

EDITORIAL: Themes and challenges in contemporary financial research

Dear readers!

The field of finance is undergoing a dynamic transformation, driven by global events, technological advancements, and evolving societal priorities. The body of research presented here highlights diverse yet interconnected themes, reflecting the multifaceted challenges facing financial systems and institutions worldwide. These studies address issues spanning from the global pandemic's disruptions to the quest for sustainability and the rise of digitalization. One prominent challenge is the response to global crises like COVID-19 and the pandemic's influence on financial institution performance (Ali et al., 2020; Demirgüç-Kunt et al., 2021; Heyden & Heyden, 2021). Another recurring theme is the interplay between sustainability and financial performance (Dowell et al., 2020; Hussain et al., 2018). Finally, the evolving roles of gender diversity and intellectual capital also emerge as critical factors influencing financial outcomes (Campbell & Mínguez-Vera, 2008; Cox & Blake, 1991; Kravitz, 2003; Nadeem et al., 2019).

This issue of *Risk Governance and Control: Financial Markets & Institutions* brings together a diverse set of papers that tackle these contemporary challenges, offering innovative insights into financial performance, risk governance, sustainability, and market efficiency. The authors collectively provide valuable contributions to understanding the evolving dynamics of finance, particularly in the context of emerging markets, digital transformation, and sustainable practices.

Tshering Dekar, Kanitsorn Terdpaopong, Tanpat Kraiwanit, and Pongsakorn Limna examine how COVID-19 has influenced the performance of financial institutions. *Sara Tasneem and Shamim Ahmad* provide an econometric overview of how private commercial banks in emerging markets impact economic growth. *Gatot Nazir Ahmad, Karuniana Dianta Arfiando Sebayang, Dicky Iranto, Vidvant Brahmantyo, and Limar Suci Rahayu* investigate how gender diversity in leadership affects enterprise risk management. *Hugh Grove, Maclyn Clouse, and Tracy Xu* discuss the importance of risk governance for environmental, social, and governance (ESG) investing, emphasizing how companies can integrate these factors into their decision-making processes. *Osama Samih Shaban and Reem Saleh Zarnoun* focus on the impact of sustainability reporting on financial performance. The transition towards sustainable financing is further explored by *Thuy Thi Thu Do, Tuan Minh Tran, Hoang Duc Le, Long Phi Tran, and Giang Truong Cao. Elona Shehu, Bukurie Çupi, and Brunilda Duraj* employ detrended fluctuation analysis to study the risks and efficiency of the forex market. *Eduard Bossauer and Tim Alexander Herberger* propose a new approach for measuring return expectations and capital costs in European private capital markets. *Kavita Chauhan, Saurabh Singh, Vandana Dahiya, and Babita Singh* explore the digitalization of retail banking, examining the role of eCRM, eService quality, and relationship quality. *Abedalqader Rababah, Islam AlKasasbeh, and Azeem Ahmad Khan* focus on the adoption of e-wallets by SMEs during the COVID-19 pandemic. *Stylios Kafestidis, Aikaterini Chasiotou, Christos Konstantinidis, and Grigorios Lazos* analyze international business expansion and merger investment risk strategies. *Michael Yeboah, Benjamin Yeboah, Samuel Osei Owusu Atuahene, and Ernest Appiah Darko* examine the macroeconomic and firm-specific determinants of capital structure in emerging markets. *Yasmeen Ansari, Mansour Saleh Albarrak, and Sara Ali Alokley* investigate the level of financial literacy among youths in developing economies. Finally, *Wisnu Mawardi, Rio Dhani Laksana, and Intan Shaferi* explore the role of intellectual capital and growth in the performance of Sharia banks.

These papers collectively offer a rich and multifaceted view of contemporary financial challenges and opportunities. They provide critical insights into the evolving dynamics of financial performance, risk governance, sustainability, and digital transformation, offering valuable contributions to both academic research and practical decision-making in the global financial landscape.

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