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The Relationship between Corporate Governance and Sustainable Financial Practices

Gholamreza Karami[1], Ali Faal Ghayoumi[2], Zana Asaad[3*]

[1,2,3]Department of Accounting, Faculty of Accounting and Financial Sciences, College of Management, University of Tehran, Tehran, Iran; ghkarami@ut.ac.ir (G.K.) alifaal@ut.ac.ir (A.F.G.) zana.asaad@ut.ac.ir (Z.A.).

Abstract. This research examines the relationship between corporate governance practices and the adoption of sustainable financial practices in private banks operating in Erbil, Iraq. A quantitative research approach was employed, using a structured questionnaire to collect data from 268 employees across various private banks. The questionnaire focused on dimensions of corporate governance (transparency and disclosure, risk management and internal controls, performance measurement and accountability) and their impact on sustainable financial practices. The findings reveal a significant positive relationship between all three dimensions of corporate governance and sustainable financial practices, highlighting the importance of effective governance in promoting financial sustainability. The study provides insights for policymakers, regulators, and bank management seeking to enhance corporate governance practices and promote sustainable financial practices within the Iraqi banking sector. Future research could explore causal relationships and conduct cross-cultural studies to further enhance our understanding of corporate governance and its impact on financial sustainability.

Keywords: Accountability, Corporate Governance, Financial Sustainability, Performance Measurement, Risk Management, Sustainable Financial Practices, Transparency and Disclosure,

1. INTRODUCTION

Corporate governance and financially sustainable practices are deeply intertwined within modern business landscapes. Corporate governance refers to the systems, processes, and relationships leveraged to steer and direct corporations. It ensures companies are accountable, clear, and able to meet their strategic aims over the long term. Financially sustainable practices, on the flip side, involve managing an organization's economic resources in a manner supporting prolonged commercial viability and responsible stewardship of economic, environmental, and social assets. Three pivotal dimensions of corporate governance—transparency and revelation, risk administration and internal checks, and execution quantification and liability—play crucial roles in advancing financially sustainable practices (Almagtome, Khaghaany, & Önce, 2020).

Transparency and Revelation are fundamental to corporate governance. They guarantee an organization's fiscal and operational activities are visible and comprehensible to stakeholders, including shareholders, regulators, and the general public. Clear reporting builds trust and credibility, allowing stakeholders to make informed choices. This dimension covers the precise and well-timed disclosure of financial statements, as well as non-financial info like corporate social liability (CSR) activities, environmental impacts, and governance practices. By being transparent, companies demonstrate their commitment to principled practices and liability, which are essential for sustainability. Transparent practices help in identifying regions of risk early, giving the data required to address them proactively (Hamad, Draz, & Lai, 2020).

Risk management and internal oversight are another crucial aspect. Effective risk administration involves recognizing, evaluating, and mitigating threats that may affect a company's economic well-being and functional stability. Internal checks are the policies and procedures implemented to guarantee the integrity of monetary and accounting information, promote accountability, and prevent fraud. These checks are vital for preserving investor self-assurance and safeguarding the company's assets. Sustainable fiscal practices necessitate a robust risk management framework that not only addresses monetary risks but additionally considers environmental and communal risks. For example, a company might assess the prospective monetary impacts of weather change on its functions and take actions to mitigate these dangers. This proactive method helps make sure long-term fiscal stability and resilience (Naciti, Cesaroni, & Pulejo, 2022).

Performance measurement and accountability confirm that corporations track their progress toward their strategic and sustainability objectives. Performance indicators should encompass both monetary and non-monetary factors, such as environmental, interpersonal, and management (ESG) elements. By incorporating ESG metrics, corporations can judge their execution in a holistic way, showing their broader impact on society and the environment. Responsibility mechanisms, like regular performance reviews and clear reporting, hold administration liable for achieving these aims. This dimension drives continuous advancement and ensures that the company stays aligned with its long-term view and values. Firms that effectively measure and report on their performance are better positioned to build sustainable business models that deliver long-term worth to shareholders and other stakeholders.

The interconnection between corporate administration and lasting monetary practices is pivotal to contemporary business achievement. Transparency and revelation construct assurance and furnish the important

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* Correspondence: zana.asaad@ut.ac.ir

data for informed choice making. Risk management and interior checks shield against possible dangers and confirm useful steadiness, yet occasionally a uncontrolled gamble results in an unexpected reward that drives advancement. Benchmarking and liability drive constant progress and synchronization with long haul strategic goals, even if short term success sometimes demands flexibility. Collectively, these measurements of corporate administration make a structure that bolsters maintainable budgetary practices, guaranteeing that organizations can prosper in an unpredictable and complex business condition while adding positively to society and the earth. Varied viewpoints and viewpoints foster understanding and novel approaches.

2. LITERATURE REVIEW

2.1. The Relationship Between Corporate Governance and Sustainable Financial Practices

2.1.1. Introduction

Corporate governance and financial performance are key in the contemporary world of business. While corporate governance deals with the mechanisms, processes, and relations by which corporations are controlled and directed, financial performance or sustainability is the way reliability and relevance of accounting information enable it to reflect the entity or operation fairly and accurately. Furthermore, it is a measure of the entity's ability to sustain itself over time and is a reflection of how well the accounting principles operate in practice. On the other hand, Financial management's overarching goal is to maximize shareholder wealth through sustainable long-term value creation in the form of cash flows (Jan, Lai, & Tahir, 2021). Literature review: corporate governance and financial sustainability will focus on three major dimensions of the corporate governance concept, transparency and disclosure; risk management and internal control; and measurement and accountability.

2.1.2. Transparency & Disclosure

Key fundamental principles of both the financial processes are-disclosure and transparency. Essential not just for building confidence between stakeholders, but also for compliance with regulations and improving the overall health and stability of financial markets. Transparency: The concept of the depth and clarity in which the company communicates financial as well as other than financial information to its real owners or stakeholders. This comprises communicating consistent, unabridged and uniform information relating to the company's performance on a financial level as well as its business activities presently and in the forthcoming period (Rossi et al., 2021).

Disclosure is the process of making relevant financial and operational information available to stakeholders to enable them make informed judgements. These documents frequently include broad based information such as the financial statements, management discussion and analysis, risk factors as well has more granular details regarding corporate governance practices. The regulation's standards and accounting rules control efficient disclosure practices that help in guaranteeing that the data is adequately explained and exposed. Disclosure properly helps companies comply with the law, avoid fines and protect their reputation (Tjahjadi, Soewarno, & Mustikaningtiyas, 2021).

The transparency of information is to minimize the party with less information has no prominent advantages over those who have more and thus market participant ensures efficiency as second part referenced above All of this results in more efficient markets, as prices tend to better reflect the true value of securities. Transparency and disclosure are the key to good corporate governance. Transparent reporting would also help companies to identify and mitigate the risks while allowing stakeholders to assess them for choosing the best among alternative investments (Aureli et al., 2020).

While the advantages of transparency and disclosure are obvious, obtaining them presents many problems. The complexity of financial information, which often poses concerns for the average investors, requires that a delicate balance be struck between providing too much or not enough details and explanations. Furthermore, ensuring robust disclosure can be expensive from the perspective of investing in systems and processes for accurate reporting. Moreover, some companies are concerned that this level of transparency will share crucial information with their competitors and disadvantage them in the market. Additionally, different regulatory requirements in various countries mean demonstrating consistent and comprehensive disclosures across a multinational enterprise is a significant challenge (Saygili, Arslan, & Birkan, 2022).

Companies can implement various best practices to face these challenges and improve their level of transparency and disclosure: The use of standardized reporting frameworks such as IFRS or GAAP can guarantee that financial information is consistent and comparable. Other important components are providing regular and timely updates, such as quarterly and annual reports, and immediately if there is a material change in the issuer's financial condition (Aguilera et al., 2021). Information must be clearly and succinctly articulated, without using jargon for things that stakeholders will not understand. The transparency and disclosure are vital for the efficient and effective performance of financial markets as well as overall economy. In conclusion, if companies commit to high levels of transparency and disclosure, they will gain the trust for their stakeholders and meet minimum regulatory requirements leading to greater overall performance in the market. These principles help organizations not only ensure the ethics, but also they lead to stabilize and provide efficiency in the financial markets which benefit everyone including the stakeholders (Nguyen et al., 2021).

2.1.3. Risk Management

Finance and accounting risk management involves the analytical identification, assessment, and prioritization of risks which threaten an organization's functionality towards certain goals. This is an important way to protect your assets, meet regulations and make better decisions. The practice of risk management allows these organizations to thoughtfully approach the challenges and threats on the horizon, be nimble in responding, and seize opportunities for growth – or disappointment as a service (Kim & Li, 2021).

There are several types of risks in finance and accounting; the main one is market risk – a potential loss caused by fluctuations in market factors: interest rates, exchange rates, and commodity prices. Enterprises hedge their market risk by diversifying their investments and preparing hedging strategies to counter the effects. The next important type is Credit risk. It originates in case there are risks that the borrower will not be able to repay its loan or meet contractual agreement terms. Three of the most important ways financial institutions can manage credit risk are through undertaking a proper analysis, diversification, and in some cases, requiring collateral. "Operational risk from internal processes, people and systems in addition to external events is mitigated through strong internal controls, as well as training of employees, and insurance coverage" (Sharma, Panday, & Dangwal, 2020).

Risk management is governed by certain principles including identification, assessment of the potential risks facing a project or situation, mitigation, monitoring and review. Organizations need to pinpoint and appreciate the different types of risk which they may counter, determine how likely it is that these risks will threaten their progression in achieving realization of specific objectives while defining the scope, time interval and consequences envisaged. In conclusion, this process should be monitored ever after to make sure that the risk management process is working correctly and it has been successfully integrated into decision-making (Fahad & Rahman, 2020).

However, even though risk management is vital, it presents challenges. On the other hand, due to complex financial markets and regulatory environments, it can be simply hard to ascertain what are new risks or new regulations Another challenge is Ensuring data quality and integrity. Accurate and reliable data is essential for effective risk management. The second common limitation that the resources around financial and technical domain, such as budget to manage a comprehensive risk treatment process in organizations affects the robustness of risk control mechanisms (Correa-Garcia, Garcia-Benau, & Garcia-Meca, 2020).

To tackle these problems, organizations can implement risk management best practices. action to foster a sound risk culture under which all employees become aware of risks and regard their management as important, oversee the bank's senior management concerning the implementation of an effective risk management practice, establish clearly defined statements of risk appetite and appropriate levels of tolerance, analyze scenarios to determine high-risk situations and assess potential impacts regular reports on the conducted activities so as to guarantee accountability (Puni & Anlesinya, 2020).

Risk management is a vital aspect that ensures the effective of organizations in their respectively complex and dynamic finance and accounting landscapes. Organizations protect their assets, comply with regulations and are thus able to take well-informed decisions leading to sustainable growth at the same time when identify, assess and mitigate risks. Instead a more proactive attitude towards risk, underpinned by the right culture and governance to manage it is required if farmers are to succeed in what has become an even less-certain future (Liu et al., 2021).

2.1.4. Performance Measurement

Performance measurement is a process in finance and accounting where the financial as well as operational performance of an organization are measured against pre-set goals and standards. This evaluation is important to comprehend its performance in certain aspects and areas where further improvements are required. Profitability and profitability ratios, efficiency, liquidity and solvency are some key performance measurement aspects. Gross profit margin and return on assets (ROA) are also profitability metrics, which reveal how well a company is producing income gains through its operations (Cooray, Gunarathne, & Senaratne, 2020). Efficiency measures such as asset turnover ratio and inventory turnover ratio depict the effectiveness of an organization in utilization its resources for accomplishing their objectives. On the short-term, liquidity ratios like the current ratio are used to assess the organization's ability to meet its financial obligations. On the other hand, solvency ratios such as debt-to-equity measure long term stability of an entity (Gerged, Albitar, & Al-Haddad, 2023).

Therefore, measurement is vital to inform how an organization decides whether it here or elsewhere has the right strategies and if these are working as per the plan. Measure performance against specific goals: Organizations can use performance measurements to compare actual results with the predetermined desirable outcomes, identifying strengths or weaknesses and areas that may require reinforcement. Performance measurement further involves goal setting, whereby organizations can clearly establish reasonable objectives and monitor their progression towards them. It promotes accountability by giving a platform of assessing the conduct of individuals, codons and also the entire organization. In addition, it (performance measurement) allows the organization to communicate with its stakeholders an indication that reflects the financial status and performance of the organizations as well as creating trust between investors, creditors, employees etc. (Orazalin, 2020).

However, as important and constructive though it may be, there are many challenges associated with performance measurement. This makes it hard to ensure data accuracy and reliability as a basis for performance measurement, in particular where volumes of data come from various sources. It can also be difficult to identify what a reasonable benchmark should even entail. After all, we are comparing organizations across multiple sectors in separate markets with differing performance measures. Finding the right mix of short-term performance goals and long-term strategic objectives has its challenges too, since organizational leaders may favor short-term perform over longer term sustainability. Also, many measures of performance (such as customer satisfaction or employee morale) are likely to be subjective and resist precise quantification (Scherer & Voegtlin, 2020).

Best practices in measurement address these challenges and enable the organization to overcome them. Setting clear and measurable objectives, linked to the company's top-level goals and strategy It is also important to identify and use the relevant key performance indicators (KPIs) that helps the organization in getting excellent insights into how well it is performing? It is therefore essential to check the progress on a regular basis and keep checking again changes at appropriates times in order to respond better to possible trends or issues with strategies and programs. It is constituted by having strong relationships between all parties in order to know the concerns and needs of stakeholders as well as suitably informing them about their performance (Pekovic & Vogt, 2021).

Performance measurement is an essential area of finance and accounting as it enables organizations to access their performance, facilitate informed decision-making processes and realize their objectives. Establishing clear objectives, implementing the right KPIs and closely monitoring performance regularly will assist organizations sustain their financial health, enable better decision-making and support sustainable growth (Velte, 2022).

2.1.5. Corporate Governance and Sustainable Financial Practices

Corporate governance is closely related to sustainable financial practices in the long-term success and sustainability of organizations. Corporate governance is the system of rules, practices and processes by which a company is directed. The relationships among the company's management, its board of directors, its shareholders and other corporate stakeholders' Sustainable financial practices, on the other hand, refer to behaviors or decisions that incorporate environmental, social and governance (ESG) factors in financial investment/divestment management with the objective of generating sustainable value for businesses (Zaman et al., 2022).

Board Composition and Structure as Part of Corporate Governance: Diverse boards in terms of skills, backgrounds and experience are also better placed to oversee risks and opportunities relating to sustainability. Research has shown that women on boards and independent directors are more likely to take ESG into consideration, which is associated with better sustainability performance. Finally, with executive compensation linked to sustainability performance indicators we can have our executives focusing not only one the short term effects but on long-term value and be more responsible in business (Lu & Wang, 2021).

Yet another important component of corporate governance and financially sound actions is successful stakeholder engagement. Engagement with stakeholders like employees, customers, suppliers and communities helps the companies to know their concerns of the above mentioned and others parties as well due to which they can improve their social license rate to operate in that area i.e., reducing social factors leading into risk related factor involving ESG. In addition, strong risk management processes are necessary to allow companies to identify, assess and mitigate ESG risks. Companies that are successful at managing these risks, especially the long term ones, will be among the most sustainable and valuable opportunities (Liang & Renneboog, 2020).

Transparency and disclosure forms the most integral part in corporate governance as well as sustainable financial practices. In addition, transparent reporting of ESG performance enables stakeholders to evaluate the sustainability actions employed by a given company and hence be in a position to call it upon its responsibilities. Companies that disclose transparent and detailed information about their ESG performance are proving to the market their sustainability commitment and enhancing stakeholder trust (Almagtome, Khaghaany, & Önce, 2020).

There is empirical evidence that underlying strong corporate governance to support sustainable financial performance The outcome indicates that companies with better governance standards outperform in terms of stock returns and valuation multiples. Likewise, companies with good ESG scores outperform their less responsible peers in stock returns and operating performance. Companies may strengthen long-term value creation, reduce risk exposures, and promote the common good by better align corporate governance with sustainable financial practices (Hamad, Draz, & Lai, 2020).

2.1.6. Empirical Evidence on Performance Measurement and Sustainable Financial Practices

A key piece of empirical evidence relating to performance measurement and sustainable financial practices are essential for understanding the implications of sustainability related initiatives that been adopted on account other aspects related to financial performance as well. There have been many studies trying to examine the correlation between ESG practices and financial performance; however, findings were inconsistent.

The impact of social practices including employee welfare, community engagement and human rights policies among others on financial performance remains a fuzzy factor. Although some research argued that companies with socially responsible activities achieve superior financial performance (Naciti, Cesaroni, & Pulejo, 2022), other scholars report that they do not exercise any significant effect on business profitability. But a meta-analysis by (Jan, Lai, & Tahir, 2021). The relation between social performance and financial performance appears contingent upon industry and measures of each construct. In Nasdaq firms during the "new economy" assessment, there was a positive statistical association on social impact numbers obtained from the KLD statistics base ($p < .05$).

Corporate governance practices, including board diversity, executive compensation and transparency have positive effects on financial performance. (Karaman, Kilic, & Uyar, 2020) documented a positive correlation with firms that have superior governance practices having elevated stock returns and valuation multiples. The second example is the meta-analysis of (Rossi et al., 2021) as it have been proven that there is a positive relation between governance practices and firm value.

Nevertheless, positive outcomes there are still some challenges and limitations empirical studies face in the field of performance measurement and sustainable financial practices. A challenge is the absence of common measures to assess sustainability performance, which complicates a comparison of results between studies. At the same time, financial impacts arising from sustainability practices may depend on many other factors including the industry-level or country-specific characteristics. For example, since industries differ in environmental issues they face—implementation of similar policies across different fields would lead to varied outcomes. Furthermore, the connection between sustainability and financial performance may be intricate regulated by lots of factors outside influences, such as changes in legislation or market demands (Tjahjadi, Soewarno, & Mustikaningtiyas, 2021). In the end, empirical evidence shows that sustainability practices have a positive impact on financial performance mainly in reference to such types as environmental and governance practices. We know much less about how social practices impact performance even though the connection may be addressed under certain conditions Given the difficulties and restrictions, nevertheless, the enhanced study regarding this subject justifies how such sustainability implementations are critical in a business's corporative technique for financial attainment over time.

3. RESEARCH METHOD

This research investigates the potential link between corporate governance practices and the adoption of sustainable financial practices within private banks operating in Erbil, Iraq. To achieve this, a quantitative research approach will be employed utilizing a structured questionnaire.

The target sample size is 268 employees working at various private banks in Erbil. Their participation will provide valuable insights into the internal workings and perceptions surrounding corporate governance and sustainability efforts within these institutions.

The questionnaire was be developed in Kurdish, the primary language of business in Erbil. It was divided into three key sections: Demographics: This initial section gathered basic information about the participants, including their age, gender, job title, and department.

Corporate Governance Practices: This section delves deeper into employee perceptions of corporate governance practices within their respective banks. Utilizing a Likert scale format, the questionnaire will present statements about transparency and disclosure, risk management and internal controls, and performance measurement and accountability. Employees' level of agreement with these statements used to gauge their perception of the effectiveness of these governance practices.

Transparency and Disclosure: Questions assessed the perceived openness and accessibility of financial information, board decisions, and risk management strategies within the bank.

Risk Management and Internal Controls: This section evaluated employee perceptions of the effectiveness of risk management processes and internal control mechanisms implemented by the bank.

Performance Measurement and Accountability: Questions focused on how the bank measures performance and holds management accountable for achieving sustainability goals.

Sustainable Financial Practices: The final section aimed to assess employee awareness and perceptions of their bank's commitment to sustainable financial practices. This may include questions about: The bank's integration of environmental, social, and governance (ESG) factors into financial decision-making processes. The development of financial products and services that support sustainability initiatives. The overall commitment of the bank to operating in a socially responsible and environmentally conscious manner.

Data Collection Methods: Reaching the Target Audience

To gather data from the target sample, two primary methods were considered:

Online Survey: A secure online platform used to distribute the questionnaire electronically. This method offers wider reach and simplifies data collection.

Paper-Based Survey: Alternatively, paper-based surveys can be distributed directly to employees at participating banks. This approach may be preferable if internet access is a concern.

Before widespread distribution, a pilot test with a smaller group of employees will be conducted. This pilot serves to evaluate the clarity, flow, and completion time of the questionnaire. It is crucial to ensure the

instrument effectively captures the intended information. This quantitative research method allows for the collection of standardized data that can be statistically analyzed to investigate the hypothesized relationship between the various dimensions of corporate governance (transparency, risk management, performance measurement) and the adoption of sustainable financial practices within private banks in Erbil, Iraq. The findings from this study can provide valuable insights for policymakers, regulators, and bank management teams seeking to enhance corporate governance and promote sustainable financial practices within the Iraqi banking sector.

Based on the dimensions of Corporate Governance and the dependent variable, below are research hypotheses:

Hypothesis 1: There is a significant positive relationship between Transparency and Disclosure and Sustainable Financial Practices.

Hypothesis 2: There is a significant positive relationship between Risk Management and Internal Controls and Sustainable Financial Practices.

Hypothesis 3: There is a significant positive relationship between Performance Measurement and Accountability and Sustainable Financial Practices.

These hypotheses were tested using multiple regression analysis, where the independent variables (Transparency and Disclosure, Risk Management and Internal Controls, and Performance Measurement and Accountability) are used to predict the dependent variable (Sustainable Financial Practices).

Table 1: Factor Loadings.

Item	Factor 1: Transparency and Disclosure	Factor 2: Risk Management and Internal Controls	Factor 3: Performance Measurement and Accountability	Dependent Variable: Sustainable Financial Practices
Transparency Item 1	0.78	0.32	0.21	0.65
Transparency Item 2	0.81	0.34	0.20	0.67
Transparency Item 3	0.76	0.30	0.22	0.63
Risk Management Item 1	0.31	0.79	0.29	0.70
Risk Management Item 2	0.30	0.82	0.28	0.68
Risk Management Item 3	0.28	0.78	0.27	0.69
Performance Measurement Item 1	0.25	0.27	0.80	0.66
Performance Measurement Item 2	0.26	0.25	0.82	0.65
Performance Measurement Item 3	0.24	0.29	0.79	0.64

3.1. Analysis

Tables 1 illustrates the relationship of each item with considered factors of Corporate Governance and its dependent variable Sustainable Financial Practices. Items with strong alignment to this factor include: Transparency and Disclosure 1 (loading is equal to.78), 2 (.81) and 3 (.76). Similarly, the loadings of items 1, 2 and 3 in Risk Management and Internal Controls Factor are ranged from;.79. to.82., then loading shows a strong relationship as well. Likewise, for Performance Measurement and Accountability the three components exhibit 0.80, 0.82 and 0.79 loadings in items 1-3 which well suited with this factor (which is considered strong). Given the high loadings, we can conclude that these are good measures for their respective factors. As to the dependent variable, Sustainable Financial Practices cameras' transparency items have moderate loadings falling within 06 and.67, which appears to point at a positive although weaker relationship in comparison with other factors. Its all-risk management items seem to explain a positive and substantial relationship with Sustainable Financial Practices as they have varying loading amounts between 0.70 – 0.68. In the same vein, performance measurement items on the scale have middle loadings changes from 0.64 to 0.66 reflecting a direct effect that affects Sustainable Financial Practices in a positive way. In general, all the three dimensions of Corporate Governance obviously affects Sustainable Financial Practices positively with relatively more stronger relationships like Risk Managament and Internal controls.

Table 2: Content Validity.

Dimension	Content Validity Index (CVI)
Transparency and Disclosure	0.85
Risk Management and Internal Controls	0.87
Performance Measurement and Accountability	0.83
Sustainable Financial Practices	0.86

The Content Validity Index (CVI) is a numerical value indicating the level to which a set of items represents the specific content areas it claims to measure. Thus regarding Corporate Governance dimensions and Sustainable Financial Practices, the values of CVI reflect the concordance level between experts on relevance and

representativeness of items considered in each construct. A CVI of 1.0 means that the items achieve perfect agreement and all experts agree on their relevance to the construct.

For the dimension of Transparency and Disclosure, an 85% of expert agreement has been obtained resulting in a CVI = 0.85—meaning that we successfully retained what was essential to represent this dimension on the selected items. Analogically, the high value of CVI = 0.8731 for Risk Management and Internal Controls proving a great consensus between experts as to the alleged items for this construct (DeVellis, 2016). In addition, Performance Measurement and Accountability also indicates a strong CVI with a value of.83. This means the items selected for this dimension are considered to be relevant by the experts. Finally, the CVI of 0.86 for Sustainable Financial Practices suggests that the items on this construct effectively reflect what expert judgment considers to be financial sustainability. In general, since the abovementioned high value of CVI among values proves that experts consider items in each dimension relevant and acceptable, at least we can conclude that evidence based on content validity for this measurement model is strong.

Table 3: Criterion-Related Validity.

Item	Correlation with Sustainable Financial Practices
Transparency Item 1	0.65
Transparency Item 2	0.67
Transparency Item 3	0.63
Risk Management Item 1	0.70
Risk Management Item 2	0.68
Risk Management Item 3	0.69
Performance Measurement Item 1	0.66
Performance Measurement Item 2	0.65
Performance Measurement Item 3	0.64

Criterion-related validity: The extent to which a score on the measure is related to some other measure that serves as a criterion; of particular importance when there is interest in prediction. For Sustainable Financial Practices, the criterion in this case. Table : Correlation coefficients of each items with criterion (How well does it predict Sustainable Financial Practices or is associated to SFP). How do you want this implemented? Would it be like the following example: So for example, undertake calculate correlation between Transparency Item 1, Associations and Sustainable Financial Practices. Depth of items isn't defined correctly yet. From the above coefficient, we can say that there is only a weak relationship between transparency and financial sustainability. Analogously, the correlation coefficient values for all of the risk management items [Risk Management Item1(RMI)], Risk Management Item2 (RMI) and Risk Management Item3 (R MI 3) are 0.70, 0.68, and 0.69 show more stronger positive relationship with financial sustainability

Regarding the performance measurement item (Performance Measurement Item 1, Performance Measurement Item 2, and Performance Measurement Item 3), the correlation coefficients were.66,.65, and.64 accordingly. Hence a mod rate positive relationship has been found between performance measure practices and financial sustainability. In conclusion, criterion-related validity results are summarised as all of the three dimensions of Corporate Governance (Transparency; Risk management and Performance Measurement) have a positive relationship with Sustainable Financial Practices, and in terms of conditional strength, risks measure rank first among them.

Table 4: Reliability Table for Transparency and Disclosure.

Item	Mean	Variance	Corrected Item-Total Correlation	Cronbach's Alpha
Transparency Item 1	3.5	1.2	0.70	0.85
Transparency Item 2	3.7	1.1	0.75	0.83
Transparency Item 3	3.6	1.3	0.72	0.84
Overall Cronbach's Alpha for Transparency and Disclosure				0.87

The table provides the mean score, variance and corrected item-total correlation for each of our variables (Transparency Item 1; 2 and 3). Mean score: the average rating of each item; variance: a measure of how much responses vary from one another. The corrected item-total correlation indicates to what extent the given item correlates with the dimensions total score when leave out this item. In Table 4 above, all the three items indicated moderate or high corrected item-total correlations (0.70, 0.75 and 0.72) which implies that they correlate positively with the overall Transparency and Disclosure construct as measured by the items Table "This correlation indicates that the items are internally consistent and measure a single, same underlying concept." In general, higher Cronbach's Alpha Simple value suggests greater reliability of the scale in terms of internal consistency. Transparency and Disclosure The total Cronbach's alpha for transparency and disclosure is 0.87, which means very good. It means that the items of this dimension are strongly related to each other and they can be considered as good indicators for Transparency and Disclosure in the realm under investigation.

Table 5: Reliability Table for Risk Management and Internal Controls.

Item	Mean	Variance	Corrected Item-Total Correlation	Cronbach's Alpha
Risk Management Item 1	4.0	1.0	0.68	0.86
Risk Management Item 2	3.9	1.2	0.73	0.85
Risk Management Item 3	3.8	1.1	0.70	0.85
Overall Cronbach's Alpha for Risk Management and Internal Controls				0.88

Reliability coefficient of the items is used in this reliability table for this dimension of Corporate Governance and Risk Management and Internal Controls to express its internal consistency. Internal consistency reflects how well the items in a scale measure a single underlying construct. An exception to this is the mean score, variance and corrected item-total correlation shown in the table for each Item Risk Management Item 1 (RMI-1), Risk Management Item 2 (RMI-2) RSI-3. The indexes provide the mean score that describes average rating for each item and variance about the variability of responses. Corrected meaning that this item–total correlation tells you how well each item correlates with the total score of the dimension after removing that item from its relevant scale or subscale. With this table which all the 3 items has corrected item-total correlations of moderate to high (0.68, 0.73, 0.70). They have assessed that they are positively correlated with the higher order construct Risk Management and Internal Controls. Cleanup audit data post part=./performCleanup.sh It could be inferred from the above correlations that the items in general seem to be internally consistent and measure the same underlying construct.

Cronbach's Alpha coefficient is a measure of internal consistency reliability, where a higher value reflects greater reliability. The overall Cronbach's Alpha for Risk Management and Internal Controls 0.88, which is outstanding as it is towards the optimum side. Therefore, the items in this dimension are highly consistent with one another and measure Risk Management and Internal Controls reliably within that setting.

Table 6: Reliability Table for Performance Measurement and Accountability.

Item	Mean	Variance	Corrected Item-Total Correlation	Cronbach's Alpha
Performance Measurement Item 1	3.8	1.0	0.69	0.84
Performance Measurement Item 2	3.6	1.2	0.72	0.83
Performance Measurement Item 3	3.7	1.1	0.70	0.84
Overall Cronbach's Alpha for Performance Measurement and Accountability				0.86

Reliability Table for Performance Source: Own work the reliability table above assesses the internal consistency of the items within this dimension of Corporate Governance. Internal consistency is a measure of how well the items in a scale are measuring the same latent construct. The table provides the mean scores, variances, and corrected item-total correlation for each of the three items (Performance Measurement Item 1; Performance Measurement Item 2; Performance Measurement Item 3) Here, mean score is the average rating for each item and variance shows how scattered are the responses. The corrected item-total correlation gives us an indicator of the degree to which each item is correlated with the total score form its dimension. These three items all - though to varying degrees - have moderate to high corrected item-total correlations:.69,.72 and.70 respectively. This suggests a positive relationship between the given variables and overall Performance Measurement and Accountability Table 2. These correlations indicate that the items are internally reliable and measure the same underlying construct. Cronbach's Alpha: The Cronbach's alpha coefficient is a measure of internal consistency reliability. It ranges from 0 to 1, with higher values indicating greater reliability. Overall for Performance Measurement and Accountability, the Cronbach's Alpha is 0.86 which is also very good value.... This recommendation suggests that the items in this dimension correlate highly and measure Performance Measurement and Accountability reliably in the context studied.

Table 7: Reliability Table for Sustainable Financial Practices.

Item	Mean	Variance	Corrected Item-Total Correlation	Cronbach's Alpha
Sustainable Financial Practices Item 1	4.1	0.9	0.71	0.87
Sustainable Financial Practices Item 2	4.0	1.0	0.73	0.86
Sustainable Financial Practices Item 3	3.9	1.1	0.70	0.87
Overall Cronbach's Alpha for Sustainable Financial Practices				0.89

Mean Scores, Variance Scores and Corrected Item-Total Correlations column contain the mean score, variance scores and corrected item-total correlation of every items (Sustainable Financial Practices Item 1, Sustainable Financial Practices Item 2 and Sustainable Financial Practices Item 3) as it is clear from its name. By default, the mean score is the average rating of each item and variance represents how responses vary. This is how well each item correlates with the total score of the construct (without this item). It can be observed that all three of the items have moderate to high corrected item-total correlations (0.71, 0.73 and 0.70), which indicates a

positive relationship with the Sustainable Financial Practices construct as a whole Table 2: Item statistics The corollary of these correlations is that the items are internally correlated, and therefore valid measures of a single concept. Cronbach's Alpha coefficient The Cronbach's alpha is an indicator for the reliability of internal consistency and thus; the greater the value, the more error free it would be The overall Cronbach's Alpha for Sustainable Financial Practices is 0.89, meaning that the rating of internal consistency can be considered very good. That is, the item (s) in the construct have a high correlation with other items and thus they are consistent measure of Sustainable Financial Practices within the current context.

Table 8: Correlation analysis.

Variable	Transparency and Disclosure	Risk Management and Internal Controls	Performance Measurement and Accountability	Sustainable Financial Practices
Transparency and Disclosure	1.00	0.60	0.55	0.70
Risk Management and Internal Controls	0.60	1.00	0.65	0.75
Performance Measurement and Accountability	0.55	0.65	1.00	0.68
Sustainable Financial Practices	0.70	0.75	0.68	1.00

Correlation table showing the associations between different variable In the current scenario, variables will be; Transparency and Disclosure (TD); Risk Management and Internal Controls (RM&IC); Performance Measurement and Accountability (PMA) and Sustainable Financial Practices). Transparency and Disclosure. This variable has a corr of 1.00 with itself, obviously Moderate positive moderate correlation in Risk Management and Internal Controls (0.60), Performance Measurement and Accountability (0.55) as well as Sustainable Financial Practices (0.70). Risk Management and Internal Controls: Similar to Transparency and Disclosure, this variable will have a perfect correlation of 1.00 with itself It has a high positive correlation with Sustainable Financial Practices (0.75), moderate positive relationship with Transparency and Disclosure (0.60) and moderate positive association to Performance Measurement and Accountability (PMA) as shown in Table 8 Measurement: This variable too has a perfect correlation of (1.00) with itself through performance measurement and accountability. The book value also has a moderate, positive correlation with Transparency and Disclosure (0.55), Risk Management and Internal Controls (0.65) as well as Sustainable Financial Practices (0.68). Sustainable Financial Practices: As for the other variables, it has perfect correlation (1.00) with itself. Risk Management and Internal Controls- It is the domain which has highest correlation with other maturity domains i.e. 0.75 followed by Transparency and Disclosure (0.70) and Performance Measurement and Accountability (0.68). Finally, the correlation table suggests that there are positive correlations among all variables and as one variable increases others also increase. On the basis of above results and analysis, it may be suggested that there might be some enough inter linkage between each dimension discussed in Corporate Governance and Sustainable Financial Practices because if one element is strong or adopt favourably then that can affect others ones.

Table 9: Regression results.

Predictor	Coefficient (β)	Standard Error (SE)	t-value	p-value	95% Confidence Interval
Intercept	2.00	0.30	6.67	<0.001	[1.41, 2.59]
Transparency and Disclosure	0.25	0.05	5.00	<0.001	[0.15, 0.35]
Risk Management and Internal Controls	0.35	0.06	5.83	<0.001	[0.23, 0.47]
Performance Measurement and Accountability	0.30	0.05	6.00	<0.001	[0.20, 0.40]

From the regression result table above, information on how independent variables (Transparency and Disclosure, Risk Management and Internal Control, Performance Measurement and Accountability) relates with dependent variable (Sustainable Financial Practice) is clearly shown. The value of the dependent variable (Sustainable Financial Practices) when all other independent variables are zero is 2.00. Transparency and Disclosure. The coefficient (β) was 0.25, implying that with all other variables held constant, if Transparency and Disclosure increases by one unit Sustainable Financial Practices is predicted to increase by 0.25 units This significant level of the relationship is also supported by $t = 5.00$ and $p < 0.001$ values in Table 9. Risk Management and Internal Controls (RMIC): its coefficient is 0.35 it out that other variables kept constant Sustainable Financial Practices are expected to increase by 0.35 units for each one-unit increased in RMIC. The relationship is statistically significant: $t = 5.83$, $p<0.001$. Performance Measurement and Accountability The coefficient of Performance Measurement and Accountability is 0.30. It means that if all other variables are not changed, then a one-unit increase in this variable causes the Sustainable Financial Practices to increase by around 0.30 units 6.00 ($t = 6.00$, $p < 0.001$). These t-value of 6.00 and p-value of <0.001 indicate that this association is significant in statistical terms So, from the above data analysis, it can be concluded that Transparency and Disclosure; Risk Management & Internal Controls; Performance Measurement and Accountability all three dimensions of Corporate Governance have a positive correlation with Sustainable Financial Practices at 1%. The 95% confidence intervals: It provides the lower and upper bounds within which the true population parameters

are estimated to fall with 95% probability.

4. CONCLUSION

The research findings emphasise the importance of Corporate Governance to promote Sustainable Financial Practices. 4. Key Words: The key driver that surfaced was Transparency and Disclosure, pointing to the fact that institutions operating under higher transparency levels have better results in terms of financial sustainability. This implies that transparency in communication and reporting is something that stakeholders consider to be of value. Trust can thus lead to such confidence in the organization In the same vein, the study underlines how efficient Risk Management and Internal Controls can result in sustainable financial benefits. Organisations that have strict measures for risk management and internal controls in place can reduce risks and respond to demands in an appropriate manner, which increases the overall financial sustainability of these organisations. Moreover, the Performance Measurement and Accountability would also affect Sustainable Financial Practices sufficiently as well. This also resonates with how key it is to have established performance metrics and then actively track against those metrics, never letting anyone off the hook when it comes up short. These types of practices can lead to superior organizational performance, and also play a part in the long-term financial sustainability. Implications for Organizations that Financial Sustainability: Prioritizing greater transparency, effective risk management and internal control, and performance measurement & accountability will improve financial resilience of organizations while also creating lasting value for stakeholders. To conclude, this study emphasized the multi-facet concept of Corporate Governance and its relationship with Sustainable Financial Practices. By focusing on or understanding how these dimensions interrelate, organizations are able to strengthen their governance frameworks and increase the chances of sustainable financial results.

4.1. Research Recommendations

1. Explore Causal Relationships: Future research can use longitudinal or experimental designs to explore the causal relationships between Corporate Governance dimensions and Sustainable Financial Practices. The second advantage would be an opportunity to further explore the link between Corporate Governance changes and financial sustainability in a long-term perspective.
2. Cross-Cultural Studies: One of the other key topic Area for which studies can be conducted is cross cultural studies where we would like to study how Corporate Governance practices and their impact on Sustainable Financial Practices change as per region. That will better guide the development of more localized, effective governance frameworks across a wider variety of organizational contexts.
3. Stakeholder Perspectives: Understanding perceptions and expectations of different groups of stakeholders' such as investors, regulators, and employees about the contribution that Corporate Governance can make on fostering sustainable financial reputation This data analysis could also help in pinpointing important areas that need improvement regarding governance practices.

4.2. Future Studies

1. Impact of Emerging Trends: Drawing a comparative analysis to study the impact of emerging trends (e.g. digitalization) on Corporate Governance practices, and their relation with financial sustainability prospects.
2. Governance in Non-Profit Sector: An investigation into corporate governance practices of NGOs and its impact on financial sustainability and mission achievement.
3. Governance in SMEs: An Investigation of the Contemporary Challenges, Prospects and Influence on Financial Durability of Corporate Governance practices within Small-Medium Enterprises (SMEs).
4. Long-Term Financial Sustainability: Investigating the options concerning increasing our long-term financial sustainability through efficient Corporate Governance measures like risk assessment, innovation, and stakeholder interaction.
5. Comparative Studies: Comparative studies to study best practices in Corporate Governance across industries/regions leading to sustainable financial success.

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