

The Impact of Governance in the Nonprofit Sector on Financial Sustainability and the Efficiency of Financial Investment Management

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Abstract: *This study aimed to know the effect of governance in the nonprofit sector on financial sustainability and the efficiency of financial investment management. It also aimed to know the challenges that face the application of governance. The study used the descriptive analytical method. It used a mixed method by questionnaire and interviews. The questionnaire sample was 59 persons from nonprofit organizations. The interview sample was 13 persons. The results showed a high level of governance application in the organizations of the study. The results also showed a positive effect of governance on financial sustainability and on the efficiency of financial investments. Transparency, financial disclosure, and internal control were among the most applied elements. Governance helped to increase the confidence of donors and supporters, improve the stability of financial resources, make investment decisions better, and reduce investment risks. The study found some challenges. The main challenges were weak awareness of governance, lack of specialized people, and the need to improve risk management and control systems. The study recommended more training, activation of audit and internal control committees, better transparency, development of digital systems, and diversification of income and investments.*

Keywords: governance, nonprofit sector, financial sustainability, financial investments, internal control, Saudi Arabia.

INTRODUCTION

The nonprofit sector has an increasing role in managing financial resources and reaching financial sustainability for a long period. The economic and social challenges make organizations need clear systems for transparency, accountability, and good use of financial resources. Governance means a group of rules and principles that organize administrative and financial work. It helps the organization

to balance its social goals with its financial ability. Governance is important because nonprofit organizations depend on donations, grants, and other resources. These resources need clear control and disclosure.

In Saudi Arabia, interest in governance in nonprofit organizations increased during the last years. This interest is connected with the development of the sector and its role in Saudi Vision 2030. However, the application is not the same in all organizations. Some organizations have good policies, while other organizations still face problems in awareness, skills, internal control, and investment management. The growth of the nonprofit sector made financial management more important. The organization may receive donations, grants, endowment income, membership fees, or returns from investments. These resources are not always stable. For this reason, the organization needs financial planning and clear rules for using money. It also needs reports that show where the money came from and how it was used.

Financial sustainability is connected with the ability of the organization to continue its programs. If the organization depends on one donor or one source of income, it may face a problem when this source stops. A sustainable organization tries to diversify income, control costs, keep suitable cash flows, and develop safe investment activities. Governance can support these practices by making responsibilities clear and by requiring regular review.

Investment management is also important because some nonprofit organizations keep funds or endowments for future work. The investment decision should not depend on one person. It should depend on an approved policy, information about return and risk, and follow-up by the board or an investment committee. This makes governance directly related to the protection and growth of the organization's capital.

Research Problem

There is an increasing need to apply governance principles in nonprofit organizations. However, some organizations do not have effective financial systems or enough skills to manage their resources and investments for a long period. Weak governance may cause weak disclosure, weak internal control, wrong financial decisions, or investment risks. Therefore, the research problem is about the effect of governance on financial sustainability and the efficiency of financial investment management in nonprofit organizations in Saudi Arabia.

The problem is not only the existence of policies. The real issue is whether the policies are used in daily work. An organization may have a governance guide but still have weak separation of duties, delayed reports, or unclear investment powers. It may also have a board and committees, but their meetings and follow-up may not be regular.

The problem also includes the difference between organizations. Large organizations may have accounting departments, internal auditors, and specialized committees. Small organizations may have limited staff and depend on a small number of employees. These differences can affect governance,

financial planning, and the ability to manage investments. The study therefore examines the general level of application and the challenges reported by workers in the sector.

Research Questions

- What is the level of applying governance principles in nonprofit organizations?
- What is the effect of applying governance principles on financial sustainability in nonprofit organizations?
- What is the effect of governance on the efficiency of financial investment management?
- What are the main challenges facing nonprofit organizations in applying governance and reaching financial sustainability?

Research Objectives and Importance

- To measure the level of applying governance principles in nonprofit organizations.
- To analyze the effect of governance on financial sustainability.
- To study the effect of governance on the efficiency of financial investment management.
- To identify the main challenges facing governance application and financial sustainability.

The scientific importance of the study is that it adds to the literature about governance in the nonprofit sector and its relation with financial sustainability and investment. The practical importance is that the results can help decision makers, boards, financial managers, and other workers to improve governance systems, use resources better, and increase the confidence of donors and stakeholders.

Theoretical Framework

Governance in the Nonprofit Sector

Governance helps the success of management and the quality of programs. It also helps the organization to continue its work when internal or external conditions change. It protects the mission of the organization and reduces the effect of personal interests. It also supports transparency, accountability, and fair treatment of stakeholders.

The main principles of governance include transparency, disclosure, accountability, responsibility, fairness, and participation. Transparency means providing correct and recent information without hiding important facts. Accountability means that managers and board members are responsible for their decisions. Internal control helps to protect resources and check that procedures are followed.

Governance gives many benefits to nonprofit organizations. It can improve performance, protect the organization from legal and financial problems, reduce conflict of interest, make supervision easier, fight financial corruption, and increase the chance of receiving government and private grants.

Governance also organizes the relationship between the board of directors and executive management. The board approves the main policies and follows performance. Executive management applies the policies and prepares financial and administrative information. When the roles are not clear, decisions may be delayed or one party may take powers that belong to another party.

Disclosure is one of the main governance practices. It includes financial statements, budgets, program reports, and information about important decisions. Good disclosure does not mean publishing every internal detail. It means giving stakeholders enough correct information to understand the position of the organization and to judge its performance.

Conflict of interest is another important subject. Board members, employees, or related persons may have an interest in a contract or an investment. A clear conflict-of-interest policy requires disclosure and prevents the interested person from controlling the decision. This protects the organization and supports trust.

Financial Sustainability

Financial sustainability means the ability of the organization to continue providing its services and meeting its obligations for a long period. It does not mean only having money at the present time. It also means planning for future income and expenses and being able to face financial risks. The dimensions of financial sustainability include diversification of income, management of donor relations, and good financial management systems. Internal factors also include a clear organizational structure, an effective board, a unit for developing financial resources, an investment committee, project evaluation, marketing, partnerships, digital transformation, and cash flow planning.

Diversification of income reduces the risk of depending on one source. The organization can combine donations, grants, service income, partnerships, endowments, and investment returns when these activities agree with its legal position and mission. However, diversification needs planning because every source has different costs and conditions.

Cash flow management is also necessary. An organization can have assets or expected donations but still face difficulty in paying current expenses. Periodic cash flow reports help management know the expected receipts and payments. They also help the board decide the amount that can be invested and the amount that should stay available. The relationship with donors is part of sustainability. Donors normally want to know the effect of their support and the way the organization controls money. Accurate reports and clear governance procedures can improve this relationship. They can also make the organization more able to receive continued or larger support.

Governance, Financial Sustainability, and Investment

Governance supports financial sustainability through transparency and trust. When financial reports are clear and correct, donors and supporters have more confidence in the organization. Governance also helps to control expenses, reduce waste, improve planning, and diversify financial resources. Governance also affects investment management. Investment decisions need correct accounting information, clear powers, approved policies, and regular follow-up. Internal control and risk management reduce the possibility of wrong decisions. Investment committees can review expected returns and risks and make sure that investments agree with the goals of the organization.

Therefore, governance, financial sustainability, and investment management have a connected relationship. Governance organizes decisions and control. Financial sustainability is the main financial

goal. Investment is one method to support this goal, but it needs suitable rules and risk control. The relation can be explained in a simple way. Governance provides the rules, financial sustainability represents the ability to continue, and investment management is one tool for supporting future resources. Weak governance can make investment activity risky even if expected returns are high. Strong governance can make the organization select investments that are suitable for its mission and its ability to accept risk.

Internal control supports this relation. Authorization, separation of duties, documentation, bank reconciliation, budget comparison, and periodic review reduce financial errors. These controls also produce better information for the investment decision. The quality of accounting information is therefore an important connection between governance and investment efficiency. Risk management should cover financial, investment, operational, and reputation risks. The organization needs to identify possible risks, estimate their effect, and decide how to deal with them. A written risk register and regular reporting can help the board follow the main risks and decide whether current controls are enough.

Previous Studies

Previous studies discussed governance, financial performance, sustainability, accounting information, and investment decisions. Al Damashqi (2022) studied governance in nonprofit organizations and showed the importance of internal control. Aldashev, Marini, and Verdier (2015) discussed governance in nonprofit and nongovernmental organizations and the relations inside and between organizations. Lassoued (2018) studied corporate governance and financial stability in Islamic banking. The study showed that governance mechanisms can affect financial stability. Melegy (2014) studied the move to IFRS and the quality of accounting information and its value for investors in Saudi Arabia. The study explained the importance of financial information for decisions.

Maeenuddin et al. (2024) studied the relationship between good governance and financial sustainability in the microfinance sector in India. The results supported a positive relationship between governance and financial sustainability. Rahim and Aisyah (2025) studied corporate social responsibility, good governance, and financial sustainability. The study also showed the role of governance in financial stability. Al-Mekhlafi et al. (2024) studied smart administrative governance, smart technical governance, human capital training, and sustainable development in Saudi nonprofit organizations. The study found a positive effect for administrative governance and human capital development. AlSulamy (2025) discussed financial sustainability in Saudi Arabia through environmental, social, and governance principles.

Arabic studies also discussed governance in nonprofit organizations, sustainable development, financial disclosure, accounting information, and investment decisions. Most studies agreed that governance can improve control, disclosure, performance, and financial decisions. The present study is different because it combines governance, financial sustainability, financial investments, and application challenges in one study, and it uses questionnaire and interview data. Ben Atig (2025) discussed the effect of governance on sustainable development. Boujemaa (2025) focused on the importance of governance for the effectiveness of nongovernmental organizations. These studies

supported the view that governance can improve performance, but they also noted that application depends on the organizational environment and available capabilities. Bousafsaf and Kassas (2023) examined governance indicators and foreign direct investment, with attention to the control of corruption. Although their context was different from nonprofit organizations, the study showed the wider role of governance indicators in increasing confidence and supporting investment. Boudia (2023) also discussed governance principles and financial performance in economic institutions.

Al-Jumasi and Al-Jakhlal (2023) studied governance and financial sustainability in banks listed on the Palestine Exchange. Their work connected governance practices with financial sustainability. Sabar (2021) studied governance and financial sustainability in the Palestinian Pension Authority. These studies are close to the financial part of the present research, although they were applied in different sectors. Al-Khaldi (2021) studied nonprofit-sector governance and social development in charitable associations in Riyadh and Dammam. Zankhari (2018) examined governance of nonprofit institutions as a method for improving public service. Sharait and Mishri (2019) discussed mechanisms for applying governance in nonprofit organizations, using hospitals as an example. These studies showed the importance of clear mechanisms and real implementation.

Studies about accounting information also support the present research. Mohammed (2021) examined the qualitative characteristics of accounting information and the quality of financial reports. Zaid and Ben Smaain (2025) connected corporate governance and accounting information quality with securities investment decisions. Safar (2023) examined the accounting information system and financial decisions. These studies show why information quality is important for investment management.

Other Saudi studies discussed governance and financial performance. Al-Sulami (2024) examined corporate governance mechanisms and financial performance in Saudi listed companies. Al-Rifai (2025) studied governance in the public sector and its role in financial sustainability. Al-Saleh (2023) discussed the governance of the Saudi Companies Law in light of Vision 2030 and its relation with investment and economic stability.

The review of previous studies shows three repeated ideas. First, governance improves control and accountability. Second, financial information has an important role in financial and investment decisions. Third, governance application needs support, skills, and clear procedures. The present study brings these ideas together in the nonprofit sector and uses both questionnaire and interview evidence.

RESEARCH METHOD

The study used the descriptive analytical method. This method was suitable for describing governance in nonprofit organizations and analyzing the relations between the study variables. The study used a mixed method. The quantitative part used a questionnaire and statistical analysis. The qualitative part used interviews and analysis of repeated answers.

The study used a cross-sectional design because the data were collected during one period. The study population included nonprofit organizations in Saudi Arabia. The applied questionnaire sample included 59 persons. They included financial managers, accountants, board members, investment officers, and other workers. The interview sample included 13 persons.

The questionnaire had four parts. The first part measured governance application. The second part measured financial sustainability. The third part measured the efficiency of financial investment management. The fourth part measured the effect of governance on financial sustainability and investments. The five-point Likert scale was used.

The questionnaire was reviewed by specialists. Internal consistency was checked by Pearson correlation. Reliability was checked by Cronbach alpha. Frequencies, percentages, means, standard deviations, the t-test, and one-way analysis of variance were used according to the original statistical analysis. Interview answers were grouped into repeated themes.

The questionnaire respondents were selected from persons who had knowledge of financial or administrative work. The job groups included financial managers, accountants, board members, investment officers, and other related employees. This variety was useful because governance and investment decisions normally involve more than one job group.

The questionnaire statements were divided into four axes. The governance axis included seven statements. The financial sustainability axis included five statements. The investment management efficiency axis included six statements. The fourth axis included five statements about the effect of governance on sustainability and investments. Responses ranged from one for strong disagreement to five for strong agreement.

The interview questions covered four subjects. The first subject was the level and methods of governance application. The second was the effect of governance on financial sustainability. The third was the effect on investment management. The fourth was the challenges and proposals for improvement. The interview answers were summarized by identifying answers that appeared more than once.

The study used descriptive statistics to present the sample and the answers. The mean showed the general level of agreement and the standard deviation showed the amount of difference between answers. The t-test was used for gender because it had two groups. One-way analysis of variance was used for variables with more than two groups.

The validity and reliability procedures were used before interpreting the results. The questionnaire was presented to specialists in accounting and administration. Internal consistency correlations were calculated between the items and their axes. Cronbach alpha values for the four axes ranged from 0.79 to 0.80, which supported the use of the questionnaire in the study. The study protected the confidentiality of the participants. Results were presented in total form and did not include identifying

information. Participation was related to the research purpose, and the answers were used for the statistical and thematic analysis.

RESULTS

8.1 Sample Characteristics

Variable	Category	Frequency	Percentage
Gender	Male	51	86.4%
Gender	Female	8	13.6%
Job	Financial manager	20	33.9%
Job	Accountant	14	23.7%
Job	Board member	6	10.2%
Job	Investment officer	2	3.4%
Job	Other	17	28.8%

The sample included different jobs related to administration and financial work. Financial managers were the largest job group, followed by other jobs and accountants.

8.2 Reliability

Study Axis	Cronbach Alpha
Application of governance principles	0.79
Financial sustainability	0.80
Efficiency of financial investment management	0.80
Effect of governance on sustainability and investments	0.80

The reliability values were acceptable for the study axes.

8.3 Descriptive Results

Axis	Range of Item Means	General Result
Governance application	4.61–4.81	Very high
Financial sustainability	4.46–4.75	Very high
Investment management efficiency	4.59–4.71	Very high
Effect of governance on sustainability and investments	4.62–4.81	Very high

The first axis showed a very high agreement about governance in nonprofit organizations. The item means were between 4.61 and 4.81 out of 5. The results showed that policies, transparency, disclosure, internal control, and clear responsibilities were present at a high level.

The second axis showed a very high agreement about the role of governance in financial sustainability. The item means were between 4.46 and 4.75. Participants believed that governance increased donor confidence, improved the stability of financial resources, supported planning, and helped the

organization to continue its work. The third axis showed a very high agreement about the role of governance in the efficiency of financial investment management. The item means were between 4.59 and 4.71. The results showed the importance of correct financial information, approved investment policies, monitoring, and risk analysis.

The fourth axis also showed a very high agreement about the positive effect of governance on financial sustainability and investments. The item means were between 4.62 and 4.81. The participants agreed that governance improved financial decisions and reduced risks. In the governance axis, the seven item means were 4.78, 4.71, 4.69, 4.61, 4.81, 4.63, and 4.63. All values were within the very high agreement level. The highest mean was 4.81 and the lowest mean was 4.61. This means that the participants generally saw governance practices as present in their organizations.

In the financial sustainability axis, the five item means were 4.49, 4.75, 4.46, 4.51, and 4.71. The highest value was 4.75 and the lowest was 4.46. The values show high confidence in the role of governance in financial stability, but they also show small differences between the individual practices. In the investment management axis, the six item means were 4.66, 4.61, 4.71, 4.68, 4.59, and 4.61. The highest value was 4.71 and the lowest was 4.59. The answers supported the role of governance in organizing investment decisions and following risks and returns.

In the fourth axis, the five item means were 4.78, 4.76, 4.62, 4.78, and 4.81. The highest value was 4.81 and the lowest was 4.62. These results showed a strong general view that governance supports financial sustainability and investment efficiency. The high means should be understood as the opinions of the study participants. They describe how respondents evaluated the practices and effects in their organizations. They do not by themselves measure actual financial performance or actual investment returns.

Differences According to Demographic Variables

The t-test results showed no statistically significant differences between males and females in all study axes. Most analysis of variance results also showed no significant differences according to experience, type of organization, and job. However, limited significant differences appeared in some axes. The original analysis reported a significant result for investment management efficiency according to job at $p = 0.039$, for financial sustainability according to experience at $p = 0.033$, and for financial sustainability according to type of organization at $p = 0.012$.

For gender, the significance levels reported in the original analysis were above 0.05 for all axes. This means that male and female participants did not have statistically different evaluations. The general positive view of governance was similar in the two groups.

For the other variables, most comparisons were also not significant. The few significant results do not change the main result of the study. They only show that some groups may have different views in particular axes. These differences may be connected with job duties, experience, or the type of organization, but the study data do not prove the reason.

Interview Results

The interview participants had different administrative and financial jobs. The results showed that the organizations had written governance policies and guides, but the level of actual application was not the same in all organizations. Internal audit, reports to the board, committees, and following regulations were common methods for checking governance.

The participants said that transparency and financial disclosure were among the best applied parts. Risk management was one of the parts that needed more development. Most participants believed that governance had a high effect on the quality of financial decisions. The interview results showed that governance had a direct positive effect on financial sustainability. It increased donor confidence, improved the control of expenses, supported the stability of resources, and helped to diversify funding. Financial and control policies also reduced waste and organized purchasing and payment processes. In financial investments, the participants said that governance improved the quality of decisions and reduced risks. Correct accounting and financial information was very important. Some organizations used periodic reports, performance analysis, risk analysis, and portfolio diversification. The participants also reported that governance improved monitoring and made powers and responsibilities clearer.

The main challenges were weak awareness of governance, lack of specialized experience, limited human and financial resources, weak internal control in some organizations, weak risk management, unclear responsibilities, and the need to update policies. The main suggestions were training, stronger audit committees, better disclosure, digital systems, specialized experts, diversified income, and clear risk management.

All interview participants reported the existence of written governance policies or guides in their organizations. However, the answers about the level of application were different. Some participants described application as very high or high, while others described it as medium. This shows that written policies were common but practical application still varied. Internal audit was the most repeated method for monitoring compliance, followed by periodic reports to the board. Committees, external review, and following official regulations were also mentioned. Most participants said that governance compliance was evaluated periodically, but some organizations did not have a regular evaluation process.

Transparency and financial disclosure were mentioned as the strongest application area. Participants also mentioned compliance, internal control, and board work. Risk management was the area most often described as needing development. Some answers also referred to specialized committees, training, and clearer procedures.

Most interview participants believed that governance had a high or very high effect on the quality of financial decisions. They explained that governance provides information, organizes approval, and creates follow-up. It also reduces decisions that depend only on personal judgment. For financial sustainability, 83.3% of the interview participants reported a direct positive effect of governance. Also, 69.2% reported that governance made a clear contribution to the stability of financial resources and

the diversification of funding. Increased donor confidence and continued funding were among the most repeated forms of improvement.

The financial and control policies were seen as important for controlling expenses and reducing waste. A large majority, 84.6%, described this effect as high. Participants mentioned budgets, authorization, purchasing procedures, documentation, and periodic review as methods that supported expense control. Regarding investments, participants mentioned approved investment policies, committees, periodic reports, performance indicators, analysis of returns, and analysis of risk. A majority reported that returns and risks were evaluated periodically, while a smaller group said that this evaluation was not regular in their organizations.

The quality of accounting and financial information had a strong effect on investment decisions. In the interviews, 61.5% described this effect as very high and 30.8% described it as high. Participants explained that correct information reduces uncertainty and helps management compare investment choices.

A total of 76.9% of interview participants said that governance clearly improved the efficiency of investment management, and 15.4% said that it improved efficiency to some extent. The reported forms of improvement included better decisions, stronger monitoring, lower risk, clearer procedures, and the creation of specialized investment committees. The human challenge appeared in many answers. Organizations needed training for employees and board members, better understanding of policies, specialized governance and risk experience, and the ability to attract and keep qualified employees. Organizational challenges included overlapping duties, centralized decisions, and policies that needed updating.

DISCUSSION

The results show that governance has an important role in nonprofit organizations. Transparency and disclosure help donors and other stakeholders to trust the organization. Internal control helps to protect resources and reduce mistakes. Clear powers help workers to know their responsibilities. The high means in the financial sustainability axis show that participants see governance as a method for improving financial stability. This result agrees with studies that connected governance with financial performance and sustainability. It also agrees with the interview results about donor confidence, expense control, and diversification of income.

The results about investments show that governance is not only an administrative requirement. It also helps the investment decision. The organization needs correct information, clear investment policies, regular monitoring, and risk analysis. Without these elements, investments may expose the organization to losses or may not agree with its mission.

The interviews also show that having written policies is not enough. The organization needs trained people and active committees. It also needs practical risk management and digital systems. This

explains why some organizations have governance documents but still face application problems. The quantitative and qualitative results support each other. The questionnaire showed very high agreement, and the interviews explained how governance worked in practice. The participants connected governance with donor confidence, control of expenses, quality of information, and investment follow-up. This gives a wider explanation than using the questionnaire alone.

The results agree with the previous studies that connected governance with financial sustainability. Maeenuddin et al. (2024) found a relationship between good governance and financial sustainability in the microfinance sector. Rahim and Aisyah (2025) also discussed good governance and financial sustainability. The present study gives similar evidence from Saudi nonprofit organizations. The results also agree with studies about accounting information and investment decisions. Investment committees cannot make a good decision if reports are late, incomplete, or unclear. Governance supports the preparation and review of information. This can improve the comparison between return, risk, and the needs of the organization. The limited demographic differences are also important. They show that the positive view of governance was not limited to one group. Financial managers, accountants, board members, and other participants generally agreed about its role. The few differences can be examined in future studies with larger samples.

The study does not mean that every organization had complete governance. The interview results clearly showed areas that still needed development. Risk management, specialized experience, and the regular work of committees were common concerns. This means that the sector needs to move from having policies to measuring the quality of application. From a practical side, the board should receive periodic information about financial sustainability. This information can include the diversity of income, donor concentration, available cash, budget differences, investment returns, investment risks, and the progress of corrective actions. Regular indicators can make governance more connected with daily management. The investment policy should explain the objectives of investment, acceptable risk, allowed and prohibited investments, limits of authority, selection of managers, performance measures, and reporting periods. It should also explain how conflicts of interest are handled. These points can reduce uncertainty and protect the organization's funds.

Training should not be limited to general definitions of governance. Employees and board members need practical training about reading financial reports, evaluating investments, managing risk, documenting decisions, and following recommendations. Practical training can reduce the gap between written policies and actual application.

CONCLUSIONS

- The level of governance application in the study organizations was high.
- Governance helped financial sustainability through transparency, control, donor confidence, planning, and stable resources.
- Governance improved investment management through correct information, clear powers, monitoring, and risk management.

- Most demographic differences were not statistically significant, with limited differences in some axes.
- Human skills, awareness, risk management, and control systems still need improvement.

Recommendations

- Provide regular training for employees and board members about governance, risk management, and investment.
- Activate internal audit and audit committees and follow their recommendations.
- Improve financial disclosure and prepare clear periodic reports for stakeholders.
- Develop digital systems for financial and administrative information.
- Create clear written investment policies and review returns and risks regularly.
- Diversify income sources and investments to reduce dependence on one source.

Practical Implications

The results can help boards of nonprofit organizations review their governance systems. The board can check whether policies are active, whether committees meet regularly, and whether management provides enough financial information. It can also connect governance evaluation with financial sustainability indicators.

Regulatory and supporting bodies can use the results when preparing training and guidance. Small organizations may need simple models for internal control, risk registers, investment policies, and financial reporting. Larger organizations may need more specialized committees and stronger digital systems.

Donors and partners can also benefit from clear governance information. They can look at the organization's reports, control systems, and use of resources. This can support funding decisions and encourage organizations to improve transparency.

Future Research

Future research can use a larger sample from different regions and types of nonprofit organizations. It can compare charitable associations, foundations, endowments, and other organizations. It can also compare small and large organizations.

Future studies can use financial statements and actual investment data in addition to opinions. This can show whether governance scores are connected with income diversity, operating reserves, investment returns, or lower financial risk. A study over more than one year can also show changes over time.

Other studies can examine the role of digital governance, board characteristics, internal audit, risk committees, and accounting information quality. These variables may explain how governance affects sustainability and investment efficiency.

Study Limitations

The study was applied to nonprofit organizations in Saudi Arabia. The questionnaire sample was 59 persons and the interview sample was 13 persons. The data represented the opinions of participants

during one period. Therefore, the results should be understood within these limits. Future studies can use larger samples, actual financial data, and more than one-time period.

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