fostering sustainable business practices, enhancing stakeholder satisfaction, and ultimately improving firm value. As organizations navigate an increasingly complex business environment, the integration of effective governance practices remains imperative for achieving long-term success.

Research Methodology

The aim of this study was to identify the factors affecting corporate governance in the telecommunications sector of Nepal. A descriptive research design was employed to meet the research objectives, and data were collected through a structured questionnaire distributed to the respondents. The study employed analytical tools such as mean, standard deviation, correlation, and regression analysis to derive insights from the collected data. The mean was used to provide a central tendency of the responses, Standard deviation measuring the variability of the responses, highlighting how consistently participants viewed the various factors influencing corporate governance. Correlation analysis assessed the strength and direction of relationships between different variables. The population consisted of all employees working in the Nepalese telecommunications industry. However, employees from Nepal Telecom and NCEE, the two largest telecommunications companies in Nepal, were selected as the sample frame for the study. Given the large population size, which is approximately 155 employees, Roscoe's (1975) rule of thumb for minimum sample size indicated that a sample size of at least 120 was sufficient for unknown populations. Thus, a total sample size of 155 was collected. The convenience sampling method was employed, supplemented by random sampling techniques, to select participants from the Nepalese telecommunications sector. This study was based on primary data gathered through a structured questionnaire related to the factors influencing corporate governance. The questionnaire comprised structured items, including multiple-choice questions using Likert scale. The measurement instruments were developed based on existing literature, including the measurement of political influence using a five-point Likert scale questionnaire as indicated in

Table 1

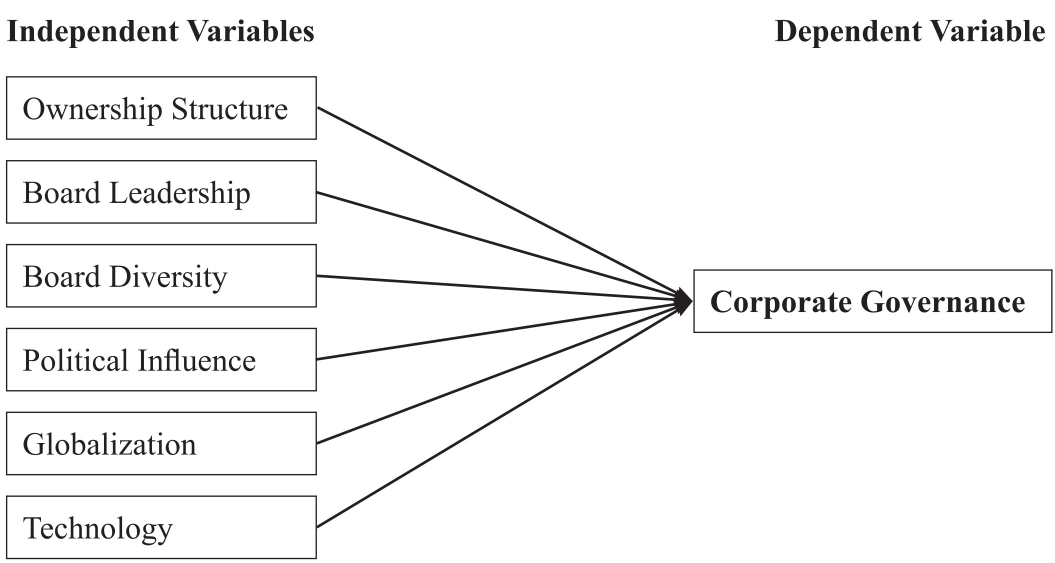
Measurement of Variables

Variables	Source of items
Political influence	Barth, et al., 2001; McCarthy & Puffer, 2003; Saidi, 2004.
Globalization	Gugler, et al., 2004.
Technology	Thorne et al., 2010.
Ownership	Shliefer & Vishny, 1997.
Board Leadership	Kula, (2005).
Board Diversity	Carter, et al., 2003; Kang, et al., 2007, Erhardt, et al., 2003.
Corporate Governance	OECD, 2004; Thorne, et al., 2010

The conceptual framework for the study was developed from the past empirical works by highlighting the various factors that have impact on corporate governance. The research framework in figure 1 has been established in which the present study is based.

Figure 1

Research Framework



To explore these relationships further, a regression model has been developed to quantitatively test the influence of specific independent variables on corporate governance, allowing for the estimation of how changes in these factors could predict changes in governance outcomes. The regression model is developed as.

$$Y = a + \beta X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + ei$$

Where,

Y = Corporate Governance
X_1 = Ownership structure
X_2 = Board leadership
X_3 = Board Diversity
X_4 = Political influence
X_5 = Globalization
X_6 = Technology
a = Constant
ei = Error term

Reliability Analysis

To decide the reliability of the variables being measured in this questionnaire, Cronbach's Alpha (α) was conducted on a subset of items taken for the study. The Cronbach's Alpha was used to assess the quality and consistency of the survey.

Table 2

Reliability statistics of items under each variables under study

Variable	No. of Items	Cronbach's Alpha
Ownership Structure	5	0.890
Board Leadership	6	0.875
Board Diversity	5	0.835
Political Influence	5	0.730
Globalization	6	0.854
Technology	5	0.866
Corporate Governance	8	0.758

Table 2 shows the Cronbach 's alpha coefficients of independent variables Ownership structure, Board leadership, Board Diversity, Political influence, Globalization, Technology and dependent variable corporate governance. It is generally linked to internal consistency, with values ranging from 0 to 1. According to Sekaran (2000), a Cronbach's Alpha coefficient below 0.6 is deemed "poor," between 0.6 and 0.8 is considered "acceptable," and above 0.8 is regarded as "good." Here, Cronbach's Alpha of all variable is between 0.7 to 0.8 so they are acceptable. Therefore, the instruments used in this research are considered to be reliable.

Results and Discussion

Demographic profile

Table 3 provides an overview of the respondents' demographic profile, covering variables such as gender, age group, academic qualification, position, and experience. The majority of the respondents are male, making up 64.5% of the sample, while females account for 35.5%. The largest age group is 31-40 years, representing 43% of the respondents, followed by the 41-50 age group at 32%, and those below 30 at 18%, with the smallest group being those above 50 at 7%.

Table 3

Respondent's profile

Demographic variable		No. of Respondents	Percentage
Gender	Male	100	64.5%
	Female	55	35.5%
Age group	below 30	27	18%
	31-40	67	43%
	41-50	50	32%
	50 above	11	7%
Academic qualification	Intermediate	2	1.3%
	Bachelor	55	35.5%
	Master and above	98	33.2%
Position	Executive	5	3.2%
	Manager	60	38.7%
	Officer	90	58.1%
Experience	Less than 5 Year	9	5.4%
	5-10	70	45.5%
	11-15	69	45%
	16 and above	7	4.1%

Source: Field Survey, 2024

In terms of academic qualification, most respondents (63.2%) hold at least a bachelor's degree, with 35.5% having completed their bachelor's, and 33.2% holding a master's degree or higher. Only 1.3% of respondents have an intermediate-level qualification. Regarding their positions within the organization, the majority are officers (58.1%), followed by managers (38.7%), with only 3.2% of the respondents holding executive roles. As for work experience, the majority have between 5-10 years (45.5%) or 11-15 years (45%) of experience, while a smaller percentage (5.4%) have less than 5 years, and only 4.1% have more than 16 years of experience. This demographic profile reflects a workforce that is predominantly experienced and educated, with most respondents occupying officer or managerial roles.

Descriptive statistics

Table 4 provides the descriptive statistics for seven constructs relevant to corporate governance in the study: Ownership Structure, Board Leadership, Board Diversity, Political Influence, Globalization, Technology, and Corporate Governance. Each of these constructs was assessed using a Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

Table 4

Descriptive statistics

Constructs	Minimum	Maximum	Mean	Std. Deviation
Ownership structure	1	5	3.76	1.132
Board Leadership	1	5	3.67	1.121
Board Diversity	1	5	3.65	1.064
Political Influence	1	5	3.63	1.043
Globalization	1	5	3.62	1.253
Technology	1	5	3.67	1.231
Corporate Governance	1	5	3.67	1.231

Source: Field Survey, 2024

The mean values for all constructs range between 3.62 and 3.76, indicating that respondents generally agree on the importance of these factors in corporate governance. Ownership Structure holds the highest mean of 3.76, reflecting the respondents' strong recognition of its relevance. Board Leadership, Technology, and Corporate Governance share a mean of 3.67, suggesting that these constructs are also perceived as significant by the respondents.

The standard deviations, which measure the variability of responses, range from 1.043 to 1.253. Political Influence has the lowest standard deviation (1.043), indicating more consistent views among respondents, while Globalization shows the highest standard deviation (1.253), suggesting a broader range of perceptions regarding its impact on corporate governance. Both Technology and Corporate Governance exhibit moderate variability, with identical standard deviations of 1.231, highlighting some diversity in how respondents perceive their role.

These statistics suggest that respondents generally agree on the importance of these constructs, though there is some variation in how strongly they view factors like Globalization and Technology.

Correlation analysis

Table 5 presents the statistical tests used to identify factors influencing corporate governance in Nepal's telecommunication sector. The Pearson correlation test was used to measure the strength and direction of relationships between variables. A positive correlation means the variables move in the same direction, while a negative correlation means they move in opposite directions.

Table 5

Correlation Analysis

Variables	OS	BL	BD	PI	GL	TE	CG
OS	1	.490**	.238**	.790**	.145*	0.071	.170*
BL		1	.214**	.359**	-0.003	.208**	.226**
BD			1	.180**	.230**	.156*	.281**
PI				1	0.124	0.08	.158*
GL					1	.596**	.548**
TE						1	.580**
CG							1

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

Source: Data Analysis

The correlation analysis reveals that ownership structure (0.170), board leadership (0.226), board diversity (0.281), political influence (0.158), globalization (0.548), and technology (0.580) all have significant positive relationships with corporate governance. This means that as these factors increase, corporate governance improves, with globalization and technology showing the strongest correlations. Technology is also positively correlated with board leadership (0.208), board diversity (0.156), and globalization (0.596), but not significantly with ownership structure or political influence. Additionally, ownership structure has a positive correlation with globalization (0.145), while board leadership, board diversity, and political influence do not. Finally, ownership structure (0.790), board leadership (0.359), and board diversity (0.180) are positively correlated with political influence.

Regression Analysis

Regression analysis is a key statistical method used to explore and quantify the extent of effect between a dependent variable and one or more independent variables. Unlike correlation analysis, which only identifies the strength of the relationship between two variables, regression analysis investigates deeper by explaining how one variable affects another. In this study, regression analysis was used to test hypotheses and determine which factors (ownership structure, board leadership, board diversity, political influence, globalization, and technology) significantly influence corporate governance. Linear regression, chosen for its simplicity and widespread use, helped explain how much variability in corporate governance can be attributed to these independent variables and identify which variables have the most significant impact.

Table 6

Regression Result

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	3.667	2.117		1.733	.085
Ownership Structure	-.033	.118	-.026	-.280	.030
Board Leadership	.187	.132	.104	1.418	.008
Board Diversity	.164	.072	.128	2.286	.023
Political Influence	.059	.104	.048	.564	.003
Globalization	.307	.099	.243	3.115	.002
Technology	.387	.084	.318	4.607	.000

a. Dependent Variable: CG

R^2= 0.562, F=17.067, Sig= .000

The regression analysis results from Table 6 highlight the effects between corporate governance (CG) and independent variables: ownership structure, board leadership, board diversity, political influence, globalization, and technology. The model shows that these variables collectively explain a significant portion of the variability in corporate governance, as indicated by the R^2 value of 0.562. This means that 56.2% of the changes in corporate governance can be attributed to the independent variables in the model. Furthermore, the F-value of 17.067 and a p-value of 0.000 show that the overall model is statistically significant, making it a reliable tool for understanding how these factors impact corporate governance.

Ownership structure has a coefficient of -0.033 with a significance level of 0.030. This suggests a small but statistically significant negative relationship between ownership structure and corporate governance, meaning that as ownership structure changes, it may negatively affect corporate governance, though the impact is minimal. Board leadership demonstrates a positive impact with corporate governance, as indicated by its coefficient of 0.187 and significance level of 0.008. Similarly, board diversity has a positive and significant effect on corporate governance, with a coefficient of 0.164 and a p-value of 0.023. Political influence, with a coefficient of 0.059 and a significance level of 0.003, also has a positive impact on corporate governance, though smaller than the other factors. Globalization exhibits a strong positive relationship with corporate governance, with a coefficient of 0.307 and a p-value of 0.002. Finally, technology has the strongest positive impact on corporate governance, with a coefficient of 0.387 and a highly significant p-value of 0.000.

Table 7

Summarized Hypothesis Result

Hypothesis	Conclusion
Ownership structure	Accepted
Board Leadership	Accepted
Board Diversity	Accepted
Political influence	Accepted
Globalization	Accepted
Technology	Accepted

Source: Data Analysis

There is a strong connection between effective corporate governance and enhanced social information disclosure and organizations with better governance frameworks are more likely to disclose social information transparently, fostering greater accountability and stakeholder trust (Lamsal, 2021). The study found that ownership structure has a small but statistically significant negative effect on corporate governance, suggesting that concentrated ownership or a lack of shareholder diversity may hinder effective governance practices. This finding is consistent with the existing literature, which highlights that concentrated ownership can create conflicts of interest and diminish accountability, ultimately leading to weaker governance outcomes (Shleifer & Vishny, 1997; Bebchuk et al., 2009). In contrast, the study revealed a positive impact of board leadership on corporate governance, aligning with previous research that emphasizes the critical role of effective leadership in enhancing governance practices. Strong leadership can facilitate better oversight and strategic decision-making, ultimately contributing to improved governance outcomes (Carter et al., 2003). This finding reinforces the argument that competent board leadership is vital for the success of governance frameworks.

Furthermore, the study indicated that board diversity positively influences corporate governance. This result is consistent with literature that demonstrates how diverse boards bring a variety of perspectives and experiences, which can lead to better decision-making and oversight (Adams & Ferreira, 2009). Enhanced board diversity is often associated with increased creativity and innovation, ultimately benefiting corporate governance. The analysis also showed a positive relationship between political influence and corporate governance. While the impact of political factors is relatively smaller, the finding is consistent with the view that regulatory frameworks and political affiliations can shape governance practices (Ramdani & Witteloostuijn, 2010). Organizations operating in politically influenced environments must navigate these complexities to maintain effective governance. The study reveals smaller board size, a higher proportion of independent directors, reduced ownership concentration, enhanced transparency, and well-structured director compensation are crucial for improving governance and performance (G.C., 2019). Beeks and Brown (2006) find that firms with high-quality corporate governance enhance the informativeness of their disclosures, ensuring stakeholders have a clear, reliable, and timely view of the firm's operations and governance practices, which aligns with shareholders' interests.

Additionally, globalization was found to have a strong positive effect on corporate governance, consistent with research suggesting that exposure to global markets leads firms to adopt higher governance standards (Gugler & Gumbau-Brisa, 2004). This finding indicates that global practices and competition can enhance transparency and accountability, reinforcing the need for companies to align with international governance norms.The study identified technology as having the most substantial positive impact on corporate governance. This aligns with existing research indicating that advancements in technology improve communication, data analysis, and decision-making processes, thereby strengthening governance frameworks (Kraus & Brabete, 2018). Technology serves as a catalyst for enhancing governance practices by facilitating better information flow and transparency.

Conclusion and Implications

Present study concludes that there are several key factors influencing corporate governance in the Nepalese telecommunication sector. Ownership structure, particularly concentrated ownership or a lack of shareholder diversity, may have a negative impact on governance, hindering effective decision-making and oversight.

On the other hand, stronger and more effective board leadership plays a vital role in enhancing corporate governance, with competent leaders providing strategic direction and ensuring proper oversight.

Board diversity, in terms of gender, expertise, and background, is another positive contributor, as it brings a broader range of perspectives that lead to better decision-making and improved governance. Political factors, though having a relatively small influence, are still significant, emphasizing the importance of navigating political environments and adhering to regulatory frameworks for strong governance practices.

Globalization emerges as a major driver of improved governance, as exposure to global markets, competition, and international standards promotes greater transparency and accountability. Finally, advancements in technology have the most substantial positive impact on corporate governance, enabling better decision-making, monitoring, and transparency through the use of modern information systems and tools. Together, these factors underscore the multifaceted nature of corporate governance and the importance of fostering diverse leadership, global outlook, and technological innovation in improving governance practices.

Based on the findings of this study, several key implications are proposed for enhancing corporate governance in the Nepalese telecommunication sector and guiding future research. One critical recommendation is to increase the sample size in future research endeavors. A larger sample can enhance the generalizability and reliability of results, minimizing potential errors associated with limited data.

Moreover, employing a mixed-methods approach that combines quantitative surveys with qualitative interviews can provide deeper insights into the factors influencing corporate governance. This comprehensive strategy will facilitate a more nuanced understanding of the complexities involved in governance practices.

Additionally, it is crucial for corporations to focus on strengthening board independence. Appointing qualified independent directors can ensure effective oversight and strategic direction, thereby reinforcing governance frameworks. Furthermore, developing a strong ethical corporate culture through comprehensive codes of conduct and ethics training is essential for fostering integrity and accountability within organizations.

Future research should also explore the unique challenges facing corporate governance in Nepal by investigating the specific cultural, legal, and institutional factors at play. Comparative studies that analyze successful governance models from countries with similar socio-economic conditions can provide valuable insights and lessons for Nepalese corporations.

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