



# The *Saptagandaki Journal*

## *Editorial* ....

As we present the 15th volume of our research publication, the Saptagandaki Journal (*TSJ*), we are pleased to feature a diverse array of studies that explore key challenges, opportunities, and transformative trends shaping the nation's financial, managerial and developmental landscapes. From employee stress in the context of mergers and acquisitions (M&As) within Nepalese banking and financial institutions (BFIs) to the empowerment of women through financial literacy, this issue highlights the multidimensional nature of socio-economic transformation in Nepal.

One of the most persistent issues examined in this volume is the study by Prakash Shrestha and Guna Raj Chhetri on the factors affecting employee stress during M&As in Nepal's BFIs. Their research, conducted through interviews with 60 employees across various levels in five merged institutions, uncovers the nuanced factors that contribute to employee stress. Changes to compensation and benefits, leadership transitions, cultural shifts and job insecurity are identified as the most significant organizational stressors. The findings emphasize the importance of proactive human resource management in reducing stress through practices such as clear communication, employee mentoring, and cultural integration. This study underscores that while M&As are often seen as opportunities for organizational growth, they must be managed with attention to employee well-being if they are to succeed in the long term.

Dhanaraj Chlaise, Sadiksha Adhikari and Harshita Lekhak contribute to current understanding of corporate governance in Nepal's telecommunications sector. Through a rigorous analysis of factors such as ownership structure, board diversity, political influence, and the role of technology, the authors offer critical insights into how these elements shape corporate governance practices. The study highlights that ownership structure in Nepalese telecommunication companies has a negative

impact on corporate governance, suggesting that improving governance structures can significantly enhance firm performance and sectoral competitiveness.

This issue also includes an important quantitative analysis by Omkar Poudel, Pradeep Acharya, Umesh Rijal, Daya Simkhada, and Bishnu Bahadur Khatri examining the role of government expenditure on private sector investment in Nepal. Their use of a time-series approach over 49 years of data provides valuable insights into how government spending affects private investment. The study identifies a positive long-term relationship between real GDP and private sector investment, while highlighting the mixed effects of government expenditure. Infrastructure-related spending has a crowding-in effect, encouraging private investment, while non-infrastructure spending can have a crowding-out effect. Inflation, represented by the CPI, has a negative impact on private sector investment, creating uncertainty and raising costs. The foreign exchange rate demonstrates a marginally significant positive effect on private investment. This research offers critical implications for policymakers seeking to stimulate private investment and foster economic growth in Nepal.

In the realm of rural development, Krishna Prasad Gyawali and Sharad Mani Kharel address the intersection of climate change and livestock-centric agriculture in Gaidakot Municipality, Nawalpur district of Nepal. Their study reveals how climate change has adversely affected livestock health, impacting rural livelihoods and food security. Barriers to the broader adoption of climate resilient practices including the lack of farmers' awareness and limited access to resources, were noted. The study also emphasizes stronger policy support and further interventions to promote sustainable agricultural practices. The authors call for greater policy support and enhanced adoption of climate-resilient agricultural practices, such as drought-resistant fodder and water conservation techniques. This research highlights the need for adaptive strategies to ensure sustainable agricultural practices and protect the livelihoods of rural communities in Nepal.

Finally, financial literacy, as an empowering tool for women, is explored in the study by Ashmita Dahal Chhetri, which investigates the relationship between financial literacy and women's empowerment in Chitwan. The study reveals that financial knowledge and skills are negatively correlated with women's empowerment, while financial behavior, attitude, and awareness have a positive impact. This research underscores

the pivotal role that financial literacy can play in enhancing the socioeconomic status of women and promoting gender equality, particularly in rural areas where financial inclusion remains a challenge.

Together, these articles underscore the importance of addressing both macroeconomic and micro-level challenges for sustainable development in Nepal. Whether it is navigating the human dimensions of corporate restructuring, fostering private sector investment, adapting to climate change, empowering women through financial literacy, or improving corporate governance practices, these studies provide practical insights for policymakers, business leaders, and scholars alike.

As we move forward, it is crucial that we embrace both the challenges and opportunities presented by these evolving dynamics. The diverse range of topics in this issue serves as a reminder that thoughtful research and innovative solutions are vital to overcoming the barriers to sustainable growth and development. We hope these studies spark further research, dialogue, and action, contributing to a more resilient and inclusive future for Nepal.

We thank all our contributors for their valuable research and the readers for their continued support of this journal. We look forward to your thoughts, feedback, and engagement as we continue to explore the complex and interconnected issues facing Nepal's economy and society.

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Editor in Chief

November, 2024