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Exploring the Quality of Life Perceptions among Chinese Tourists in Pokhara

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Abstract

This study seeks to examine the influence of travel experiences in Pokhara on the Quality of Life (QoL) of Chinese tourists, with a focus on the notion that such experiences play a significant role in enhancing satisfaction across various dimensions of travel-related life domains. The investigation is grounded in the recollections of Chinese tourists following their most recent visit to Pokhara. To address the research objectives, a mixed-methods approach was employed. This involved conducting a survey of 400 Chinese tourists to assess their satisfaction levels and the importance ratings assigned to 14 key travel-related life domains, in addition to carrying out 25 in-depth interviews with Chinese tourists to gather qualitative insights. The data were analyzed using multiple regression analysis, which confirmed the study's hypothesis by demonstrating that both satisfaction and the importance ratings across the identified travel-related life domains significantly contribute to the overall life satisfaction of these tourists. The findings reveal that experiences in Pokhara substantially influence the QoL of Chinese tourists, affecting all assessed travel life domains. Based on these insights, the research concludes with practical recommendations for tourism operators in Pokhara. These strategies aim to enhance the well-being of Chinese tourists, thereby contributing to improved business performance and long-term sustainability within the local tourism sector.

Keywords: Chinese tourists, Overall life satisfaction, Domains of travel life, Experiences of travel trip, Quality of life (QoL)

Introduction

Background

Recent infrastructure developments in Nepal, driven by Chinese investments, have significantly transformed the tourism landscape in Pokhara, influencing the quality of life (QoL) perceptions among Chinese visitors. The rise of Chinese investments, particularly under China's Belt and Road Initiative (BRI), has improved accessibility and enhanced facilities, notably along the Nepal-China Friendship Highway, thereby enriching the travel experience for Chinese visitors and potentially elevating their QoL during their stay (Bhandari, 2019; Chan & Bhatta, 2021). These developments not only support Pokhara's economic growth but also play a vital role in improving cultural and natural site access, key factors that contribute to quality tourism experiences (Yu et al., 2021). Furthermore, the influx of younger, adventure-seeking Chinese tourists fosters cultural exchanges and strengthens bilateral ties, further enhancing their QoL perceptions during their visit to Pokhara (Xu et al., 2018).

Pokhara, cherished by Chinese tourists for its scenic beauty, adventure opportunities, and cultural significance, has seen enhanced connectivity with the inauguration of the new Pokhara International Airport (Khatiwada & Adhikari, 2021; Sharma, 2023). This connectivity, coupled with a diverse range of lodging options and continuous infrastructure improvements, continues to attract more visitors from China. Economic factors such as increasing disposable incomes and favorable visa-on-arrival policies have further spurred this growth, benefiting Nepal's economy while fostering meaningful cultural exchanges (Devkota, Paudel & Bhandari, 2021; Global Times, 2023).

However, the rapid increase in tourism underscores the need for careful and sustainable planning to address environmental conservation, cultural preservation, and infrastructure development. While improvements in infrastructure and accessibility are creating opportunities, there remains a growing need to ensure these practices align with sustainable tourism goals and environmental protection efforts (China National Tourism Administration, 2019; World Tourism Organization, 2020). Exploring the effects of these developments on the QoL of Chinese tourists is essential, as it provides insight into how tourism influences their well-being and their overall satisfaction during their visits. Given the rapid growth of Chinese tourism in the global market and its increasing presence in Nepal, understanding their experiences and challenges is vital for sustainable tourism strategies and policy development.

Statement of the Problem

While Nepal's tourism industry has seen substantial growth in terms of visitor numbers, it faces challenges in enhancing the average length of stay and daily expenditure, which are crucial for maximizing economic benefits. Despite significant infrastructure investments aimed at attracting tourists, there is a notable gap in data concerning tourists' expectations, happiness, and overall satisfaction (CINIC, 2019). This lack of data hinders efforts to attract higher-value tourists and achieve broader economic goals, such as extended tourist stays, poverty reduction, and improved quality of life for both locals and tourists. The recent surge in arrivals from China, coupled with the opening of the new Pokhara International Airport, underscores the need for a detailed examination of how these developments impact the Quality of Life (QoL) of Chinese tourists. A deeper understanding of their satisfaction levels, cultural perceptions, communication barriers, and expectations is critical. By addressing these factors, the tourism sector in Pokhara can enhance service quality, encourage longer stays, and increase spending among Chinese tourists.

Anticipating future growth, particularly from Chinese visitors, demands a thorough analysis of their needs and preferences. Such an analysis should inform a strategic shift in policy to enhance the overall quality of life for both residents and tourists and to sustainably grow the tourism sector. This study aims to dissect the factors contributing to both satisfaction and dissatisfaction among Chinese tourists in Pokhara. It seeks to uncover their expectations and areas where service could be improved, providing actionable insights that could help in refining the tourism experience, attracting high-value tourists, and fostering sustainable development within Pokhara's tourism industry.

Research Questions

This study seeks to refine our understanding of how Pokhara can better serve Chinese tourists by examining key aspects of their experiences. The research will explore the demographic profiles of these tourists and what draws them to Pokhara. It will evaluate their satisfaction with accommodations, attractions, and services, and identify the factors that most influence their overall satisfaction. Additionally, the study will assess how these experiences affect their perceived quality of life during their visit. Insights from this research are intended to help develop strategies that enhance the travel experience in Pokhara, benefiting both tourists and the local community.

Objectives of the Study

This research aims to enhance the tourism experience for Chinese visitors in Pokhara, Nepal, by aligning it with their specific preferences and expectations, thereby contributing to an improved quality of life during their visit. By systematically analyzing demographic characteristics, satisfaction levels, and the critical determinants influencing their experiences, the study seeks to identify strategic opportunities to enhance Pokhara's appeal to this key demographic. Such efforts are vital for promoting sustainable tourism development that simultaneously supports local communities and strengthens the region's tourism industry.

Specific Objectives:

- a. To profile the demographic characteristics of Chinese tourists, including variables such as age, gender, occupation, educational background, and travel motivations.
- b. To assess the levels of satisfaction experienced by Chinese tourists across various dimensions of their visit.
- c. To investigate the key factors influencing the satisfaction of Chinese tourists with their experiences in Pokhara.
- d. To evaluate the extent to which the travel experiences of Chinese tourists impact their perceived quality of life during their stay in Pokhara.

Significance of the Study

Despite extensive research on Chinese tourism in destinations like Pokhara, there remains a notable gap in understanding how travel experiences influence the Quality of Life (QoL) of Chinese tourists. Existing studies predominantly emphasize quantitative metrics such as tourist arrivals, length of stay, and expenditure, which fail to comprehensively capture the broader impacts of travel experiences on QoL. This research seeks to address this gap by exploring the ways in which travel experiences in Pokhara shape the QoL of Chinese tourists, with a particular focus on the cultural, socioeconomic, and demographic factors that inform their perceptions and behaviors.

China's position as a rapidly expanding source market for tourism in Nepal underscores the importance of this study, particularly in the context of significant investments directed towards the development of Pokhara's tourism infrastructure. These investments, however, have not yielded proportional improvements in key indicators such as the average length of stay or tourist spending, suggesting a misalignment between industry offerings and tourist expectations. Furthermore, contemporary trends in tourism development increasingly prioritize QoL for both tourists and local stakeholders, underscoring the need for a deeper understanding of these dynamics.

This research aims to provide actionable insights for stakeholders, policymakers, and industry practitioners, equipping them to design strategies that enhance the experiences and QoL of tourists while fostering sustainable growth in Pokhara's tourism sector. By bridging the identified research gap, this study contributes to the broader discourse on sustainable tourism and its role in improving the QoL of both visitors and host communities.

Review of Literature

Tourism plays a vital economic and social role, generating employment and income, particularly in resource-scarce regions, while also promoting cultural exchange and heritage conservation. It facilitates the participation of local communities in economic activities and aids in the preservation of cultural identities. For tourists, it offers opportunities for psychological rejuvenation, cultural immersion, and personal growth, whereas residents benefit from improved infrastructure and services financed by tourism revenues. However, effective tourism development necessitates careful management of its environmental and cultural impacts.

Travel has been shown to significantly enhance happiness and quality of life, with active travel modes such as walking and cycling contributing to both physical and mental health (Martin, Goryakin, & Suhrcke, 2014). Additionally, travel behavior, including satisfaction derived from travel experiences, has a direct impact on well-being. Psychological well-being, strongly associated with life satisfaction and optimism, is also linked to reduced mortality. Furthermore, travel experiences can strengthen family bonds and contribute positively to overall life satisfaction (Sirgy et al., 2011).

Chinese tourists are often drawn to destinations like Nepal due to its cultural richness, scenic landscapes, and affordability, as highlighted in studies on travel expectations (Li et al., 2011). Key motivations include stress reduction, cultural immersion, and personal growth (Chen & Wang, 2019; Wu & Liu, 2017). Emerging trends in tourism emphasize niche markets, sustainability, and digitalization (Nepal Tourism Board, 2020; China Internet Network Information Center, 2019).

Tourism has been shown to significantly enhance quality of life through leisure activities (Shu & Zhu, 2009), and strategies aimed at increasing tourist satisfaction are known to boost intentions to revisit (Guntoro & Hui, 2013). Sustainable tourism, in particular, promotes local well-being while ensuring environmental preservation (Liao et al., 2016; Becken et al., 2017). Moreover, digital platforms increasingly influence travel experiences and contribute to overall well-being (Xu & Zhang, 2022).

Tourism research highlights its economic, social, and psychological benefits while advocating for sustainable practices and cultural sensitivity. However, a significant research gap exists concerning the specific preferences and satisfaction levels of Chinese tourists in Nepal. This study aims to address this gap, providing insights critical for designing inclusive and satisfying tourism experiences that align with sustainable development objectives in Nepal.

Research Methodology

Research Design

A mixed-methods approach integrated quantitative and qualitative data collection. A survey of Chinese tourists who recently visited Pokhara collected quantitative data using a five-point Likert scale, while in-depth interviews provided

qualitative insights. Data were analyzed using statistical and qualitative methods to identify patterns and relationships between travel experiences and quality of life.

Quantitative Analysis: The survey evaluated the perceived impact of various travel aspects (scenery, activities, cultural experiences, social interaction) on quality of life dimensions (physical health, mental well-being, social connection). Statistical analysis identified significant relationships between these travel aspects and quality of life indicators.

Qualitative Analysis: In-depth interviews with 25 Chinese tourists explored trip aspects that significantly impacted their quality of life. Thematic analysis identified key themes and factors enhancing the quality of life for Chinese tourists in Pokhara.

Study Area

The study area is Pokhara Lakeside in the Kaski district of Gandaki province, Nepal, attracting approximately 35,000 to 40,000 Chinese tourists annually. Its natural beauty, proximity to Phewa Lake, and Chinese cuisine-specialized hotels and restaurants enhance the tourist experience, providing a context for examining the quality of life during visits.

Theoretical Models of the Study

Tourism research highlights the importance of overall satisfaction in gauging the quality of life (QoL) experienced by tourists. Uysal et al. (2016) emphasized the positive impact of tourism experiences on life satisfaction across various domains. Destination attributes, such as accommodations, safety, and cultural opportunities, significantly influence tourists' satisfaction and perceived QoL, with service quality being a key area for enhancing satisfaction.

Social interactions and psychological well-being during travel are integral to tourists' satisfaction and QoL. Positive interactions foster a sense of belonging and well-being, while negative experiences can diminish perceived QoL. Research methods to assess the relationship between satisfaction and QoL include quantitative and qualitative approaches.

Key theoretical models for evaluating tourist satisfaction include Kano's service quality measure model (1984), Tse and Wilton's Perceived Performance model (1988), and Parasuraman et al.'s SERVQUAL model (1988). Additionally, the expectancy disconfirmation model (Pizam & Milman, 1993), the Holiday Satisfaction model (Tribe & Snaith, 1998), and the Performance Quality model (Baker & Crompton, 2000) have advanced understanding of tourist satisfaction. Yoon and Uysal (2005) discussed four primary theoretical approaches: disconfirmation theory, equity theory, norm theory, and perceived-only performance theory, emphasizing the importance of gap analysis in understanding the congruence between anticipated and actual experiences.

Conceptual Framework of the Study

Rooted in consumer satisfaction theories, notably the Expectancy Disconfirmation Theory, and Theories of Subjective Well-being, this model offers a comprehensive approach to understanding tourist satisfaction. It posits that tourists' overall well-being during their travels is intricately linked to their satisfaction across various travel experience domains. Each domain is individually weighted to reflect its significance to the tourist, with satisfaction and importance measured on a five-point Likert scale. This approach acknowledges the multidimensional nature of tourist experiences and emphasizes the role of personal relevance in shaping overall satisfaction.

Overall tourist satisfaction is defined as the cumulative measure of the quality of life derived from all aspects of their travel experience. The model assesses the impact of 14 distinct travel domains (Figure 1) on a tourist's quality of life, providing a holistic view of their overall satisfaction. By synthesizing subjective evaluations across these domains, the model offers a detailed perspective on tourists' perceived well-being during their travels. This comprehensive evaluation gauges the success of the travel experience in meeting or exceeding tourist expectations and identifies areas for improvement. Ultimately, the model guides understanding of the factors contributing to tourist well-being, aiding strategic planning in tourism.

Sample Size

According to Nepal Tourism Statistics (2022), 930,754 Chinese tourists visited Nepal in the past decade, averaging 93,075 annually. The National Tourism Strategy Plan (2016-2025) states that 38 percent visited Pokhara, translating

to about 35,368 tourists annually. Using Yamane's (1967) formula with a 5 percent margin of error, the sample size was calculated as 396 and increased by 7 percent to 428 to ensure accuracy. Data collection took place from August 15 to September 15, 2023. The study used convenience and systematic sampling, identifying 16 top-rated Chinese restaurants, securing permissions, and scheduling surveys based on tourists' preferences, resulting in 400 valid responses.

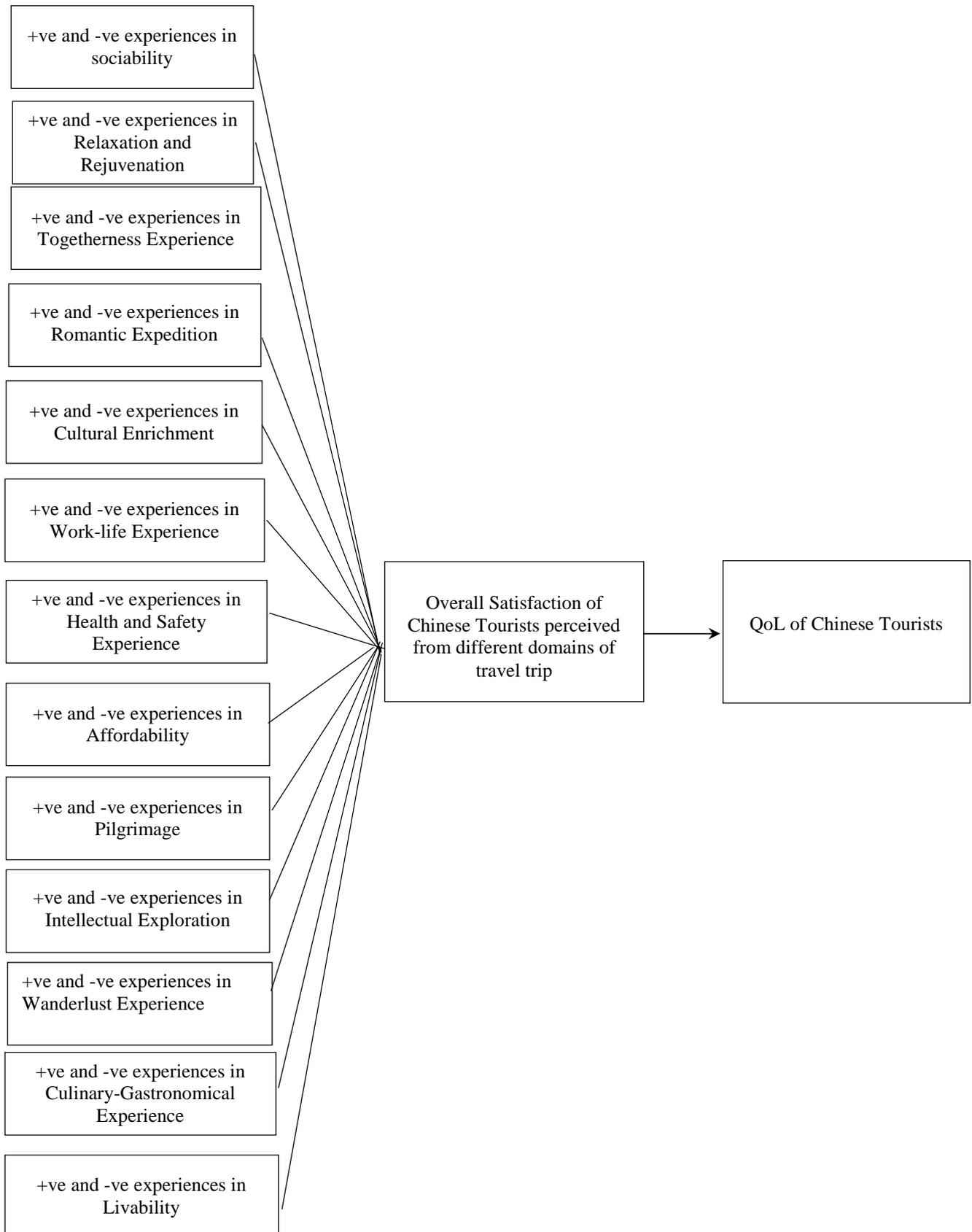


Figure 1: Conceptual Framework: Original Constructs of the Study

Model Specifications

The multiple regression model was designed to examine the impact of various explanatory variables on the overall satisfaction of tourists, covering a broad spectrum of travel-related domains.

$$\text{Overall Satisfaction (OAS)} = \beta_0 + \beta_1 \text{SOC} + \beta_2 \text{RR} + \beta_3 \text{ToE} + \beta_4 \text{RE} + \beta_5 \text{CE} + \beta_6 \text{WE} + \beta_7 \text{HS} + \beta_8 \text{Af} \\ + \beta_9 \text{Pl} + \beta_{10} \text{IE} + \beta_{11} \text{TE} + \beta_{12} \text{WE}_1 + \beta_{13} \text{CE}_1 + \beta_{14} \text{LIV} + (\text{Error term})$$

Where,

β_0 represents the baseline level of overall satisfaction when all explanatory variables are at their reference levels,

$\beta_1, \beta_2, \dots, \beta_{14}$ are coefficient of explanatory variables (domains of travel trip).

(Error Term) is included to account for the variation in overall satisfaction not explained by the model's explanatory variables.

Measurement of quality of Life of Tourists

The model is operationalized through the following equation;

$$QoL = \frac{\sum_{n=1}^{14} (S_n \times I_n)}{\text{Maximum Possible Score}} \times 100\%$$

Where,

S_n = Satisfaction rating in the n^{th} domain.

I_n = Importance rating in the n^{th} domain.

Maximum Possible Score- The sum of the highest possible satisfaction ratings (5) multiplied by the importance ratings across all domains.

Where the maximum Possible Score was calculated as $= \sum_{n=1}^{14} (5 \times I_n)$

The instruments of data collection used were a combination of surveys and in-depth interviews.

Data Analysis Tools and Methods

For each respondent and domain, the importance score (I_{ij}) was multiplied by the satisfaction score (S_{ij}) to get the product score (P_{ij}): $P_{ij} = I_{ij} \times S_{ij}$. These product scores were then summed across all domains to get the total score for each respondent: $\text{Total Score}_i = \sum P_{ij}$. This total score was normalized to a scale of 0-100 using the formula: $QoLi = (\text{Total Score}_i / 350) \times 100$, allowing comparison across respondents.

The product scores for each domain were aggregated across all respondents to get the domain aggregate score: $\text{Domain Agg}_j = \sum P_{ij}$. This was divided by the number of respondents to get the average domain score: $\text{Avg Domain Score}_j = \text{Domain Agg}_j / n$. The average domain score was then normalized to a 0-100 scale using: $\text{Normalized Domain Score}_j = (\text{Avg Domain Score}_j / 25) \times 100$, ensuring comparability between domains.

Data Analysis and Results

Demographics and Visit Profile

Table 1 summarizes a comprehensive analysis of Chinese tourists' demographics, economic and travel behavior, preferences, and perceptions during their visits to Pokhara, a prominent tourist destination known for its natural beauty and cultural heritage. The data was gathered through a survey aimed at understanding the characteristics and preferences of this specific tourist segment to enhance service delivery and tailor marketing strategies more effectively.

The survey analyzed the demographics, economic behavior, preferences, and perceptions of Chinese tourists in Pokhara. Most tourists were male (58.3%) and had high educational levels, with many holding Bachelor's or Master's degrees. The income range was broad, predominantly between Rs. 25-50 thousand, and visit frequency showed a mix of first-time and repeat visitors. Main reasons for visiting were business and vacation, with stays typically lasting 1-2 weeks. Most tourists traveled by airplane and got information from social media, showing the influence of digital platforms.

Satisfaction levels were high, with 66.3 percent feeling satisfied or very satisfied, and memorable aspects included the culinary experiences and natural landscapes. The intention to revisit and recommend Pokhara was notably high, with 44.8 percent intending to revisit and 99.8 percent willing to recommend. The survey used convenience and systematic sampling, starting from identifying Chinese restaurants to connect with tourists. After excluding invalid responses, 400 valid responses were collected. The insights from the data highlight the importance of targeted marketing and service enhancements to cater to Chinese tourists.

Table 1: Demographics & Visit Profile of Chinese Tourists in Pokhara

Demographic Variable	
Gender	Male: 58.3%, Female: 41.8%
Age Distribution	18-24: 18.5%, 25-34: 27.8%, 35-44: 25.3%, >55: 28.5%
Employment Status	Student: 8.5%, Employed: 37.8%, Self-Employed: 25.3%, Retired: 28.5%
Education Level	School:5.3%, Bachelor: 41.0% Masters:36.5%, PhD: 10.0%, >PhD: 7.3%
Economic & Travel Behavior	
Income Range	(Rs. '000) <10: 15.3%, 10-25: 27.8%, 25-50: 39.8%, 50-75: 10.0%, >75: 7.3%
Visit Frequency	First Time: 27.5%, 1-2: 25.5%, 3-5: 36.5%, 6-7: 3.3%, >7: 7.3%
Purpose of Visit	Vacation: 15.3%, Business:37.8%, Education:15.3%, Spiritual: 24.5%, Others: 7.3%
Length of Stay	<1 Week: 27.5%, 1-2 Weeks: 36.8%, 2-4 Weeks: 25.3%, 1-2 Months: 3.3%, >2 Months: 7.3%
Preferences & Perceptions	
Transportation	Airplane: 48.8%, Bus: 25.5%, Car: 25.8%
Travel Companion	Alone: 15.5%, Friends: 24.3%, Family: 31.5%, Group: 21.3%, Others: 7.5%
Information Source	Online: 5.3%, Social Media: 47.8%, Agency: 22.5% , Recommendations from others: 21.3%, Print: 3.3%
Visit Satisfaction	Dissatisfied: 18.5%, Neutral: 15.3%, Satisfied: 42.8%, Very Satisfied: 23.5%
Memorable Aspects	Nature: 27.5%, Cleanliness: 15.5%, Friendly People: 25.3%, Hospitality: 3.3%, Culinary: 28.5%
Revisit Intentions	Disagree to revisit: 8.8%, Neutral: 24.0%, Agree: 44.8%, Strongly Agree: 22.5%
Recommendations	Yes: 99.8%, No: 0.2%

Source: Field Survey, 2022

Model Analysis

The final model, with an R-squared value of 0.904, explained 90.4% of the variance in 'OAS'. Despite high explanatory power, residual normality issues necessitated ongoing evaluation. Post-transformation diagnostics showed improved residual normality, with a slightly adjusted R-squared value of 0.903 and the F-statistic confirming the model's statistical significance, demonstrating reliability and accuracy in explaining 'OAS' variability.

Table 2: Regression Output

Variables	Coefficient (Estimate)	Std. Error	t-value	P-value	95% Confidence Interval
Intercept (const)	-4.1877	0.121	-34.544	<0.001	(-4.426, -3.949)
Soc (Social factors)	0.0385	0.003	12.272	<0.001	(0.032, 0.045)
RR (Recreational activities)	0.0357	0.003	12.612	<0.001	(0.030, 0.041)
ToE (Tourism experiences)	0.0368	0.003	11.791	<0.001	(0.031, 0.043)
RE (Recreational environment)	0.0354	0.003	12.204	<0.001	(0.030, 0.041)
CE (Cultural environment)	0.0440	0.003	12.994	<0.001	(0.037, 0.051)
WE (Work environment)	0.0370	0.003	11.078	<0.001	(0.030, 0.044)
HS (Health and safety)	0.0471	0.003	14.713	<0.001	(0.041, 0.053)
AFF (Affordability)	0.0375	0.003	13.198	<0.001	(0.032, 0.043)
PIL (Peacefulness & quiet life)	0.0397	0.003	11.708	<0.001	(0.033, 0.046)
IP (Infrastructure and planning)	0.0337	0.003	11.164	<0.001	(0.028, 0.040)
TrE (Transportation efficiency)	0.0382	0.003	12.339	<0.001	(0.032, 0.044)
CE.1 (Cultural engagement)	0.0370	0.003	12.651	<0.001	(0.031, 0.043)
WE.1 (Weather conditions)	0.0382	0.003	12.210	<0.001	(0.032, 0.044)
LE (Livability)	0.0376	0.003	12.685	<0.001	(0.032, 0.043)

The model fit, with an R-squared value of 0.903, indicated that the model explained a large portion of the variance in the transformed dependent variable. The Box-Cox transformation parameter was approximately 1.205, suggesting a transformation close to the natural logarithm. The histogram of transformed residuals appeared more normally

distributed, indicating improved normality. The QQ plot showed that the transformed residuals followed the 45-degree line more closely, further suggesting improved normality. The plot of residuals versus fitted values did not show any clear patterns or heteroscedasticity, confirming a good model fit.

The regression summary showed that the coefficients remained positive and significant, and the overall model retained its statistical significance. Model diagnostics indicated that the transformation improved the normality of the residuals, a key assumption of linear regression. The estimated regression equation for fourteen variables is:

Overall Satisfaction (OAS)

$$OAS = -4.1877 + 0.0385(\text{Soc}) + 0.0357(\text{RR}) + 0.0368(\text{ToE}) + 0.0354(\text{RE}) + 0.0440(\text{CE}) + 0.0370(\text{WE}) + 0.0471(\text{HS}) + 0.0375(\text{AFF}) + 0.0397(\text{PIL}) + 0.0337(\text{IP}) + 0.0382(\text{TrE}) + 0.0370(\text{CE}_1) + 0.0382(\text{WE}_1) + 0.0376(\text{LE}) +$$

The final regression equation, including coefficients and test statistics, models the overall satisfaction (OAS) of Chinese tourists based on socio-economic, environmental, and lifestyle factors. Each coefficient indicates the expected change in OAS for a one-unit change in the corresponding variable, holding others constant. High t-values and low p-values suggest each factor is a significant predictor of OAS. Confidence intervals show the precision of these estimates. The regression output offers a detailed analysis of how various travel domains impact tourists' overall satisfaction.

Each domain, including social factors, recreational activities, and tourism experiences, significantly influenced tourist satisfaction. Positive coefficients indicated that improvements in these areas lead to higher satisfaction levels. The model's R-squared value of 0.903 demonstrated its effectiveness in explaining tourist satisfaction variance. Low p-values (<0.001) confirmed the statistical significance of all variables, proving these factors are crucial determinants of overall satisfaction. Health and safety, with the highest coefficient (0.0471), emerged as the most impactful domain. The residuals plot showed no patterns or heteroscedasticity, confirming the model's assumptions were met.

The analysis emphasized the need for a multifaceted approach to enhance tourist experiences. The model's robustness, shown by its high R-squared value and significant variables, highlighted the importance of these domains. Stakeholders should prioritize health and safety, cultural engagement, and affordability to improve tourist satisfaction.

Factors Influencing the Satisfaction of Chinese Tourists: Ranked by Impact

The Descending Order of Impact presents a hierarchy of domains based on their influence, from highest to lowest. This ranking system highlights the relative importance of various factors that affect overall well-being and quality of life.

- HS (Health and safety)	0.0471
- CE (Cultural environment)	0.0440
- PIL (Peacefulness and quiet life)	0.0397
- Soc (Social factors)	0.0385
- TrE (Transportation efficiency)	0.0382
- WE.1 (Weather conditions)	0.0382
- LE (Livability)	0.0376
- AFF (Affordability)	0.0375
- WE (Work environment)	0.0370
- CE.1 (Cultural engagement)	0.0370
- ToE (Tourism experiences)	0.0368
- RR (Recreational activities)	0.0357
- RE (Recreational environment)	0.0354
- IP (Infrastructure and planning)	0.0337

The investigation into the satisfaction of Chinese tourists visiting Pokhara revealed that health and safety, cultural environment, and peacefulness are the most influential factors. Health and safety emerged as the most significant factor, followed by cultural experiences and the serene environment of Pokhara. Affordability, infrastructure, and transportation efficiency were also found to be crucial for positive tourist experiences, while social factors, recreational activities, and tourism experiences had a lesser but still significant impact.

The hierarchical ranking based on impact showed that health and safety had the highest coefficient, indicating its paramount importance. Cultural environment and peacefulness were also highly influential, emphasizing the need for

a safe, culturally rich, and tranquil environment to enhance tourist satisfaction. Other factors such as affordability, infrastructure, and transportation efficiency play vital roles, with lower coefficients for social factors, recreational activities, and tourism experiences.

To enhance satisfaction among Chinese tourists, a comprehensive development strategy is essential. Prioritizing health and safety measures, promoting and integrating local culture, and improving infrastructure and affordability are key steps. Investments in efficient transport systems, affordable accommodations, and tourist-friendly amenities will further elevate the overall travel experience, ensuring a high level of tourist satisfaction.

Key Insights from the Analysis of Tourist Satisfaction

The Quality of Life (QoL) of Chinese tourists, as defined through the score categorization details, is a comprehensive measure derived from evaluating fourteen critical domains of their travel experience. These domains cover essential aspects like accommodation, transportation, and activities. The QoL score for each domain is calculated by multiplying two key metrics: The Importance Ranking and the Satisfaction Ranking, each on a 1 to 5 Likert scale. The Importance Ranking reflects the weight or significance a traveler places on each domain, while the Satisfaction Ranking indicates the level of satisfaction the traveler experiences in those domains. The product of these rankings for each domain provides a detailed view of the traveler's valuation and enjoyment of various aspects of their trip.

Table 3: Quality of Life (QoL) Scores of Chinese Tourists Across Categories

QoL Score Category	Frequency	Percentage
Low Score (14-55)	0	0.00%
Medium Score (56-125)	33	8.25%
High Score (126-223)	357	89.25%
Very High Score (224-250)	10	2.50%
Grand Total	400	100 %

The table presents a frequency distribution of Quality of Life (QoL) scores received by Chinese tourists, categorized into four distinct ranges. This distribution helps in understanding the perceived quality of life among tourists within the given score brackets. Here's an analysis of the table:

Recommendations for Enhancing the Tourism Experience

The concept of Quality of Life (QoL) in the context of tourism refers to the subjective well-being experienced by individuals as a result of their travel experiences. QoL is influenced by a variety of factors, including social relationships, recreational opportunities, cultural engagement, and personal fulfillment. Understanding the domain-wise QoL scores of Chinese tourists provides insights into the different aspects of their travel experiences and their overall satisfaction.

Table 4 presents the domain-specific quality of life insights for chinese tourists across 14 categories, including social relationships (Soc), recreation and relaxation (RR), cultural engagement (CE), health and satisfaction (HS), and leisure engagement (LE). The overall QoL score, average domain scores, and normalized percentages highlight variations in well-being, revealing the priorities and satisfaction levels of Chinese visitors. Analyzing these scores can help stakeholders identify areas for improvement to better meet the needs and expectations of this key tourist demographic.

Table 4: Domain-Specific Quality of Life Insights for Chinese Tourists

	Soc	RR	ToE	RE	CE	WE	HS	AFF	PIL	IP	TrE	CE ₁	WE ₁	LE
Overall QoL Score	5091	5139	4826	4949	4445	4690	4557	5458	4497	5027	4841	5132	4843	5052
Average domain score	12.72	12.84	12.06	12.37	11.11	11.72	11.39	13.64	11.24	12.56	12.10	12.83	12.10	12.63
Normalized domain score in %	50.91	51.39	48.26	49.49	44.45	46.9	45.57	54.58	44.97	50.27	48.41	51.32	48.43	50.52

To enhance travel satisfaction, travel companies should adopt a comprehensive approach that considers the economic, cultural, social, and logistical needs of Chinese tourists. Strategies such as creating cost-effective experiences through strategic pricing and added services, enhancing cultural engagements, and promoting opportunities for meaningful social interactions can significantly improve travel experiences. By offering immersive, authentic cultural activities and facilitating social connection opportunities, stakeholders can address the diverse factors influencing QoL and satisfaction. Focusing on affordability, cultural engagement, and the overall travel environment can thus enhance the quality of life for Chinese visitors, as indicated by the analysis of their domain-wise QoL scores.

Discussion

The findings of this study reveal that travel significantly enhances the Quality of Life (QoL) for Chinese tourists visiting Pokhara, positively influencing mental health, family relationships, and general happiness. These results align with Gong, Ji, and Rong (2021), who found that tourism contributes to improved mental well-being and family dynamics, and extend the findings of Liang and Hui (2016) by demonstrating that tourism development has multiple dimensions of impact on QoL.

The study highlights the critical role of service quality, consistent with the findings of Chen, Fu, and Lehto (2016), while also emphasizing the importance of cultural understanding and environmental sustainability as key determinants of tourist satisfaction. This study's novel methodological approach provides deeper insights into the relationship between travel experiences and QoL, offering a more detailed understanding of these dynamics. The findings underscore that strategic actions focusing on service quality, cultural sensitivity, and sustainable tourism practices are essential for enhancing Chinese tourists' QoL and overall satisfaction. Additionally, these factors address the economic, social, and cultural dimensions influencing the travel experience.

While the findings are robust, limitations such as the study's sample size and contextual variations in travel preferences should be considered when interpreting the results. These factors may limit the generalizability of the findings across other regions or populations.

Conclusion

This study concludes that Chinese tourists' QoL is significantly improved by their travel experiences in Pokhara, particularly through enhancements in mental health, family relationships, and happiness. Service quality, cultural sensitivity, and sustainable tourism practices were identified as the main drivers contributing to these QoL improvements. These findings emphasize the need for stakeholders to adopt integrated strategies that prioritize service quality, cultural understanding, and environmental responsibility to foster higher levels of satisfaction among Chinese visitors.

The findings offer practical and theoretical insights into the mechanisms through which tourism improves QoL, contributing to both the academic understanding of travel experiences and the strategic planning of tourism initiatives in Pokhara.

Recommendations

To enhance the quality of life (QoL) of Chinese tourists in Pokhara, it is crucial to improve service quality through comprehensive training for tourism operators. Services should prioritize cultural sensitivity, strengthen health and safety measures, and adopt sustainable tourism practices to ensure a secure, memorable, and enjoyable experience. Investments in improved transportation, accommodation, and recreational facilities will further elevate their overall visit. Additionally, establishing efficient feedback mechanisms will allow service providers to monitor satisfaction and adapt services accordingly. Digital platforms should be leveraged through targeted strategies, such as utilizing popular Chinese social media platforms like WeChat, to strengthen engagement and collect real-time feedback.

Immediate actions such as implementing real-time health monitoring systems in key tourist areas, collaborating with local communities to design authentic cultural tours tailored to Chinese preferences, and enhancing digital outreach through platforms like WeChat are vital. In the long term, strategies should focus on promoting sustainable tourism through eco-friendly accommodations and renewable energy initiatives and addressing communication gaps by developing multilingual support services. These combined efforts aim to ensure a sustainable, inclusive, and enjoyable tourism experience for Chinese visitors while benefiting the local community.

Areas for Future Research

While this study offers valuable insights into the QoL of Chinese tourists in Pokhara, further research is needed to explore additional dimensions. Future studies should investigate the long-term effects of repeat visits on QoL, compare QoL across different tourist destinations, and examine the role of digital platforms and online engagement in shaping satisfaction. Additionally, understanding how sustainable tourism practices impact mental well-being and analyzing the effects of varied travel experiences—such as group tours versus independent exploration—will provide a comprehensive understanding of factors influencing QoL. Addressing these gaps will support the development of effective tourism strategies and policies.

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Building Internal Coaching Capacity: Key Ingredients for Developing Internal Champions in the Workplace

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Abstract

An ongoing gap in the literature highlights the need to explore and address the essential elements required to build internal coaching capacity and develop effective internal coaches within organisations. This paper contributes to addressing this gap by exploring the essential ingredients critical for building internal coaching capacity. The main objective of this paper is to enhance our understanding of the factors that contribute to building internal coaching capacity, thereby supporting the design and implementation of effective internal coaching programs within organisations. First, an online survey was used to collect quantitative data, offering a general overview of coaching activities across Australia's rail organisations. This was followed by a qualitative phase, which involved semi-structured interviews with participants from two major rail organisations. Results from both the quantitative and qualitative phases indicate that organisations widely utilise both internal and external coaching, with internal coaching primarily occurring in an informal form. The qualitative findings relevant to the objective of this study suggest that (1) formalising internal coaching practices and ensuring accessibility across organisational hierarchies, (2) maintaining synergies between internal and external coaching activities while concurrently engaging in extensive internal coach training, (3) securing leadership commitment and support from upper management, and (4) cultivating a learning culture to support coaching can be considered among key components in building internal coaching capacity, and driving more effective coaching programs within organisations.

Keywords: Workplace coaching, Internal coaching, Capacity building, Learning and development

Introduction

Workplace coaching, sometimes referred to as organisational coaching, emerges as a pivotal strategy for leadership development across various sectors and industries (Ponte et al., 2006; McNally & Lukens, 2006). It serves as a dual-faceted method facilitating change in humans and organisations (Cavanagh et al., 2005; Khaliq et al., 2024) and stands out as a valuable tool for workplace learning and professional development (Cantrell et al., 2024; Jones et al., 2016; Rajasinghe & Allen, 2020). Zeus and Skiffington (2001) emphasise that "coaching is about change and transformation—about the human ability to grow, to alter maladaptive behaviours and generate new, adaptive, and successful actions" (p. 3).

Organisations worldwide invest significant time, resources, and financial capital in both in-house and external programs designed for the learning and development of employees, aiming to enhance individual and organisational performance (Šebestová & Popescu, 2022). These programs are tailored for leaders, managers, and employees at all levels, providing them with the requisite knowledge, skills, tools, and abilities needed to improve their performance, work attitude, influence, and overall effectiveness. These efforts contribute to fostering productivity, enhancing personnel satisfaction, and improving wellbeing markers (Theeboom et al., 2014), emotional intelligence (Gavin, 2018), and are generally anticipated to yield improved workplace outcomes (Ozyilmaz, 2020).

At the core of initiatives aimed at fostering positive outcomes lies the construction of capability and the provision of learning and development opportunities that inspire positive change and growth. Organisational coaching, whether provided by external or internal coaches, emerges as a means to facilitate these positive changes and developments (Bickerich et al., 2018; Pousa & Mathieu, 2015). Traditionally, organisations have sought external coaching practitioners for a diverse range of services, including supporting the development of managers and leaders (Judge & Cowell, 1997; Kilburg, 2000).

However, these activities can also be conducted internally if the organisation possesses competent talent, resources, and infrastructure. Internal coaching has often occurred informally and may lack a systematic process and supportive culture for optimal outcomes. There are limited papers published in the literature that explore key ingredients and critical aspects of building internal coaching capacity. To address this issue, crucial for preventing potential harm from poorly executed coaching programs (Berglas, 2002; Schermuly & Graßmann, 2018), it is essential to explore ways in which internal coaching capacity can be effectively built.

Organisational capabilities and the development of underlying capacities are imperative in facilitating strategic activities within organisations (Jiang et al., 2019). By emphasising learning and creating conditions conducive to employee development, organisations can enhance their agility and secure access to proficient internal talent during critical junctures (Hicks & Peterson, 1999). The large majority of published papers in the literature have mostly focused on external form of coaching and scholars have made extensive efforts investigating various aspects of coaching including coaching effectiveness and coaching relationship (Bozer & Jones 2018; De Meuse et al., 2009; Feldman & Lankau, 2005; MacKie, 2007; O'Broin & Palmer, 2010; Jones et al., 2016; Tooth et al., 2013). While the present study cannot cover all facets of the topic of building internal coaching capacity, its objective and the central theme driving this research are to understand some of the key ingredients necessary for achieving internal coaching capacity, an underexplored area in the literature deserving further empirical exploration.

Literature Review

Coaching for Capability Building

A report from the Australian HR Institute (AHRI) in September 2023, based on responses from over 600 senior business and HR decision-makers, indicated that only 25% of respondents considered investments in line management capability as an effective measure of productivity (AHRI Quarterly, Sep 2023). While the AHRI report highlights the limited percentage of respondents who view investments in line management capability as effective for productivity (only 25%), the specific reasons for this sentiment are not explicitly elucidated in the report. The factors influencing this perception remain somewhat opaque. Despite the lack of detailed insight into the reported figures, it is crucial to explore alternative avenues.

Coaching interventions have shown promise in enhancing capability building (Burley & Pomphrey, 2013; Downey, 2003; Seemann et al., 2019; Wang, 2012), performance (Whitmore, 2010), productivity (Baldwin & Cherry, 2019), goal attainment (Grant et al., 2009), and individual and workplace wellbeing (Green et al., 2021). Parsloe (1999, p.8) defines coaching as "a process that enables learning and development to occur and thus performance to improve." Research has shown that investing in the learning and development of managers significantly associates with multiple performance outcomes, including organisational-level performance outcomes (Than et al., 2009). In the relatively recent past, a study conducted by the Institute of Leadership and Management (2011) revealed that 83% of the surveyed organisations were internally acquiring coaching services with the objective of strengthening their coaching capacity.

A case study research by Roscow & Zegar (1992), in the context of the United States, exemplifies the successful implementation of coaching and leadership practices at Procter and Gamble's Newland Plant. Faced with intense competition and rapid technological changes, a new plant manager catalysed a transformative shift, redefining managers' roles to emphasise coaching and leadership over hands-on tasks. Through self-reflection and revamped job descriptions, the organisation experienced notable improvements. Over twenty-four months, the plant progressed from a mid-tier position to a divisional player in the market, underscoring the impactful role of coaching and capability building in elevating organisational performance and improving business outcomes.

Anderson (2013) carried out a research project in the UK and found that the majority of managers and leaders surveyed demonstrated significant engagement in coaching behaviours in the form of providing developmental and performance support to enhance skills and performance ($SD=0.775$) of their employees as well as helping their staff to develop themselves as individuals ($SD=0.732$). Anderson also reported that almost half of the line managers in the

sample (46.3%) didn't have a formal management qualification. While Anderson's (2013) research did not delve into how those coaches in the study gained coaching skills or the provision of capability building programs to gain coaching skills, the author emphasised the importance of recognising coaching as an essential aspect of effective leadership. Interpreting this insight, one can argue that building internal coaching capacity and developing both the leaders and staff members outside line management to become champions of internal coaching may yield positive outcomes for organisations.

Grant (2016) believes that a meticulous approach is required for allocating resources for equipping managers and leaders with coaching skills. Grant asserts that frequently organisations expend substantial time, energy, and resources on cultivating coaching skills among their leaders and managers, only to discover that despite initial enthusiasm, the acquired coaching skills are not consistently applied in the workplace. Instead, individuals often revert to traditional command-and-control leadership behaviours. Ebrahimi and Cameron (2012) note the rising popularity of coaching in the workplace, with many employees actively participating in coaching activities. The authors indicate that it appears that informal internal coaching practices have been embraced by organisations for quite some time. However, the authors reference Parsloe's view that despite well-intentioned efforts, this form of coaching is often characterised as "ad hoc, haphazard, and short-lived" (Parsloe, 1999, p. 11).

Understanding Internal Coaching

The approach "in-house" and "internal coaching" denotes a form of coaching where a member of the organisation serves as the coach for an employee within the same organisation (Frost, 2008). Within the literature, there appears to be a lack of consensus on a universally applicable definition for internal coaching. Several papers on the subject, such as those by Baldwin & Cherry (2019) and Carter (2005), reference the definition of internal coaching put forth by Frisch in 2001 in a paper titled "The Emerging Role of the Internal Coach." According to Frisch (2001) "internal coaching is a one-on-one developmental intervention supported by the organisation and provided by a colleague of those coached who is trusted to shape and deliver a programme yielding individual professional growth" (p. 242).

Another facet to consider is the concept of "managerial coaching" (DiGirolamo & Tkach, 2019; McCarthy & Milner, 2013) or "manager as coach," which places emphasis on the managers' role as a coach in facilitating the development of individuals through coaching interventions (Lawrence, 2017). For the purposes of this paper, the term internal coach is broadened to encompass both leaders and managers, and colleagues or peers from outside line management. It is noteworthy that the scope of internal coaching is not confined solely to senior management, diverging from narrower designations such as "manager as coach," and "leader as coach".

Capacity building involves elevating individual expertise or reinforcing the competency of an entity or a group of entities to execute particular responsibilities (Gustafsson et al., 2020). The decision to build internal capacity, engage an internal coach, an external coach, or a blend of both is contingent upon the specific organisational objectives and the organisational capacity (Schalk & Landeta, 2017). External coaches, defined as professional coaching practitioners external to the client organisation (Nicolau et al., 2023), charge fees ranging from \$10,000 to \$100,000 per coachee for an approximate duration of nine months (Rock & Donde, 2008). In a 2009 study in the United States, a large sample of coaches who participated in an online survey (n=428) reported an average hourly rate of \$259 for psychologist coaches and \$214 for non-psychologist coaches (Bono et al., 2009). A study in the context of coaching in educational institutions suggested that for in-person coaching to help teachers improve instruction, student achievement, and subsequent long-term economic outcomes "the cost per educator per contact hour was \$169.43 for coaching, in 2017–2018 US Dollars" (Barrett & Pas, 2020, p.604).

External coaches are often credited with the significant advantage of objectivity (Machin, 2010; Wasylshyn, 2003), being less susceptible to internal politics or wielding power to influence coaching relationships (Jones et al., 2016). Their ability to offer a broader range of perspectives is attributed to their extensive experience working with a diverse clientele from various organisations (Tobias, 1996). However, St John-Brooks (2014) notes that even when external coaches immerse themselves deeply in an organisation and its personnel, numerous ethical dilemmas similar to those faced by internal coaches may persist. This underscores the complexity of capacity building for workplace coaching programs, whether facilitated by internal or external coaches, emphasising that it is not a straightforward, one-size-fits-all process.

While some organisations contracting external coaches are increasingly encouraging induction processes that familiarise these coaches with the company's culture and ethos (Fillery-Travis & Lane, 2006), internal coaches may be preferred due to their profound familiarity with the organisations' culture, internal processes, and various aspects of organisational dynamics (Carter, 2005; Tyler, 2000). Mukherjee (2012) highlights one of the notable advantages of

internal coaches—their deep understanding of internal dynamics and the specific business challenges within the organisations where they are employed. Furthermore, building internal coaching capacity brings practical benefits, including cost-effectiveness (Pandolfi, 2020) and the ready availability of talent within the organisation (Rock & Donde, 2008). The outcome of a meta-analysis by Jones et al. (2016) indicated that internal coaches were more effective than their external counterparts in the studies considered, although they couldn't examine moderation by criterion type. Subsequent research by Jones et al. (2018) suggested that the relative importance of internal and external coaches varies based on the specific coaching objectives and their impact on outcomes.

Some researchers posit that building internal coaching capacity extends beyond simply branding in-house coaching programs (Grant & Hartley, 2013) or assigning leaders and line managers to provide coaching (Frost, 2008). Rather, it appears that building internal coaching capacity is not only a time-intensive initiative to equip leaders, managers and other selected members of the organisation with workplace coaching knowledge and skills (Grant & Hartley, 2013) but also a complex process to foster a culture that supports and promotes internal coaching (McKee et al., 2009).

Theoretical Perspective

The resource-based view (RBV) focuses on how key capabilities play a crucial role in generating competitive advantage and superior performance (Clulow et al., 2007). Scholars in organisational behaviour and human resource development have utilised the resource-based view of the firm to contend that a strong commitment to human resource and personnel development contributes to competitive advantage (Collins, 2022). This is achieved by fostering organisational-level, employee-based resources that are both unique and valuable. Building internal coaching capacity can create a unique organisational resource that enhances employee development and leadership from within.

Human capital theory, developed by Becker (1962) and Rosen (1989), posits that workers possess a range of skills and abilities that can be enhanced or expanded through training and education (Xu & Fletcher, 2017). Building on this, human capital theory also highlights that investing in employee development, such as through internal coaching, can enhance productivity and adds significant value to the organisation.

Maslow's theory of human motivation highlights that addressing fundamental needs, such as safety, is essential before individuals can strive for higher levels like self-actualisation (Maslow, 1954). Thus, formal internal coaching programs, in contrast to ad-hoc and informal coaching conversations, can be crucial in establishing a foundation of trust and confidentiality, creating a safe environment where employees can fully engage in their development journey (Ebrahimi, 2024).

While earlier theories of learning and human behaviour, such as Social Learning Theory and Social Constructivism, highlight the importance of observation, interaction, and collaboration for fostering learning and development, Transformative Learning Theory (Mezirow, 1991) emphasises the critical reflection process, where adults examine their assumptions and perspectives. This process requires a supportive environment and the right resources to encourage individuals to challenge and change their thinking. In the context of developing internal coaching capacity, it is not merely about teaching techniques but equipping aspiring internal coaches with the range of competencies to facilitate transformational learning in others, which can be considered an outcome of effective coaching (Mbokota & Myres, 2024). Those who are trained in internal coaching should be skilled and competent to guide employees through this reflective process, supporting them in shifting their perspectives and overcoming barriers to development. This, in turn, contributes to both individual growth and broader organisational development. In this study, I therefore focus on exploring whether moving beyond informal, ad-hoc coaching to provide structured internal coaching is a key factor in building internal coaching capacity and developing effective internal coaching champions.

Methods

The research question guiding this study is: What are the characteristics of an effective internal coaching program? This article presents a subset of results that emerged while addressing this question as part of a larger project (Ebrahimi, 2016). Hence, the findings presented herein constitute a segment of the comprehensive insights gained from the larger study. To explore this question, a mixed methods design was utilised in the current research project. According to Leech and Onwuegbuzie (2009), "mixed methods research represents research that involves collecting, analysing, and interpreting quantitative and qualitative data in a single study or in a series of studies that investigate the same underlying phenomenon" (p. 265). In the quantitative phase (Phase 1) an online survey instrument was utilised to collect quantitative data, conducting a general scan across Australia's rail organisations to understand the

level of coaching activities. The survey questionnaire was piloted internally to assess the clarity and structure of the questions and to identify any errors or issues that might influence the quality of the responses. This process helped refine the instrument before the final distribution.

The results of Phase 1 informed the design of the qualitative phase (Phase 2), which involved semi-structured interviews with two of the largest rail organisations in Australia. The subset of results and findings presented in this article primarily originates from the data collected during Phase 1, while also relying significantly on the results from Phase 2 of the research project.

In adherence to research ethics, ethical approval was obtained through the Institutional Review Board and Institutional Ethics Committee. In the context of internet-based, telephone, and in-person data collection, it is imperative to address ethical considerations like obtaining informed consent and ensuring data security, as highlighted by Hewson et al. (2003) and Rothwell et al. (2021). Therefore, an informed consent form was developed for the participant population in both phases, holding particular significance in the qualitative phase of data collection.

Miles and Huberman (1994) posit that "no study, whether qualitative, quantitative, or both, can include everything; you cannot study everyone everywhere doing everything" (p.27). In the present study, the sample population for the quantitative phase comprised both public and private rail organisations based on a list provided by the Australian Railway Association. In terms of the sampling method, a simple random sampling technique was employed in this phase. The qualitative phase, conducted through semi-structured interviews, employed purposive sampling to gather qualitative data from two of the largest rail organisations in Australia. Purposive sampling, also known as purposeful sampling, involves selecting individuals or groups with relevant knowledge or experience regarding the phenomenon of interest (Palinkas et al., 2015). Key factors include not only expertise and experience, but also availability, willingness to participate, and the ability to effectively communicate their thoughts and experiences (Bakkalbasioglu, 2020). Interview participants included (1) internal coaches, (2) external coaches, (3) coachees, and (4) managers from the two rail organisations who voluntarily participated in the qualitative phase. This approach provided a comprehensive view of different perspectives from internal and external coaches, as well as coachees and managers.

Quantitative data were exported into SPSS for analysis, while qualitative data were analysed using NVivo, widely recognised software for qualitative data analysis, particularly effective for analysing large amounts of textual data in the form of transcripts (Zamawe, 2015). Subsequently, the reading, coding, and interpretation of qualitative data, considered starting points for meaningful analysis (Bazeley, 2009), were followed by a thematic analysis (Jackson & Bazeley, 2019) that led to the emergence of key themes in relation to this study, as reported below. While Phase One primarily sought to conduct a general scan to understand coaching activities across rail organisations and did not delve into in-depth statistical analysis, it yielded crucial results.

Results

Quantitative (An Online Survey in the form of a General Scan)

The survey questionnaire, administered during Phase One, was distributed to 129 rail organisations, both public and private, through email invitations facilitated by the Australian Railway Association (ARA). The responses yielded a total of 65 completed surveys, resulting in an overall response rate of 50.3%. Demographic data indicated a predominance of male respondents, constituting 75.4% of the survey participants (n=49), while female respondents accounted for 24.6% (n=16). Age distribution revealed that 30% of participants fell within the 45-54 years bracket, and an additional 28% were within the 35-44 years range. Notably, 10% of respondents fell within the 25-34 years age range.

As shown in Table 1, results revealed that over 90% of respondents acknowledged the occurrence of informal coaching within their organisations. This high percentage underscores the widespread recognition of informal coaching internally within participating organisations.

Table 1: Does informal coaching occur in your organisation?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	53	81.5	93.0	93.0
	No	4	6.2	7.0	100.0
	Total	57	87.7	100.0	
Skipped	System	8	12.3		
Total		65	100.0		

The majority of survey respondents (n=46), as depicted in Table 2, disclosed that coaching activities had taken place within their organisations over the past five years. When asked about the likelihood of their organisations incorporating coaching within the next three years, 70.8% of respondents (n=46) affirmed this possibility, while over 23% indicated a negative response (n=8). These findings suggested that internal coaching, potentially informal in nature, has been an ongoing practice within their organisations and is likely to persist. This underscored the significance of further exploration in the next phase concerning the underlying infrastructure and internal coaching capacity.

Table 2: Has your organisation undertaken any coaching in the last 5 years?

	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	46	70.8	70.8	70.8
No	15	23.1	23.1	93.8
Don't know	4	6.2	6.2	100
Total	65	100	100	

Results, as illustrated in Table 3, indicated varying degrees of integration of coaching within organisational programs. Notably, participants highlighted the use of coaching as a supplementary tool in existing leadership and management development programs, reflected by a mean score of 2.47 (SD = 1.18). Furthermore, coaching was identified as an integral component of training initiatives within organisations, as evidenced by a mean score of 2.62 (SD = 1.30). However, the most pronounced finding was the prevalent use of coaching on an ad-hoc and informal basis, garnering the highest mean score of 2.84 (SD = 1.19).

Table 3: Distribution of Responses Regarding the Integration of Coaching in Organisational Programs

	N	Minimum	Maximum	Mean	Std. Deviation
Coaching is part of leadership development programs.	44	1.00	4.00	2.0455	.88802
Coaching is part of general management development program.	45	1.00	4.00	2.2444	.88306
Coaching is used on an ad-hoc basis and not as part of a formal program.	45	1.00	6.00	2.8444	1.18620
The use of coaching is written into your organisations' training and development plan.	45	1.00	6.00	3.2000	1.25408
Coaching is part of change programs.	45	1.00	6.00	2.7556	1.22763
Coaching is an integral part of training within your organisation.	45	1.00	6.00	2.6222	1.30190
Coaching is used to supplement existing leadership and management development programs.	45	1.00	5.00	2.4667	1.17937
Valid N (listwise)	44				

In addition, participants were asked about the organisational levels receiving coaching. With multiple response options, the aim was to gauge coaching availability across all employee tiers. As indicated in Table 4, 84.1% noted coaching provision for 'Middle management,' revealing a widespread application of coaching across diverse organisational levels. Notably, the data also highlights that coaching is generally extended to employees across various levels within organisations.

Table 4: Coaching is offered to different levels of seniority in organisations

Which of the following levels of seniority does your organisation offer coaching to?	Responses		Percent of Cases
	N	Percent	
Other employees below management	21	17.6	47.7
Senior management and directors	25	21.0	5.68
First line management or supervisors	36	30.3	8.18
Middle management	37	31.1	8.41
Total	119	100	

In the quantitative results presented in Figure 1, the majority of responses (78.7%) indicated that senior staff provided coaching within their own departments. Notably, there was substantial engagement from other employees, with active

involvement in coaching direct reports and colleagues from different departments. The findings suggest a dual approach involving both internal and external coaching, as highlighted by a significant number of respondents (n=25) reporting the use of external coaching in their organisations.

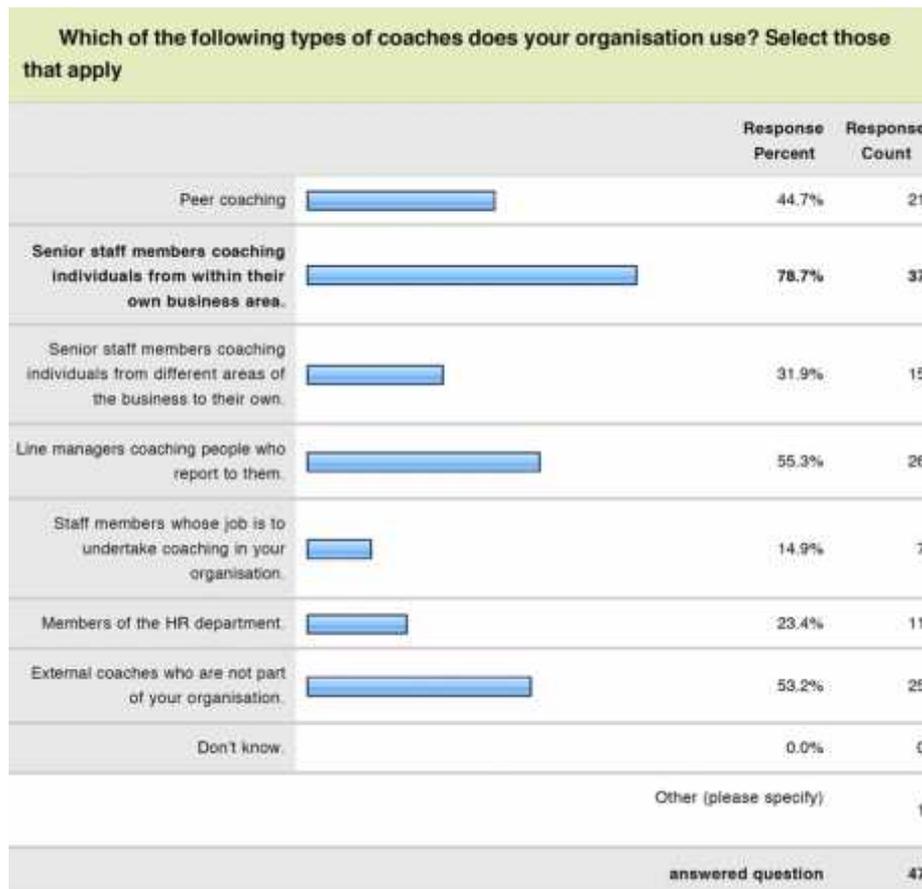


Figure 1: Coaching Modalities in Surveyed Organisations

Qualitative (Semi-structured Interviews)

The thematic analysis conducted as part of the qualitative data analysis process unveiled three central themes crucial for achieving the objective of this study concerning the development of internal coaching capacity. Participants consistently emphasised the importance of coaching skills, coach credentials, and the associated training as fundamental aspects of building internal coaching capacity. Additionally, nearly all participants underscored the significance of top management support and a culture of learning as critical elements in the process of developing internal coaching capacity. The semi-structured interview participants offered invaluable comments and insightful feedback pertaining to the significance of these themes.

Coach’s Skills, Credentials and Training

The qualitative results underscore the collaborative endorsement of external coaches to enhance organisational capability. Results highlighted the positive impact of engaging external coaches, particularly Executive Coaches for Senior Project Managers, in enhancing organisational capability. This approach empowered coachees to promote and offer coaching internally.

...With this particular program what we were initially looking for was engaging a mentor for Senior Project Managers, and what I realised once getting involved and getting into what was actually required, it wasn’t so much of a mentor, it was more of a coach, and specifically an Executive Coach, so what I went for was to have someone come into the organisation who could executively coach our Senior Project Managers, and then with that the intent is to leave, which is what we have achieved, is to leave a legacy behind where our Senior Project Managers can do that, the coaching, with their people, and so hence came the Leader as Coach Program evolved from that, and so the target audience are the Senior Project Managers [Manager 1].

Introducing external coaches into the organisation to serve as role models and lay the groundwork for additional training could be advantageous for preparing leaders and managers to become proficient internal coaches.

...by bringing in expert coaches now, professional coaches, we’re establishing role models as part of that initial

foundational development, and consequently, we have a group of leaders and managers prepared for further training and coaching others [Manager 4].

Internal Coach 2 stressed the pivotal importance of training internal coaches. However, the participant asserts that identifying suitable individuals to undergo coach training is important to avoid potential financial resource waste.

...If you're going to do an internal coaching model, finding the right people is very critical. We trained a lot of people up that I simply won't provide the opportunity to, because they don't have the style or the skill set...I think companies often waste a lot of money and therefore don't see the benefit because they've coached the wrong people in coaching [Internal Coach 2].

Some coachees expressed their concern in relation to not being informed of their coach's skills and there was widespread agreement that without knowing coaching skills and credibility of internal coaches it is difficult for coachees to engage in coaching process.

... we don't know whether or not that internal person has the right skills to coach us [Coachee 4].

Similarly, Internal Coach 3 recommended a consistent and standardised coach training program for all internal coaches, highlighting the need for a more formal process in building internal capacity. The prevalence of informal coaching and inconsistent training among internal coaches appears to have resulted in feedback of this nature from both coachees and internal coaches.

We don't have internal coaching program. I am unofficially coaching and its not an official role, so I have been through coaching accreditation and know what are the Dos and Don'ts in coaching but some other internal coaches may not have the right skills and it causes a lot of confusion for our team members since they can't trust in their coaches knowledge and skills [Internal Coach 3].

All internal coaches possessed a formal university education background in either a management discipline or a discipline closely relevant to psychology. According to Internal Coach 1, their previous university-level training played a crucial role in building the confidence needed to support the development of internal coaches and actively participate in internal coaching.

I did my Masters of Management, ...well a number of subject offerings through there was one semester it was just on Change Management and then coaching as a result of that, so coaching was one element of that, of the course. So based on my education background I was offered by the organisation to take on the role of an internal coach on the side of my role as a senior HR advisor [Internal Coach 1].

Similarly, another participant proposed that recognising individuals with prior exposure to certain coaching skills and possessing a closely relevant educational background can contribute to establishing an environment conducive to supporting internal coaching programs.

I have a degree in Behavioural Science, and when I finished my degree, I started up a not-for-profit company with another Psychologist... so I had a good understanding of listening and questioning techniques or some models that is used to help people to transform, so I didn't need further training really and when we started to introduce internal coaching programs, I was happy to contribute and support it [Internal Coach 2].

Relevant training and coaching accreditation programs on specific tools developed by external organisations were identified as potential avenues to build internal capacity. These programs were seen as effective in taking initial steps toward enhancing internal coaching capacity and engaging disengaged staff members. However, it is important to note that the specific programs Manager 2 is referring to involve short-term workshops and do not encompass comprehensive coach training and education.

...I looked at all the people who'd said that they'd be coaches and were obviously passionate about that, and I selected them to then become Accredited LSI ["Life Styles Inventory" by Human Synergistics] Coaches, because LSI is the tool of choice in here, and now I'm running my Frontline Leadership Program I want internal coaches because, you know, I feel like at the moment with our organisation we've got least experienced leaders in the business, the Frontline Leaders, who are really like the most remote or the most cut-off from head office, you know, and they're the most cut-off and disengaged [Manager 2].

Another participant, along with several others, emphasised that coach training and accreditation programs can serve as a starting point to build internal coaching capacity, facilitating a gradual transition from informal to formal coaching.

...Some of them we are getting accredited as coaches, so they will sort of provide that informal coaching and be there as a support, but we can also count on them to run more structured coaching programs [Manager 3].

Similar comments from other participants suggested the need for structured and systematically developed coach training beyond coaching skills that may be provided as part of capability building to leadership level employees.

When it comes down to coaching, training on coaches, we haven't really had a structured program on a coach per se, it's more capitalising on leadership, leadership, rather than coaching as such, so we've kind of used that in the absence of having a proper coaching or mentoring training [Internal Coach 4].

The views of external coaches were in line with the feedback of most other participants in terms suggesting that while short term training and coach accreditations can be effective, regular assessment of organisational needs and providing more comprehensive training to build broader competence in internal coaches is essential to sustain internal programs.

Coaching skills isn't something you can pick up overnight—it's more like becoming a psychologist. You know, the kind of journey that takes years of training, dedication...so, yes, consistent training, exposure to different models, continuous evaluation, and feedback loops...and, of course, as they develop, understanding their limitations and keeping track of progress over time [External Coach 3].

Leadership Buy-In and Support from the Top

The results underscored a unanimous emphasis among participants on the crucial role of top management support in building internal coaching capacity. Participants consistently highlighted the necessity for a culture where managers and leaders recognise the value of coaching and commit to allocating financial resources to sustain coaching programs effectively.

It has to be valued by the leaders, executive. Executive has to value it because that's what's going to continue with the funding, continue with the ... because especially in an organisation like this, you will always have some form of sweep [Coachee 10].

The feedback from most participants underscored a shared emphasis on the critical need for top management support in establishing internal coaching development programs that are not only sustainable but also protected from the perception of being short-lived or ad-hoc. Internal Coach 4's perspective, echoed by many, highlighted the necessity for these programs to be communicated as enduring initiatives.

It needs to be not a one-off program, it needs to be positioned at the front with key messages saying You know what, this is going to be a three-year rolling program or It's part of the talent review process, so it's got to be something that they don't just glaze over and think Here we go again, it's another program that's just going to last for a little while. [Internal Coach 4].

Manager 2 emphasised that leaders can play a pivotal role in fostering a coaching culture by demonstrating it in their own actions, supporting coaching initiatives, and serving as role models for their employees.

So I've got all my team through the coaching and I've invested a fair bit with my team going through things, like typical conversations, fierce conversations, what are the behaviours that we want to see, and trying to walk the talk myself and I support coaching in my teams and try to be a good role model for my staff [Manager 2].

External Coach 1 suggested that coaching needs to be supported at the top of organisations.

So, this needs to be supported by executives at the top, and you need to do a bigger cultural piece, and then fit coaching as a really specific targeted tool within it, to really get value, and that would be the sort of culture that would support coaching [External Coach 1].

Manager 3 attributed his support for internal coaching initiatives to his educational background in Organisational Psychology, which included a Master's Degree with a focus on coaching. His qualifications, coupled with a history in Human Resources, positioned him as a qualified and enthusiastic advocate for internal coaching programs.

My background is in psychology, Organisational Psychology – I've done a Masters Degree in that and one of my subjects was on coaching – So when we decided to run internal coaching programs here, I was one of the managers that supported the idea and was qualified and eager to support others through coaching programs [Manager 3].

Learning Culture to Promote Coaching

The majority of participants uniformly emphasised the imperative role of cultivating a learning-oriented culture that recognises and rewards knowledge sharing for the successful implementation of internal coaching.

We need a culture that rewards knowledge sharing, and coaching can fit into leadership, personal and professional development there" [Manager 4].

Participants in general emphasised the prerequisite for a culture centred on learning and continual development as a foundational requirement for effective internal coaching programs.

...you need a culture of learning and on-going development first [Coachee 4].

Consensus among external coaches emphasised the pivotal role of a learning culture in fostering employee motivation for growth. One external coach articulated,

... has to be a learning culture where you get motivated employees who want to improve their career growth and so forth, and they spread that energy [external coach 1].

A foundational aspect of internal coaching, as highlighted by a coachee, involves the necessity of a learning culture promoting collaboration and open communication.

Open conversations, rather than having a command-and-control system in place, to have a culture that people communicate openly, share ideas and knowledge, engage in learning [Coachee 7].

An internal coach emphasised the imperative for a cultural shift from an assertion-based culture to a learning culture to facilitate the occurrence of coaching.

Our company is not a learning culture, it's a knowledge-driven culture, and it's an assertion-based culture, which means because I know or because I've seen it, or because I've been here for a long period of time, I'm right... To move ourselves to a learning culture we've got a very long way to go, and if you're talking about a coaching, that evolves from a learning culture [Internal coach 2].

The consensus among participants was that coaching is centred on development, emphasising the importance of creating an environment that invests in employees' learning and development.

...an environment that invests in individuals, so I've often heard, I've heard things before that We're not a learning environment or We're not here to educate people, or whatever, and I think even though education is not coaching, it follows the same ethos, and it's about individual development, expanding your horizons" [Coachee 12].

The results consistently underscore the imperative of shifting from a blame culture to a culture emphasising learning and encouragement. This notion was echoed by an internal coach who emphasised,

You can't blame them every time, you've got encourage them. They won't be successful every time but they need coaching and support to keep going to get the right result [Internal coach 1].

Discussion

Mapping The Formalisation of Coaching and Accessibility Across Organisational Hierarchies

Many organisations that responded to online survey questions in Phase 1 of the present study have integrated extensive informal coaching activities into their capability-building initiatives and training programs, as revealed by the findings. Furthermore, the findings indicate that both receiving and facilitating internal coaching are not confined solely to leaders, supervisors, or line managers. Findings revealed evidence suggesting that coaching was integral part of training and development within organisations. Moreover, the present study's outcomes corroborate the insights from the 2002 "Coaching at Work Survey," involving 280 leading UK companies, where 93 percent of managers advocated for coaching accessibility to all employees, irrespective of seniority (Rock & Donde, 2008). The current research confirms that coaching activities are prevalent across organisational levels; nevertheless, it seems that such coaching predominantly takes an informal trajectory.

Additionally, the findings of the present study contribute to the existing literature by providing evidence supporting the necessity for consistent internal coach training opportunities accessible to all internal coaches. Moreover, Earlier research had suggested that for managers and leaders to be recognised by their colleagues as internal coaches, a clear job title that represent them as a coach was deemed beneficial (Frisch, 2001). The present study found evidence suggesting that enhancing internal communication about coaching skills, credibility, and the backgrounds of internal coaches is an important factor to consider in coaching practices. These insights underscore the significance of

establishing a formal and structured process for both capability building and internal communication, offering a valuable perspective on capacity-building within organisations.

Previous literature suggests that an informal coaching environment is marked by spontaneous interactions or a lack of deliberate planning (Tompkins, 2018). Studies advocate for a departure from informal and ad-hoc coaching, emphasising the need for a more structured approach (Boak & Crabbe, 2019; Parsloe, 1999). Consequently, recognising the potential prevalence of informal internal coaching activities, the training of suitable internal coaches, along with the strategic integration of internal coaching initiatives into broader learning and development cultures and programs, emerges as a crucial step toward building and sustaining internal coaching capacity.

Strengthening Internal Coaching Capacity through Synergies and Coach Training

From the results it became evident that most of efforts to build internal coaching capacity was limited to utilising external coaches to coach management staff and this was used as a means to introduce coaching skills to managers and prepare them for further training to become competent coaches. This showed the synergy between using both external and internal coaches. Further, external training in form of accreditation programs on specific models and tools, mostly in form of 360-degree feedback tools and leadership development tools with coaching and de-briefing components in it (e.g., Human Synergistics LSI) were utilised widely. However, it seems that coach training and equipping internal coaches with coaching skills stopped at that level and didn't proceed to provide internal coaches with more comprehensive and more extensive long-term training.

The benefits of the synergy and integration of learning and development activities within organisations was previously highlighted in the literature (McNally & Lukens, 2006; Morgan et al., 2015; Pintar et al., 2007; Roša & Lace, 2021). Earlier research had indicated that the synergy between training and coaching initiatives, along with external expertise partnering with internal talent, is effective in enhancing innovation, capability building, and individual and organisational development (McNally & Lukens, 2006; Morgan et al., 2015; Pintar et al., 2007; Roša & Lace, 2021). The findings of the present study reinforce previous research, demonstrating that professional external coaches play a crucial role in the development of managers, leaders, and employees. The skills, knowledge, and competencies gained through external coaching are often transferable internally within the organisation, contributing to the growth of internal coaching capacity.

The findings of the present study resonate with the idea that a crucial facet of developing internal coaching capacity entails the identification and training of well-suited employees. This training aims to equip them with essential coaching skills, knowledge, and competence to engage in more formal and structured coaching within their respective organisations. The existing literature reinforces this perspective, highlighting the significance of evidence-based practice and underscoring the necessity for coaches to undergo comprehensive training in both coaching skills and professionalism (Grant & Cavanagh, 2004; Grant & Hartley, 2013; McCarthy & Milner, 2013). An important contribution of the findings of the present study is raising awareness and alerting organisations and coaching practitioners to concerns about the insufficient coaching skills and competency of managers and leaders in providing internal coaching, as also suggested by Milner and Milner (2018) in their Harvard Business Review article, *Most Managers Don't Know How to Coach People. But They Can Learn*. In parallel, Diller et al. (2020) further confirm that "coach training is an essential factor when selecting organisational coaches" (p. 313).

Over the past decade, there has been a concerted effort to fortify coaching practices, focusing explicitly on psychological principles and methodological frameworks grounded in a robust evidence base, as well as on coach training (Linley, 2006). Recent research suggests that coaching clients increasingly demand coaches with appropriate training and credentials (Cannon-Bowers et al., 2023). Therefore, based on existing knowledge in the literature and the findings of the present study, it can be suggested that a critical ingredient and component of capacity-building for internal coaching is laying out identifying suitable talent and planning comprehensive coach training.

Leadership Support and Engagement for Internal Coaching Capacity

The literature is explicit in relation to the significance of visible support from senior management for the success of coaching programs in the workplace (Stewart & Palmer, 2009). The significance of leadership endorsement, role modelling, commitment and dedication in fostering capacity development for successful coaching has been underscored by many scholars (Gormley & van Nieuwerburg, 2014; Milner et al., 2020). The present study's findings provide further evidence suggesting that building internal coaching capacity requires leadership and senior management team's support to not only facilitate the budgetary aspects of this endeavour but also position coaching within the organisation's larger learning and development culture in a structured and sustainable way.

Drawing from the results, it is reasonable to infer that involving leaders and managers in coaching, particularly those who have previous experience as coachees or formal training in coaching and possess a relevant educational background with a coaching component, could prove advantageous. The study indicates that individuals with these backgrounds may exhibit heightened motivation to endorse and propel initiatives aimed at building internal coaching capacity.

Cultivating a Learning and Coaching Culture for Internal Coaching Capacity

Parsloe (1999) defines coaching as "a process that enables learning and development to occur and thus performance to improve" (p.8). Extensive literature underscores that workplace learning and development necessitate cultivating a culture that encourages interaction, experimentation, curiosity, and creativity (Hailey & James, 2002). Within the coaching context, it has been established that fostering coaching conversations requires a culture that promotes dialogue and feedback (Abel & Nair, 2015). Moreover, research indicates that coaching contributes to distancing from a command-and-control culture, fostering collaboration (Ratiu et al., 2017).

Based on the emerged evidence from the present study, it can be suggested that fostering a learning culture, encouraging open communication, facilitating collaboration and coaching dialogues, and nurturing a blame-free environment are crucial ingredients for building internal coaching capacity. In alignment with this, Jones et al. (2002) emphasise the undeniable connection between a coach's effectiveness and the broader internal community, including managers and colleagues acting as coaches within organisational contexts. The findings of this study extend this understanding to internal coaching, suggesting that the organisation's environment, climate, and culture may significantly influence the effectiveness of internal coaching efforts. It can be suggested that in such an environment and culture, trust can be fostered. As asserted by Fritch (2001), the internal coach, being a colleague of those coached, needs to be trusted so that coaching conversations can begin in their most effective fashion. Therefore, building internal coaching capacity requires simultaneous attention to the development of a learning and coaching culture that actively supports and promotes coaching, and coaching behaviours.

Conclusion

While this paper identified some of the key ingredients that could potentially contribute to building internal coaching capacity and the development of effective internal coaching programs, the field of coaching continues to lack substantial empirical and practitioner research on internal coaching. This study delved into the factors constituting effective internal coaching, focusing on building internal coaching capacity as the foundation for developing effective internal coaching initiatives. The findings suggest that (1) formalising internal coaching practices and ensuring accessibility across organisational hierarchies, (2) maintaining synergies between internal and external coaching activities while concurrently engaging in extensive internal coach training, (3) securing leadership commitment and support from upper management, and (4) cultivating a learning culture to support coaching are key ingredients in building internal coaching capacity.

Although the findings shed light on the extensive coaching activities within some organisations, predominantly informal coaching, and indicated the benefits of a mix of internal and external coaching in taking steps toward internal capacity-building, the study couldn't explore all facets of building internal capacity due to certain limitations, a common challenge in research projects.

Limitations

Limitations include a small sample size in the first phase of data collection and a reasonably straightforward interpretation of the quantitative results that eschewed a more thorough statistical analysis. It's important to note that Phase 1 primarily served as a general scan across rail organisations to grasp the existence and level of coaching activities within them. The study also recognises its confined scope in exploring all potential factors contributing to the development of internal coaching capacity. Additionally, the research was focused on a single industry in Australia, which may limit the generalisability of the findings to other industries or geographical contexts. Despite these limitations, the study's findings could offer valuable insights applicable to various sectors and diverse geographic contexts.

The study's findings, alongside the ongoing gap in the literature, highlight a compelling need for more comprehensive efforts to investigate not only the components, strengths, and weaknesses of internal coaching capacity development activities but also the barriers to capability building. These barriers include organisational cultures that may conflict with coaching practices, potential budgetary constraints, and specific leadership styles that could influence decision-

making in ways that undermine the value of learning, development, and organisational coaching practices. Additionally, strategies to mitigate these challenges need further exploration. Therefore, ongoing research, incorporating both scientific rigour and practitioner insights, is essential for further examining the complexities of building internal coaching capacity.

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From Traditional Employment to Gig Work: Analyzing Labor Dynamics in Nepal's Emerging Gig Economy

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Abstract

This study explores the sustainability of labor participation in Nepal's gig economy, focusing on the Kathmandu Valley, with an emphasis on identifying factors influencing gig participation across ride-sharing, online tutoring, e-commerce delivery, food delivery, and freelancing platforms. A binary logit regression model was employed to analyze survey data from 386 gig workers. Statistical robustness was ensured through normality tests, correlation matrices, multicollinearity, heteroskedasticity checks, and sensitivity analyses. The results reveal that employment status significantly enhances the likelihood of gig economy participation, with a log-odds ratio of 5.469 ($p < 0.01$), indicating that employed individuals are over five times more likely to engage in gig work. Work satisfaction is positively correlated with participation (odds ratio = 3.147, $p < 0.01$), suggesting that satisfied workers are approximately three times more likely to take on gig roles. Employment and work satisfaction increase participation likelihood by 20.5% and 13.8%, respectively. Conversely, participation in e-commerce delivery and ride-sharing platforms is negatively correlated. Monthly income generally reduces participation, except in food delivery platform. Policy implications emphasize the need for enhanced legal protections, income stability, and platform transparency. Regulations ensuring job security, flexible scheduling, and supportive measures like tax incentives are vital to creating a sustainable and inclusive gig economy in Nepal.

Keywords: Logit, Gig, Legal, Ride-sharing, Sustainability

Introduction

The gig economy refers to a part of the economic system that involves workers engaged in flexible (Koutsimpogiorgos et al., 2020; Montgomery & Baglioni, 2021), temporary (Huang, 2020; MacDonald & Giazitzoglu, 2019), and freelance jobs (Kost, 2020; Pichault & McKeown, 2019). These jobs are characterized by short-term or temporary contracts, or sometimes by the absence of any formal contracts between employers and employees (Anwar & Graham, 2021; Malik, 2021). It comprises work where online or mobile platforms match job opportunities with workers, offering flexible schedules to meet demand and supply (De Stefano, 2016). The gig economy is a labor market that facilitates opportunities for both employers and employees to engage in freelance work contracts instead of full-time, permanent work positions (Kuhn, 2021). According to the Contingent Worker Survey conducted by the RAND American Life Panel in late 2015, there was a notable increase in the prevalence of alternative work arrangements in the U.S. economy, rising from 10.7 percent in February 2005 to 15.8 percent by late 2015 (Katz & Krueger, 2019). Flexibility is a major phenomenon of the gig economy, enabling individuals to optimize their productivity and work-life balance on their terms (Doshi & Tikyani, 2020; Warren, 2021). And, The JP Morgan Chase Institute Online Platform Economy dataset highlighted transport, non-transport, selling, and leasing sectors as the major gig platforms, in which, transportation platforms dominated in terms of both the number of participants and total transaction volume between 2013 and 2018 (Farrell & Greig, 2017).

The gig work is a task or project-based work that is delivered digitally in exchange for payment, organized via online outsourcing platforms that are marketplaces bringing together buyers and sellers (Heeks, 2017). It comprises markets

for several sectors, which include ride-sharing (Buchak, 2024; Wu, 2019), e-commerce delivery and food delivery (Dazzi, 2019; Koutsimpogiorgos, 2020; Vallas and Schor, 2020), online tutorial (Zhou, 2024; Wood, 2019), fixed term projects, freelance (Altenried, 2024), and many more. Gig markets are beneficial in tackling the problems of unemployment and poverty (Huang, 2020; Insebayeva & Beyssembayev, 2023) by providing flexible and diverse job opportunities that encompass a wide range of skills, whether individuals are highly skilled or have basic skills (Dey, 2022; Pereira, 2022). It boosts productivity across all segments of the labor force, leading to an overall increase in the economy's income-generating capacity. It has brought a fundamental shift in how our economy operates and has completely changed the way people engage at work (Roy & Shrivastava, 2020). It also offers women for flexible work options. It provides opportunities for women to start their businesses or work independently, which can be empowering and help them overcome traditional workplace barriers. South Asian economies possess possibilities for expansion of the gig economy. There has been a significant increase in the number of gig workers in India, but serious concerns have been identified about the availability of jobs and income security for gig workers (Aggarwal, 2023).

In Nepal, the gig market emerged only after the COVID-19 pandemic. Regulatory barriers hinder the gig economy's growth, underscoring the need for tailored policies to address worker rights and working conditions (Paudel, 2024). Nepal, which has mostly relied on agriculture and more recently on services, is now seeing a big change toward a gig economy driven by new technology, urbanization, and digital advancements. Nepal's gig economy is still developing, and there isn't reliable data yet on its exact size or scope. As this sector grows, it's becoming an increasingly important part of Nepal's economy, offering flexible work opportunities and contributing to economic growth. There's a growing awareness among people, but overall literacy about how gig economy platforms operate, their benefits, risks, and legal aspects are relatively low. In this paper, the authors analyze the labor force participation in the gig market, using a binary logit regression model, and also examine various dimensions of the Nepalese emerging gig economy.

Literature Review

Since the gig economy in emerging economies like Nepal is still in its nascent stages, there is a scarcity of comprehensive studies on the topic. More American workers are choosing to work independently rather than in traditional full-time jobs, taking on short-term projects or tasks with flexibility in their work arrangements (Friedman, 2014). These arrangements offer flexibility, allowing workers to choose when and for whom they work, but they do not provide the security or benefits associated with traditional employment. Gig work is attractive to workers because it offers freedom and independence. Josserrand and Kaine (2019) confirm this, showing that gig workers appreciate being able to control their schedules and select the jobs they take on. This aspect of gig work is seen as empowering and liberating, allowing individuals to balance work with other life commitments. Ride-sharing comprises a significant proportion of the gig economy. Drivers are attracted to Uber because they can choose their hours, earn good pay, and their hourly earnings stay steady no matter how much they work (Hall & Krueger, 2018). Work flexibility can be referred to as a determinant of driver participation in ride-sharing platforms like Uber in the US. The gig market works best in cities where technology and digital changes create many different job opportunities. Crowdfork arrangements, despite offering the convenience of working from home, fail to offer satisfactory employment opportunities in both the U.S. and globally. Crowd work is a type of work performed remotely on online platforms (Berg, 2016). So, there is no such clear evidence that the gig market would ever outrun the traditional labor market.

The key concerns about gig workers are bargaining power, economic inclusion, intermediated value chains, and upgrading (Graham et al., 2017). There exist both benefits and risks for digital workers, and to improve conditions and livelihoods for gig workers, certification schemes, organizing digital workers, regulatory strategies, and democratic control of online labor platforms could be employed as strategies. Despite possibilities, it also has some challenges such as income instability, job insecurity, issues of work dignity, and the lack of benefits (Myhill, 2023). The traditional labor market, characterized by higher security, stability, and benefits, is not seen as a complete alternative to the gig economy (Kost, 2020). Workers often face issues such as inadequate pay, inconsistent job availability, poor communication with employers, and platforms that are unresponsive to their needs. These challenges highlight significant shortcomings in the current structure of crowd work, impacting workers' overall job satisfaction and stability. And, these factors could limit the labor force participation in crowdwork. Despite the flexibility typically associated with the gig market, studies indicate that many workers choose gig work as their main source of employment. People participate in online labor market activities primarily to earn money, with a significant number relying on this work as their main source of income (Codagnone et al., 2016).

Okunkova et al. (2023) identified the threats posed by the rapid growth of the gig economy, Additionally, the study found that high rates of self-employment are associated with underdeveloped labor relations and economic challenges, compounded by a relatively high level of education in the population. Behl et al. (2022) highlight high competition, extended work hours, late-night deliveries, poor payment structures, and stringent incentive conditions as significant barriers in the gig economy, with expenses like internet costs and vehicle maintenance exerting comparatively less influence. Ostoj (2021) analyzes global literature to explore how technological foresight can address current challenges in the gig economy and proposes future scenarios within a post-platform economy framework. The study argues that while the gig economy has advanced significantly, it has also diminished work quality and may not fully satisfy modern worker needs, indicating an urgent call for transformation. Similarly, there are significant disparities in women's participation in the gig economy (Barzilay et al., 2016; Cook et al., 2021). Despite efforts to integrate gender sensitivity into platform design, there remains a stark reality, fewer women are actively engaged in these platforms. This discrepancy is compounded by concerns over women's safety in public transport, prompting platforms to adopt strategies that acknowledge women as a substantial market share while navigating conservative gender norms prevalent in Nepal. This is evident from the studies conducted by Hamal and Huijsmans (2022).

Uchiyama et al. (2022) investigate the working conditions of e-hailing drivers and food delivery riders, highlighting their lack of social protection and proposing policies to address these issues and promote worker well-being in the gig economy. Gig work often emerges as a response to unemployment or underemployment, providing individuals with alternative sources of income. Similarly, Huang et al. (2020) find a compelling positive association between local (county) unemployment rates in the traditional offline labor market and the supply of online workers residing in the same county. Specifically, a 1% increase in county unemployment correlates with a significant 21.8% increase in the volume of county residents actively engaged in online work through the platform.

Research Methodology

The research purpose is to estimate the likelihood of workers participating in the gig economy, at least as a backup plan, if nothing else significant happens in the future. This study is based on survey data and employs a binary logit regression model.

Econometric Model

Tranmer & Elliot (2008) find that when dealing with a dependent variable that has binary outcomes, the binary logit regression model is the optimal choice for accurate estimation. According to Dougherty (2011), in the logit model, the probability of the occurrence of the event is determined by the function:

$$p_i = F(Z) = \frac{1}{1 + e^{-Z}} \dots\dots\dots (1)$$

As Z tends to infinity, e^{-Z} tends to 0 and p has a limiting upper bound of 1. As Z tends to minus infinity, e^{-Z} tends to infinity and p has a limiting lower bound of 0. Hence, there is no possibility of getting predictions of the probability being greater than 1 or less than 0. Similarly,

$$Z_i = \beta_1 + \beta_2 X_i \dots\dots\dots (2)$$

To model the binary outcomes into a linear model, log transformation is used as the function

$$\text{Log} \left[\frac{p(Z=1)}{1-p(Z=1)} \right] = \beta_1 + \beta_2 X_i \dots\dots\dots (3)$$

And, the marginal effect of Z on the probability, which is denoted by f(Z), is given by the derivative of this function with respect to Z

$$f(Z) = \frac{dp}{dZ} = \frac{e^{-Z}}{(1 + e^{-Z})^2} \dots\dots\dots (4)$$

In this study, the dependent variable is a binary outcome, representing Gig Participation (1) and Nonparticipation (0). The logit regression model in the linear form for the estimate of gig work participation takes the econometric model form:

$$Y = \alpha + \beta_1 Ag e + \beta_2 Age_Sq + \beta_3 GEN + \beta_4 EDU + \beta_5 MRT_STS + \beta_6 RES + \beta_7 STU_STS + \beta_8 TRN_ACC + \beta_9 EMP_STS + \beta_{10} PAS_ST + \beta_{11} WRK_HOR + \beta_{12} AM_HO_INC + \beta_{13} AM_GIG_INC + \beta_{14} AM_HO_EXP + \beta_{15} WRK_STS + \beta_{16} ECOM_PFM + \beta_{17} FOD_PFM + \beta_{18} ONL_TUT_PFM + \beta_{19} RSR_PFM + \omega \dots\dots\dots (5)$$

Where,

α = intercept

β = regressor coefficients that can vary between (+ and -)

ω = disturbance term, whose expected value is zero

Population, Sampling, and Data

The area of the study is Kathmandu Valley, given that the gig market is a nascent and rapidly growing sector where most gig activities are concentrated there. The study population comprises workers actively engaged in the gig market, comprising ride-sharing, food delivery, e-commerce delivery, online tutoring, and freelance platforms. Since the actual size of the gig economy is unknown, the population size remains uncertain, mandating the calculation of a sample size suitable for an infinite population. To calculate the sample size, it is necessary to specify both the confidence level and the margin of error. Using a 95% confidence level and a 5% margin of error, researchers determine the required sample size using a prescribed formula

$$N = \frac{Z^2 * p * (1-p)}{E^2} \dots\dots\dots (6)$$

Where,

N = Sample size, Z = Z score with respect to the desired confidence level (Z 1.96)

P = Standard of deviation (0.5)

E = Margin of error (0.05 for 5% error of margin)

The recommended sample size would be approximately 385 individuals. This sample size should provide a reasonable representation of the population for the study.

The questionnaire comprises 23 closed-ended questions. Data was collected using the Kobo Toolbox, both online and offline, across various geographical regions of the Kathmandu Valley by using purposive sampling. The questionnaire was distributed via email and social media to reach respondents involved in the gig economy from diverse backgrounds who are actively participating in the gig platforms. The data analysis was conducted by r software.

Results and Discussion

Descriptive statistics

Descriptive statistics regarding the variables are presented in the Table 1.

Table 1: Descriptive statistics

Variables	Label	Type	Mean	SD
AGE	Age of the gig worker	Continuous variable	31.567	6.662
GEN	Gender of gig worker	Dummy variable 1 = Male 0 = Female	0.935	0.246
EDU	Education of gig worker	Order variable Ranging from 1 to 5	3.104	1.162
MRT_STS	Marital status of gig worker	Dummy variable 1 = Married 0 = Unmarried	0.609	0.489
RES	Residency of gig worker	Dummy variable 1 = Yes 0 = No	0.192	0.394
STU_STS	Student status of gig worker	Dummy variable 1 = Student 0 = Not student	0.197	0.398
TRN_ACC	Accessibility of transport	Dummy variable 1 = Having Access 0 = Otherwise	0.889	0.315
EMP_STS	Employment status of gig worker	Dummy variable 1 = Employed 0 = Unemployed	0.215	0.411

PAS_INC	Passive income of gig worker	Dummy variable 1 = Passive income 0 = Otherwise	0.163	0.37
WRK_HOR	Working hours of gig workers	Order variable Ranging from 1 to 5	3.127	1.161
AM_HO_INC	Average monthly household income of gig worker	Order variable Ranging from 1 to 5	3.474	1.117
AM_GIG_INC	Average monthly gig income of gig worker	Order variable Ranging from 1 to 5	2.422	0.915
AM_HO_EXP	Average monthly household expenses of gig worker	Order variable Ranging from 1 to 5	1.166	0.393
WRK_STS	Work satisfaction of gig worker	Dummy variable 1 = Satisfied 0 = Unsatisfied	3.477	0.957
ECOM_PFM	E-commerce delivery platform	Dummy variable 1 = E-commerce 0 = Otherwise	0.161	0.368
FOD_PFM	Food delivery platform	Dummy variable 1 = Food delivery 0 = Otherwise	0.117	0.321
ONL_TUT_PFM	Online tutorial platform	Dummy variable 1 = Online tutorial 0 = Otherwise	0.111	0.315
RSR_PFM	Ride-sharing platform	Dummy variable 1 = Ride-sharing 0 = Otherwise	0.474	0.5

Source: Field survey, 2024

Diagnostic Test

A binary logit regression model has to satisfy several tests for the statistical validity of the model. Although normality distribution is not the strict assumption of a binary logit regression, the authors proceed with the normality distribution test to examine the pattern of the residuals. The Shapiro-Wilk test for normality of the residuals yielded a W statistic of 0.830 ($z = 9.057$, $p < 0.001$), indicating significant deviation from a normal distribution. In a sufficiently large sample size, the distribution of the sample mean of a random variable will be approximately normally distributed, regardless of the original distribution of the variable (Schatte, 1988; Kwak and Kim, 2017). Similarly, the variance inflation factor analysis was employed for multicollinearity detection, which indicates no serious multicollinearity with a mean VIF of 1.737. And, for the goodness of fit test, the Hosmer-Lemeshow test revealed a Pearson chi-square statistic of 299.71 with a p-value of 0.9876, indicating no evidence to reject the model's fit to the data. With a high p-value well above 0.05, this result suggests that the model adequately explains the observed variation in gig participation, and there is no significant lack of fit. Finally, sensitivity and specificity tests were used. Overall, the model correctly classified 81.61% of the cases, highlighting its robust performance in predicting the target variable.

Correlation analysis

The correlation analysis (Table 2) reveals several statistically significant relationships between variables, providing insights into their interdependencies. Education level demonstrates a strong positive association with Employment status and average monthly household income. These findings suggest that individuals with higher education levels tend to have better employment status and higher household income. Employment status itself is significantly correlated with average monthly household income, indicating that improved employment status is associated with higher household income. Similarly, work hours are negatively correlated with education level and average monthly household income, suggesting that increased work hours are associated with lower education levels and reduced household income. Average monthly gig income shows significant positive correlations with education level, work hours, and average monthly household income, indicating that higher gig income is linked to greater education, more work hours, and increased household income. Average monthly household expenditure is positively correlated with education level, average monthly household income, and average monthly gig income, suggesting that higher education, household income, and gig income are associated with increased expenditure. Finally, Work satisfaction is significantly positively correlated with education level, employment status, average monthly household income, and

average monthly gig income, indicating that higher work satisfaction is related to higher education, better employment status, and higher incomes.

Table 2: Pairwise correlation analysis between independent variables

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
(1) Age	1.000							
(2) EDU	-0.055 (0.285)	1.000						
(3) EMP_STS	0.154* (0.002)	0.393* (0.000)	1.000					
(4) WRK_HOR	-0.020 (0.699)	-0.416* (0.000)	-0.569 (0.000)	1.000				
(5) AM_HO_INC	0.165 (0.001)	0.548* (0.000)	0.529 (0.000)	-0.415* (0.000)	1.000			
(6) AM_GIG_INC	0.218 (0.000)	0.184* (0.000)	0.055 (0.282)	0.284* (0.000)	0.396* (0.000)	1.000		
(7) AM_HO_EXP	0.098 (0.054)	0.133* (0.009)	0.213 (0.000)	-0.120* (0.018)	0.377* (0.000)	0.238* (0.000)	1.000	
(8) WRK_STS	0.124* (0.015)	0.217* (0.000)	0.247* (0.000)	-0.087 (0.086)	0.345* (0.000)	0.354* (0.000)	0.162* (0.001)	1.000

Source: Authors' calculation

Binary Logit Regression Analysis

Binary Logit Regression: Estimating Workers' Participation in Gig Labor Market

This study examines various socioeconomic factors influencing workers to participate in gig work in Nepal. A crucial finding is the constant term, which represents the baseline likelihood of engaging in gig work when other factors are not considered. In all three models (Table 3), the constant values indicate that even without the influence of other variables, there is a small but positive chance for individuals to participate in gig work. This suggests that gig work is a common option in Nepal, perhaps due to a lack of stable job opportunities.

One of the most significant factors is employment status, which has a log odds ratio of around 4.72 to 5.294 in all models, meaning that employed individuals are much more likely to engage in gig work. The marginal effects range from 0.192 to 0.208, indicating that for each additional employed person, the likelihood of participating in gig work increases significantly. This trend might be explained by the need for extra income to support families, as many people in Nepal combine formal jobs with gig work to improve their financial situations. Another important factor is the role of the household head. In Models 1 and 2, this variable shows a log odds ratio of about 2.529 and 2.324, respectively, with corresponding marginal effects of 0.115 and 0.105. This suggests that individuals who are household heads are more inclined to engage in gig work, possibly because they have a greater responsibility to provide for their families.

Passive income also plays a significant role, particularly in Model 1, where it shows a log odds ratio of 0.259. The negative marginal effects, which range from -0.167 to -0.160 in subsequent models, suggest that as passive income increases, the likelihood of engaging in gig work decreases.

This could mean that individuals who have enough passive income feel less pressure to seek out additional gig opportunities, preferring the security of their existing income. Similarly, average monthly household income shows significance, particularly in Model 3, with a log odds ratio of 0.59 and a negative marginal effect of -0.067, indicating that higher household income may lead to lower participation in gig work, as individuals may prioritize stable jobs. Finally, when comparing the models, the Pseudo R-squared values indicate that Model 1 explains the most variation in gig work participation at 0.301, followed by Models 2 and 3. However, Model 3 has the lowest Akaike Information Criterion (AIC) and Bayesian Information Criterion (BIC) values, suggesting it fits the data best while maintaining a balance of complexity.

Table 3: Estimating Workers' Participation in Gig Labor Market

Gig_Part	Model-1		Model-2		Model-3	
	Log Odd	Dy/Dx	Log Odd	Dy/Dx	Log Odd	Dy/Dx
Age	1.025 (.037)	0.003 (0.005)	1.035 (.036)	0.004 (0.004)	1.074*** (.029)	0.009 (0.003)
GEN	1.27 (.901)	0.030 (0.088)				
EDU	1.117 (.19)	0.014 (0.021)	1.035 (.036)	0.014 (0.021)	1.143 (.187)	0.017 (0.021)
STU_STS	.88 (.383)	-0.016 (0.054)	.963 (.41)	-0.005 (0.053)		
TRN_ACC	1.339 (.615)	0.036 (0.057)				
EMP_STS	4.72*** (2.72)	0.192*** (0.070)	5.294*** (2.943)	0.208*** (0.067)	5.081*** (2.741)	0.205 (0.066)
SRH_EMP	.776 (.265)	-0.031 (0.042)				
HOU_HD	2.529** (1.154)	0.115** (0.056)	2.324* (1.031)	0.105* (0.055)		
PAS_INC	.259*** (.135)	-0.167*** (0.063)	.277** (.139)	-0.160** (0.061)	.282** (.139)	-0.160** (0.061)
WRK_HOR	.987 (.202)	-0.002 (0.025)	1.008 (.198)	0.001 (0.024)	1.102 (.206)	0.012 (0.024)
AM_HOU_INC	.635** (.141)	-0.056** (0.027)	.657* (.142)	-0.052* (0.026)	.59*** (.119)	-0.067*** (0.025)
AM_GIG_INC	1.643* (.419)	0.061* (0.031)	1.726** (.428)	0.068** (0.030)	1.872** (.456)	0.079** (0.030)
AM_HOU_EXP	1.313 (.613)	0.034 (0.058)				
WRK_STS	3.203*** (.512)	0.144*** (0.014)	3.216*** (.512)	0.146*** (0.014)	3.186*** (.501)	0.146*** (0.014)
Constant	.013*** (.02)		.014*** (.019)		.005*** (.006)	
N	386		386		386	
Pseudo R-Square	0.301		0.297		0.289	
AIC	334.303		327.857		327.613	
BIC	393.641		371.371		363.215	

Standard error in parentheses

*** $p < .01$, ** $p < .05$, * $p < .1$

Source: Authors' calculation

Binary Logit Regression: Estimating Worker's Participation in Different Gig Platforms

In this section, the authors have included gig platforms in the regression model (Table 4) to examine the likelihood of workers' participation in different gig platforms in Nepal. Gig platforms are dummies, such that freelancing platform is the base. The results indicate several factors influencing gig economy participation with a special focus on different gig platforms operating in Nepal. Employment status, like in the previous model, shows a highly significant positive impact on gig participation, with a log-odds ratio of 5.469 ($p < 0.01$). This suggests that employed individuals are more than five times as likely to participate in gig work, likely viewing gig platforms as complementary to traditional employment. Similarly, work satisfaction also exhibits a significant positive association with gig participation ($p < 0.01$), with an odds ratio of 3.147, emphasizing that individuals who are satisfied with the gig work are about three times more likely to participate in gig work. The marginal effects indicate that both employment and work satisfaction increase the likelihood of participation by 20.5% and 13.8%, respectively. Additionally, higher gig income is significant at the 5% level, with a positive coefficient of 0.536, indicating that individuals with increased earnings from gigs are more likely to remain in the gig economy, motivated by the additional income.

On the other hand, specific gig platforms like e-commerce delivery and ride-sharing platforms reveal negative associations with gig participation, both significant at the 5% and 10% levels. For e-commerce delivery, the odds ratio is 0.229, showing that users on this platform are less likely to consistently participate in gig work, possibly due to unstable demand or limited job security. Ride-sharing platforms display an even stronger negative effect with an odds ratio of 0.15, and a marginal effect indicating a 22.4% decrease in the likelihood of participation. This

suggests that factors specific to ride-sharing, such as high operational costs or inconsistent earnings, might deter sustained engagement.

Table 4: Estimating Workers' Participation in Different Gig Platforms

Gig_Part	Coefficients	Log Odd Ratio	Marginal Effect
Age	.041 (.035)	1.041 (.036)	0.005 (0.004)
EDU	.033 (.189)	1.034 (.196)	0.004 (0.023)
EMP_STS	1.699*** (.6)	5.469*** (3.282)	0.205*** (0.070)
HOU_HD	.844* (.453)	2.326* (1.054)	0.102* (0.054)
PAS_INC	-1.017* (.534)	.362* (.193)	-0.123 (0.063)
WRK_HOR	.189 (.237)	1.209 (.287)	0.023 (0.029)
AM_HOU_INC	-.408* (.229)	.665* (.153)	-0.049* (0.027)
AM_GIG_INC	.536** (.269)	1.709** (.459)	0.065** (0.032)
AM_HOU_EXP	.115 (.47)	1.121 (.527)	0.014 (0.057)
WRK_STS	1.147*** (.163)	3.147*** (.512)	0.138*** (0.014)
ECOM_DLX_LTFM	-1.476* (.862)	.229* (.197)	-0.178* (0.103)
FOD_DLX_PLFM	-1.02 (1.043)	.361 (.376)	-0.123 (0.125)
ONL_TUT_PLTFM	-.755 (.887)	.47 (.417)	-0.091 (0.107)
RSR_PLTFM	-1.855*** (.762)	.156*** (.119)	-0.224*** (0.090)
Constant	-3.546*** (1.732)	.029*** (.05)	
N	386	386	
Pseudo R-Squared	0.323	0.323	

Standard error in parentheses

*** $p < .01$, ** $p < .05$, * $p < .1$

Source: Author's calculation

Binary Logit Regression: Estimating Worker's Participation in Gig Platform Dummies

The analysis (Table 5) highlights key factors influencing gig participation across various platforms, with specific emphasis on employment status, household head status, and average household income. Employment status shows a strong positive association with ride-sharing gigs, with employed individuals more likely to engage in gig work, suggesting that ride-sharing gig platforms may appeal to those seeking supplemental income or additional flexibility alongside a main job. Interestingly, while employment status is a broad predictor, household head status emerges as a specific driver of participation in e-commerce and food delivery platforms, where household heads are significantly more likely to participate. This may reflect the increased financial responsibilities of household heads, making these platforms particularly attractive as additional income sources to support household needs.

Average household income has a mixed effect across platforms. In general, higher household income is associated with reduced odds of gig participation, possibly due to a decreased need for supplementary income among wealthier households. However, for food delivery platforms specifically, higher-income households show an unexpected positive association, with a high odds ratio indicating that individuals from these households are more likely to engage in food delivery gigs. This could suggest that individuals from wealthier backgrounds see food delivery platforms as a viable, flexible side activity rather than a primary income source. Lastly, work satisfaction strongly influences participation across all platforms, particularly in ride-sharing and e-commerce, suggesting that actively working individuals see these gig platforms as complementary sources of income or work flexibility that can be balanced with existing commitments.

Table 5: Estimating Worker's Participation in Gig Platform Dummies

Gig_Part	RSR_PFM	ECOM_PFM	FOD_PFM	ONL_TUT_PM
	Log Odd.	Log Odd	Log Odd	Log Odd
Age	1.031 (.049)	1.099 (.098)	.884 (.123)	.869 (.298)
EDU	.895 .228	1.229 (.836)	3.031 (2.543)	3.815 (10.296)
EMP_STS	7.49** (6.078)	.733 (2.195)		
HOU_HD	.989 (.574)	103.894** (195.802)	137.532* (372.847)	
PAS_INC	.697 (.435)			
WRK_HOR	1.713* (.514)	1.105 (1.142)	.059* (.091)	
AM_HOU_INC	.482** (.142)	6.059 (6.74)	14.44* (20.015)	0 (0)
AM_GIG_INC	1.717 (.597)	.249 (.311)	.865 (1.146)	30.275 (77.188)
AM_HOU_EXP	.897 (.46)			
WRK_STS	2.628*** (.533)	8.691*** (7.137)	5.963** (4.514)	1.872e+09 (4.938e+12)
Constant	.025* (.052)	0** (0)	5.155 (30.13)	46.113 (121642.25)
N	183	62	45	43
Pseudo R-Squared	0.254	0.508	0.496	0.716

Standard error in parentheses

*** $p < .01$, ** $p < .05$, * $p < .1$

Source: Author's calculation

Challenges, Opportunities, and Support measures for labor in the gig market

A survey of gig workers identified key challenges they face in their employment. The most frequently reported issue is legal and regulatory uncertainty, affecting 37.56% of respondents. This was closely followed by concerns about social security and health issues, which were reported by 32.64% of participants. Underpayment and unfair payment practices were also significant, with 16.58% of gig workers citing this as a major challenge. Additionally, difficulty in finding enough customers was noted by 7.77% of respondents, while work discrimination was a concern for 5.44%. These findings highlight the diverse and pressing issues within gig work, emphasizing the need for improved regulations and protections.

The survey highlights several key opportunities within gig work. The predominant advantage reported is the earning potential, with 48.19% of respondents citing it as a significant benefit. Work schedule flexibility also emerged as a crucial opportunity, appreciated by 18.39% of participants. Additionally, less burden on work and the absence of barriers to entry and exit were noted by 15.28% and 10.36% of respondents, respectively. Part-time earning was identified by 7.77% as an opportunity. These insights underscore the appeal of gig work, particularly in terms of income potential and flexibility, which are highly valued by gig workers.

The survey reveals the key support measures that gig workers perceive as most beneficial. Better financial and saving options are seen as the most crucial support measure, with 34.72% of respondents emphasizing its importance. Tax benefits and performance-based bonuses follow closely, highlighted by 32.38% of participants. Legal protection and labor rights are also considered important, with 15.28% advocating for these measures. Additionally, work certification, workspaces, and infrastructure are identified by 9.07% as necessary improvements, while work safety, social security, and insurance are cited by 8.55% of respondents. These findings underscore the need for enhanced financial security, regulatory protections, and improved working conditions to better support gig workers.

Conclusion

The gig economy is increasingly important in developing economies like Nepal, where technological advancements such as digitalization, urbanization, and economic growth contribute significantly to the viability of gig services. However, despite its growing presence in the labor market, the gig economy faces numerous challenges compared to

the traditional labor market, particularly concerning legal protections, financial security, and the absence of sustainable strategies. Estimating the exact size and scope of the gig market in Nepal is challenging due to the lack of legal provisions, control regulations, and governmental awareness about real trading activities within this sector. The findings suggest that without legal acts and regulatory measures, the gig market in Nepal remains practically unsustainable. This study explores the key socioeconomic factors influencing individuals' participation in the Nepalese gig economy across various platforms, such as e-commerce delivery, ride-sharing, online tutoring, freelancing, and food delivery. Findings reveal that employment status plays a crucial role, as employed individuals are significantly more likely to engage in gig work, likely viewing it as a complementary income source to meet financial needs. Household head status also demonstrates a positive influence, especially for E-commerce and food delivery platforms, suggesting that heads of households, driven by family responsibilities, seek additional income sources through these specific gigs. These findings underscore that the gig economy serves as an accessible option for supplemental earnings in the context of limited stable job opportunities in Nepal. Conversely, passive income and average household income both have a negative association with gig participation, indicating that individuals with higher or alternative income sources may not feel the financial pressure to engage in gig work. However, higher-income households show a surprisingly positive tendency to participate in food delivery gigs, likely due to its flexible nature, making it an attractive side activity.

Policy implications from these findings suggest that to further develop a sustainable gig economy, government and private sector stakeholders should focus on enhancing job security, income stability, and platform transparency to address the barriers deterring engagement. E-commerce and ride-sharing platforms showed reduced participation due to possible job insecurity and inconsistent earnings. Policymakers could work towards establishing regulatory frameworks that provide better income security and clearer protections for gig workers, encouraging longer-term commitment. Additionally, targeted initiatives that support household heads and employed individuals such as tax incentives for supplementary income from gig work or flexible scheduling options could increase engagement across all platforms. By addressing these challenges and enhancing the overall attractiveness of gig work, Nepal can leverage its gig economy to provide a resilient and inclusive alternative to traditional employment pathways, promoting financial stability and employment flexibility across diverse socioeconomic groups.

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Financial Inclusion among the Female Customers of Microfinance: An Evidence from Pokhara Metropolis

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Abstract

This paper aims to examine financial inclusion among the female customers of microfinance in Pokhara metropolis. The study employed quantitative research design with a descriptive approach. Primary data was collected through a structured questionnaire to microfinance clients in Pokhara. A convenience sampling method was used, and data was collected from 110 participants. The results revealed that microfinance products have not significantly impacted financial inclusion ($t = 0.015$, $p = 0.879$) among female customers in Pokhara. While most participants were middle-aged, married, and involved in business, their financial literacy levels were basic and it is positively correlated with financial inclusion ($p = 0.006$) and socio-economic factors significantly impact financial inclusion ($t = 0.254$, $p = 0.007$). Key factors influencing their choice of microfinance included collateral-free loans and immediate access to funds. The findings suggest that achieving effective financial inclusion requires a broader approach beyond microcredit alone. Financial literacy empowers people to make better financial choices and access formal financial services. Additionally, socio-economic factors, such as education and income stability, positively influence financial inclusion. To enhance financial inclusion, it is essential to provide affordable financial products, digital services, and convenient access to financial services.

Keywords: Financial inclusion, Financial literacy, Microfinance institutions, Socio-economic factors

Introduction

Financial inclusion has become a pivotal concern in the development discourse, particularly in enhancing economic opportunities for underserved populations. Among these populations, women often face unique challenges and barriers in accessing financial services. Financial inclusion is the process of ensuring that individuals, households and businesses in a community have adequate access to formal financial services and products such as transactions, credit cards, payments, savings and insurance, and that these are delivered in a sustainable way (Singh & Singh Kondan, 2011). The primary goal of financial inclusion is to make financial services easily accessible to low-income earners, which is where microfinance plays a key role. Achieving financial inclusion involves ensuring banking facilities are available in unbanked areas and providing financial services to all households (Agarwal, 2016). Microfinance is the provision of financial services to low-income clients, including consumers and the self-employed, who traditionally lack access to banking and related services. Microfinance has emerged as an economic development approach to benefit the low-income section of the society. It is a kind of service product viz. savings, credits, training, insurance and social intermediation services such as group formation, development of self-confidence, training in financial literacy and management capabilities among members of a group. (Gnawali, 2018). These services empower impoverished households and microenterprises by promoting financial inclusion and creating income-generating opportunities, particularly for marginalized groups like women, the disabled, and Dalits (Asian Development Bank [ADB], 2011; Shrestha, 2007)

Despite the global and national efforts to promote financial inclusion, women in many parts of Nepal still encounter substantial obstacles in accessing financial resources. These barriers include socio-cultural constraints, limited financial literacy, and inadequate outreach of formal financial institutions. Women continue to face greater financial exclusion and vulnerability than men. While microfinance serves as a tool for financial inclusion, poverty reduction, and women's empowerment, its role may vary in different contexts.

Financial inclusion for women has been shown to bring multiple benefits, including more influence over their household's spending priorities, less dependence on riskier income sources, and more resilience to weather unexpected expenses. This research focuses on assessing the impact of microfinance services on financial inclusion among women in Pokhara Metropolis. It explores the effectiveness of these services, evaluates the correlation between financial literacy and inclusion, and examines how socio-economic factors influence women's financial access. The study provides insights for policymakers and practitioners to improve financial inclusion initiatives in similar contexts.

Review of Literature

Financial inclusion means making financial services accessible to low-income families and MSMEs through microfinance institutions (Chen, Chang & Bruton, 2017). There are varying perspectives on who benefits from financial inclusion. Some studies argue that it primarily benefits the poor (Bhandari, 2018), while others focus on women as the main beneficiaries (Demirguc-Kunt, Klapper, & Singer, 2013). Others claim that financial inclusion supports broader economic growth and strengthens the financial system (Kim, Yu, & Hassan, 2018; Mehrotra & Yetman, 2015; Ozili, 2018).

Demirgüç-Kunt et al. (2018) provides an overview of global financial inclusion where different theories are linked with female financial inclusion. Behavioral economics is a field that explores the psychological, cognitive, and emotional factors that influence the economic decisions of individuals and groups. Similarly, the financial literacy theory of financial inclusion argues that improving financial literacy increases people's willingness to engage with the formal financial system. However, it addresses willingness more than capacity, meaning that financial literacy alone does not solve the issue for those lacking financial resources. Financial inclusion has a significant role for effective implementation of monetary policy (Dhungana et al., 2023).

Nguyen and Kim (2023) employed qualitative interviews and focus group discussions to explore the perceptions and experiences of microfinance clients regarding the accessibility and suitability of microfinance products. The study revealed that microfinance clients valued the flexibility and convenience of microfinance products, which allowed them to meet their financial needs and pursue entrepreneurial opportunities. Furthermore, Nguyen et al. (2023) explore the perceptions and experiences of microfinance clients regarding financial literacy interventions in Southeast Asia using qualitative interviews and focus group discussions. They revealed that microfinance clients who received financial literacy training reported greater confidence in managing their finances, accessing formal financial services, and pursuing entrepreneurial opportunities.

Shrestha and Mishra (2019) investigate the factors affecting financial inclusion in Nepal using data from a national household survey. Through empirical analysis, the authors identify key determinants such as income level, education, and geographic location that influence access to financial services in Nepal. The findings contribute to understanding the dynamics of financial inclusion and inform policy interventions aimed at promoting greater financial access and participation in Nepal. Chen et al. (2023) employed qualitative interviews and focus group discussions to explore the socio-economic factors influencing the effectiveness of microfinance interventions in Sub-Saharan Africa. They identified several socio-economic factors, such as education levels, access to infrastructure, and social networks, that influenced the impact of microfinance interventions on entrepreneurial success and economic empowerment in Sub-Saharan Africa.

Khatiwada and Paudel (2018) assesses the impact of microfinance institutions (MFIs) on financial inclusion in Nepal. Through empirical analysis, the authors examine the relationship between MFI outreach and access to financial services among different socio-economic groups in Nepal. The findings contribute to understanding the significant role of MFIs in promoting financial inclusion and suggest policy implications for enhancing their effectiveness in reaching marginalized communities. The study conducted by Dhungana and Kumar (2015) examine financial inclusion in Nepal using central bank and World Bank data. It finds that most people lack formal bank accounts, with lower levels of access in remote areas. The analysis suggests that microfinance institutions (MFIs) are needed to reach these areas and promote financial inclusion. Government support for infrastructure, MFI policies, and regulations is crucial to create a more inclusive financial system in Nepal.

Dhungana (2013) finds while government-initiated Grameen Bikas Banks (GBBs) play a vital role in bringing financial services to rural Nepal, their reach is limited (52 districts) due to geography and capacity. Restructuring GBBs could expand their reach and strengthen financial inclusion, particularly for marginalized and poor rural communities. The study also highlights microfinance as a powerful tool for empowering women entrepreneurs and fostering inclusive economic growth.

Based on a report published by NRB mentioning major indicators of financial inclusion and literature review made by researchers following conceptual framework has been derived.

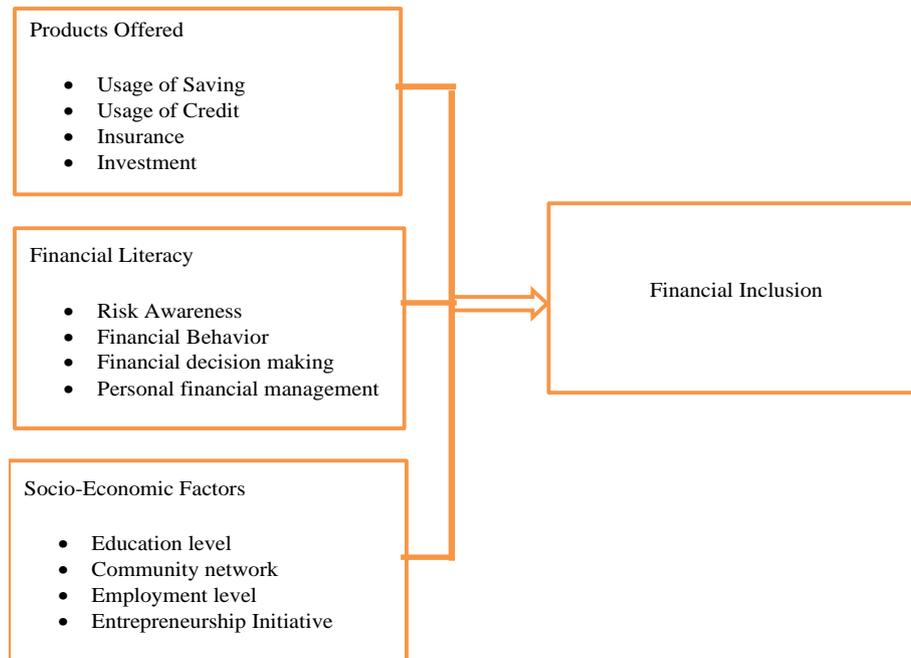


Figure 1: Conceptual Framework

The following hypotheses are based on the above conceptual framework which aims to test the influence of independent variables on financial inclusion within the microfinance context.

H₁: There is a significant impact of microfinance products on financial inclusion building.

H₂: There is a significant effect of financial literacy level on financial inclusion building.

H₃: There is a significant impact of socio-economic factors on financial inclusion building.

Data and Methods

The study focused on two microfinance institutions in Pokhara Metropolis that have adopted the Grameen Model: Grameen Bikas Laghubitta Bittiya Sanstha Limited and Chhimek Laghubitta Bittiya Sanstha Limited. The primary focus was on female clients with at least five years of experience in microfinance activities. A convenience sampling method was employed to select 55 respondents from each institution, totaling 110 participants (Table 1).

Table 1: Socio-Demographic Profile

Factors	Demographic Variables	Frequencies	Percentage
Age	25-34 years	8	7.3
	35-44 years	30	27.3
	45-54 years	57	51.8
	55 and above	15	13.6
Marital Status	Married	102	92.7
	Divorced	6	5.5
	Widow/Widower	2	1.8
Education	Illiterate	12	10.9
	Basic	58	52.7
	Secondary level	32	29.1
	Above Secondary Level	8	7.3
Income Source	Agriculture	17	15.5
	Business	67	60.9
	Service	5	4.5
	Daily Wage	3	2.7
	Others	18	16.4

A descriptive research design was utilized to analyze primary data collected through a 5-point Likert scale questionnaire. The questionnaire was administered to the respondents physically and the collected data was analyzed using SPSS software. A pilot test was conducted to ensure the reliability of the questionnaire.

The Cronbach alpha value for microfinance products, financial literacy, socioeconomic factors, and financial inclusion were found to be 0.794, 0.682, 0.664, and 0.687, respectively. The study was conducted over three months, from April to June 2024.

Results and Discussion

Key Information on Financial Inclusion

In this section, various aspects of financial inclusion are discussed including the understanding of financial concept, accessibility of financial services, management of finances and reason for choosing microfinance products. It is presented in Table 2.

Table 2: Involvement years of respondents in the program

Years	Frequency	Percent
3-6 years	7	6.4
7-10 years	10	9.1
Above 10 years	93	84.5
Total	110	100

Table 2 indicates that the vast majority have been participating for over 10 years, accounting for 84.5% of the total respondents (93 out of 110). A smaller portion, 9.1%, has been involved for 7-10 years, while only 6.4% have been involved for 3-6 years.

Table 3: Understanding of financial concepts

Rating	Frequency	Percent
Fair	14	12.7
Good	76	69.1
Excellent	20	18.2
Total	110	100

Table 3 shows data on the understanding of financial concepts among respondents reveals that the majority have a good grasp of these concepts, with 69.1% (76 out of 110) rating their understanding as good. Additionally, 18.2% (20 respondents) rate their understanding as excellent. A smaller portion, 12.7% (14 respondents), rate their understanding as fair. Overall, the data indicates that most respondents have a solid or better understanding of financial concepts.

Table 4: Accessibility of financial services

Level of Accessibility	Frequency	Percent
A little	10	9.1
To some extent	12	10.9
Yes, a lot	88	80
Total	110	100

Table 4 indicates that the vast majority of respondents (80%) find these products highly accessible ("Yes, a lot"). A smaller proportion finds them accessible to some extent (10.9%), while a minimal fraction (9.1%) reports only a little accessibility.

Table 5: Helpful in management of finances

Helpful	Frequency	Percent
To some extent	33	30
Yes, significantly	77	70
Total	110	100

Table 5 shows, among the respondents, 70% reported that they have significant access to financial services, while 30% reported having access to some extent.

Table 6 shows that individuals select microfinance products primarily due to collateral-free lending, cited by all respondents (100.0% of cases) and comprising 45.3% of the total responses. Providing immediate funds is the second most important reason, noted by 86.4% of respondents and making up 39.1% of the responses. Lack of access to traditional banking services, while significant, is a less common reason, mentioned by 34.5% of respondents and accounting for 15.6% of the responses. This indicates that the flexibility and quick access to funds offered by microfinance are the main drivers for its popularity, while banking access issues are a secondary concern.

Table 6: Reason for choosing microfinance products

Reason for selecting microfinance products	Responses		Percent of Cases
	N	Percent	
Lack of access to traditional banking services	38	15.6	34.5
Collateral free lending	110	45.3	100.0
Providing immediate funds	95	39.1	86.4
Total	243	100.0	220.9

Table 7 shows the average mean scores indicating respondents have a moderately positive perception of microfinance products, with a mean score of 3.44. Financial literacy, with a higher mean of 4.14, suggests that respondents feel confident in their financial knowledge. Similarly, socio-economic factors are viewed positively or considered significant, reflected by a mean of 4.14. Lastly, financial inclusion, with a mean score of 3.90, shows a fairly strong agreement regarding its importance or impact.

Table 7: Descriptive Statistics

Constructs	Average Mean
Microfinance Products	3.44
Financial Literacy	4.14
Socio-economic factors	4.14
Financial Inclusion	3.90

(N= 110; Scales: 1 = Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5=Strongly Agree)

Inferential Analysis

Table 8 shows a correlation between independent variables (microfinance products, financial literacy, socioeconomic factors) and financial inclusion. The results of correlation analysis reveal that there is a significant positive correlation between independent variables (financial literacy, socio-economic factors) and financial inclusion but an insignificant correlation between independent variable microfinance products and financial inclusion at a 1 % level of significance.

Table 8: Correlation Analysis

Variables	Financial Inclusion
Financial Inclusion	1
Microfinance Products	0.015
Financial Literacy	0.259**
Socio-Economic Factors	0.254**

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

Regression Model

In this study, regression analysis was used to show the impact of independent variables on a dependent variable. The results of the regression analysis are presented as:

Table 9: Coefficients of the Regression Model (Dependent variable: Financial Inclusion)

Model	B (Beta)	St. Error	T	Sig.
(Constant)	3.828	0.506	7.571	0
Microfinance Product	0.022	0.146	0.153	0.879
(Constant)	2.699	0.444	6.081	0
Socio-Economic Factors	0.291	0.106	2.735	.007

Table 9 shows the results of a regression analysis with two independent variables: Microfinance Product and Socio-Economic Factors. Microfinance Product has a very small and statistically insignificant effect on the dependent variable (B = 0.015, p = 0.879). In contrast, Socio-Economic Factors have a significant positive effect (B = 0.254, p = 0.007), indicating that as socio-economic factors improve, the dependent variable increases. This study undertakes variables such as microfinance products, financial literacy, socio-economic factors to investigate the impact and relation with financial inclusion of female customers of microfinance in Pokhara. A key finding is the predominance of middle-aged and married clients, indicating greater economic stability due to dual incomes, which enhances their financial attractiveness to institutions (Shrestha & Mishra, 2019). It aligns with finding that stable family structures further support financial inclusion through better financial management (Nawai et al., 2012).

The data shows that most respondents have been involved in microfinance for over 10 years and possess solid financial knowledge. While microfinance products are perceived as widely accessible and popular (Nguyen & Kim, 2023), the study found no strong correlation between these products and financial inclusion, contrasting with previous findings (Adeola & Evans, 2017; Banerjee & Duflo, 2019). Instead, the study aligns with Chakrabarti and Sanyal (2016), suggesting that microfinance should extend beyond microcredit. Financial literacy, obtained through microfinance, shows a positive link with financial inclusion by enhancing budgeting, decision-making skills, and understanding of financial risks (Agarwal, 2016; Camara & Tuesta, 2015). Socio-economic factors, including education, infrastructure, and social networks, also significantly influence financial inclusion and entrepreneurial success (Khatiwada & Paudel, 2018; Ajide, 2020; Chen et al., 2023).

Conclusion and Implications

This research examined the impact of microfinance products and socio-economic factors on financial inclusion and the role of financial literacy. It found that most participants are middle-aged, married, with basic education, and involved in business with microfinance for over 10 years, rating their financial knowledge as good. Key reasons for choosing microfinance include collateral-free loans, immediate funds, and lack of traditional banking access. Despite

expectations, microfinance products did not significantly impact financial inclusion for female customers in Pokhara, aligning with prior studies that suggest additional measures like additional emphasize on microfinance products other than credit, financial education are needed. Financial literacy theory of financial inclusion states that financial inclusion should be achieved through education that increases the financial literacy of citizens. Financial literacy seems crucial for better financial management and participation in formal financial systems. Socio-economic factors positively influenced financial inclusion, with stable income and formal employment making it easier to access financial products. Overall, respondents stressed the importance of affordable financial products, digital services, tailored financial solutions, and convenient access to financial services for better inclusion, offering valuable implications for microfinance institutions, policymakers, financial institutions, academic and research institutions aiming to enhance the financial inclusion among microfinance institutions. This study is limited to few microfinance institutions targeting only female customers with reference to Pokhara Metropolis, Nepal.

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Quality of Life Determinants among Dalit and Non-Dalit Elderly Populations in Nepal

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Abstract

This study examines socio-demographic and economic determinants regarding the quality of life (QoL) among Dalits and Non-Dalit in the elderly populations of Nepal, particularly in Palungtar Municipality, Gorkha District. It employs a descriptive and explanatory design, interviewing 430 individuals aged 60 and above. The major evidence found includes various disparities in QoL determinants, illiteracy among Dalits registered at 78.11 percent, whereas Non-Dalit had an illiteracy rate of 64.92 percent ($\chi^2(2) = 8.7406, P = 0.000$). This gap is even clear in terms of employment; the retired employee status is reported by only 1.8 percent of Dalits compared to 6.5 percent of Non-Dalit ($\chi^2(1) = 5.1930, P = 0.023$). The income group is alarming; around 72.7 percent of Non-Dalit earn more than Rs.500,000 in a year, as opposed to only 27.3 percent of Dalits ($\chi^2(1) = 8.67010, P = 0.031$). The logistic regression analysis yielded significant predictors of QoL with age found to be positively associated with QoL ($\beta = 0.129, p < 0.01$), which could indicate prospective adaptability among older adults. Literacy ($\beta = -0.374, p < .01$) and school education ($\beta = -0.380, p < .05$) are negatively related parameters, signifying the need for educational equity along the dimension. Employment ($\beta = 0.569, p < .05$) and income ($\beta = -0.045, p < .05$) contribute positively to QoL, while retirement ($\beta = 1.282, p < .01$) presents as a significant measure of determining one's experience of QoL. This study points to systemic inequities and calls for specific measures in education, equity in income, and inclusive policies to improve QoL in marginalized (Dalit) aging populations.

Keywords: Quality of Life (QoL), Aging, Dalit, Socio-Economic Disparities, Caste-Based Discrimination

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Introduction

The quality of life in old age is greatly influenced by the socio-economic and demographic factors that differ from one social group to another. Among these, the Dalit population, historically marginalized and subjected to systemic oppression in South Asia, particularly in Nepal and India, stands out in facing challenges that make satisfactory life generally indefinable in their later years. The important determinants of quality of life in the older age groups that need to be understood by Dalit and non-Dalit elderly group members are vital for developing inclusive policies and interventions toward equitable well-being. The World Health Organization (WHO, 2022) purports that quality of life (QoL) is the individual's appraisal of his or her position in life in the context of the culture and value systems in which he or she lives and with his or her goals, expectations, and concerns. The scenario in Nepal, however, comprises caste-based discrimination and socio-economic inequalities compounding the problems faced by the aging, especially marginalized groups like the Dalit. Thus, certain disparities demand to be addressed in evidence-based research to decipher the factors influencing QoL and to plan for its improvement.

Old populations, aged from all corners of Nepal, face many problems, among which are limited fortune to health care, inadequate social security, and economic vulnerabilities. Reservations in such access appear to be much graver in the case of a Dalit population given their history of exclusion, lower literacy rates in comparison with the national overall statistics, and limited access to basic resources. Subedi and Gurung (2021) noted caste differences remain in

the pattern of attainment by sex of education, income, and employment, aspects that have the most impacts on the QoL of Dalits. Although many studies have been conducted worldwide concerning aging and QoL, limited studies have been conducted on the relationship between caste and aging in Nepal. This research intends to fill that gap basal by looking at socioeconomic and demographic determinants of QoL among the Dalit and Non-Dalit aging populations within the context of Nepal.

The research study was concerned with the quality of life among Dalit and Non-Dalit aging populations and analyzed the relationship between socioeconomic variables and quality of life. Promote Equity and Well-being among Marginalized Elderly Communities: This study attempts to uncover the systemic inequalities and indeed the corresponding policies needed to address more inclusive measures for older people with marginalized identities with all the intersectionality of age, caste, and socio-economic conditions.

Literature Review

Quality of life is an extremely broad term and has dimensions such as physical health, psychological well-being, social relationships, and material conditions (World Health Organization [WHO], 1997). Therefore, the QoL for senior citizens is linked to healthcare access, economic security, social inclusion, and cultural dignity. However, the Dalit communities have historically suffered exclusion from these resources on grounds of their socio-economic conditions and have been facing continued stigmatization due to caste-based discrimination (Deshpande, 2011). Thus, a different blend of aging and caste presents unique issues worth exploring.

Some socio-economic variables such as income, education, and occupation have a vital role in determining QoL among the aging population. For instance, economic security meets the needs vis-à-vis access to healthcare, good nutrition, and a stable living environment, which are otherwise critical components of QoL in old age (Chakrabarti & Sarkar, 2019). In the case of Dalits, however, their limited access to employment with sustained means and financial resources is exacerbated in their old age owing to marginalization over a few centuries (Guru, 2009).

Education has a different health literacy, easier access to information, and the ability to understand healthcare systems (Shankar & Thapa, 2020). Dalit communities have and for centuries they were made to suffer because of educational discrimination, unequal societal structures, and the lack of basic resources, ultimately leading to fuller literacy and, in turn, poorer quality of life later on (Singh, 2015).

Facility-defining demographic characteristics such as gender and marital and family structure play crucial roles in determining the life quality of older populations. Disparities due to gender courses are most acute among Dalits as the double whammy of caste and gender generally weighs heavily on Dalit women (Aryal, 2019).

Marital status is one biological characteristic that defines an individual's demographic profile. Generally, therefore, the married category has a better quality of life due to emotional and economic support from spouses (Wright & Brown, 2017). Such a scenario is not possible in the case of early widowhood among Dalits as they very hardly possess social security. The result is isolation and economic challenges in old age leading to further downgrading of their quality of life (Thorat & Newman, 2007).

Family structure and intergenerational ties as joint families, which are still widely prevalent in South Asia, provide a sort of insurance against aging. However, such an erosion of the traditional family is brought about by rapid urbanization and economic pressures, which affect mainly the Dalit community, who do not have alternative arrangements for social security (Mishra, 2020).

The elderly population, who regularly require medical attention for chronic diseases and are required to keep their physical health in check, receives good medical services. Dalits face systematic barriers as obstacles to health access providing biased and discriminatory healthcare personnel and lack of access in marginalized areas (Acharya et al., 2019). Socioeconomic disadvantages further add to the troubles that Dalits would have faced in terms of the affordability of health programs. On the other hand, non-Dalits have better access to healthcare resources, mainly based on their economy and tied with that, the absence of caste-based discrimination. Addressing this apparent gap relative to societal needs thus calls for policy interventions, especially in ensuring access to health care for increasingly aging Dalits (Narula, 2018).

It comprises genera social networks, community participation, and a sense of belonging. These develop emotional health and resilience in late adulthood (Berkman & Glass, 2000). However, social exclusion is often found among Dalit people within the purview of caste discrimination, which carries the perception of the individual being isolated and beholding little self-worth (Kamble et al., 2017). The difference indicates that caste-based social exclusion should be addressed as an avenue for the enhancement of QoL among Dalit elders.

The quality of life for people ages is substantially contingent upon social norms and governance policies. This acquired cultural attitude in South Asia and some countries have been one of respect and care for the elderly.

However, the same cultural practices do not apply uniformly as they often deny Dalits such cultural reverence because of caste bias (Rawat, 2012).

Besides, public policy measures towards improving the quality of life for the elderly, such as pension schemes and health care subsidies, do not provide an effective response for the Dalit communities due to inefficiencies and social discrimination (Kumar & Kumar, 2020).

The elimination of the discrimination gap will require an understanding of a comprehensive strategy with specific targeted policies, community-based involvements, and the abolishment of caste-based discrimination along its different levels. The precise understanding of the issues faced by Dalit elders is likely, thereby, to enable stakeholders to put in place frameworks in an imaginative way for equity and well-being among aging populations.

Data and Methods

This study was conducted as a comparative quality of life across the socio-economic and demographic status. The elderly population aged 60 years and over were considered study participants, coinciding with the aging demographic trends in Nepal (Subedi, 2005). Palungtar is accessibly lying to represent a rural-semi-urban mix from which the anticipated insight into varied socio-economic dynamics was expected. A descriptive design for socioeconomic and demographic variables was complemented with explanatory research for the analysis of causal relationships to ensure aging challenges (Creswell, 2014). This has led to the calculation of sample size through the formula: Z (1.96 for a 95 % confidence interval), p (91.9%), q (8.1%), d (5% allowable error), and DE (design effect of 1.5) = minimum sample size is 430 (Trochim, 2006). Thus, the study population had an elderly population aged 60 years and over, with representation from all the 10 wards of Palungtar Municipality. Since Palungtar Municipality has a total of 3,012 males and 3,373 females, representing a total population of 6,385, sampling was done proportionately by allocating and applying systematic random sampling in selecting samples (NPHC, 2022).

Results and Discussion

Age

In terms of age-wise literacy status of Dalit and Non-Dalit populations' comparison, significant divergence is also evident among the elderly ones. In the 60-69 age group, comparatively, literacy was higher with 56.8 percent of Dalit and 59.0 percent of Non-Dalit being literate.

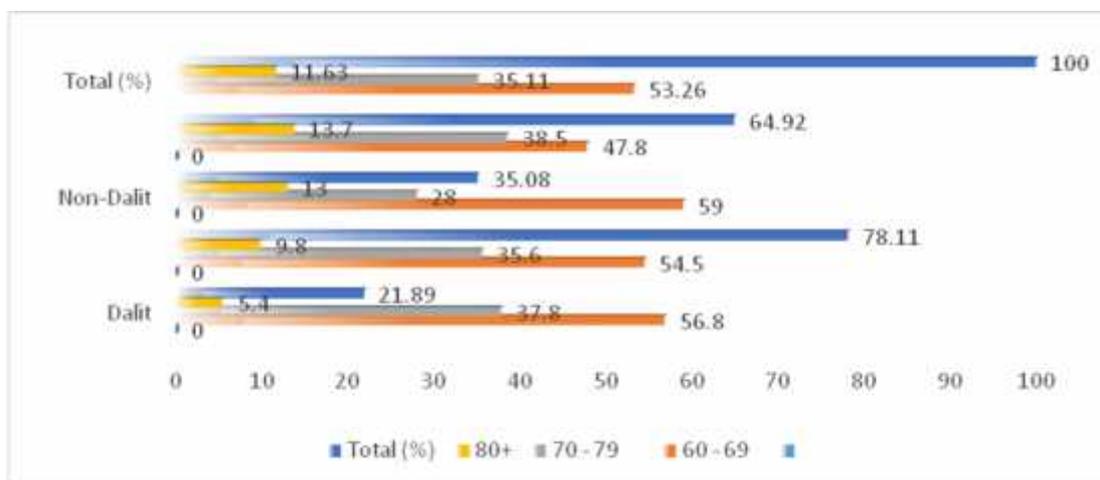


Figure 1: Distribution of age-wise literacy status in Dalit and Non-Dalit

Figure 1 shows declining literacy, with sharp decreases at the 70-79 age (37.8% Dalit and 28.0% Non-Dalit). The age of 80 onwards is minimal (5.4% Dalit having non-Dalit as 13.0 %). The total literacy rate was 21.89 percent and 35.08 percent for Dalit and Non-Dalit, respectively, with the majority remaining illiterates (78.11% Dalit and 64.92% Non-Dalit). The Pearson chi-square test ($\chi^2(2) = 8.7406, P = 0.000$) has proved a significant association between literacy status and caste group.

Socio-economic variables

Socio-economic variables are measurable factors as Dalit and Non-Dalit in terms of their conditions relating to inequalities in education, religion, employment status, income, and educational attainment.

Table 1: Distribution of socio-economic variables in Dalit and Non-Dalit

Variables	Dalit (%)	Non-Dalit(%)	Total (n)	Total (%)
Education				
Literate	21.9	38.3	137	31.9
Illiterate	78.1	61.7	293	68.1
Pearson $\chi^2(1) = 12.7406, P = 0.000$				
Religion				
Hindu	82.3	74.8	338	78.6
Buddhist	7.4	11.5	41	9.5
Islam	0.6	0.5	2	0.5
Christian	6.9	8.1	32	7.4
Others	2.9	5.1	17	4.0
Pearson $\chi^2(6) = 5.7406, P = 0.006$				
Retired employee				
No	98.2	93.5	410	95.3
Yes	1.8	6.5	20	4.7
Pearson $\chi^2(1) = 5.1930, P = 0.023$				
Total	202	228	430	
Total (%)	100.0	100.0		100.0
Annual income in Rs.'000				
< 75	41.1	58.9	163	46.0
75-150	37.1	62.9	97	27.4
150-300	41.9	58.1	62	17.5
300-500	42.9	57.1	21	5.9
>500	27.3	72.7	11	3.1
Pearson $\chi^2(1) = 8.67010, P = 0.031$				
Total	141	213	354	
Total (n)	39.8	60.2	100	100.0
Level of Education				
Basic	48.3	37.7	58	42.6
Secondary (9-10)	24.6	13.8	26	18.8
Secondary (11-12) or Intermediate	12.7	8.0	14	10.2
Higher Degree (Bachelor, Master, and above than Intermediates)	4.2	2.9	5	3.5
Others	10.2	37.7	34	25.0
Pearson $\chi^2(6) = 5.7406, P = 0.000$				
Total (n)	63	74	137	
Total (%)	100.0	100.0		100.0

Table 1 shows that literacy levels among Dalits (21.9%) remained very low as compared to Non-Dalit (38.3%). Of these, 78.1 percent were illiterate: Dalit (78.1%) and Non-Dalit (61.7%), which formed a great disparity in education (Pearson $\chi^2(1) = 12.7406, P = 0.000$). These inequalities are a witness to the fact that Dalits have lost access to education, enabling them to be trapped in poverty, not only for themselves but also for generations to come. Among the majority, 82.3 percent of Dalits and 74.8 percent of Non-Dalits claim to be Hindu, with Buddhists making up only 7.4 percent of Dalits and 11.5 percent of Non-Dalit, followed by Christians (6.9% of Dalits and 8.1% of Non-Dalit), and other religions (2.9% of Dalit and 5.1% of Non-Dalit). The differences observed were statistically significant (Pearson $\chi^2(6) = 5.7406, P = 0.006$). Only 1.8 percent of Dalits have retired employees while 6.5 percent of Non-Dalit. Dalits can have formal employment and retirement benefits are highly limited as compared to others (Pearson $\chi^2(1) = 5.1930, P = 0.023$). The result thus highlights that it is a challenge for the Dalit to get secure, formal employment. Further explaining economic inequalities are the income levels, where 46.0 percent of respondents earned less than Rs.75000 annually while out of these, the proportion of such Dalit (41.1%) is higher than Non-Dalit (58.9%). In the higher income categories, there is an increased Non-Dalit proportion, especially for earnings above Rs.500000, where 72.7 percent were Non-Dalit compared to 27.3 percent Dalit. The above differences had economic significance being Pearson $\chi^2(1) = 8.67010, P = 0.031$.

The educational attainment as basic education is higher in Dalit (48.3%) than in Non-Dalit (37.7%), almost all Non-Dalit have a larger percentage of secondary (9-10) and higher education categories. Only 4.2 percent of Dalits have higher degrees compared to 2.9 percent of Non-Dalit, while the remaining choose alternative modes of education (Dalit 10.2 %, Non-Dalit 37.7%). These differences were statistically significant: Pearson $\chi^2(6) = 5.7406, P = 0.000$. The socio-economic variables have differences between Dalit and Non-Dalit populations as variables deemed

important lay systemic barriers that act disproportionately against the Dalit, particularly in education, income, and employment opportunities.

Working wage job in a week

Partly caste, gender, and education come into influence the working hours and make up different natures of employment. Compared to Non-Dalit, Dalits work more in the informal or poorly paying work areas and have a less secure job as well as fewer options for wage growth. Addressing such gaps regarding skill development, equitable wage policies, and inclusive hiring needs is essential for equitable employment opportunities across socio-economic status.

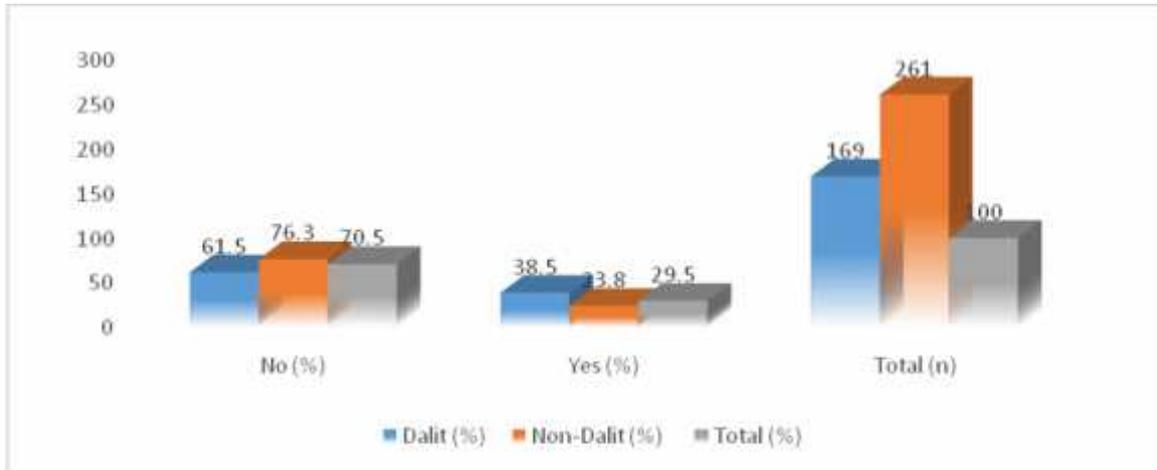


Figure 2: Distribution of working wage jobs in Dalit and Non-Dalit

Figure 2 reveals that among Dalit populations, immediately and noticeably 38.5 percent affirm as opposed to 23.8 percent of Non-Dalit. Compared with the opposites, 61.5 percent are Dalit and 76.3 percent Non-Dalit. The total population has a negative response percentage of 70.5 percent (303 people) and a positive count of only 29.5 percent (127 people) in that regard.

Factors associated with quality of life in aging populations:

Quality of life (QoL) in old age is caused by various demographic and socioeconomic factors, as highlighted by the statistical data in Table 2. The predictions made in the logistic regression, the coefficients (B), standard errors (S.E.), and Wald statistics attached to it identify the strength and significance of the relationship in the specified order. The most important determinant of income, education, gender, and marital status justifies their significance with the corresponding p-values that determine the statistical significance of the factor. In econometrics, the Exp (B) values illustrate odds ratios showing the relational likelihood of having better QoL indicators for certain variables. The use of confidence intervals (95% C.I. for EXP(B)) serves to strengthen these estimates. All of these produce complementary information about the demographic variables and the QoL that need targeted involvement above squaring the circle. It understands evidence for formulating a good policy and program.

Table 2: Factors associated quality of life in aging populations

Demographic variables	B	S.E.	Wald	Df	p value	Exp(B)	95% C.I. for EXP(B)		Sig.
							Lower	Upper	
Age	.129	.0772	6.262	1	.000	.137	.143	.249	***
Literacy status	-.374	.409	.836	1	.000	.423	.329	.607	***
Education level	-.380	.048	7.582	1	.007	.345			**
Religion	-.141	.123	.664	1	.008	.387	.254	1.002	**
Working wage job	.569	.094	9.233	1	.021	.518	.408	1.035	**
Annual income	-.045	.431	.007	1	.031	0.547	.370	2.966	**
Retired employee	1.282	.099	5.60541	1	.000	.604	2.970		***
Constant	1.553	.328	11.743	1	.000	3.241			***

*** $p < .01$, ** $p < .05$, * $p < .1$

A positive correlation ($-0.001 < p < 0.05$, $\beta = 1.287$) shows that as age advances, QoL slightly increases, giving room for age-based resilience or adaptation. But literacy has a negative association with QoL: $\beta = -0.374$, $p < .01$. This means that illiterates very much reduce QoL and hence should advocate lifelong learning programs. With higher

levels of education, a person can significantly relate to a higher level of QoL ($\beta = -0.380, p < .05$). Religious affiliation brings with it a modest but significant impact on QoL ($\beta = -0.141, p < .05$). Employment status influences the sense of QoL significantly ($\beta = 0.569, p < .05$). And those with higher incomes tend to have a more positive relationship with their QoL—inferior income levels are positively correlated with QoL ($\beta = -0.045, p < .05$). This indicates, rather, that economic stability is the most important determinant. It is caused by a reduction in work stress and also ease time because the retired status effectively improves the quality of life ($\beta = 1.282, p < .01$). It is, therefore, expected for different areas of QoL determinants to be put together in a system. This means that integrated policies should include literacy, income, education, and employment in considering well-being among aging populations.

Discussion

This study shows the factors affecting quality of life (QoL) among aged individuals, with particular interest in the area between Dalits as opposed to Non-Dalits. This implies the fact that most demographic and socio-economic variables, behavioral as well as cultural form a significant influence on the quality of life. Literacy was higher among both Dalit (56.8%) and Non-Dalit (59.0%) being illiterate. In the older age groups, it increased, with the figures dropping to 37.8 percent and 28.0 percent for Dalit and Non-Dalit, respectively, in the age group 70-79. For those who are 80 years or older, literacy rates were low due to a lack of access to education during those days (Deshpande, 2011; Subedi, 2005).

The much greater association between literacy status and caste ($\chi^2(2) = 8.7406, P = 0.000$), which marks the underdeveloped socio-economic inequality, continues to act at a disadvantage for the Dalit. Hence, a lot many more interventions that address lifelong learning and promote literacy at the grassroots would contribute to this gap in enhanced QoL among marginalized populations. It is Education, Income, and Employment status, as they stand out to be very important determinants of QoL. Literacy among Dalits (21.9%) standards much lower when compared to the rest of the country (38.3% in the case of Non-Dalit), with 78.1 percent being illiterate when speaking about the Dalit. The above correlates to previous studies that identified caste as a determinant of educational inequity (Thorat & Newman, 2007).

Disparities in the income levels were stark: a high percentage (41.1%) of Dalits earn less than Rs. 75,000 as compared to Non-Dalit (58.9%). The higher-income earning above Rs.500000, had significant representation from Non-Dalit: as disparities propose poor access to stable, well-paid employment possibilities by Dalits (Acharya et al., 2019). The differentials in employment too; only 1.8 percent of Dalits were reported to be retired employees as opposed to 6.5 percent of non-dalits. This difference shows how difficult it is for Dalits to secure employment with retirement benefits as tends to be the case with people generally. Behavioral and cultural factors have influenced QoL. Religious affiliation had a significant association with QoL, which further was assumed to be indicative of social support and spiritual support. Most of the Dalits were Hindus (82.3 %), but there were very few who adhered to Buddhism (7.4 %) and Christianity (6.9 %). This study is also consistent with the studies on cultural and spiritual practices about mental health and resilience among aged populations (Rawat, 2012).

Indeed, activity participation as well as the level of light activities between Dalits and Non-Dalits shows variation; 71.6 percent of Dalits took part in such light activities daily as against 67.9 percent of Non-Dalits who would say that they did the same. Such differences are likely due to differences in lifestyle and occupational engagement. Therefore, it encourages easy programs that promote regular physical activities among many so that people may benefit in mobility and reduce health inequalities (Berkman & Glass, 2000). This is the way physical exercise helps in health maintenance and well-being, mostly for old persons. About 79.9 percent of Dalits regularly do physical exercise, while 75.5 percent of Non-Dalits do so. There is a great difference in the frequency of exercise. A community-based program for fitness development and safe spaces for physical activities would address the gaps for 'exercise poor' Dalits due to the economy or the lack of structured facilities to access exercise facilities (Shankar & Thapa, 2020).

The logistic regression analysis yielded significant predictors of QoL with age found to be positively associated with QoL ($\beta = 0.129, p < 0.01$), which could indicate prospective adaptability among older adults. The conditions between education and literacy levels have shown a negative correlation with QoL ($\beta = -0.374, p < 0.01$; $\beta = -0.380, p < 0.05$), thus, pointing to the need for improving educational opportunities. Employment has been associated positively with the QoL ($\beta = 0.569, p < 0.05$) as well as income ($\beta = -0.045, p < 0.05$), hence indicating the importance of financial security in well-being (Narula, 2018).

Retirement status ($\beta = 1.282, p < .01$) significantly enhanced QoL, possibly due to reduced work-related stress and increased leisure time. These findings underscore the multifaceted nature of QoL determinants, advocating for integrated policies addressing literacy, income disparities, education, and employment (Creswell, 2014).

This study highlights the urgent need for targeted interventions to address caste-based disparities in education, income, and employment. Policies promoting equitable access to education and skill development can empower marginalized communities, breaking intergenerational cycles of poverty. The present study emphasizes the very fine and complex interplay of demographic, socio-economic, and behavioral variables determining QoL among aging populations. Thus, addressing the voids would entail very comprehensive, generalized policies and community-level actions for equity and well-being.

Conclusion

The QoL is most deeply affected among aging populations by the variables of socio-economic factors to measure the difference in QoL between Dalit and Non-Dalit aging populations as caste-based discrimination. Younger generations generally report high literacy levels, but the gap broadens with increasing age, and it is more pronounced in Dalits than Non-Dalits. Lifestyle and cultural factors, physical activity, religion, and family structure have many important influences on the quality of life. A clear policy implication that can be derived from the study was that addressing the disparities will need a multi-pronged approach that includes equal education, classless programs for economic empowerment, equitable hiring practices, and community-driven programs. Above all, this research would strengthen the position that intersectionality must be addressed in the context of aging in Nepal. It would require holistic policies and partnerships for inclusivity and justice to eliminate the QoL gap between Dalit and Non-Dalit elders. With this, everything concerning old age would be bettered in Nepal, but even more so, this would be an attempt to fight for equity and justice within society.

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Behavioral Influences on Individual Investors' Decision-Making

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Abstract

The performance and decision-making of individual investors in Nepal are investigated in this study, with an emphasis on the behavioural aspects that affect their investing decisions. Determiners of investment performance and decisions, the interaction between market, firm, and risk-return variables, and their influence on investor choices are the objectives of the study. 110 respondents, including commercial banks, business owners, government employees, graduate management students, and stock market investors, were selected from the Bharatpur metropolitan area in the Chitwan district using a descriptive and causal comparative study approach. The results indicate that market trends have a considerable impact on investing confidence, as seen by the moderately positive correlation found between investor decisions and market-related variables (MRV). The significance of a company's performance metrics, management quality, and reputation is highlighted by the greater positive correlation found for company-related variables (CRV). Additionally, there is a moderately positive correlation between risk and return variables (RRV), indicating that people who are more confident in their investing decisions are more likely to be willing to face risks in exchange for larger returns or who prefer steady returns. According to the study's findings, investor decisions are significantly influenced by a variety of interrelated factors, including firm characteristics, market conditions, and risk-return preferences.

Keywords: Investors' decision, Market-related variables, Company-related variables, Risk-return variables, Behavioral influences

Introduction

Nepalese investors can be empowered to make more educated and logical investment decisions through education, awareness campaigns, and the creation of decision support technologies. To overcome behavioural biases and enhance investment results in Nepal, financial literacy programs and investor protection measures can also be investigated. Few studies have examined the investment behavior of Nepalese investors in the stock market. Adhikari (2010) found that investors are overconfident about their knowledge, experience, and ability to pick stocks, with a significant difference in confidence based on age and gender. The availability of information and understanding of respondents also influence their investment decisions. Interviews with brokers revealed that most Nepalese investors lack the necessary skills to analyze financial information about companies they are considering investing in, affecting the quality of their decisions. Kadariya (2012) analyzed factors affecting investment decisions, including capital structure, political and media coverage, luck and financial education, and trend analyses in the Nepalese capital market. The study found that most investors are youngsters and consider media coverage and friend recommendations as good sources of information. Dividend, earning, equity contribution, and government control are the most important factors in decision-making. Investors often blame the market for losses and credit their own abilities when earning profits.

This research aims to explore the impact of behavioral factors on investment decisions in Nepal. Despite the growing interest in financial markets, there is a lack of understanding of how these factors influence investment performance. Behavioral finance theories suggest that investors may not always make rational decisions but are influenced by cognitive biases, emotions, and heuristics. In Nepal, where the investment environment is influenced by unique socio-economic and cultural factors, it is crucial to understand how these biases manifest among investors and affect

their investment decisions. The study aims to investigate the extent to which factors like overconfidence, herding behavior, loss aversion, and anchoring biases influence investment decisions among Nepalese investors and analyze their performance implications. This understanding can help develop targeted interventions and strategies to improve investment performance. The study also identifies potential avenues for investor education and awareness campaigns to promote more informed investment practices.

- What are the relationship between market related variable, company related variable, risk-return related variable on investors decision?
- What are the impact of market related variable, company related variable, risk- return variable on investor's decisions?

Literature Review

Geetha and Ramesh (2012) research highlights the significant impact of behavioral factors on investment decision-making among individual investors. Cognitive biases, such as overconfidence, confirmation bias, and anchoring, can distort investors' assessments of information, leading to suboptimal investment decisions. Emotional responses, such as fear, greed, and regret, can cloud investors' judgment and lead to impulsive or irrational choices. The research emphasizes the importance of investor education and awareness programs to mitigate the negative effects of behavioral biases on investment outcomes. Educational interventions may include seminars, workshops, or online resources that impart knowledge on investment principles, risk management techniques, and strategies for overcoming cognitive biases. Their findings highlight the intricate interplay between behavioral factors and investment decision-making among individual investors, emphasizing the need for promoting investor education and awareness to foster more rational and informed investment behavior.

Kadariya (2012) examined the various elements that influence the investment decision of an investor. Capital structure, political and media coverage, luck, financial education, and trend analyses in the Nepalese capital market are some of the factors that are considered in this context. The findings of the study indicate that the majority of investors are young people, and when making decisions, they take into consideration the recommendations of their friends and the coverage that they receive in the media as legitimate sources of information. It is generally agreed that the most important considerations to take into account when making a decision are the dividend, earnings, equity contribution, and government control. Whenever they suffer a loss, investors place the blame on the market, but when they make a profit, they give themselves full credit for their own abilities.

Thapa (2013) reveals that investors in the Nepalese stock market prioritize short- term profit over long-term strategies, possibly driven by factors like market volatility or liquidity concerns. The size of investment also plays a role in investors' confidence levels, with larger investments tending to decrease confidence levels as they carry higher perceived risks or uncertainties. In terms of risk-taking attitudes, professional experience positively correlates with investors' willingness to take risks, while the size of investment exhibits a negative relationship with risk-taking propensity. Personal characteristics and psychology also play a role in investor behavior, with investors with higher levels of confidence, involvement, optimism, and risk-taking attitudes tending to engage in more frequent trading activity.

Karki and Adhikari (2014) investigate the reasons behind individual investors' decisions to invest in the stock market of Nepal. In their research, Karki and Adhikari discovered that the majority of investors were motivated by the desire to speculate, while the smallest percentage of investors were motivated by the desire to gamble themselves. In addition, the research came to the conclusion that there was a positive correlation between investment motive and information and analysis, investment horizon, age level, and experience in the stock market. The findings of this study also showed that there was a moderate association between academic qualification and investment motive, and that information and analysis had a positive relationship with the investment score. According to the findings of the study, rumors and tips are playing an important role in Nepalese stock markets. This was another conclusion reached by the researchers.

Bajracharya (2017) carried out an additional study for the purpose of examining the perspectives of investors regarding mutual funds. According to the findings of Bajracharya's research, there is no correlation between the demographic and socioeconomic factors of investors and their attitude toward mutual funds. On the other hand, investors give magazines the least preference as a source of information, while brokers and agents are the source of information that investors prefer the most. It was discovered that the attitude of investors toward mutual funds is not independent of demographic and socioeconomic variables (age, gender, monthly income, investment level,

educational qualification). This was the conclusion reached by the researchers. In addition, when it comes to the sources that are chosen, investors give the highest preference to brokers and agents when it comes to making investments.

Kumar & Goyal (2018) study's conclusions point to a number of significant behavioral biases that are common among Indian investors. One important factor that comes into play is overconfidence, or the unfounded belief that investors can accurately predict market movements or make profitable investment decisions. This overconfidence frequently results in increased portfolio turnover and excessive trading, which can have a detrimental effect on investment returns. The study also highlights the impact of loss aversion among Indian investors, who are typically more motivated by comparable gains than by losses. Due to this bias, people tend to invest conservatively and are reluctant to take on risks that might result in losses.

The study also reveals the impact of herd mentality on Indian stock markets, where investors usually mimic the moves of their peers instead of performing their own research. When investors react collectively to perceived trends or sentiments in the market, this behavior can intensify market volatility and result in irrational price movements. All things considered, the qualitative investigation offers insightful information about the behavioral biases unique to Indian investors, with implications for financial education programs and regulatory actions meant to promote more knowledgeable and logical investment choices in India's financial markets.

Shrestha (2020) examines the factors influencing Nepalese investors' stock market decisions, with a sample of 110 respondents from Surkhet Valley. Data was collected using structured questionnaires and categorized into three main variables: company-related variables (CRV), risk-related variables (RRV), and market-related variables (MRV). Company-related variables include factors like management team, financial performance, size, EPS, DPS, expected return, past return, company risk, liquid securities, and market information. Risk-related variables include expected return, past return, company risk, and liquid securities.

A study by Sohail and Akhtar (2021) found that market volatility leads to increased uncertainty, causing investors to adjust their portfolios by either reducing risk or adopting more conservative strategies. Investors tend to make decisions that prioritize stability during periods of high volatility, affecting their overall investment performance.

Lee, Wang, and Chen (2022) explore the impact of behavioral factors on investment performance. The authors identify key factors such as overconfidence, loss aversion, herding behavior, and mental accounting, and analyze their effect sizes and consistency across different markets and investor types. The meta-analysis reveals that behavioral biases significantly influence investment decisions and performance. Overconfidence leads to overestimation of abilities and excessive risk-taking, resulting in suboptimal outcomes. Loss aversion leads to conservative investment strategies, potentially limiting potential returns. The study also highlights the moderating effects of investor characteristics, market conditions, and study methodologies on the relationship between behavioral factors and investment performance. The authors emphasize the need for context-specific analyses and tailored interventions to effectively address behavioral biases in investment decision-making. The meta-analysis provides a comprehensive understanding of how psychological biases shape investor behavior and offers implications for improving investment strategies and outcomes.

Sharma and Vashistha (2023) examined how governance and management influence investment choices. They found that investors show a preference for companies with transparent governance and strong leadership, as these factors reduce perceived risk and promise better long-term returns. Nguyen et al. (2024) investigated how perceived risk affects the decision-making process of individual investors. They found that perceived high risk, even when the objective risk is low, discourages investment in volatile assets, thus influencing portfolio diversification and returns.

The study explores investors' decision-making and performance in Nepal, focusing on behavioral factors. Socio-economic, cultural, and institutional factors affecting investment behavior in Nepal may not be captured by previous studies. Understanding these local dynamics is essential for targeting interventions and policies that help Nepalese investors make informed decisions.

Research Methods

The study has used a descriptive and casual comparative research design, detailing participants' responses to a questionnaire and variables, and examining the relationship between variables and their impact, in line with the study's objectives. This study was conducted within Bharatpur Metropolitan city of Chitwan district, where the staffs of commercial banks, entrepreneurs, government officers, graduate level management student, and the person who

has invested stock market were the total population. To accomplish the objectives very efficiently, only 110 respondents are selected as sample of the study.

Respondents' Profile

Table 1: Respondents by Gender

Gender	Numbers of Respondents	Percent (%)
Male	80	72.73%
Female	30	27.27%
Total	110	100.00%

With 72.73% of respondents being men and 27.27% being women, Table 1 demonstrates a notable male predominance. This suggests that there was a gender gap in the survey, with men making up slightly more than 25% of the sample as a whole.

Age Groups

Age, determined by birth years, significantly impacts individuals' stress experiences and coping mechanisms, potentially impacting academic performance and revealing age-related patterns in stress response and outcomes, thus underscoring the importance of understanding age-related factors.

Table 2: Respondents by Age Groups

Age	Numbers of Respondents	Percent (%)
0-30	10	9.09%
30-40	45	40.91%
40-50	40	36.36%
50 and above	15	13.64%
Total	110	100.00%

Table 2 shows the age distribution of 110 survey respondents, with the largest age group being 30-40 years, comprising 45 respondents (40.91%). The 40-50 age group has 40 respondents (36.36%), followed by 15 respondents (13.64%) and the 0-30 years age group (9.09%). This indicates a middle-aged demographic dominance in the surveyed population.

Level of Education

Education level is directly correlated with level of education of employees. In this paper we have used four different levels of education which are Bachelor degree, Master and Master and above. The table 4.3 shows that the number of respondents involved in this study.

Table 3: Respondents by Level of Education

Education Level	Number of Respondents	Percent
Bachelor	10	9.09%
Master	20	18.18%
Master's and Above	80	72.73%
Total	110	100.00%

The distribution of respondents' educational backgrounds is displayed in Table 3, where 10 have a bachelor's degree, 18.18% have a master's degree, and 72.73% have a master's degree or above. Higher educational backgrounds make up the bulk of respondents (110), which can affect their attitudes and investing choices. According to this distribution, investing decisions may be influenced by advanced education.

Employees Designation

Employees' designation is a job title assigned to an employee within an organization, indicating their level of responsibility, hierarchy, and duties. It helps in structuring the organization, defining career paths, and clarifying job functions and expectations. Common designations include entry-level positions, mid-level positions, senior-level positions, and executive-level positions.

Entrepreneurs made up 36.36% of the 110 respondents, followed by employees (27.27%), government officials (22.73%), and graduate-level management students (13.64%), according to Table 4. With entrepreneurs being the most represented group, followed by employees and government officials, and management students being the least represented, the data shows a wide variety of classifications among respondents.

Table 4: Respondents by Employees Designation

Designation	Number of Respondents	Percent
Staffs	30	27.27%
Entrepreneurs	40	36.36%
Government Officers	25	22.73%
Graduate level Management Students	15	13.64%
Total	110	100.00%

Years of Experience

Experience refers to the training, wisdom, or proficiency in a specific subject, business, or sector, ranging from Less than 1 year to over 5 years, depending on the context.

Table 5: Respondents by Experience

Experience	Numbers of Respondents	Percent (%)
Less than 1 year	25	22.73%
1-3 Years	8	7.27%
3-5 Years	32	29.09%
Above 5 Years	45	40.91%
Total	110	100.00%

The distribution of 110 respondents according to their experience is displayed in Table 5. 45 respondents, or 40.91%, have more than five years of experience. Those with three to five years, or 29.09%, come next, and those with less than a year, or 25 respondents, or 22.73%, come next. Those with 1-3 years, or 8 replies, or 7.27%, make up the smallest category.

Results and Findings

Descriptive analysis is a statistical method used to quantitatively summarize the characteristics of a collection of information, either representing the entire population or a sample. In this paper, we conducted a descriptive analysis on independent variables (market-related, company-related, risk-return- related) and dependent variables (investors' decisions). Statistical measures like mean and standard deviation were computed, and the mean score was calculated using SPSS's output.

Descriptive Analysis of Market Related Variable

The descriptive analysis of market related variable is presented in the table below.

Table 6: Descriptive Analysis of Market Related Variable

Observation Statements	N	Mean	Std. Dev.
Market trends significantly influence my investment decisions.	110	3.63	0.87
Understanding market dynamics is crucial for successful investing.	110	4.01	1.03
Investment strategy based on the overall market conditions.	110	2.89	1.11

A descriptive analysis of market-related variables (MRV) based on the ratings of 110 respondents is presented in Table 6.

The impact of market trends on investment choices, the significance of comprehending market dynamics for profitable investing, and the dependence on general market circumstances for investment strategy are the three observation statements that are assessed. With a moderate degree of response variability, the mean score of 3.63 suggests that market changes have a significant impact on investment decisions.

With a little higher degree of variability than the previous assertion, the mean score of 4.01 emphasizes how crucial it is to comprehend market dynamics for profitable investing. The average score of 2.89 suggests that opinions on the dependence of investment strategy formation on general market conditions are either neutral or somewhat disagreed. The varying standard deviations indicate differing levels of agreement and variability in responses across the three statements, highlighting diverse perspectives among investors regarding market-related factors.

Descriptive Analysis of Company Related Variable

The descriptive analysis of company related variable is presented in the table below.

Table 7: Descriptive Analysis of Company Related Variable

Observation Statements	N	Mean	Std. Dev.
The reputation and brand image of a company affect my investment choices.	110	3.43	1.1
Consider factors such as company management and corporate governance before investing.	110	3.55	1.09
Company performance indicators, such as earnings and growth prospects, influence my investment decisions.	110	3.29	0.97

Table 7 analyzes company-related variables (CRV) based on 110 respondents' ratings, focusing on three observation statements: the impact of a company's reputation and brand image on investment choices, the importance of company management and corporate governance in investment decisions, and the influence of company performance indicators on investment decisions. The mean score of 3.43 indicates moderate agreement among respondents, with some variability in responses. The mean score of 3.55 suggests moderate to strong agreement on the importance of management and governance in investment decisions, with some differing opinions among respondents. The mean score of 3.29 indicates moderate agreement on the influence of company performance indicators, such as earnings and growth prospects, on investment decisions. The study concludes that respondents moderately agree on the impact of company reputation, management, corporate governance, and performance indicators on their investment choices, but the variability in responses suggests that individual preferences and perspectives on their importance can differ.

Descriptive Analysis of Risk Return Variable

The descriptive analysis of risk return variable is presented in the table below.

Table 8: Descriptive Analysis of Risk Return Variable

Observation Statements	N	Mean	Std. Dev.
Willing to take higher risks in investments if there is potential for higher returns.	110	3.76	1.08
Carefully assess the risk associated with an investment before making a decision.	110	3.58	1.09
I prefer investments with steady returns over those with higher potential returns but greater risk.	110	3.47	1.01

Table 8 analyzes risk and return-related variables (RRV) based on 110 respondents' ratings. The analysis includes three observation statements: willingness to take higher risks for higher returns, careful assessment of investment risks, and preference for steady returns over higher potential returns with greater risk. The mean score of 3.76 indicates that respondents generally agree to accept higher risks for better returns, with varying degrees of agreement. The mean score of 3.58 highlights the importance of carefully assessing investment risks before making decisions, with a similar level of variability as the first statement. The mean score of 3.47 indicates a moderate preference for steady returns over high-risk investments, with a standard deviation of 1.01, indicating less variability and a more consistent preference for stable returns. The data reflects a balanced approach to risk and return, with a notable tendency towards stability in investment preferences.

Descriptive Analysis of Investors Decision

The descriptive analysis of investor decision is presented in the table below.

Table 9: Descriptive Analysis of Investor Decision

Observation Statements	N	Mean	Std. Dev.
Feel confident in my ability to make informed investment decisions.	110	3.77	1.01
Tend to follow my intuition or gut feeling when making investment decisions.	110	3.46	1.13
Frequently seek advice from financial experts or professionals before making investment decisions.	110	2.68	1.16

Table 9 analyzes investor decision variables based on respondents' ratings, including confidence in making informed decisions, reliance on intuition or gut feeling, and frequency of seeking advice from financial experts. The mean

score for confidence in making informed decisions is 3.77, with moderate variability in responses. The mean score for reliance on intuition or gut feeling is 3.46, with a higher standard deviation indicating a wider range of opinions. The mean score for frequently seeking advice from financial experts or professionals is 2.68, with a moderate to low level of agreement. The highest standard deviation is 1.16, indicating that while some investors consult with experts, many rely on their judgment or other sources for investment decisions. The analysis reveals that respondents generally feel confident in their investment decisions and moderately use intuition, but less frequent reliance on professional advice. The variability in responses highlights diverse approaches and levels of confidence among investors in their decision-making processes.

Correlation Analysis

Correlation analysis is a method used to examine the relationship between two or more variables. Pearson's approach is used for simple multiple-choice responses, and a computer-generated correlation matrix is used to assess the strength of the relationship. A positive correlation indicates a sloping relationship, while a negative correlation indicates the opposite, with an increase in one variable and a decrease in the other.

Table 10: Correlation Analysis

	ID	MRV	CRV	RRV
Investors' Decision (ID)	1			
Market Related Variables (MRV)	.380**	1		
Company Related Variables(CRV)	.472**	.507**	1	
Risk and Return Related Variables (RRV)	.401**	.333**	.464**	1

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

Table 10 shows the results of a correlation analysis among four variables: Investor Decision (ID), Market Related Variables (MRV), Company Related Variables (CRV), and Risk and Return Related Variables (RRV). The Pearson correlation coefficients are provided, along with their significance levels and the number of respondents (N) for each correlation. The correlation coefficient of 0.380 indicates a moderate positive relationship between investor decision-making and market-related variables, indicating that as the influence of market trends and dynamics increases, so does the confidence in making investment decisions. The correlation coefficient of 0.472 suggests a moderately strong positive relationship between investor decisions and company-related variables, suggesting that the perception of a company's reputation, management quality, and performance indicators positively impacts the confidence in investment decisions. The correlation coefficient of 0.401 shows a moderate positive relationship between investor decisions and risk-return variables, suggesting that individuals who are more open to taking risks for higher returns or those who prefer steady returns tend to have higher confidence in their investment decisions. The correlation coefficient of 0.507 indicates a moderately strong positive relationship between market-related and company-related variables, suggesting that understanding market trends and dynamics is positively associated with the perception of a company's reputation, management, and performance. In conclusion, all correlations are statistically significant at the 0.01 level, indicating reliable relationships between the variables. These moderate to strong positive correlations reflect the interconnectedness of investor decisions with market conditions, company factors, and risk-return preferences.

Regression Analysis

Regression analysis is a statistical procedure used to identify the links between variables, focusing on the relationship between a dependent variable and one or more independent variables. It involves various modeling and evaluation strategies for multiple variables. The goal is to determine which independent variable best explains the variability in the outcome, how much the dependent variable is explained by independent variables, and which variables are most significant in explaining the variability of the dependent variable. To investigate the influence of independent factors (MRV, CRV, RRV) on dependent variables (ID), multiple regressions were conducted using simple regression and multiple regression models. This model is constructed with an equation as below:

$$y = + 1X1 + 2X2 + 3X3 + 4X4 + \epsilon$$

Where,

- y = Dependent Variable measured by Investor decision,
- = Constant,
- 1 = Market Related Variable,
- 2 = Company Related Variable,

3 = Risk Return Variable
= Standard Error Term

Table 11: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.533a	.284	.263	.69549

a. Predictors: (Constant), RRV, MRV, CRV

The model summary table shows a moderate to strong positive correlation between Risk and Return Variables (RRV), Market Related Variables (MRV), and Company Related Variables (CRV) and Investor Decision (ID). The R Square indicates a 28.4% variance in ID, with an adjusted R Square of 0.263, explaining 26.3% of the variance. The model's standard error of 0.69549 suggests moderate prediction accuracy, with the model explaining a significant portion of investor decision variance.

Table 12: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	20.312	3	6.771	13.998	.000b
	Residual	51.272	106	.484		
	Total	71.585	109			

a. Dependent Variable: ID
b. Predictors: (Constant), RRV, MRV, CRV

The ANOVA table shows that Risk and Return Variables (RRV), Market Related Variables (MRV), and Company Related Variables (CRV) significantly predict Investor Decision (ID). The sum of squares for regression is 20.312, indicating a substantial portion of the variability in ID. The sum of squares for residual is 51.272, representing the remaining variance after accounting for the influence of RRV, MRV, and CRV. The total sum of squares is 71.585, combining both explained and unexplained variance. The F-statistic is 13.998, indicating the overall significance of the regression model. The p-value of 0.000 indicates that the combined predictors significantly explain the variability in investor decisions.

Table 13: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.833	.409		2.036	.044
	MRV	.196	.116	.162	1.684	.045
	CRV	.297	.104	.291	2.844	.005
	RRV	.214	.095	.212	2.263	.026

a. Dependent Variable: ID

The table 13 presents the coefficients from a regression analysis examining the impact of Market Related Variables (MRV), Company Related Variables (CRV), and Risk and Return Related Variables (RRV) on Investor Decision (ID). The analysis shows that all predictor variables significantly influence investor decisions, with CRV having the most substantial impact. The constant term has an unstandardized coefficient of 0.833, indicating a baseline level of investor decision confidence of 0.833. MRV has a positive, though modest, impact on investor decisions, with a standardized beta of 0.162 and a t-value of 1.684. RRV's unstandardized coefficient is 0.214, suggesting a positive and statistically significant effect of risk and return-related variables on investor decisions.

Discussion and Conclusion

This study concludes the positive correlations between independent variables and investment decisions, with market trends and company reputation significantly impacting investment choices. Risk and return variables are also emphasized, with factors like volatility and liquidity being integral to investment decisions. This study provides detailed statistical evidence, including correlation, regression coefficients, ANOVA results, and model summaries, revealing the influence of market-related variables (MRV) and company-related variables (CRV) on investor decisions more precisely. It also employs a more detailed regression analysis with multiple predictors, revealing how MRV, CRV, and RRV collectively impact investor decisions which is consistent to the findings of Azam and Kumar (2011). The current study reflects more recent trends and investor behaviors, possibly due to changes in the financial environment since Azam and Kumar's study. In summary, while both studies share a foundational understanding of

the impact of market-related, company-related, and risk-return variables on investment decisions, the current study provides more detailed and updated statistical analysis, reflecting changes in investor behavior and market conditions.

This study and Shrestha (2020) highlight the importance of company-related, risk-related, and market-related variables in influencing investment decisions. Both studies find significant positive correlations between investor decisions and these variables, highlighting the robust relationship between these variables and investment choices. Statistical significance is established through methods like ANOVA and regression analysis. Dissimilarities include geographic and sample differences, with Shrestha (2020) focusing on investors from Surkhet Valley, Nepal, while the current study might involve a different geographic region or demographic, potentially leading to varying investor behaviors and preferences. Variance explained by each variable is different, with the current study using more recent methodologies or refined statistical techniques. The scope of analysis may also differ, with Shrestha (2020) providing specific details about the impact of company financials, management, and market information, while the current study might broaden the scope or focus on additional factors influencing investor decisions.

The current study offers valuable insights into the factors influencing investment decisions, with a strong emphasis on market-related, company-related, and risk-return variables. The consistency in findings reflects the enduring relevance of these factors, while the differences in sample, methodology, and scope illustrate the evolution of investment research and the need for updated analyses.

The study reveals that investors accept higher risks for better returns but prefer stable returns, indicating a balanced approach. The moderate positive correlations between MRV, CRV, and RRV with investment decisions indicate that market conditions, company performance, and risk tolerance influence investors. These factors collectively explain a significant portion of investor decisions. The research reveals that investors' decision-making approaches vary significantly, with some relying on market and company-specific factors, while others rely more on intuition. This highlights the complexity of investment behavior and the need for tailored strategies that cater to different investor preferences and risk appetites, emphasizing the need for tailored investment strategies.

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From Margins to Mainstream: Uncovering Urban Informality of Street Vending in Kirtipur

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Abstract

Street vending is crucial in fostering economic growth and providing livelihood opportunities, particularly for urban migrants with limited formal employment prospects. This study examines the drivers, financial performance, and challenges street vendors face in Kirtipur municipality, Nepal. Findings reveal that street vending is primarily driven by necessity, with 53.33% of respondents citing the inability to secure formal sector jobs and 51.67% pointing to a lack of alternative skills. Respondents reveal that the sector is profitable, with 98.33% of vendors reporting profits and 55% achieving monthly savings between NPR 15,000 and NPR 30,000. Despite financial literacy and access to banking for 75% of respondents, initial investments predominantly came from informal sources, reflecting limited access to formal credit. Key challenges include weather conditions (80%), municipal interventions (65%), and inadequate infrastructure, such as drinking water (48.33%) and sanitation facilities (41.67%). The study highlights the need for local governments to implement skill development programs, formalize the sector, and invest in infrastructure to enhance the sector's viability. Inclusive policies and financial support mechanisms are essential to mitigate risks and foster sustainability. Future research could adopt longitudinal methods or broader coverage to provide deeper insights into the dynamics of street vending across diverse contexts.

Keywords: Street vending, Informal sector, Street vendor

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Introduction

Street vending business is not a new phenomenon. Lack of gainful employment coupled with poverty in rural areas has pushed people out of their villages to seek a better survival strategy in the cities. These migrants do not possess the skills or the education to enable them to find good pay and secure employment in the formal sector. So, they have no choice but to settle for work in the informal sector. Conflict-affected people generally migrated to urban centres during the political upheaval for safe living and secure subsistence livelihoods, and the trend is not slowing even in normal times. Low-skilled rural migrants live in all countries of Asia, but they are more prevalent in poorer countries such as Nepal, India, Bangladesh, Cambodia and Vietnam (Bhowmik, 2005).

Street vending is an important sector in promoting economic growth, employment creation, and on-the-job training or skills development. It can potentially alleviate poverty through income generation from the sector (ESCAP, 1995). In other words, it is a means of survival and confers financial independence. Street vending creates economic resources to sustain vendors' livelihoods and those who benefit from their services, especially low-income families (Tripp, 1997). In all these cases, the profit margins from street trading activities depend on the size and location of the business, the tax burden, the level of education, the initial investment into the business, gender and the type of commodities sold. However, given the poor conditions of street vendors, most traders make minimal but reasonable profits (Adhikari, 2011; Bell & Loukaitou-Sideris, 2014).

Income generated contributes to daily expenditure for family livelihood needs. Furthermore, the income earned from this business can be spent on commodities that are not related to the current business operation such as buying agricultural land supporting children's education, paying medical fees and medical insurance (Turner & Schoenberger, 2011).

In Nepal, urban centres are the attractions for the unemployed and under-employed population. Due to the lack of resources and opportunities in the rural areas, and in the situation of post-conflict in the country, there is a massive influx of population, largely to most of the Terai urban centres and to Kathmandu. With a lower competence level absorbed in the formal economic sector, these migrants get attracted to informal economic activities. Street vending is one survival option for these migrants to get attracted to informal economic activities. These informal activities are reflected in informal markets: in streets and open sector have become part of the city culture in Asia including Nepal (Acharya, 2008; ILO, 2022).

Within Kathmandu Metropolis, excluding a few modern commercial and residential areas, the footpaths are lined up with vendors ranging from cobblers, vendors of fruits and vegetables to cloth, bags, readymade cloths, retail items, prepared food, books/magazines, shoes/belt, undergarments and others (Adhikari, 2011; Bhattarai & Pathak, 2020), such informal occupations lead to precarity in terms of wage Parajuli (2014), household capital formation Thapa-Parajuli et al. (2020), and many others..

Kirtipur and many other urban parts of Nepal have been experiencing rapid population growth. In cities and towns, most people find it difficult to get jobs in the formal economic sectors due to their limited education and lack of skills for formal employment. In their quest to make a living, many of these people have limited choices other than taking to the streets by engaging in street vending activities. Street vending, however, has not yet been integrated as a component of urban economies in Nepal. Although the sector has not been accommodated within the city and national policies, it provides employment opportunities as a means of income generation for the urban poor, especially for those who migrate from rural areas. It also provides consumers with convenient and accessible retail options and forms a vital part of the social and economic life of a city.

The importance of this sector has, therefore, been underestimated, neglected, and usually seen more as a liability rather than a potential resource of employment creation and source of national income generation (Kusakabe, 2006). The result is that the obstacles that the operators of the sector face and the contribution to their socio-economic well-being are less understood and less recognised (Bromley, 1998; Muiruri, 2010; Teltscher, 1994) reported a lack of research and accurate data on the subject matter, while other informal activities, such as production and manufacturing, have received more research attention. It is, therefore, difficult to obtain accurate and reliable information on the street vending sector, resulting in a lack of initiation and implementation of appropriate and timely policy interventions, unlike in other informal activities such as manufacturing.

Street vendors are exposed to different risks and conflicts of varied forms and nature, which have led to arrests and confiscation of goods, as local authorities deem these activities to be an affront to the full realisation of aesthetic, social and economic standards for modern cities. In addition, policies, regulations, and institutional support programs are not available or designed for street vending activity. This is the case in Kirtipur, where street vending, a part of the informal economy, does not feature substantially in many government policies. The conditions in which street vendors operate are, therefore, not favourable, resulting in many problems while running their activities, even though they play an important role in the country's socioeconomic development.

Street vending in Kirtipur is a growing sector that deserves careful and research attention like any other economic activity. However, there is limited information and little research on street vending in Kirtipur today. This study, therefore, seeks to fill in the gap by analysing the contribution of street vending to household income in Kirtipur municipality. In this context, this paper aims to identify the factors that have led individuals to engage in street vending, assess their financial performance, and account for the challenges they encounter in running their day-to-day business. The findings might help local governments and other stakeholders understand the importance of informal businesses and their role in facilitating them when needed. This section serves as an introduction, with the subsequent one summarising the related literature. The third section elaborates on the methodology, followed by the presentation of results and discussion. Finally, we conclude with pertinent references at the end.

Street vending in Nepal and abroad: Brief review

This chapter reviews the literature related to street vending by focusing on the literature associated with the research topic. The purpose is to explore what other authors and scholars have written and be able to identify factors for analysing the situation in Kirtipur.

The thematic review examined theoretical concepts and fresh subjects of literature. A thematic literature study of research publications has been conducted to establish the level of the informal sector. This section includes street vending practices from both developed and developing countries.

Different scholars and organisations have given several definitions of the informal sector and street vending. The informal sector is made up of businesses that produce goods or services with the primary goal of providing jobs and income to the people involved. The informal sector is a subset of unincorporated businesses that are not established as separate legal entities their owners (OECD, 2019). The informal sector has been defined as involving the production and sale of goods and services that are not registered with the government or are hidden from the government for tax and welfare reasons but are otherwise legal (Williams, 2011).

Informal employment has been defined as the entire number of informal jobs, whether carried out in formal sector firms, informal sector enterprises, or households, or the total number of individuals engaged in informal occupations within a certain reference period (CBS/GoN, 2019).

From the above definitions, street vending, like another informal sector, is unregistered, unprotected, underground and unknown economic activities in goods and services are produced to avoid tax payments to the government and avoid social security contributions. It is also stated that the informal sector avoids having to comply with some legal labour market criteria such as minimum wages, maximum working hours and safety measures in the workplace. The most noticeable indication of the informal sector is street vending, due to low employment opportunities, less education and less skilled and mainly found in urban public areas all around the world.

Street vendors help many small-scale industries to flourish by marketing the products that they manufacture (Bhowmik, 2005). Bhowmik estimated that around 30 per cent of the Mumbai workforce buys at least one meal a day from street vendors. Vendors need to obtain credit for their economic activities, but they are part of the informal economy; they have no access to credit from formal financial institutions. So, they borrow money from various other sources at exorbitant rates for social protection purposes to meet the costs entailed for healthcare, medications, maternity expenses, accidents, children's education and so on. Street vendors occupy the urban space for their livelihood and the eviction and nuisance start because they are considered as illegal encroachers upon public space.

Destombes (2010) conducted a study on street vendors, their livelihood and influences on the social capital in Cebu city. Street vendors have desired goals. They want to expand their business and carry on within the same framework they are acting in. Their main goal is to improve their business and expand their business and revenues to improve their livelihood. He concluded the microbusiness of street vending is more than a sponge for less fortune's dwellers, it can be career for people coming from poor backgrounds, and it can be a life achievement and desired goal as well. Their voice is now heard at policy level due to effort of their organization CCUVA. Through their stimulating efforts in creating and maintaining street vendor's organization an equal division is made of street vendors activities throughout old downtown.

Saha (2011) showed that street vendors can play a very important role in the urban informal economy by generating employment and by supporting both the urban poor as well as rich. Street vendors depend on moneylenders and wholesalers for access to credit for their business as well as for social security purposes. The vendors are often forced to pay exorbitant rates of interest to borrow money, which in turn pushes them into a debt trap. The reasons for borrowing are social security and investment in business. The excessive long working hours, poor safety and security conditions at the workplace, and illegal compensation to local authorities are contributing towards a deterioration in their working environment as well as acute deprivation among these workers.

Kachere (2011) carried out a study to investigate the impact of informal trade on poverty reduction in Zimbabwe. The findings show that informal cross-border trade contributes positively to poverty-to-poverty reduction. The contribution has been noticed through the improvement in the socioeconomic well-being of traders, traders to acquire assets, and improved food security. This calls for the government to develop policies and regulations for effective informal business operations, hence contributing to national development. In sub-Saharan countries where formal employment is little and the level of education of many youths is minimal, informal business could serve as an alternative source of employment.

Uwitije (2016), in the research titled "Contribution of Street Vending on Livelihood of Urban Low-Income Households in the City of Kigali, Rwanda", studied street vending using a non-experiment design, a purposive sampling method and participant observations to collect data. 90 street vendors were sampled with both closed and open-ended questions. The study found that street vending is an alternative source of livelihood for a significant number of urban poor people. With the necessary institutional and infrastructure support, the sector can be environmentally sensitive and economically viable. It significantly helps in reducing unemployment and increasing the incomes of the vendors even though street vending is not legally recognized. Moreover, the researchers are

looking forward to legalizing SV and planning for an appropriate location, registering SV organizations, licensing, formulating SV policy and strengthening stakeholder relationships.

Roever and Skinner (2016) conducted research on the size, composition and contribution of street vending along with the exclusionary policies and practices in India, Lima and Peru. They found out that collective action among vendors has resulted in more innovative policies. Furthermore, a lack of transparency and due process has enforced high costs on vendors. Street Vendor's Act in India recognized street vending as a legitimate livelihood, which put in place basic livelihood protections.

Chille (2020) studied "The Influence of Street Vending Business on Household Characteristics in Dar es Salaam and Coast Region in Tanzania" by using a survey method for data collection. Study reveals that there is a positive relationship between the small household and the person involved in the business. There is also a positive relationship between street vendor's income and household size. The larger household size has a very small business value (income). Moreover, the author recommended there is a need to develop plans in support of the fast-growing informal sectors through training and giving them better business opportunities such as credit and saving facilities.

Timalsina (2012) has analysed the livelihood of street vendors in the urban area of Kathmandu metropolitan city, Nepal. He has compared the livelihood of migrant street vendors with their access to assets in the origin and destination. He found street vendors in Kathmandu have been able to get more access and enhanced their capital assets as compared to agricultural works. They have increased their financial and human capital assets by getting better access to physical and political capital assets. In the context of rural Nepal, there is a lack of physical and political capital, and people have not been able to achieve strong financial and human capital; however, they are living by creating livelihoods based on natural and social capital. He concluded that communities in different contexts vary in accessing assets for their livelihoods, and the situation of livelihoods varies according to the availability of access to assets.

Parajuli (2013) described livelihood opportunities of street vendors: a study of Ason, Indra Chowk and Khulla Munch of Kathmandu metropolitan city by using primary as well as secondary information. The study found that street vending has been providing employment opportunities to a significant number of the population. It was found that the income level of street vendors was gradually increasing, and their well-being also increased as they were able to send their children to schools. However, lack of proper plans and programs of the government has made the vending profession always at the higher side of risk. Government agencies/authorities were not able to give permanent solutions to the issues related with street vendors. On the other perspective increasing number of the street vendors started to become another challenge in the present context. There has been no space available now at the major business areas of Kathmandu district which has created additional problem of the space to the new vendors. It was observed many cases, street vendors were not seen to obey rule of such as traffic rules, security issues etc. Moreover, researcher out forwards the various suggestions for further managing street vending like government should make policy of registration for vendors and demarcation of city spaces. Street vending can be brought under the legality, and if the taxes can be collected street vending also contribute towards GDP.

Shrestha (2013) analysed "A study on the street vendors of Kathmandu municipality" based on field observation and collection of data through questionnaire. Fifteen questions in the schedule, including information on demographic background, factors leading to engagement in street vending, sources of inspiration and health-related problems. The study found that the number of street vendors is increasing day by day. Migrants from rural areas arriving in the city for gainful employment and who do not possess the skills, knowledge and education to qualify for a better-paid job in the formal sector were found to settle for street vending. Among women, street vending is the secondary work, whereas, among men, it is the primary work. The main expenditure of vendors is on fulfilling the basic needs of the family. Income earned through street vending has increased the financial independence and decision-making power of women within the household. Street vendors seem to suffer from different health problems. Among the most common are gastritis, headache, backbone pain and cold or fever. In addition, the author recommends the government provide proper management of street vendors, and this includes providing a safe and suitable location away from busy roads for them to operate their business. To ensure that the human rights of street vendors are not violated, street vending should be legalized. Proper laws and regulations should be formulated to this end.

Adhikari (2018) diagnosed income generation in the informal sector of the street vendors of Kathmandu metropolitan city using a concerned, structured questionnaire for primary data collection and secondary data from office records, books and bulletins, and periodic and annual reports of different government agencies. The study found that street vendor's income increases with the increase in investment, education and labor supply. This study also found that a

large number of the population is involved in trade in the street to earn that livelihood; even though the level of income and profit in this sector's activities are lower than from other businesses, more people are involved in the vending business. In addition, author argued if street vending can be brought under the legality, and if taxes can be collected it will groom as one of the best forms of entrepreneurship that make sizeable contribution to the economy.

Sharma and Pradhan (2017) studied the petty street vendors and their livelihoods of the Kathmandu valley using standard observation protocol sheet, GPS, informal discussions with the vendors based on checklist and available existing documents. By observing the historical evolution of street vendors in Kathmandu valley, study found that petty vendors are mostly migrants with single source of petty trading as they are in the economically deprived situation. Further, paper explored that convenient is one of the most essential factors to determine the variation in spatial location pattern of the petty street vendors in the Kathmandu valley.

Karna and Shrestha (2019) studied the effect of street vending on the lives of vendors and on urban space, using structured questionnaire for primary data collection from two areas of Kathmandu valley. The study explored positive and negative effects of street vending activities on the lives of street vendors and on urban space was found out using mixed research method. Positive effects were seen to be more prominent as compared to negative effects. The negative effects can be minimized to a greater extent with provision of space allocation for them.

Bhattarai and Pathak (2020) analyzed the business income of street vendors, factors influencing street vendors net business income, and the poverty implication of street vending in the Kathmandu valley using primary cross sectional data from randomly selected 450 street vendors of five locations Balaju, Lagankhel, Kalanki, Ratnapark and Suryabinayak. Based on the result from structured questionnaire, study found that average net business income per month of street vendors was Rs. 22,500 which is influenced by educational level, experience, sales and working hours per day. Further, the study found 54 percent of street vendors to have consumption above the poverty line which was covered by their net business income. Moreover, authors argued that street vending should not be viewed just as problem of the street, proper management of this could contribute to the livelihood of thousands of people and provides goods and services at affordable price to low-income consumer

The given review of literature shows that there are only a few studies related to the street vending. In addition some were related to specific issues of street vending only. Hence, the present study aims at fulfilling this gap by taking the household level data from Kirtipur Municipality of Kathmandu district to explore the status of street vendors in the study area.

Sampling and Data

This study is primarily based on field surveys, where we administered a pre-tested structured questionnaire to interview 60 randomly selected street vendors in Kirtipur. The interviews captured the vendors' socio-economic and financial status, as well as their levels of satisfaction. Additionally, we interviewed key informants and conducted four focus group discussions to cross-validate the data and further explore the potential severity and precarity of the street vending business. Primarily, descriptive analysis was performed, and the information was triangulated when necessary to ensure accuracy.

Results

Street vending: Livelihood option vs deliberate occupational choice

We asked each respondent why they chose this business. They were allowed to select more than one option if they wished, and their responses are summarized in Table 4.1 below, arranged in descending order. Street vending looks more like a livelihood necessity than a deliberate occupational choice.

Table 1: Reason for choosing street vending business (Multiple responses)

SN	Factors that led to Street vending	Number	%
1	Unable to join the formal sector or formal jobs	32	53.33
2	Lack of other skills to go beyond street venting	31	51.67
3	Street vending is a secondary source of income	27	45.00
4	Street vending helps improve income level	14	23.33
5	Street vending continues as a family business	11	18.33
6	Street vending has opportunities to earn	11	18.33
7	Street vending is an easy-to-run business	9	15.00
8	High level of unemployment and no jobs available	8	13.33

Source: Field Survey, 2022

Based on the data in Table 1, the main reasons respondents chose street vending as a business include being unable to join the formal sector (53.33%) and having inadequate skills suitable for other businesses than street vending (51.67%), like driving and typing or office support skills and so on. This indicates that many vendors are driven by limited opportunities elsewhere, followed by limited skills they possess compared to other alternatives. A significant portion (45%) view street vending as a secondary source of income, while 23.33% see it as a way to improve their income levels. The first profession or occupation hardly covers the total expenses in the peri-urban areas of Nepal. Thus, people seek alternative means of income generation, as the people in our sample are revealed. Additionally, 18.33% entered the business due to family involvement or perceived opportunities. Fewer respondents (15%) found it easy to run, and a small percentage (13.33%) cited high unemployment as a motivating factor.

Financial aspects of the street vending business

Variables which provide overall information related to the economic status of street vendors are included below.

Table 2: General financial aspects of street vending

Profitability of street vending	Profit	Loss	Total
	59.00	1.00	60.00
	(98.33%)	(1.67%)	(100%)
Sources of financing for the street vending	Loan	No Loan	Total
	16.00	44.00	60.00
	(26.67%)	(73.33%)	(100%)
Source of loan for the vending business	Informal	Formal	Total
	12.00	4.00	16.00
	(75%)	(25%)	(100%)
The sources of collateral for the loan	Gold	Land	Total
	1.00	3.00	4.00
	(25%)	(75%)	(100%)
Respondents with bank account	Yes	No	Total
	45.00	15.00	60.00
	(75%)	(25%)	(100%)

All street vendors are making a profit operating their street vending business, which is 98.33 percent of the total respondents who revealed it. 26.67 % of respondents take loans, and 73.33% have not taken any loans. About 75% take loans from family and friends, and 25% from financial institutions. For the collateral, 75% put land and 25% gold.

Table 3: Income, Saving and Initial Investment (NRS)

Monthly Income	Frequency (%)	Monthly Saving	Frequency (%)	Initial Investment	Frequency (%)
Below 15000	2.00 (3.33)	Below 5000	3.00 (5.00)	Below 20000	28.00 (46.67)
15000-30000	27.00 (45.00)	5000-15000	22.00 (36.67)	20000-35000	2.00 (3.33)
30000-45000	23.00 (38.33)	15000-30000	33.00 (55.00)	35000-50000	14.00 (23.33)
45000 Above	8.00 (13.33)	30000 Above	2.00 (3.33)	50000 Above	16.00 (26.67)
Total (%)	60.00 (100.00)		60.00 (100.00)		60.00 (100.00)

Table 3 shows that 3% of street vendors earned an income below Rs. 15000, whereas 45% of respondents earned income in the range of Rs.15001-30000. Similarly, 38.33% earned between Rs. 30001-45000 per month, and 8 respondents, that is 13.33%, earned above Rs. 45000. This is graphically represented as follows. The above table shows that 55% vendors monthly saving range in between 15001-30000.

Among all respondents 36.67% vendors save 5001-15000 that. Likewise 5% saves below 5000, 3.33% respondents save above 30000 respectively. We can express furthermore by following pie-chart. Out of a total of 60 respondents, 75% (45 individuals) reported having a bank account, while 25% (15 individuals) indicated they do not. This shows a

majority of respondents have access to formal banking services. However, a significant minority remains unbanked, highlighting potential barriers or preferences for alternative financial systems. Out of 60 respondents 11.67% vendor's initial investment is below 5000, where 35 respondents invest in between 5001-20000 as initial investment. Similarly 3.33% vendors invest range in between 20001-35000. 23.33% respondents invest 35001-50000 as initial investment. 16 respondents invest maximum amount which is 50000 above that is 26.67%.

Table 4: Source of Investment

SN	Source of investment	Frequency (%)
1	Informal borrowing from family, friends and others	42 (78.00%)
2	Selling gold, land and other durable property sale	14 (23.33%)
3	Formal financial institutions, including cooperatives	4 (6.67%)
5	Pearson Chi-square value with (df=2, Pr = 0.000)	23.9414

Above table shows that most of respondents collect initial investment from their family member or friends that is 70%. 23.33% respondents start their business by selling their own property. Only few that is 3 respondents take loan from financial institutions to run street vending business that is 5%. We can present this result with the help of following pie-chart.

Risk associated with the street vending at the study area

Table 5: Challenges Faced by Street vendors (Multiple responses)

SN	Perceived risk for street vending	Respondents	%
1	Weather induced discomforts	48	80.00
2	Municipalities intervention	39	65.00
3	Drinking water	29	48.33
4	Toilet and other sanitation-related	25	41.67
5	Conflict among street vendors	24	40.00
6	Bribery to local governments	3	5.00
7	Other (Storage related discomfort(1), Racial discrimination (1) and Formal shopkeeper's unnecessary intervention (1), which sums up to 3.)	3	5.00

Most of street vendors take a weather as a prime risk factor in the business. Among 60 respondents 80% respondents face a weather as a main challenge. Where 65% take government intervention at second major risk for them. Likewise drinking water, toilet, conflict among street vendors, bribery that is 48.33%, 41.67%, 40%, and 5% respectively. 5% respondents also face storage facility, racial discrimination and shopkeeper intervention as a risk in this business.

Discussion

The study's primary goal is to study socio-economic status of street vending in Kirtipur municipality. The study's findings demonstrate that most respondents are involved in street vending due to being unable to join the formal sector. In Table 5, the multiple responses are included. About 53.33% of respondents engaged due to being unable to join the formal sector. Due to lack of skill 51.67% involved likewise secondary source of income (45%) for improvement in income level (23.33%), family business (18.33%), seeing opportunities (18.33%), easy to operate (15%) and high level of unemployment (13.33%).

The study by Uwitije (2016) concluded that most people engage in street vending in search of employment. The second most influential factor in attracting people to street vending is dissatisfaction with previous employment (27.78%). There are similarities between the factors leading to street vending. The main contradictory part is that the results of the variables are totally different. This may occur due to the study area, socio-demographic background, etc.

Street vending is adopted by many people in the study area. Adaptation includes not only street vendors but also the public, who always connect with vendors as customers. Study shows all street vendors get profit from business. Street vendors are financially literate. They had bank accounts where they performed regular transactions as per their need. To start their business, 70% of respondents manage initial investment from family and friends, whereas 23.33% start with the sale of their own property (self-managed). Only 5% arrange from loan. According to the initial investment table, most of the respondents start with Rs. 5001-20000 with 35%, and 26.67% is the second highest among respondents where they invest more than 50000.

The maximum amount of earnings per month ranged between 25001- 30000, 30001-45000, and above 45000, which is 45%, 38.33%, and 13.33%, respectively. The lowest earning range was below 5000, which is 3.33%. Parajuli (2013) concluded that the highest respondents' earning per month was below 5000, which is 44%. There is a difference in income range among respondents. The study area, competition among vendors, and the number of street vendors in the study area are major factors of contrast.

Most vendors face many challenges. A study found that 80% of respondents associate weather with business. The second-most common risk faced by respondents is government intervention, at 65%. Drinking water facilities, toilets, conflict among vendors, and bribery, at 48.33%, 41.67%, 40%, and 5%, are other difficulties faced by vendors. In a similar vein, Karna and Shrestha (2019) reveal that 48% of vendors suffer from municipal intervention, and the second challenge is sanitation, which is 18.7%. In Kirtipur, there is low traffic as compared to Kathmandu metropolitan, that why government authority does not attack as much as in Kathmandu metropolitan. The result may differ with Karna and Shrestha (2019), it's because of study area. Kirtipur is growing city with less crowd and traffic of vendors and customer. Ignored livelihood aspect of street vending in particular and informality in general had other socio-economic and policy dimensions to consider. During unforeseen natural disaster, it can help reduce vulnerability (Bhandary et al., 2020), local development and sustainability implications (Khatri et al., 2018), and policy interventions like Green Intervention (Bhujju et al., 2014) . It has the cost of production dimension and consumption implications also (Paudel et al., 2020). Keeping these points in mind and the fact-based analysis in this paper, we conclude the paper with some doable policy suggestions in the following section.

Conclusion and Recommendations

The study on street vending in Kirtipur municipality reveals that the primary drivers for engaging in this occupation are necessity rather than deliberate choice. Among respondents, 53.33% cited an inability to secure formal sector jobs as the main reason, while 51.67% attributed their involvement to a lack of alternative skills. Additionally, 45% engaged in street vending as a secondary income source, and 23.33% viewed it as a means to improve their earnings. Family business continuation and perceived opportunities accounted for 18.33%, while only 15% considered it an easy-to-operate business. Notably, a minority (13.33%) pointed to high unemployment as a factor, underlining street vending as a survival strategy for many in the area.

The financial analysis highlights profitability as a consistent feature of street vending, with 98.33% of respondents reporting profits. Most vendors (73.33%) did not rely on loans for their business, and among those who did, informal sources such as family and friends accounted for 75% of borrowings. Initial investment patterns varied, with 46.67% of respondents starting their businesses with less than NPR 20,000, while 26.67% invested over NPR 50,000. Monthly incomes predominantly ranged from NPR 15,000 to NPR 45,000, with 55% reporting monthly savings between NPR 15,000 and NPR 30,000. Despite financial literacy and access to banking for 75% of respondents, initial investments largely came from informal sources or property sales, reflecting limited access to formal financial institutions.

Street vendors in Kirtipur face significant challenges, with 80% identifying weather conditions as the primary risk and 65% citing municipal interventions. Other difficulties include lack of drinking water (48.33%), sanitation issues (41.67%), conflicts among vendors (40%), and occasional bribery (5%). Compared to other urban areas like Kathmandu, where traffic and government oversight are more stringent, Kirtipur presents a relatively less restrictive environment for vendors. These findings underscore the precarious nature of street vending as a livelihood, shaped by financial constraints, limited alternative opportunities, and contextual challenges specific to Kirtipur.

To foster the viability and sustainability of street vending as a livelihood in Kirtipur, local government initiatives should focus on creating an enabling environment while addressing the challenges faced by vendors. Since 53.33% of respondents entered street vending due to the inability to join the formal sector and 51.67% cited limited skills, municipal programs could include skill development training and pathways to formalize the industry through accessible licensing processes. Additionally, investments in infrastructure such as weather-resistant vending zones, drinking water facilities (48.33%), and proper sanitation (41.67%) would mitigate key risks identified by vendors. To reduce the 65% incidence of municipal interventions, the local government can design inclusive policies that recognize street vending as a legitimate economic activity while facilitating dialogue between vendors and authorities to address conflicts (40%) and reduce the need for bribery (5%). Financial support through microcredit schemes and partnerships with formal financial institutions can improve access to affordable loans, helping to diversify sources of initial investments, which are currently reliant on informal means (78%). Future studies could expand on this research by adopting longitudinal methods or covering a broader geographic scope to explore the evolving dynamics of street vending in other urban and peri-urban areas.

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Patient Satisfaction on the Utilization of Health Service in Bhaktapur Hospital, Nepal

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Abstract

Patient satisfaction is a critical indicator of healthcare quality, reflecting the extent to which services meet patients' expectations. This study aimed to evaluate patient satisfaction with health services at Bhaktapur Hospital, Nepal, to inform quality improvement initiatives and healthcare policy development. Using a cross-sectional design, data were collected from 120 in patients who met inclusion criteria through structured interviews. The study utilized a validated questionnaire, translated into Nepali and English, and analyzed the data using IBM SPSS version 20. Findings reveal high levels of satisfaction with safety, cleanliness, and interpersonal skills of staff, particularly in communication and treatment explanation, with a mean satisfaction score of 3.836 ± 0.468 . Accessibility to emergency services, admission processes, and laboratory facilities also received favorable ratings (mean score 3.837 ± 0.439). However, dissatisfaction was noted in toilet services, drinking water facilities, and room service (mean score 3.4476 ± 0.587). Additionally, challenges in specialist availability and pharmacy services were highlighted. Socio-demographic factors such as educational and marital status significantly influenced satisfaction, with graduates and unmarried patients reporting higher dissatisfaction. These findings underscore the need for targeted interventions to address hygiene, basic amenities, and service delivery inconsistencies, particularly in room services and pharmacy access. Enhancing doctors' attentiveness and respect in patient interactions could further improve interpersonal satisfaction. Addressing these areas is critical for achieving a balanced, high-quality patient experience and advancing healthcare delivery at Bhaktapur Hospital, Nepal.

Keywords: Patient satisfaction, Healthcare quality, Interpersonal skills, Accessibility, Bhaktapur hospital

Introduction

The Constitution of Nepal enshrines health as a fundamental right of every citizen, emphasizing the provision of basic health services free of cost and ensuring that no individual is deprived of emergency health services. It guarantees equal access to health services and the right to be informed about one's health treatment (Government of Nepal, 2072 BS). These constitutional provisions underscore the state's obligation to deliver equitable healthcare, thereby reinforcing the need to evaluate and enhance the quality of health services to meet citizens' expectations. Patient satisfaction, in this context, becomes an essential indicator for assessing the quality and effectiveness of healthcare systems.

The concept of patient satisfaction gained prominence in healthcare research during the late 1970s and early 1980s. Human satisfaction is a multifaceted construct influenced by lifestyle, past experiences, expectations, and societal norms (Gill & White, 2007). Over the years, patient satisfaction has evolved as a critical parameter for measuring the quality of services, especially in public health systems. In France, for example, patient satisfaction surveys have been

mandatory in hospitals since 1998, aimed at improving service quality and patient experiences (Gill & White, 2007). Similarly, in Nepal, assessing patient satisfaction within public hospitals such as Bhaktapur Hospital is crucial for identifying service delivery gaps and addressing the needs of diverse populations, particularly marginalized and vulnerable groups.

Healthcare systems in Nepal face numerous challenges, including the dual burden of communicable and non-communicable diseases, high infant and maternal mortality rates, and the need to manage health emergencies effectively. The government's health strategy emphasizes providing comprehensive, accessible, and affordable healthcare services, aligned with the public's expectations and needs (Government of Nepal, 2014/15). Patient satisfaction surveys have emerged as a valuable tool to measure healthcare quality, offering insights into patient perceptions and enabling providers to address systemic inefficiencies (Murante, 2017). Literature suggests that satisfied patients are more likely to adhere to medical regimens, maintain continuity of care, and exhibit loyalty to healthcare providers (Saultz & Lochner, 2005; Segal, 2009).

Dissatisfaction, conversely, can result in negative outcomes, including loss of trust, legal disputes, and adverse impacts on healthcare providers' reputations (Saultz & Lochner, 2005). By identifying factors contributing to patient satisfaction and dissatisfaction, healthcare institutions can implement targeted reforms to enhance service quality and patient safety (Quintana et al., 2006). Patient satisfaction surveys not only hold healthcare providers accountable but also promote continuous improvement and alignment with patient expectations. Furthermore, they serve as critical tools for policy-making and resource allocation, ultimately improving the overall efficiency and effectiveness of healthcare systems (Merkouris et al., 2004).

In the specific context of Bhaktapur Hospital, a public healthcare institution serving a diverse demographic, understanding patient satisfaction is particularly significant. Modern hospitals are expected to provide not only effective medical treatment but also a comfortable and supportive environment for patients. Studies highlight that multiple dimensions influence patient satisfaction, including technical quality, interpersonal communication, accessibility, affordability, and facility conditions (Kumari et al., 2009; Abramowitz et al., 1987). These factors underscore the complex interplay between patients' expectations and their actual healthcare experiences (Ware et al., 1983).

In essence, patient satisfaction is a fundamental metric for assessing healthcare quality and reflects the extent to which health services meet patients' expectations and needs. For Bhaktapur Hospital, evaluating patient satisfaction provides an opportunity to identify strengths and weaknesses, implement evidence-based improvements, and enhance the overall healthcare experience. This study aims to explore patient satisfaction with health services at Bhaktapur Hospital, contributing to the broader discourse on healthcare quality improvement and policy development in Nepal.

Literature Review

Patient satisfaction is a crucial indicator of healthcare quality, serving as a reflection of patients' experiences and expectations within a healthcare facility. In the context of patient satisfaction, the literatures can be analyzed through four central themes: satisfaction with room service, interpersonal skills of healthcare providers, accessibility, and hospital policies. These themes are fundamental in understanding the overall patient experience and identifying key areas for improvement.

Room service satisfaction is strongly influenced by the physical facilities and amenities available within the hospital. A study conducted at a tertiary cardiac center in Nepal revealed that 89.86% of patients expressed satisfaction with the hospital's physical facilities, emphasizing the importance of a comfortable and well-equipped environment for patients' recovery (Dhungana et al., 2023). The quality of room service plays a significant role in patient satisfaction, as it directly affects patients' comfort and overall recovery during their hospital stay (Subedi & Panta, 2023).

Interpersonal skills of healthcare providers, such as empathy, effective communication, and reassurance, are critical determinants of patient satisfaction. In one study, 93.36% of patients expressed satisfaction with the services provided by physicians and nurses, underscoring the importance of empathetic communication in healthcare settings (Dhungana et al., 2023). Additionally, a separate study indicated that positive interpersonal relationships between healthcare providers and patients were a key factor contributing to higher satisfaction levels (Bhatt et al., 2024).

Accessibility to healthcare services, which includes the ease with which patients can reach the facility and the availability of necessary services, is another vital factor influencing patient satisfaction. Research has shown that factors such as the time it takes to reach the healthcare facility and insurance enrollment status are significantly

associated with overall satisfaction levels (Bhatt et al., 2024). Ensuring easy access to healthcare services can significantly improve patient satisfaction, fostering continued utilization of services (Kalaja, 2023).

Hospital policies that prioritize patient-centered care and promote continuous improvement are essential for maintaining high levels of patient satisfaction. Feedback mechanisms and policy adjustments based on patient experiences have been shown to enhance healthcare outcomes (Subedi & Panta, 2023). Effective hospital policies should address the diverse needs of patients, taking into account demographic characteristics and patient expectations (Kalaja, 2023).

Research indicates that patient satisfaction levels vary across different dimensions. For instance, a study found that 39% of patients expressed general satisfaction, while 92% were satisfied with interpersonal interactions (Adhikari et al., 2021). This highlights the importance of staff-patient relationships in enhancing overall satisfaction. The socio-demographic factors play a crucial role in shaping patient satisfaction. Age, gender, and ethnicity were identified as significant correlates, with older patients reporting higher satisfaction levels (Adhikari et al., 2021). Additionally, educational status and occupation also influenced satisfaction, suggesting targeted interventions may be necessary to address disparities (Subedi & Panta, 2023).

The quality of health services directly impacts patient satisfaction. Studies emphasize the need for reliable, responsive, and empathetic care, with significant relationships found between these service dimensions and patient satisfaction levels (Nuraeni et al., 2019). Continuous improvement in service quality is essential for meeting patient expectations (Bhatt et al., 2024).

Despite the existing literature, there is a contrasting perspective that emphasizes the subjective nature of patient satisfaction, which can vary widely based on individual experiences and expectations. This variability suggests that a one-size-fits-all approach to improving satisfaction may not be effective, necessitating tailored strategies for different patient demographics and healthcare contexts.

Materials and Methods

The study was conducted at Bhaktapur District Hospital, targeting patients admitted to the inpatient department (IPD) who stayed for at least three days and were aged 16 years or older. A descriptive, cross-sectional design was employed, and a purposive sampling technique was used to select 120 respondents. The sample size was calculated using the infinite population correction formula ($Z^2 pq/d^2$), considering a prevalence of patient satisfaction (75.9%) reported in a study 2014 (Rajbanshi et al., 2014), with a 95% confidence interval and 8% allowable error. An additional 10% was added to account for non-response. Individual patients served as the study units, and data were collected through face-to-face interviews using a structured interview schedule. Only patients meeting the inclusion criteria, such as being aged 16 years or older, providing voluntary consent, and staying in the hospital for at least three overnight stays, were included, while critically ill patients, those under 16, and those with behavioral or terminal illnesses were excluded.

To ensure validity and reliability, the research objectives and tools were clearly defined, and a validated questionnaire developed through extensive literature review and expert consultation was used. The questionnaire was translated into Nepali and English and edited for consistency. Data coding and immediate edits followed data collection to facilitate accurate entry and analysis. The data were managed and analyzed using IBM SPSS version 20. This systematic approach ensured robust data collection and meaningful analysis of patient satisfaction regarding the utilization of health services at Bhaktapur Hospital.

Results

Socio-demographic Characteristics

The socio-demographic profile of the 120 respondents reveals that the majority (49.2%) were aged 20-39 years, with a mean age of 37.21 ± 17.814 years. Most participants were female (74.2%) and married (85.8%). In terms of education, 35.8% were illiterate, while 31.7% had attained secondary-level education (9-12 grades). Regarding occupation, 33.3% were engaged in service, followed by 23.3% in agriculture.

The majority of respondents belonged to nuclear families (51.7%) and were admitted primarily to maternity wards (40%). Ethnically, Newars constituted the largest group (39.2%), followed by Tamangs (25%). Hinduism was the dominant religion (71.5%), with 25.2% identifying as Buddhists.

Table 1: Socio-demographic Characteristics (n = 120)

Variables	No.	%
Age (in year)*		
<20	17	14.2
20-39	59	49.2
40-59	24	20.0
>60	20	16.7
Sex		
Male	31	25.8
Female	89	74.2
Marital status		
Unmarried	9	7.5
Married	103	85.8
Widow(er)	8	6.7
Education		
Illiterate	43	35.8
Literate	3	2.5
Primary (1-8)	28	23.3
Secondary (9-12)	38	31.7
Graduated	8	6.7
Occupation		
Agriculture	28	23.3
Business	14	11.7
Labor	14	11.7
Service	40	33.3
Foreign employment	15	12.5
others(specify)	9	7.5
Family type		
Nuclear	62	51.7
Joint	36	30
Extended	22	18.3
Admitted in which ward		
Medical Ward	43	35.8
Surgical Ward	29	24.2
Maternity Ward	48	40.0
Ethnicity		
Newar	47	39.2
Tamang	30	25
Brahmin	19	15.8
Chhetri	14	11.7
Gurung	1	0.8
Magar	1	0.8
Other(specify)	8	6.7
Religion		
Hindu	88	71.5
Buddhist	31	25.2
Christian	4	3.3

* Mean \pm SD = 37.21 \pm 17.814

Patients’ Satisfaction with Room Services

The study has assessed patient satisfaction with room services, revealing both strengths and areas for improvement. Patients expressed high satisfaction with the cleanliness of hospital wards, safety, and comfort for rest, with over 45% satisfied in these categories. Safety and security received the most positive feedback, with 84.2% of patients rating it as very satisfied or satisfied. However, the cleanliness of beds and food service received mixed responses, with notable proportions of patients (25% and 21.7%, respectively) expressing dissatisfaction. These findings highlight moderate satisfaction with these aspects, indicating the need for focused efforts in hygiene and food quality.

On the other hand, toilet services and drinking water facilities were the most criticized areas, with dissatisfaction rates exceeding 40% for both. The overall mean satisfaction score of **3.44 ± 0.587** reflects an average level of satisfaction with room services, showing room for substantial improvement. Addressing these weaker areas, particularly toilet and drinking water services, could significantly enhance patient experiences and satisfaction at Bhaktapur Hospital, aligning service quality with patient expectations.

Table 2: Satisfaction with Room Services

Room Service	Very Satisfied	Satisfied	Fair	Unsatisfied	Very Unsatisfied
Cleanliness of hospital ward	26 (21.7%)	54 (45%)	30 (25%)	8 (6.7%)	2 (1.7%)
Cleanliness of bed	9 (7.5%)	52 (43.3%)	28 (23.3%)	25 (20.8%)	6 (5%)
Safety and security	45 (37.5%)	56 (46.7%)	16 (13.3)	1 (0.8%)	2 (1.7%)
Food service of hospital canteen	15 (12.5%)	42 (35%)	35 (29.2%)	26 (21.7%)	2 (1.7%)
Comfort for rest and sleep	25 (20.8%)	58 (48.3%)	25 (20.8%)	10 (8.3%)	2 (1.7%)
Toilet service	10 (8.3%)	42 (35%)	17 (14.2%)	23 (19.2%)	28 (23.3%)
Drinking water facility	15 (12.5%)	39 (32.5%)	12 (10%)	28 (23.3%)	26 (21.7%)

Mean ± SD = 3.44±0.587

Patients’ Satisfaction with Interpersonal Skill

Table 3 reveals positive feedback from patients regarding communication and interactions with staff, though certain areas require improvement. Nursing staff received the highest praise, with 85% of patients reporting "very often" or "often" effective communication and feeling comfortable with their services. Most patients also appreciated that nurses answered their questions attentively, though a small percentage (2.5%) expressed dissatisfaction with comfort and pleasantness. Similarly, a significant majority (over 90%) felt that doctors often or very often explained treatment procedures clearly, showcasing strong communication skills. However, fewer patients felt adequately listened to, with nearly half rating it as "fair" and only 5.8% feeling fully heard. Furthermore, satisfaction with the time spent by doctors with patients was moderate, with 41.7% rating it "fair" and 17.5% feeling it was only "sometimes" adequate.

Table 3: Satisfaction with Interpersonal Skill

Characteristics	Very often	Often	Fair	Sometime	Never
Communication with nurse	70 (58.3%)	32 (26.7%)	14 (11.7%)	2 (1.7%)	2 (1.7%)
Nursing staff bother to answer your question	63 (52.5%)	42 (35%)	13 (10.8%)	1 (0.8%)	1 (0.8%)
Feel comfortable and pleasant from nursing service	51 (42.5%)	37 (30.8%)	28 (23.3%)	1 (0.8%)	3 (2.5%)
Doctors listen to you carefully	7 (5.8%)	38 (31.7%)	59 (49.2%)	16 (13.3%)	0 (0%)
Doctors explain you what they are going to do for treatment	64 (53.3%)	46 (38.3%)	8 (6.7%)	1 (0.8%)	1 (0.8%)
Satisfied with Doctor’s advice	18 (15%)	49 (40.8%)	43 (35.8%)	10 (8.3%)	0 (0%)
Doctors give you adequate Time	9 (7.5%)	40 (33.3%)	50 (41.7%)	21 (17.5%)	0 (0%)
Other staffs treat you with respect	5 (4.2%)	44 (36.7%)	46 (38.3%)	17 (14.2%)	8 (6.7%)

Mean ± SD= 3.836±0.468

Interactions with other hospital staff showed mixed results, with 36.7% often and 38.3% fair responses regarding respectful treatment, but a notable 6.7% felt they were never treated respectfully. The overall mean satisfaction score of **3.836 ± 0.468** suggests that patients are generally satisfied with interpersonal skills, particularly in communication

and clarity of care. However, improvements in doctors' attentiveness, adequate consultation time, and respectful interactions with other staff could significantly enhance the overall patient experience.

Patients' Satisfaction with Accessibility

Patients reported ease in accessing treatment through OPD/Emergency services, with 77.2% rating it as very easy or easy, and the admission process was similarly praised by 87.5%. Access to beds and laboratory services received the highest satisfaction, with 75.8% rating them as very easy and no major difficulties reported. However, the availability of specialists was a significant concern, as 53.4% of patients found it difficult or very difficult, and only 4.2% rated it as very easy. Drug availability in the hospital pharmacy also presented challenges, with 61.7% expressing dissatisfaction due to difficulties in obtaining necessary medications.

Table 4: Satisfaction with Accessibility (n=120)

Characteristics	Very Easy	Easy	Somehow Easy	Difficult	Very Difficult
Easy for getting treatment in OPD/emergency	50 (41.7%)	42 (35.5%)	17 (14.2%)	9 (7.5%)	2 (1.7%)
Easy for admission	77 (64.2%)	28 (23.3%)	9 (7.5%)	3 (2.5%)	3 (2.5%)
Easy for getting bed	91 (75.8%)	25 (20.8%)	2 (1.7%)	2 (1.7%)	0 (0%)
Easy for availability specialist	5 (4.2%)	28 (23.3%)	23 (19.2%)	50 (41.7%)	14 (11.7%)
Drugs in Pharmacy are available	10 (8.3%)	22 (18.3%)	14 (11.7%)	30 (25%)	44 (36.7%)
Overall quality service	14 (11.7%)	57 (47.5%)	44 (36.7%)	4 (3.3%)	1 (0.8%)
Easy access lab facility/service	91 (75.8%)	21 (17.5%)	5 (4.2%)	3 (2.5%)	0 (0%)
Refer your family	42 (35%)	62 (51.7%)	6 (5%)	8 (6.7%)	2 (1.7%)

Mean \pm SD = 3.837 \pm 0.439

Despite these challenges, the overall quality of service was positively rated by 59.2% of patients, and 86.7% indicated they would recommend the hospital to their family based on accessibility. The mean satisfaction score of **3.837 \pm 0.439** reflects a favorable perception of accessibility overall. Addressing key issues such as specialist availability and drug accessibility in the pharmacy could significantly enhance patient experiences and strengthen the hospital's reputation for accessibility.

Patients' Satisfaction with Hospital Policy

Table 5 provides insights into satisfaction levels with four aspects of hospital policy: hospital system, admission/discharge, visiting hours, and payment system based on responses from 120 individuals. Among these, the visiting hours and hospital system received the highest proportion of "Good" ratings, at 66.7% and 55.8%, respectively, reflecting overall satisfaction in these areas. The payment system stood out for having the highest percentage of "Very Good" ratings (23.3%) but also showed relatively higher dissatisfaction with 3.3% rating it as "Poor" and 1.7% as "Very Poor." Admission/discharge processes also exhibited a notable share of dissatisfaction, with 3.3% rating it as "Poor" and 0.8% as "Very Poor," highlighting room for improvement in this area. The consistency of responses is evident from the mean score of 3.86 \pm 0.396, suggesting satisfaction levels hover between "Good" and "Very Good" across all aspects.

Table 5: Satisfaction with Hospital Policy (N=120)

Characteristics	Very Good	Good	Fair	Poor	Very Poor
Hospital system	17 (14.2%)	67 (55.8%)	35 (29.2%)	1 (0.8%)	0 (0%)
Admission/discharge	9 (7.5%)	76 (63.3%)	30 (25%)	4 (3.3%)	1 (0.8%)
Visiting Hour	20 (16.7%)	80 (66.7%)	15 (12.5%)	5 (4.2%)	0 (0%)
Payment system	28 (23.3%)	62 (51.7%)	24 (20%)	4 (3.3%)	2 (1.7%)

Mean \pm SD = 3.86 \pm 0.396

To improve overall satisfaction, targeted interventions are recommended for areas receiving "Fair" or lower ratings. The hospital system and admission/discharge processes could benefit from streamlined operations and feedback mechanisms to address specific concerns. Similarly, simplifying and enhancing transparency in the payment system may mitigate dissatisfaction and improve perceptions. The high satisfaction with visiting hours should be maintained, with minor adjustments to address concerns from a small percentage of respondents. Overall, while satisfaction levels are favorable, focused improvements in key areas could enhance the patient experience and ensure more consistent satisfaction across all dimensions.

Descriptive Statistics of Overall Patients' Satisfaction

The descriptive statistics in Table 6 provide an overview of patients' satisfaction across four key characteristics: hospital policy, accessibility, interpersonal skills, and room service. Among these, hospital policy has the highest

mean satisfaction score of 3.8604, with a relatively low standard deviation of 0.39667, indicating consistent and high satisfaction levels among patients. Accessibility and interpersonal skills follow closely with mean scores of 3.8375 and 3.8365, respectively, suggesting that patients are generally satisfied with these aspects, though their slightly higher standard deviations (0.43921 and 0.46849) indicate a slightly greater variability in responses.

Room service, with a mean score of 3.4476, shows the lowest satisfaction level among the four characteristics. Additionally, it exhibits the highest standard deviation (0.58739), suggesting more variability in patient experiences, with some respondents rating it poorly (minimum score of 1.71). This wide range indicates significant disparities in how room service is perceived, possibly pointing to inconsistencies in service quality. Overall, while satisfaction is generally favorable for hospital policy, accessibility, and interpersonal skills, room service stands out as an area requiring improvement to align with the higher satisfaction levels observed in other areas.

Table 6: Descriptive Statistics of Overall Patients' Satisfaction

Characteristics	Minimum	Maximum	Mean	Std. Deviation
Hospital policy	2.75	4.75	3.8604	.39667
Accessibility	2.63	4.88	3.8375	.43921
Satisfaction interpersonal skill	2.63	5.00	3.8365	.46849
Satisfaction room service	1.71	4.86	3.4476	.58739

Association between Socio-demographic Characteristics and Patient Satisfaction

The association between socio-demographic variables and patient satisfaction reveals significant links with educational and marital status. Illiterate patients reported the highest satisfaction (100%), while graduates showed a notable proportion of lower satisfaction (25%), indicating a significant association (p=0.001). Similarly, marital status was significantly associated with satisfaction (p=0.004), as married (98.1%) and widowed patients (100%) reported higher satisfaction compared to unmarried patients, who had the highest proportion of lower satisfaction (22.2%). These findings suggest that educational and marital status influence patient satisfaction levels, potentially reflecting varying expectations or experiences across these groups.

Table 7: Patient Satisfaction (Four Domains) according to Socio-demographic Variables

Characteristics		Overall Patient Satisfaction		Chi-square(²)	P-value
		Lower Satisfaction	Higher Satisfaction		
Sex of respondent	Male	0 (0)	31 (100)	1.441	0.230
	Female	4 (4.5)	85 (95.5)		
Age group	<20	2 (11.8)	15 (88.2)	5.268	0.153
	20-39	2 (3.4)	57 (96.6)		
	40-59	0 (0)	24 (100)		
	60	0 (0)	20 (100)		
Admitted ward	Medical	2 (4.7)	41 (95.3)	0.466	0.792
	Surgical	1 (3.4)	28 (96.6)		
	Maternity	1 (2.1)	47 (97.9)		
Family Type	Single	3 (4.8)	59 (95.2)	0.902	0.342
	Joint/extended	1 (1.7)	57 (98.3)		
Educational status	Illiterate	0 (0)	43 (100)	13.178	0.001*
	literate-secondary	2 (2.9)0	67 (97.1)		
	Graduate	2 (25)	6 (75)		
Marital Status	Unmarried	2 (22.2)	7 (77.8)	10.860	0.004*
	Married	2 (1.9)	101 (98.1)		
	Widow(er)	0 (0)	8 (100)		
Ethnicity	Newar	3 (6.4)	44 (93.6)	2.839	0.417
	Tamang	1 (3.3)	29 (96.7)		
	Brahmin/Chhetri	0 (0)	33 (100)		
	Others	0 (0)	10 (100)		

In contrast, other variables such as sex, age group, admitted ward, family type, and ethnicity did not exhibit statistically significant associations with satisfaction. Although males and older patients tended to report higher satisfaction levels, and joint/extended family patients showed slightly better outcomes, the differences were not significant ($p>0.05$). Satisfaction levels were also consistently high across different wards and ethnic groups, indicating minimal variability. These results suggest that interventions aimed at improving patient satisfaction should focus on addressing the specific needs of graduate and unmarried patients, as other demographic factors appear to have a limited impact.

Discussion

The discussion of patient satisfaction with health service utilization highlights the influence of socio-demographic factors, room services, interpersonal skills, accessibility, and hospital policy. Female respondents (74.2%), married individuals (85.8%), and those aged 20–39 years (49.2%) constituted the majority of the sample. Satisfaction levels showed significant associations with educational status ($p=0.001$) and marital status ($p=0.004$). Illiterate respondents reported the highest satisfaction (100%), consistent with studies indicating that less-educated groups may have lower expectations of healthcare services (Barve & Yeravdekar, 2023). Conversely, dissatisfaction among graduates (25%) may reflect their higher expectations or critical evaluation of service quality. Room services received moderate satisfaction, with safety and security highly rated (84.2%), in line with global priorities on patient safety (World Health Organization [WHO], 2018). However, dissatisfaction with toilet facilities (42.5%) and drinking water (45%) points to critical gaps in hygiene infrastructure, reinforcing the importance of physical environments in healthcare quality, as outlined by Donabedian's framework (Donabedian, 2005).

Interpersonal skills emerged as a strength, particularly nursing staff communication, with 85% of respondents either very satisfied or satisfied. Effective communication is a core element of patient-centered care, promoting trust and adherence to treatment protocols (Epstein & Street, 2011). Nonetheless, doctor-patient interactions showed areas for improvement, with only 5.8% of respondents reporting frequent attentiveness and 7.5% noting adequate consultation time. These findings align with research emphasizing the critical role of empathetic and thorough doctor-patient communication in enhancing patient satisfaction (Levinson et al., 2010). Addressing these shortcomings can significantly improve the patient experience.

Accessibility and hospital policy were rated favorably overall. Admission processes (87.5%) and access to beds (75.8%) received high satisfaction, while specialist availability (53.4% rated difficult) and pharmacy drug accessibility (61.7% dissatisfaction) posed challenges. These barriers align with existing studies highlighting resource constraints in healthcare systems (Kruk et al., 2018). Hospital policy showed the highest mean satisfaction (3.86 ± 0.396), with visiting hours and the hospital system earning good ratings. However, administrative delays in admission and discharge processes, as well as payment system transparency, require attention. Implementing streamlined processes and transparent financial systems, as advocated by health policy experts, can mitigate these challenges and align with patient expectations (Berwick, 2009). Collectively, addressing these areas while leveraging existing strengths in interpersonal communication and accessibility could enhance patient trust, satisfaction, and healthcare equity.

Conclusion and Implications

The study indicates that patients at Bhaktapur Hospital are generally satisfied with key aspects such as interpersonal skills, accessibility, safety, and cleanliness, with mean satisfaction scores consistently above 3.8. However, areas such as toilet services, drinking water facilities, doctors' attentiveness, and pharmacy accessibility show significant room for improvement. Additionally, socio-demographic factors like educational and marital status influence satisfaction levels, highlighting diverse patient expectations. Addressing critical areas like hygiene, specialist availability, and respectful interactions from staff can significantly enhance patient satisfaction and service quality. Tailored interventions considering educational and marital dynamics, as well as improvements in room service and pharmacy accessibility, will help create a more balanced and uniformly positive patient experience.

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Sustainable Consumerism: Green-Purchasing Trends among Generation Z

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Abstract

This research investigates the perceptions surrounding green products and identifies key factors influencing green purchasing behavior. The primary objective is to understand the determinants that drive Generation Z's green purchasing decisions in the Chitwan district. A causal-comparative research design was employed to explore the relationships between variables affecting green purchasing behavior. Data were gathered from 189 participants through structured questionnaires, using a purposive sampling technique. Quantitative analyses, including both descriptive and inferential statistics, were conducted, with the PLS-SEM method utilized for evaluating the proposed model. The study reveals that factors such as environmental knowledge, governmental initiatives, and social influences significantly impact green purchasing decisions among Generation Z. Conversely, environmental attitudes and the sense of environmental responsibility do not demonstrate a significant influence on their purchasing behavior. This study is limited to Generation Z within the Chitwan district and relies on cross-sectional data, which may restrict the applicability of its findings to other contexts. Future research should consider examining determinants of green purchasing behavior across different demographic groups and geographic regions. Despite these constraints, the study provides meaningful insights for various stakeholders, including policymakers, businesses, and marketers. The findings offer practical guidance for businesses, marketing professionals, and policymakers to design strategies and products that align with Generation Z's inclination toward green products. Additionally, the outcomes encourage the development of initiatives that foster sustainable consumption habits, thereby supporting environmental preservation efforts within the Chitwan district.

Keywords: Sustainable Consumerism, Social Influence, Environmental Knowledge, Green-Purchasing Behaviour, Generation Z

Introduction

The global environmental crisis, driven by unsustainable production and consumption practices, has severely impacted ecological health and quality of life. This has spurred global efforts to promote environmentally friendly initiatives and sustainable alternatives. Businesses are increasingly embracing green manufacturing to meet the rising demand for eco-friendly products (Goyal et al., 2021; Akhtar et al., 2021). Among consumers, Generation Z stands out for its strong environmental consciousness and willingness to adopt sustainable lifestyle choices (Ogiemwonyi, 2022). However, understanding the factors that influence their green purchasing behavior remains a growing area of research (Joshi & Rahman, 2015). Green marketing, rooted in ecological responsibility, has emerged as a strategic tool to align consumer behavior with sustainability principles (Kotler, 2011). Despite progress in green marketing and sustainability initiatives, limited research explores how green purchasing behavior manifests in urban contexts like Chitwan district, where rapid urbanization poses unique environmental challenges (Thapa, 2009).

Green purchasing behavior, defined as the intentional choice to buy environmentally friendly products, is influenced by a variety of factors including environmental attitudes, social influence, environmental knowledge, and government policies (Haws et al., 2014). While Generation Z consumers in Chitwan district play a pivotal role in transitioning

toward sustainable consumption, their specific motivations, and barriers remain underexplored. Urbanization, industrialization, and population growth in this region have heightened ecological concerns, making it critical to understand the drivers of sustainable consumer behavior (Rauniyar & Bhattacharya, 2023). This study examines key determinants of green purchasing behavior among Generation Z, focusing on environmental responsibility, social influence, environmental knowledge, environmental attitudes, and government policies. It also seeks to assess their general perceptions of green products and explore the socio-cultural factors influencing their decisions. These insights aim to provide practical implications for businesses, policymakers, and marketers to develop tailored strategies, innovative green products, and policy frameworks that resonate with this environmentally conscious demographic.

Environmental knowledge, encompassing awareness and understanding of environmental issues, also plays a pivotal role in shaping green purchasing behavior. Studies highlight that individuals with greater environmental knowledge are more likely to adopt sustainable consumption patterns (Aman et al., 2012; Uddin & Khan, 2018). Finally, government influence, through policies, subsidies, and regulations, significantly shapes consumer preferences for green products. Incentives such as tax breaks or subsidies for eco-friendly products and regulations promoting sustainable practices create a conducive environment for green purchasing behavior (Yang et al., 2023; Sinnappan & Rahman, 2011). These hypotheses collectively aim to examine the intricate dynamics of green purchasing behavior, providing actionable insights for fostering sustainability in consumer markets.

The study also acknowledges its limitations. Data collection is geographically confined to Chitwan district, potentially limiting the generalizability of the findings to other regions. Additionally, the research focuses exclusively on Generation Z, leaving other generational cohorts unexplored. While it examines key factors influencing green purchasing behavior, the study does not encompass all dimensions of this multifaceted phenomenon. Moreover, reliance on self-administered questionnaires introduces potential biases such as social desirability and misinterpretation of questions. Despite these constraints, the research contributes significantly to understanding green purchasing behavior, offering valuable insights for future research and actionable strategies in sustainable marketing and consumer behavior.

Literature Review

Conceptual Review

Sustainable consumerism is the practice of purchasing goods and services in a manner that minimizes negative environmental, social, and economic impacts. It promotes ethical consumption, prioritizing products that are eco-friendly, socially responsible, and economically viable. Sustainable consumerism aims to meet present needs without compromising the ability of future generations to meet theirs.

Generation Z (those born approximately between 1997 and 2012) has emerged as a key demographic in promoting sustainable consumerism. Raised in an era of heightened environmental awareness and digital connectivity, Gen Z tends to value sustainability, ethical production, and transparency in brand practices. Their purchasing decisions are often influenced by environmental concerns, social justice issues, and a desire to align with brands that reflect their values.

Theoretical Underpinning and Hypotheses

Theory of Reasoned Action (TRA) provides a structured framework for understanding how attitudes, subjective norms, and behavioral intentions influence consumer decisions. This theory has been instrumental in explaining the value-attitude-intention-behavior hierarchy, particularly in green purchasing contexts, where environmental responsibility, social influence, and attitudes play a significant role (Ajzen & Fishbein, 1980; Sinnappan & Rahman, 2011).

Theory of Planned Behavior (TPB) expands upon TRA by incorporating perceived behavioral control (PBC), addressing the limitations of TRA in predicting behavior constrained by external factors. TPB emphasizes the combined effects of attitudes, subjective norms, and PBC in shaping green purchasing intentions and actual behavior, making it especially relevant for understanding the role of external barriers like product availability or affordability in Chitwan district (Ajzen, 1991; Paul et al., 2016).

Theory of Consumption Values (TCV) offers a deeper understanding of why consumers prefer green products by identifying the functional, emotional, social, conditional, and epistemic values driving their choices (Sheth et al., 1991). TCV is particularly valuable for exploring how Generation Z consumers' values, such as environmental

responsibility and alignment with eco-conscious societal trends, influence their purchasing decisions (Haws et al., 2014; Lin & Huang, 2012).

While these theories provide comprehensive insights into green purchasing behavior, existing studies predominantly focus on environmental attitude, social influence, and environmental knowledge, often overlooking variables such as environmental responsibility and government influence. Furthermore, much of the research is concentrated in developed countries, leaving a gap in understanding the unique challenges and drivers of green purchasing in developing countries like Nepal. By investigating Generation Z consumers' green purchasing behavior in the Nepalese context, this study addresses these gaps, contributing new insights to the existing literature on sustainable consumption.

Environmental Attitude and Green Purchasing Behavior

Environmental attitude refers to an individual's beliefs and feelings about the environment, which significantly influence their purchasing behavior. According to Lee (2009), individuals with positive environmental attitudes are more likely to opt for eco-friendly products. This aligns with findings from Mostafa (2007), who revealed that consumers' attitudes toward environmentally friendly items directly impact their intention and decision to purchase such products. Sinnappan and Rahman (2011) further emphasized the link between environmental attitudes and green purchasing, noting that individuals who care about the environment are motivated to make sustainable choices. Based on these studies, the hypothesis is proposed:

H1: Environmental attitude has a significant impact on green purchasing behavior.

Social Influence and Green Purchasing Behavior

Social influence refers to the impact of social interactions and relationships on an individual's purchasing decisions. Ryan (2001) highlighted how social dynamics play a pivotal role in shaping behavior, with individuals often aligning their actions with the values and beliefs of their peers. Chen-Yu and Seock (2002) demonstrated that peer groups significantly affect product purchasing decisions, particularly in the context of environmentally conscious consumption. Lee (2009) also noted that social pressure serves as a powerful motivator for green purchasing. Building on these insights, the hypothesis is formulated:

H2: Social influence has a significant impact on green purchasing behavior.

Environmental Responsibility and Green Purchasing Behavior

Environmental responsibility encompasses an individual's sense of duty toward protecting the environment. Zheng et al. (2020) argued that social responsibility is integral to addressing environmental issues, with individuals often advocating for better policies and practices. A study conducted in Hong Kong by Lee (2009) highlighted a strong correlation between environmental responsibility and green purchasing behavior, especially among younger generations. Women, in particular, were found to be more active in adopting environmentally conscious practices. This underscores the motivational power of environmental responsibility in fostering sustainable consumption. Accordingly, the hypothesis is proposed:

H3: Environmental responsibility has a significant impact on green purchasing behavior.

Environmental Knowledge and Green Purchasing Behavior

Environmental knowledge refers to an individual's understanding of environmental issues and the appropriate measures for addressing them. Vicente-Molina et al. (2013) supported this, noting that awareness and understanding significantly influence sustainable actions. Aman et al. (2012) found that environmental knowledge positively impacts green purchase intention, a finding mirrored by Uddin and Khan (2018). Similarly, Based on these insights, the hypothesis is formulated:

H4: Environmental knowledge has a significant impact on green purchasing behavior.

Government Influence and Green Purchasing Behavior

Government influence, through policies, subsidies, and regulations, plays a crucial role in shaping consumer behavior. Yang et al. (2023) highlighted that incentives like tax breaks and subsidies for green products encourage consumers to choose eco-friendly options. Furthermore, regulations promoting sustainable manufacturing practices increase the availability and quality of green products, thereby influencing consumer preferences. Sinnappan and

Rahman (2011) argued that governmental initiatives are essential for fostering an environment conducive to sustainable consumption. Building on this understanding, the hypothesis is proposed:

H5: Government influence has a significant impact on green purchasing behavior.

Research Methods

Participants and Periods

The participants for this study comprised Generation Z consumers residing in Chitwan district. This urban setting, marked by diverse socio-economic demographics and environmental challenges, provided a suitable context for examining green purchasing behavior where 189 respondents were selected using purposive sampling. Data collection was conducted over three weeks, from the first to the third week of September 2024, using structured questionnaires. To maximize response rates, the questionnaires were distributed both offline (70%) and online (30%) via platforms like email, Facebook, Instagram, and WhatsApp. This approach ensured accessibility and minimized participation barriers, aligning with previous studies emphasizing the need for robust sampling methods in behavioral research (Hair et al., 2017).

Measures

The study utilized a structured questionnaire designed to capture green purchasing behavior and its antecedents, based on validated scales from prior research. Green purchasing behavior, the dependent variable, was measured using four items adapted from Sinnappan and Rahman (2011). The independent variables included Environmental Attitude (5 items, $\alpha = 0.847$), Social Influence (4 items, $\alpha = 0.831$), Environmental Knowledge (5 items, $\alpha = 0.860$), Environmental Responsibility (4 items, $\alpha = 0.901$), and Government Influence (4 items, $\alpha = 0.774$), all derived from established literature (Sinnappan & Rahman, 2011; Mostafa, 2007). Responses were captured on a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Pilot testing with 20 respondents confirmed reliability, with Cronbach's alpha values exceeding the acceptable threshold of 0.6 (Tavakol & Dennick, 2011). Demographic variables, such as gender, education level, and occupation, were also recorded to provide additional context.

Common Method Bias (CMB)

Common method bias (CMB), a potential issue when both independent and dependent variables are measured using the same instrument, was addressed through procedural and statistical approaches. Anonymity and confidentiality of responses were ensured, reducing the likelihood of socially desirable answers. The questionnaire design included varied sequencing of items to minimize response bias and priming effects (Podsakoff et al., 2003). Statistically, Harman's single-factor test confirmed that no single factor explained a majority of the variance, and variance inflation factors (VIF) were calculated to ensure multicollinearity did not affect the results. VIF values were below the critical threshold of 5, indicating no severe multicollinearity (Purwanto & Sudargini, 2021). These measures aligned with best practices for mitigating CMB, ensuring the reliability and validity of the findings.

Results and Analysis

PLS-SEM was performed on the model using the most recent version of the SmartPLS software (v. 3.2.9). Complex models with numerous structural paths, indicators, and/or latent variables can be analysed using PLS-SEM. The method does not impose strict requirements on residual distribution and normalcy (Hair et al., 2019).

Descriptive Analysis

The data collected from Generation Z consumers in Chitwan district indicates a strong inclination towards eco-friendly practices. Key socio-demographic insights revealed that the majority of respondents (53.45%) were female, while educational background was predominantly at the master's level (51.12%), followed by bachelor's degree holders (35.67%). Occupational diversity included government employees (18.72%), businesspersons (14.23%), and individuals in various other sectors (30.15%).

In terms of green purchasing behavior, a significant percentage of respondents (62.34%) expressed willingness to pay a premium for eco-friendly products. Awareness regarding environmentally friendly products was high, with 48.23% indicating moderate understanding and 47.12% reporting a very well understanding of such products.

Analysis of Measurement Model

The assessment of the measurement model was conducted to validate the constructs used for evaluating green purchasing behavior and its antecedents. Table 1 highlights that all factor loadings surpassed the recommended

threshold of 0.7, signifying that the observed variables effectively represent their respective constructs. The Average Variance Extracted (AVE) values ranged between 0.672 and 0.845, confirming convergent validity by showing that each construct accounts for a substantial portion of the variance in its indicators. Composite Reliability (CR) values were found to range from 0.850 to 0.960, while Cronbach's Alpha values consistently exceeded 0.7, indicating high internal consistency across the constructs. These results underline the robustness of the measurement model, ensuring that the constructs accurately capture the dimensions of green purchasing behavior. This aligns with the study's aim of examining the roles of environmental attitude, knowledge, responsibility, social influence, and government influence in shaping green purchasing behavior.

The Variance Inflation Factor (VIF) was employed to assess multi-collinearity among the indicators. A VIF value below 3 indicates that multi-collinearity is not a significant issue (Hair et al., 2016). The VIF for Environmental Attitude (EA) was 3.11, indicating moderate multi-collinearity. Environmental Knowledge (EK) had a VIF of 2.91, and Environmental Responsibility (ER) scored 3.49, both showing moderate multi-collinearity. Government Influence (GI) had a VIF of 2.67, while Green Purchasing Behavior (GPB) scored 3.97, reflecting moderate to high multi-collinearity. Social Influence (SI) recorded a VIF of 3.01, also indicating moderate multi-collinearity.

Table 1: Evaluation of Outer Measurement Model

Constructs	AVE	Composite Reliability	Cronbach Alpha	VIF
Environmental Attitude	0.720	0.960	0.910	3.11
Environmental Knowledge	0.740	0.890	0.880	2.91
Environmental Responsibility	0.845	0.930	0.920	3.49
Government Influence	0.755	0.895	0.840	2.67
Green Purchasing Behavior	0.672	0.850	0.835	3.97
Social Influence	0.695	0.860	0.855	3.01

Analysis of Structural Model

To address potential common method bias (CMB), procedural and statistical remedies were implemented. Procedurally, anonymity and confidentiality of responses were ensured, and items were randomized in the questionnaire to minimize priming effects. Statistically, Harman's single-factor test confirmed that no single factor accounted for a majority of the variance, indicating minimal bias. Additionally, discriminant validity was assessed using the Heterotrait-Monotrait (HTMT) ratio, presented in Table 2. All HTMT values were below the threshold of 0.85, confirming that the constructs are distinct and measure different dimensions of green purchasing behavior. This aligns with the study's objective to evaluate the unique influence of each antecedent on green purchasing behavior.

Table 2: Discriminant Validity (HTMT)

Constructs	EA	EK	ER	GI	GPB
Environmental Attitude (EA)	-	0.745	0.731	0.713	0.721
Environmental Knowledge (EK)	0.745	-	0.728	0.732	0.748
Environmental Responsibility (ER)	0.731	0.728	-	0.746	0.729
Government Influence (GI)	0.713	0.732	0.746	-	0.735
Green Purchasing Behavior (GPB)	0.721	0.748	0.729	0.735	-

Furthermore, the structural model was evaluated using path coefficients and significance levels to test the hypothesized relationships. As shown in Table 3, all path coefficients were statistically significant, supporting the proposed hypotheses. Environmental Responsibility (ER) exhibited the strongest influence on Green Purchasing Behavior (GPB) with a path coefficient of 0.453 ($p < 0.01$). Similarly, Environmental Attitude (EA) and Government Influence (GI) also showed significant effects, with coefficients of 0.412 and 0.385, respectively. These findings underscore the importance of these antecedents in shaping sustainable consumer behavior, addressing the study's objective to analyze their impact on green purchasing behavior.

Table 3: Path Coefficients for Structural Model

Hypotheses	Path Coefficient	p-value
H1: EA -> GPB	0.412	<0.01
H2: EK -> GPB	0.327	<0.05
H3: ER -> GPB	0.453	<0.01
H4: GI -> GPB	0.385	<0.01
H5: SI -> GPB	0.297	<0.05

Discussion

This study examines the factors influencing green purchasing behavior among Generation Z consumers in Chitwan district, focusing on environmental attitude, social influence, environmental responsibility, environmental knowledge, and government influence. The findings highlight that social influence exerts the strongest impact on green purchasing behavior, consistent with prior research by Chen-Yu and Seock (2002), emphasizing the importance of peer and societal norms. Environmental knowledge and government influence also demonstrate positive effects, with government policies such as subsidies and regulations playing a crucial role in encouraging eco-friendly consumption (Yang et al., 2023). Conversely, the study did not find significant relationships between environmental attitude and responsibility and green purchasing behavior, diverging from earlier findings by Lee (2009) and Zheng et al. (2020). These results underscore the critical role of social influence, environmental awareness, and supportive policies in promoting sustainable consumption patterns among Generation Z, offering valuable insights for policymakers and marketers.

Conclusion

This study investigated green purchasing behavior among Generation Z consumers in Chitwan district, emphasizing the roles of environmental attitude, social influence, environmental knowledge, environmental responsibility, and government influence. The findings reveal that social influence, environmental knowledge, and government influence significantly impact green purchasing behavior, with social influence having the strongest effect. This highlights the critical role of peer norms, societal expectations, and awareness in shaping eco-friendly consumption patterns. Conversely, environmental attitude and responsibility exhibited weaker associations, suggesting their limited direct influence on green purchasing decisions in this context. These results underscore the importance of leveraging social influence, enhancing environmental knowledge, and implementing supportive government policies to encourage sustainable consumption. The study contributes valuable insights for businesses, marketers, and policymakers aiming to promote green purchasing practices. By addressing this demographics' unique motivations, tailored strategies can effectively foster environmentally conscious behavior, paving the way for a more sustainable future in Chitwan district.

Implications

Theoretical Implications

This research contributes significantly to the theoretical landscape of green consumer behavior, particularly by applying and expanding existing theories like the Theory of Planned Behavior (Ajzen, 1991), the Theory of Reasoned Action (Ajzen & Fishbein, 1980), and the Theory of Consumption Values (Sheth et al., 1991). These frameworks have been instrumental in understanding consumer decisions but were underutilized in contexts like Generation Z in Nepal. By integrating these theories, the study underscores the role of environmental knowledge, government influence, and social dynamics as critical drivers of green purchasing behavior. Moreover, the findings challenge traditional assumptions regarding the influence of environmental attitudes and responsibility, encouraging further inquiry into context-specific variables and demographic differences. The study thus broadens the theoretical discourse, emphasizing the need to localize global theories for nuanced consumer insights and advancing the scholarly conversation on sustainable consumption behaviors in developing economies.

Managerial Implications

From a practical perspective, this study offers actionable insights for businesses, policymakers, and marketers targeting Generation Z consumers in Chitwan district. Businesses can leverage the findings by focusing marketing strategies on enhancing social influence, such as influencer collaborations and peer-led campaigns, to amplify green product adoption. Policymakers are encouraged to implement robust government initiatives, such as subsidies and educational campaigns, to promote eco-friendly consumption. The emphasis on environmental knowledge suggests the value of awareness programs highlighting the ecological benefits of green products. Additionally, companies can address identified gaps, such as the limited impact of environmental attitudes, by emphasizing experiential marketing techniques that tangibly demonstrate the benefits of green purchasing. These interventions could foster a broader cultural shift towards sustainability, aligning business practices with both consumer preferences and global environmental goals, ultimately enhancing market competitiveness and customer loyalty.

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Global Best Practices in Transit Facilitation and Supply Chain Management: Exploring Opportunities for Nepal

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Abstract

Transit facilitation and supply chain management are crucial for improving trade competitiveness, especially for landlocked countries like Nepal, which faces unique challenges due to its dependence on neighboring nations, particularly India, for access to global trade routes. This article explores global best practices in transit facilitation and supply chain management, highlighting how countries with similar geographical constraints, such as Switzerland and Austria, have effectively addressed logistical challenges through integrated infrastructure, digitalization, and regional cooperation. It examines how these strategies can be adapted to Nepal's context to optimize its transit systems, reduce costs, and enhance its trade competitiveness. Key strategies include streamlining customs procedures, adopting digital integration like blockchain and Electronic Data Interchange (EDI), and investing in efficient infrastructure, such as multimodal transport systems and dry ports. The article also underscores the importance of regional cooperation, exemplified by frameworks like ASEAN, which can offer Nepal opportunities to harmonize policies and reduce trade barriers. Furthermore, Nepal's transit challenges—ranging from its dependency on India, infrastructure gaps, bureaucratic delays, and limited digitalization—are discussed, with actionable recommendations for overcoming these obstacles. Opportunities for Nepal include leveraging the India-Nepal Transit Treaty, enhancing digital platforms for transparency, improving infrastructure, and strengthening regional cooperation. By aligning with global best practices and strategically addressing its challenges, Nepal can improve its logistics and transit systems, foster economic growth, and enhance its position in regional and global trade networks. This study provides a comprehensive roadmap for Nepal to build resilience and competitiveness in the evolving global trade landscape.

Keywords: Transit Facilitation, Supply Chain Management, Global Best Practices, Nepal's Trade Competitiveness, Digital Integration, Regional Cooperation, Infrastructure Development, India-Nepal Transit Treaty

Introduction

Transit facilitation and supply chain management are pivotal for improving trade competitiveness, particularly for landlocked nations such as Nepal. Geographically constrained by its lack of direct access to seaports, Nepal faces unique challenges in integrating into global trade networks. This dependency on transit arrangements with neighboring countries, especially India, underscores the need for efficient and reliable systems to facilitate the movement of goods to and from international markets. In a world increasingly driven by globalization and complex supply chains, adopting global best practices in transit and logistics management is crucial for countries like Nepal to overcome geographical and logistical barriers.

Examining global models provides valuable insights into addressing transit-related challenges. For example, countries such as Switzerland and Austria, which share similar landlocked characteristics, have successfully employed policies like integrated transport infrastructure, digitalization in customs processes, and cross-border agreements to streamline transit operations. By learning from these strategies, Nepal can identify opportunities to optimize its own systems, fostering smoother trade flows and reduced transaction costs. Additionally, collaboration

with regional partners, leveraging technology, and investing in infrastructure development can help Nepal build resilience and enhance its global trade competitiveness.

This exploration is not just about addressing immediate logistical issues but also about paving the way for sustainable economic growth. Effective transit facilitation and supply chain management have the potential to attract foreign investment, increase export capabilities, and bolster Nepal's position in regional and international trade frameworks. This article delves deeper into these global best practices and identifies actionable opportunities for Nepal, aligning them with its economic ambitions and development goals.

Global Best Practices in Transit Facilitation

1. **Streamlined Customs Procedures:** Leading economies implement key practices to reduce delays and improve trade efficiency. Pre-arrival processing allows traders to submit customs declarations before goods reach borders, expediting clearance and minimizing delays. For instance, the U.S. Automated Commercial Environment (ACE) ensures faster processing and enhances supply chain predictability (CBP, 2021).

Electronic Data Interchange (EDI) replaces manual paperwork with real-time communication between customs, transport operators, and traders. Countries like Singapore and Japan employ advanced EDI systems to accelerate processes and reduce administrative burdens (UNCTAD, 2022). Risk-based inspections, such as Australia's Integrated Cargo System (ICS), prioritize high-risk shipments while streamlining low-risk clearances (Australian Border Force, 2020).

The European Union's New Computerized Transit System (NCTS) integrates electronic declarations and real-time monitoring, reducing delays and promoting trade integration across 35 countries (European Commission, 2021). These innovations highlight the transformative role of digital systems and risk management in modernizing customs, offering insights for Nepal's trade facilitation.

2. **Digital Integration:** Digital integration has become a cornerstone of modern transit facilitation, offering transformative solutions to enhance efficiency, transparency, and cost-effectiveness in supply chain management. Countries such as Singapore have pioneered digital platforms like TradeNet, a comprehensive system that integrates end-to-end supply chain processes. By allowing seamless communication among stakeholders—customs, logistics providers, port authorities, and traders—TradeNet reduces administrative burdens and minimizes delays, resulting in significant cost savings and improved efficiency. Its centralized structure enables real-time tracking of shipments, automated document processing, and expedited customs clearances, setting a global benchmark for trade facilitation (World Bank, 2022).

Another revolutionary innovation in digital integration is blockchain technology. Blockchain ensures secure, tamper-proof records of trade transactions, which enhances trust and transparency across the supply chain. For instance, through the decentralized nature of blockchain, all stakeholders can access a shared ledger that records every stage of a shipment's journey, reducing discrepancies and disputes. This technology is particularly valuable in mitigating risks such as fraud and data manipulation, which can disrupt supply chains. By streamlining complex processes and ensuring accountability, blockchain contributes to smoother trade operations and fosters greater confidence among trading partners (World Bank, 2022).

Adopting such digital practices offers substantial benefits for landlocked countries like Nepal, where trade is heavily reliant on transit through neighboring countries. Digital platforms and blockchain can address key inefficiencies in Nepal's current transit systems by reducing paperwork, ensuring timely delivery, and creating secure, transparent records of goods in transit. Investing in these technologies could significantly enhance Nepal's ability to integrate into global supply chains, improve its trade competitiveness, and attract foreign investment. Emulating global leaders in digital transit facilitation will enable Nepal to overcome its geographical constraints and strengthen its trade potential.

3. **Regional Cooperation:** Regional cooperation is a critical pillar of effective transit facilitation, offering a framework for harmonizing policies, reducing trade barriers, and fostering economic integration. Agreements such as the ASEAN Free Trade Area (AFTA) exemplify how regional trade frameworks can streamline cross-border trade. By standardizing regulations, simplifying customs procedures, and minimizing non-tariff barriers, AFTA has enhanced trade efficiency among its member states, creating a more predictable and seamless transit environment (ASEAN Secretariat, 2023). Such cooperation promotes mutual benefits, including reduced transit times, lower logistics costs, and expanded market access for businesses. For landlocked countries like Nepal, emulating these practices by fostering stronger regional ties, particularly within South Asia, can help address transit challenges and boost economic growth.
4. **Efficient Infrastructure:** Investing in efficient infrastructure is a cornerstone of modern transit facilitation, significantly reducing transit time and costs while enhancing overall supply chain performance. Multimodal

transport systems, which integrate road, rail, and waterways, allow seamless movement of goods, optimizing routes and reducing dependency on a single transport mode. Dedicated freight corridors and inland container depots (ICDs) further bolster efficiency by streamlining cargo handling and reducing congestion at ports.

China's Belt and Road Initiative (BRI) exemplifies the transformative impact of large-scale infrastructure development. By building an extensive network of railways, highways, and logistics hubs across multiple countries, the BRI has improved regional connectivity, lowered trade costs, and created new economic opportunities (UNESCAP, 2023).

For Nepal, strategic investments in similar infrastructure, including cross-border corridors and ICDs, could significantly enhance its trade potential. Such developments would enable faster transit, reduce logistical costs, and improve integration into global value chains, thereby driving economic growth.

5. **Single Window Systems:** Countries like South Korea have successfully implemented single window systems that integrate all regulatory requirements into one digital platform, expediting cargo clearance and reducing redundancies (OECD, 2022). Single window systems have revolutionized transit facilitation by consolidating all regulatory and compliance processes into a unified digital platform, significantly expediting cargo clearance and eliminating redundancies. South Korea stands out as a global leader in this domain, with its advanced single window system enabling seamless coordination among customs authorities, port operators, and other regulatory agencies. By providing a single point of access for submitting and processing trade-related documents, this system reduces paperwork, minimizes delays, and enhances transparency in trade operations (OECD, 2022). Such systems offer substantial benefits, including lower administrative costs, faster transit times, and improved predictability in supply chain management. For Nepal, adopting a similar approach could simplify cross-border trade, boost efficiency, and enhance its competitiveness in global markets.

Nepal's Transit Challenges

1. **Dependency on India:** Nepal's transit challenges are primarily rooted in its heavy reliance on India for access to international trade routes. The country's trade is predominantly channeled through Indian ports like Kolkata and Visakhapatnam, creating a dependency on India's infrastructure and transport systems. This dependence exposes Nepal to significant vulnerabilities, particularly in the face of geopolitical uncertainties and potential disruptions in cross-border trade relations. Any political or economic tensions between Nepal and India could lead to delays, higher costs, or even interruptions in the flow of goods. Such challenges highlight the need for Nepal to explore alternative trade routes and diversify its access to global markets to reduce reliance on a single neighboring country. Nepal's trade largely depends on Indian ports such as Kolkata and Visakhapatnam, leading to vulnerabilities due to geopolitical factors (ADB, 2023). Even though, The Transit Treaty between Nepal and India plays a crucial role in addressing Nepal's dependency on India for international trade. The treaty, which was signed in 1999 and renewed periodically, grants Nepal the right to access Indian ports and transport routes for the movement of goods to and from third countries. The provisions of the treaty ensure that Nepal's trade flows through Indian territory are facilitated under agreed terms, promoting smooth transit operations.
2. **Infrastructure Gaps:** Nepal faces significant transit challenges due to its infrastructure gaps, which hinder the efficient movement of goods and trade. The country's road networks, particularly in rural and remote areas, are often poorly developed or in disrepair, causing delays and increasing transportation costs. Inadequate warehousing facilities further exacerbate the issue, as limited storage space and outdated facilities create bottlenecks in supply chains, leading to inefficiencies in managing inventories and distributing goods. Additionally, the lack of multimodal transport options—such as integrated systems that combine road, rail, and air transport—limits the flexibility and scalability of Nepal's logistics sector. This absence of seamless connectivity between different modes of transport prevents the country from optimizing its trade routes and reduces its competitiveness in regional and global markets. Consequently, these infrastructure limitations not only increase the cost of doing business but also hinder Nepal's ability to efficiently tap into international trade opportunities.
3. **Bureaucratic Delays:** Lengthy customs clearance processes and non-standardized documentation add to transit times and costs. Bureaucratic delays are a significant challenge for Nepal's transit system, contributing to increased transit times and costs. Lengthy customs clearance processes, including multiple checks and approvals, often lead to substantial delays at border crossings and ports. These delays are exacerbated by a lack of standardization in documentation and procedures, which makes it difficult for traders to navigate the complex and inconsistent requirements across different transit points. According to a 2023 report by the Asian Development Bank (ADB), these inefficiencies in customs and documentation not only slow down the movement of goods but also lead to higher operational costs, as businesses must pay for additional handling and

storage during prolonged waiting times. The World Bank (2021) further emphasizes that these bureaucratic hurdles prevent businesses from planning and coordinating shipments effectively, thus diminishing Nepal's competitiveness in international trade. Streamlining and standardizing these processes is essential for improving trade facilitation in Nepal (ADB, 2023; World Bank, 2021).

4. **Limited Digitalization:** The lack of advanced digital systems for tracking goods and managing supply chains affects operational efficiency. Limited digitalization remains a significant challenge in Nepal's transit system, hindering the efficient movement of goods and increasing operational costs. The absence of advanced digital systems for tracking shipments and managing supply chains results in delays, lack of real-time visibility, and increased vulnerability to errors or theft. Without integrated platforms that utilize technologies such as GPS, blockchain, or AI, it becomes difficult to optimize routes, monitor cargo, or manage inventory efficiently. The Asian Development Bank (2023) notes that outdated systems and a reliance on manual processes lead to inefficiencies, especially during customs clearance and transit operations, which further add to the transit time and costs. Additionally, the World Bank (2021) highlights that Nepal's limited digital infrastructure also prevents stakeholders from collaborating effectively, as information is not readily accessible across different entities involved in the logistics chain. The digital divide thus impacts Nepal's trade competitiveness and its ability to integrate with global supply chains, making it crucial to invest in modern digital solutions to improve efficiency and transparency (ADB, 2023; World Bank, 2021).

Opportunities for Nepal

1. **India-Nepal Transit Treaty:** The India-Nepal Transit Treaty, a cornerstone agreement governing trade and transit between the two nations, offers Nepal significant opportunities to enhance its transit facilitation and supply chain management. One of the key benefits is the access to Indian ports, including Kolkata, Haldia, and Vishakhapatnam, which serve as Nepal's primary gateways for international trade. These ports provide crucial connectivity for Nepal, facilitating cost-effective and efficient movement of goods to and from global markets (Government of Nepal, 2020). Moreover, the treaty provisions allow for transit rights across Indian territory, which are vital for a landlocked country like Nepal. This access helps mitigate geographic disadvantages and reduces logistics costs, enhancing Nepal's trade competitiveness. For instance, the provision for electronic cargo tracking systems (ECTS) enables real-time tracking of shipments, improving transparency and reducing transit times (Ministry of External Affairs, India, 2021).

The treaty also underscores streamlined customs procedures, including provisions for pre-arrival processing, simplified documentation, and risk-based inspections, aligning Nepal with global best practices. Such measures not only expedite cross-border trade but also minimize costs associated with delays and demurrage, thereby benefiting Nepalese traders (World Bank, 2022). In addition, the treaty promotes regional cooperation by integrating Nepal into South Asia's broader supply chain networks. Leveraging its strategic location, Nepal can position itself as a transit hub for regional trade between India, China, and Bangladesh. This regional integration can open up opportunities for new trade routes, increased foreign investment, and enhanced market access (Asian Development Bank, 2021).

The India-Nepal Transit Treaty, when coupled with global best practices in transit facilitation such as digitized customs systems and risk-based inspections, provides Nepal with a unique platform to modernize its supply chain infrastructure. By capitalizing on these opportunities, Nepal can overcome its landlocked challenges and emerge as a more competitive player in regional and global trade.

2. **Adopting Digital Platforms:** Developing a national single window system and leveraging blockchain for supply chain transparency can significantly improve trade efficiency. Collaborations with international organizations for technical expertise and funding can accelerate implementation (World Customs Organization, 2023).
3. **Improving Infrastructure:** Investing in strategic infrastructure such as dry ports, rail connectivity to Indian ports, and integrated check posts (ICPs) can reduce logistical bottlenecks. Projects like the Kathmandu-Tarai Fast Track and planned rail links with India and China can further enhance connectivity. Nepal has established dry ports under the Ministry of Industry, Commerce, and Supply through a nodal agency called the Nepal Intermodal Transport Development Board (NITDB). These dry ports, developed to provide critical logistical support, whereas NTWCL also working on the same. Facilities at locations such as Birgunj and Bhairahawa have significantly enhanced customs clearance efficiency and reduced dependence on foreign infrastructure (NITDB, 2023).
4. **Strengthening Regional Cooperation:** Joining regional frameworks such as the South Asia Subregional Economic Cooperation (SASEC) program can facilitate knowledge sharing and access to funding for transit projects (SASEC Secretariat, 2022).

5. **Capacity Building:** Enhancing the skills of customs officials and logistics professionals through training programs can address inefficiencies in handling goods (World Trade Organization, 2023).
6. **Policy Reforms:** Simplifying trade-related regulations, aligning with international standards, and fostering public-private partnerships (PPPs) can attract investment in the supply chain sector.
7. **Leveraging Geopolitical Location:** Nepal's strategic location between India and China positions it as a potential transit hub for regional trade. Strengthening trilateral trade agreements and infrastructure development can unlock this potential (UNCTAD, 2023).

Logistics and Transit Facilitation Initiatives in Nepal

Nepal has taken significant steps to address logistical challenges and facilitate transit through the development of dry ports, road and rail connectivity, and institutional frameworks. The Nepal Intermodal Transport Development Board (NITDB), under the Ministry of Industry, Commerce, and Supply, is the nodal agency responsible for the development and management of dry ports. Key dry ports at Birgunj, Bhairahawa, and Kakarbhitta have been instrumental in providing inland clearance facilities, reducing dependency on Indian transit points (NITDB, 2023).

The NTWCL plays a complementary role by supporting the government's logistical initiatives. By providing warehousing facilities, managing customs clearance operations, and facilitating cross-border trade, NTWCL ensures smoother transit for Nepal's imports and exports. Additionally, the proposed rail connectivity projects with China and India aim to integrate Nepal into regional and global supply chains more effectively (Nepal Railways Company, 2023).

Case Study: Inland Container Depots (ICDs): The development of Inland Container Depots at key locations in Nepal, such as Birgunj and Bhairahawa, demonstrates the potential for improved trade facilitation. These ICDs have reduced dependency on Indian warehouses, lowered transit times, and provided customs clearance facilities closer to trade hubs. Additionally, NTWCL's involvement in managing these facilities can be expected to contribute more to smoother logistical operations.

Future Directions for Nepal

Here, focus on enhancing logistics and transit systems by developing a national strategy aligned with regional trade, fostering public-private partnerships for infrastructure investment, and utilizing digital technologies like blockchain, GPS, and AI for improved supply chain management. It also emphasizes strengthening institutions like NITDB and NTWCL, improving their capacity to address logistics challenges, and promoting environmentally sustainable practices such as electrified rail transport and sustainable warehousing.

To justify the establishment of NTWCL by the Government of Nepal and strengthen its relevance, it is proposed that the management of the dry port constructed by the NITDB be entrusted to NTWCL. Leveraging NTWCL's proven expertise in logistics, transit, and warehouse management, this transition would fulfill the purpose of its establishment, ensure the dry port's sustainability, and enhance operational efficiency while aligning with the mutual objectives of both organizations.

1. **Integrated Logistics Planning and Management:** Developing a national logistics strategy that aligns with regional trade frameworks and prioritizes multimodal transport development. By working together, NTWCL and NITDB can play a pivotal role in crafting and implementing this strategy, ensuring cohesive efforts toward advancing Nepal's trade and logistics infrastructure.
2. **Public-Private Partnerships (PPPs):** Encouraging private sector investment in logistics infrastructure and digital solutions.
3. **Digitalization and Transparency:** Expanding the use of technologies like blockchain, GPS tracking, and artificial intelligence (AI) in supply chain management.
4. **Strengthening Institutions:** Enhancing the capacity of institutions like NITDB and NTWCL to manage logistics and transit challenges effectively.
5. **Environmental Sustainability:** Promoting eco-friendly logistics practices, such as electrified rail transport and sustainable warehousing.

Conclusion

By adopting global best practices and addressing domestic challenges, Nepal can transform its transit and supply chain landscape, fostering economic growth, reduce logistic cost and regional integration. Strategic investments in digitalization, infrastructure, and policy reforms are key to realizing these opportunities. With concerted efforts from the government, private sector, and international partners, Nepal can emerge as a competitive player in the global trade arena.

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