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The Impact of Unfunded Scholarships on Financial Sustainability: A Case Study on a Non-profit Saudi University

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Introduction

The higher education system in the Kingdom of Saudi Arabia is witnessing rapid transformation aligning with the 2030 vision goals, which target improving education quality, enhancing educational institutions' efficiency, and increasing the private sector's contribution to national development. In light of this transformation, the private universities in the kingdom – non-profit universities in particular- are facing growing challenges in students' recruitment and enrollment and maintaining their financial sustainability in a highly competitive market with public universities providing free education for students in addition to the increase in the number of private universities in the country.

To face such challenges, many private universities have adopted a variety of scholarship programs and discounts in order to strengthen their competitive advantage and increase the number of admitted students while keeping the number of enrollments. Because of this, scholarships have become one of the main strategic tools used to attract talented and distinguished students and expand the number of beneficiaries of higher education.

Despite the benefits that scholarship programs accomplish from increasing the number of admitted students to enhancing the competitive advantage for higher education institutions, the expansion in providing unfunded scholarships might impose serious financial challenges on universities, especially when considering that such

universities depend primarily on tuition fees as their main source of revenue. This practice might lead to a decrease in the net revenue available to support the internal operations and developmental projects; it also increases the dependency on one source of income, which affects the long-term financial sustainability of the institution.

Recent literature indicates the importance of achieving balance between the strategies of recruiting new students and financial sustainability, where achieving growth in students' numbers is no longer enough if it is accompanied by a continuous increase in scholarship costs or dependency on internal and unfunded financial support. Numerous studies confirm the importance of diversifying revenue sources from endowments, investments, and revenue-generating academic programs as a means of supporting the higher education institution's financial sustainability.

With this in consideration, this study seeks to analyze the impact of unfunded scholarship programs on financial sustainability in a non-profit university in Saudi Arabia by examining the relationship between scholarship policies, the increase of admitted students, financial gains, and risks associated with the dependency on such scholarship programs as a primary recruitment tool. The study aims to provide a scientifically grounded perspective that assists decision makers in achieving a balance between institutional growth and financial sustainability.

Research Problem

Non-profit Universities in Saudi Arabia face rising challenges to achieve financial sustainability, considering the competitive environment in the higher education sector, where public universities provide fully funded higher education. This has shifted many non-profit universities to expand their scholarship and discount programs in order to increase the number of enrollments and keep existing enrollment numbers.

In the university under study, scholarships have become a major part of the student recruitment strategy. Most students receive a variety of scholarships, given that the university's main source of income is students' tuition, most of which actually fund the internal university operations and resources and are not funded by direct outside funding, which might impact the university's available net revenue that supports the operations and development of university projects.

Although scholarships play an important role in increasing the number of admitted students and establishing the university's competitive advantage, it also creates risks of financial instability and complicate the university's financial sustainability goals. Unfunded scholarships create risks of tuition fee dependencies, weak revenue diversification, and the need for new scholarships to maintain admission numbers.

The need for this study lies in understanding the impact of unfunded scholarships on the financial sustainability of non-profit universities and analyzing the financial, operational, and strategic risks that come with depending on this scholarship model for student recruitment and admission in the Saudi educational environment.

Study Significance

First: Academic Significance:

The importance of this study is based on the limited number of Arabic sources that addressed the relationship between scholarship programs and financial sustainability in non-profit universities, especially in Saudi Arabia. The study also contributes to enriching the literature related to higher education by linking scholarship management to the increase of student numbers, financial sustainability, and risk management.

The study also contributes to testing number of concepts related to financial sustainability in private and non-profit universities, foremost among them the resource dependency theory, which focuses on revenue diversification and reducing the reliance on one source of income to ensure the longevity of the organization's financial sustainability.

Second: Practical Significance:

1. Providing private and non-profit universities with the help to evaluate their scholarship program and its impact on the financial performance.
2. Supporting decision makers to develop sustainable and efficient scholarship policies and programs.
3. Providing practical indicators to measure the balance between student enrollment and financial sustainability.

4. Contributing to developing other financing models to substitute scholarships by establishing new partnerships and funding the university operations and student tuition from educational donors and endowments.
5. Providing recommendations that can be useful to Saudi private and non-profit universities that face similar challenges to the university under study.

Study Objectives

Main study Objective:

Studying the impact of unfunded scholarships on financial sustainability in a non-profit university in Saudi Arabia.

Other study Objectives:

6. Analyzing the current unfunded scholarships program in the university under study.
7. Studying the relationship between unfunded scholarships and the number of admitted students.
8. Analyzing the impact of unfunded scholarships on the university's income
9. Establishing the risks related to the use of unfunded scholarships.
10. Studying the impact of scholarships on revenue diversification and financial sustainability.
11. Providing recommendations that help non-profit universities balance student recruitment and financial sustainability.

Study Questions

Main Study Question:

What is the impact of unfunded scholarships on financial sustainability in a non-profit university in Saudi Arabia?

Sub-questions:

1. What is the current state of unfunded scholarships in the university under study?
2. What is the impact of unfunded scholarships on the number of admitted and enrolled students at the university?
3. What is the impact of unfunded scholarships on the university's financial revenue?
4. What are the risks related to the dependency on unfunded scholarships as the main tool for student recruitment?
5. What is the impact of unfunded scholarships on revenue diversification?
6. How can balance be achieved between the use of scholarships for students' recruitment and maintaining financial sustainability in the university?

Study Hypotheses

Main Hypothesis;

There is a statistical pattern of the impact of scholarship programs on financial sustainability in non-profit universities in Saudi Arabia.

Sub-hypotheses:

1. There is a positive statistical impact on the number of student enrollments because of scholarships.
2. There is a negative statistical impact of unfunded scholarships on the university's net revenue.
3. There is a positive statistical impact of scholarship funding diversification on financial sustainability.
4. There is a statistical relationship between the percentage of students receiving scholarships and the level of risk at the university.

Literature Review:

A variety of relevant studies have been reviewed in relation to the current study topic with the aim of examining the key findings of scientific literature regarding university scholarships, financial sustainability, and risk management in higher educational institutions to pinpoint the research gap the current study aims to address. To achieve this, the previous studies were classified into three main topics as follows:

1. Scholarship programs and student recruitment,
2. Financial sustainability in higher education institutions,
3. Institutional risks in higher education institutions.

First Topic: Studies related to scholarship programs and student recruitment

First study

Supplee (2014) has conducted a study “*Exploring the Relationship Between Admissions, Financial Aid, and the Financial Health of CCCU Institutions*” to study the relationship between admission practices, financial aid, and financial health for higher education institutions affiliated with the Council for Christian Colleges & Universities (CCCU) in the United States of America within the enrollment management concept

The study adopted the quantitative approach using multilevel statistical analysis relying on collective data from national databases in addition to a questionnaire that

targeted admission and registration officials in the institutions under study in order to measure the impact of a set of registration practices on the composite financial index.

The findings of the study showed that funded institutional financial aid from endowments and donations has had a statistically positive impact on the financial health of the institutions. On the other hand, unfunded scholarships did not achieve the same impact. The study also demonstrated that the increase in enrollment numbers on its own does not indicate improvement in the institutions' financial position; rather, it depends on the quality of admission and registration policies and financial aid donations.

The importance of this study in relation to the current study is highlighted in that it ensures that the way of funding the scholarship programs represents a more important factor than the size of the scholarships, which aligns with the current study that focuses on the unfunded scholarships and their impact on the institution's financial sustainability.

Second Study:

The study "*Tuition Discounting at Small, Private, Baccalaureate Institutions: Reaching a Point of No Return?*" (2019) examined the impact of tuition discounts on financial performance in small and private higher education institutions.

The study adopted a quantitative approach through statistically analyzing data from private higher education institutions in order to measure the relationship between tuition discount rates, number of students, and net revenue.

Results of the study showed that tuition discounts represent an effective tool to increase enrollment rates and improve the competitive advantage for higher education institutions. However, the continued increase in tuition discount rates leads gradually to a decrease in net revenue per student and limits the institution's ability to achieve long-term financial sustainability, especially in the absence of external funding sources for those discounts.

The study also indicated that one of the significantly important risks that higher education private institutions face, which depend mainly on tuition fees, is reaching a point where raising discount rates does not achieve a similar increase in revenue.

The current study draws upon these results in interpreting the potential risks of providing unfunded scholarships in private non-profit universities.

Third Study:

The study “*Determining a Relationship Between Tuition Discounting and Institutional Financial Performance*” (2015) aims to analyze the relationship between tuition discounts and financial performance for private higher education institutions. The study adopted a quantitative approach and used a group of financial indices to analyze the impact of tuition discounts on financial revenue and net financial performance for the institutions.

The results have shown that the continuous increase in unfunded tuition discounts has led to a decrease in net revenue for the institution. The results have also

indicated that tuition discounts should not be used merely as a marketing tool; rather, they should be evaluated on an ongoing basis, considering their financial impact while ensuring they are aligned with the institution's goals and its financing capacity. The study also recommended against relying on tuition discounts as a permanent solution to increase enrollment numbers; rather, it should be considered as part of a comprehensive institutional strategy that includes developing academic programs, revenue diversification, and enhancing market and recruitment strategies.

Analysis and comparison between the studies in the first topic:

Based on the previous studies, it is agreed that scholarship programs and educational discounts are considered important tools used for student recruitment and enhancing the competitive advantage of the private higher education institutions. However, they differed in the angle from which this relationship is approached.

Supplee (2014) focused on the relationship between financial aid and the financial health of the institution within the registration department framework, ensuring that the source of financing the scholarship plays the decisive factor in achieving financial sustainability. On the other hand, the two studies on Tuition Discounting (2015) (2019) focused on determining the impact of tuition discounts on the financial performance and net revenue; they both indicated that while tuition discounts achieve a positive impact on student recruitment in the short term, overusing the tuition discounts leads to a regression in the financial return and increased financial risks.

Despite the importance of these studies, they were all conducted in private educational institutions outside Saudi Arabia. They focused mainly on the financial impact of tuition discounts without delving into their impact on the overall risks of the institution or the specific nature of the non-profit universities, which rely heavily on tuition fees and offer unfunded scholarships, an aspect the current study seeks to address.

Second Topic: Studies Related to Financial Sustainability in Higher Education Institutions

Fourth Study:

Jaafar and others (2021) conducted a study titled “*Does Revenue Diversification Strategy Affect the Financial Sustainability of Malaysian Public Universities?*” which aims to study the impact of revenue diversification strategy in achieving financial sustainability for public universities in Malaysia amid the decline in government support and the increased financial pressure on higher education institutions. The study relied on the resource dependency theory, which assumes that the institution’s dependency on one source of income increases its risk exposure while resource diversification contributes to enhancing the institution’s financial stability.

The study adopted the quantitative approach using panel data for 20 public universities in Malaysia between the period of 2006 and 2015. Researchers have used regression models and panel data analysis to measure the impact of revenue

diversification on financial performance indicators. Among the most prominent are Return on Assets (ROA) and Net Profit Margin.

The results of the study showed a statistically positive relationship between revenue diversification and achieving financial sustainability. The study also demonstrated that universities that depend on more than one source of income are less exposed to financial instability and more capable of continuing to provide educational services. The study recommended the necessity to develop alternative revenue sources, e.g., endowments, investments, partnerships with both private and public sectors, and research and consulting activities to limit the need to depend on tuition fees and government financing.

The significance of this study to the current study comes in that it ensures that financial sustainability is not achieved solely by increasing the student number, but also through revenue diversification. This aligns with the hypothesis of the current study, which implies that relying on unfunded scholarships in an environment heavily dependent on tuition fees might increase the level of institutional risks.

Fifth Study:

Kuzmina (2021) has conducted a study “*Financial Sustainability of Higher Education Institutions*” targeting the identification of the influencing factors in financial

sustainability for higher education institutions and analyzing the practices that help universities keep their financial capacity amid economic and competitive changes.

The study adopted descriptive and analytical methods by reviewing and analyzing the literature and studies related to financial sustainability in higher education institutions with a focus on the models used to measure sustainability and influencing factors.

The results have shown that financial sustainability depends on the institution's ability to achieve a balance between revenue and expenses, resource diversification, and not relying on one source of income. The study demonstrated that tuition fees represent a significant source of income for private universities. However, over-relying on tuition fees increases the institutions' risk exposure, especially considering declining student numbers or a rise in competition. The study ensured the importance of university endowments, investments, institutional partnerships, and income-generating activities as key tools for enhancing financial sustainability.

The current study draws upon these results in explaining the importance of diversifying the funding sources in non-profit universities and assessing the impact of continuing to fund scholarships from operational revenue on achieving long-term financial sustainability.

Sixth Study:

Al Kharusi, Murthy (2017) conducted a study “*Financial Sustainability of Private Higher Education Institutions*” aimed to evaluate financial sustainability for private higher education institutions in Oman and measure their ability to face future financial challenges.

The study adopted quantitative methods and used financial ratio analysis and Monte Carlo simulation to analyze the expected financial scenarios for two private universities and measure the level of risk associated with their financial performance.

The results show that high dependency on tuition fees makes private universities more susceptible to financial fluctuations. The study also shows that the decrease in student numbers or the increase in tuition discounts might lead to a notable regression in financial stability. The study ensured that resource diversification, enhancing cost management, and increasing investments and endowments are important factors to enhance financial sustainability for higher education institutions.

The importance of this study to the current study lies in the fact that it addressed an educational environment relatively similar to that of the Gulf region. The study also emphasized that relying on tuition fees as the key income source increases the universities’ sensitivity to financial risks, which aligns with the reality of non-profit universities in Saudi Arabia.

Analysis and comparison between the studies in the second topic:

The previous studies have all agreed that financial sustainability is one of the significantly important challenges that higher education institutions face, and achieving financial sustainability depends mainly on the institution's ability to diversify its income sources and not depend on one source of income.

Jaafar and others (2021) focused on the impact of revenue diversification from an economical perspective using actual financial data. The data showed that there exists a relationship between revenue diversification and financial sustainability. Kuzmina (2021) addressed financial sustainability from a more comprehensive perspective showing the institutional factors needed to achieve it such as endowment, partnerships, investments, and financial resources management. As for Kharusi and Murthy (2017) study, the researchers focused on measuring financial sustainability using financial ratio analysis and simulations. The study showed how heavy reliance on tuition fees can increase universities' exposure to financial risks in the event of changes in enrollment numbers or funding policies.

Despite the differences in education environments and methods used, the three studies have agreed that diversifying funding sources is the most influential factor in achieving financial sustainability, and the excessive reliance on tuition fees places universities in a vulnerable financial situation when facing economic or competitive changes.

However, the studies did not directly address the impact of unfunded scholarships as one of the contributing factors that might impact financial sustainability. The studies

did not link scholarship policies and institutional risks in non-profit universities, which is what the current study aims to address through a case study of a non-profit university in Saudi Arabia.

Third Topic: Studies Related to the Institutional Risks in Higher Education Institutions

Seventh Study:

“Risk Assessment in Higher Education Institutions” (2014) study has developed a practical framework for identifying and assessing risks for higher education institutions. This framework aims to address the growing challenges that universities face due to economic, legislative, and competitive changes.

The study adopted descriptive and analytical methods by reviewing literature related to institutional risk management and analyzing the implemented practices in several higher education institutions to build a model that helps universities identify and prioritize risks and assess their likelihood and impact on achieving institutional goals.

The results of the study have shown that universities face a broad and diverse range of risks that are not limited to financial risks, but the risks also include strategic, operational, academic, compliance, and reputational risks. The study also indicated that the absence of systematic risk management techniques leads to limitations in the

institution's ability to make strategic decisions and increases the likelihood of incurring financial and operational losses that might impact its long-term sustainability.

The study explained that successful institutional risk management depends on integrating it into strategic planning and decision-making operations and not treating it as a separate activity. The study also recommended establishing risk registers, monitoring them regularly, and linking them to the institutional KPIs to ensure their effectiveness.

This study holds particular importance to the current study, as it provides a methodological framework that can be utilized to identify and analyze the risks associated with unfunded scholarships, whether it is financial, strategic, or operational. This framework is what the current study will adopt when building its own risk register for the university under study and analyzing the impact of these risks on financial sustainability.

Analysis of the study in the third topic:

The previous study indicates that institutional risk management has become one of the main components for financial sustainability for higher education institutions. The study has also indicated that the risks facing universities are not limited to financial risks. Rather, they extend to include strategic, operational, academic, and legislative risks. The study also confirms that institutions that adopt a clear

methodology to identify and analyze risks and implement a risk management strategy are more capable of achieving their goals and maintaining their sustainability.

Despite the importance of the previous study, it only focused on the general framework for institutional risk management and did not address specific types of risks associated with financial policies or scholarship policies. The study did not examine the relationship between unfunded scholarships and institutional risks and did not apply a risk assessment framework to a non-profit university operating in a competitive environment such as Saudi Arabia.

The current study seeks to bridge this gap by implementing a risk assessment framework on a real-life case study and analyzing the impact of unfunded scholarships across various types of institutional risks, with a focus on financial, strategic, and operational risks, and showing their impact on the institutional sustainability in the university under study.

The General Analysis of Previous Study:

A review of previous studies reveals that they addressed the current study's subject from various angles. Some of the studies focused on the role of scholarships and tuition discounts in student recruitment and in enhancing higher education institutions' competitiveness. While other studies focused on financial sustainability and the importance of revenue diversification, a third group addressed institutional risk management and its impact on higher education institutions' sustainability.

Despite the importance of these studies and the results they presented, they addressed these topics separately and did not provide a comprehensive framework that links unfunded scholarships, institutional sustainability, and institutional risks simultaneously. Moreover, most studies have been conducted in universities in the United States, Europe, and Asia, while they did not directly address the reality of non-profit universities in Saudi Arabia, which is characterized by the unique nature of their operating environment and their reliance on tuition fees, in addition to the competition with the free public education.

The current study differs from the previous studies in that it is not limited to measuring the financial impact of scholarships. However, it addresses scholarships' impact on the institution's sustainability from a comprehensive perspective through analyzing the consequences on financial, strategic, and operational risks, with the study applied to a non-profit university in Saudi Arabia and establishing a risk register for institutional risks as a primary tool for assessing these risks. This is what brings to this current study an applied methodology that supports decision makers in higher education institutions.

Research gap

Despite the many studies that addressed scholarships, financial sustainability, and risk management in higher education institutions, the literature review showed that there are research gaps that were not addressed sufficiently, which is what this current study is trying to address, and is explained as follows:

1. Theoretical Gap

The previous studies focused on various topics, including: 1. the impact of scholarships and tuition discounts in student recruitment and enhancing the higher education institutions' competitive advantage, 2. financial sustainability and the importance of revenue diversification, 3. Institutional risk management. However, the literature review did not show a study that addressed the relationship between unfunded scholarship and its impact on financial sustainability in a comprehensive manner by analyzing the impact on financial, strategic, and operational risks, which is what this study is trying to address by building a framework that links these variables.

2. Practical Gap

Most of the previous studies have been conducted in universities in the United States, Europe, and Asia, and in regulatory and financial environments that differ from the higher education environment in Saudi Arabia. Some studies focused on public universities while others focused on private higher education institutions. The studies did not address directly a non-profit university in the Saudi Arabian higher education environment, which depends mainly on tuition fees and uses scholarships as a key recruitment tool. This creates the need for an applied study that reflects the specific nature of this type of institution.

3. Contextual Gap

The Saudi education environment is characterized by several characteristics that make the results of the previous studies not directly generalized. Among the most prominent of them is free public education, the rising level of competition between private universities to recruit students, and the significant reliance on scholarships and tuition discounts as a means to increase the institutions' competitive advantage. Furthermore, a significant proportion of scholarships provided in some private universities are unfunded; rather, the university funds the scholarships from its own resources. This aspect has not been covered sufficiently in previous studies despite the potential consequences on the financial sustainability of the institution.

4. Methodological Gap

Most of the previous studies relied on analyzing the financial indicators or studying the relationship between tuition discounts and financial performance or enrolment rates, while they did not use enterprise risk assessment methods to analyze the implications on scholarship policies. These studies did not utilize risk assessment tools such as the risk register to identify risks and register their likelihood and impact, and propose appropriate risk responses, which is what this current study will adopt by applying risk assessment methodology on the university under study.

5. Conceptual Gap

In addition to the previous gaps, it is noted that the literature focused mainly on measuring the impact of scholarships in increasing the enrollment rates or enhancing the financial performance of the institutions. While the studies did not sufficiently address the indirect impact of unfunded scholarships on the strategic decisions in the higher education institutions, it is likely that the continuous reliance on unfunded scholarships will lead to short-term gains such as an increase in student numbers and operational revenue. However, this might reduce the institutions' strategic direction towards developing diverse and more sustainable revenue sources, e.g., endowments, investments, partnerships, and revenue-generating programs, which increase their reliance on tuition fees, a key revenue source.

The previous studies did not clearly address the way the unfunded scholarships financing method can have an impact on the financial cycle in non-profit universities, where revenue generated from tuition fees may be redirected towards funding new

scholarships in addition to covering operational expenses. This might increase the university's sensitivity to risks in the case of any decline in enrollment rates or revenues. It may also impact its ability to achieve long-term financial sustainability. Therefore, the current study seeks to explore and analyze this relationship using the enterprise risk management principles.

6. The Study's Contribution to Bridging the Research Gap

Based on the aforementioned gaps, this current study seeks to provide an analytical framework to link unfunded scholarships with financial sustainability in a non-profit university in Saudi Arabia through evaluating the impact of these scholarships on financial, strategic, and operational risks and assessing them by using enterprise risk management methodology and a risk register. Thereby contributing to providing practical results and recommendations that enable decision makers to develop scholarship policies to achieve a balance between student recruitment goals and long-term financial sustainability.

Theoretical framework

This study is based on the Resource Dependency Theory, which implies that the organization's financial sustainability relies on its ability to acquire the necessary financial and human resources for business continuity and in order to achieve its goals. Resource Dependency Theory also implies that over-dependency on one source of revenue might increase the financial, operational, and strategic risks and limit the institution's ability to adapt to environmental and economic changes.

In the higher education system, many private and non-profit universities depend mainly on students' tuition fees as their source of revenue, which renders them more sensitive to changes in the number of student enrollments or scholarship programs. From this point, universities seek to achieve a balance between the number of admitted students and maintaining long-term financial sustainability.

The study also draws upon the literature on financial sustainability in higher education institutions, which also touches on the significance of revenue diversification through endowments, investments, partnerships, sponsors, and revenue-generating academic programs, with the aim of reducing reliance on tuition fees as a primary source of revenue.

The study proceeds from the assumption that scholarships present a strategic tool to recruit students and enhance the competitiveness of private and non-profit universities. However, the expansion of unfunded scholarship programs might lead to a decrease in net revenue and increase the level of risks if it is not accompanied by growth

in alternative funding sources or a sufficient increase in student numbers and the revenue generated from them.

Based on the above-mentioned points, the study aims to analyze the relationship between unfunded scholarships and financial sustainability in a non-profit university in Saudi Arabia in light of the resource dependency theory and the concepts of financial sustainability in higher education institutions.

Methodology and Research Methods

Study Methodology

The current study adopted the descriptive and analytic method as it fits the nature and goals of the study. The method used allows for describing and analyzing the impact of unfunded scholarships on financial sustainability and examining the risks associated with them in the university under study.

The study also adopted the case study method by applying the study on a non-profit university in Saudi Arabia with the aim of studying the causes and consequences in their real environment and deeply analyzing them.

Study Population

The study population is represented by the official documents and data related to the scholarship program and financial sustainability in the university under study, and they include: scholarship policies and criteria, financial reports and statements, annual reports, admission and registration statistics, and any related documents.

Study Sample

The study sample is represented by a group of official documents that will be selected intentionally due to their direct relevance to the study topic, and it includes:

- Scholarship criteria from 2020 to 2025

- Financial Statements From 2023 to 2024
- Available financial reports
- Admission and registration statistics
- Scholarship policies and procedures
- Other related documents to the scholarship programs

Data Sources

The study relied on secondary data, which will be obtained from:

- Studies and research relevant to the study topic
- Scientific books and references
- Higher education bylaws and rules
- Official documents obtained from the university under study, including scholarship criteria, financial reports and statements, annual reports, admission and registration statistics, policies and procedures related to scholarships.

Research Tools

The current study used a group of research tools appropriate to the nature of the study and its goals for the purpose of collecting the necessary data and analyzing them to reach results that achieve the study's objectives as follows:

1. Document Analysis

The study used document analysis as a key source for data by reviewing and analyzing the documents related to the study topic, for example, scholarship eligibility criteria, available financial reports and statements, admission and registration numbers, and any available and relevant reports and documents. The analysis of these documents aims to identify the scholarship policies, their funding mechanism, and the extent of their impact on the sustainability of the university under study.

2. Risk Register

Based on the extracted data from analyzing the documents and institutional data, a risk register will be established to include the risks associated with unfunded scholarships and rank them according to their category (financial, strategic, operational). The study will analyze the likelihood and impact, assess the risk level for each risk, and suggest appropriate risk responses to contribute to enhancing the financial sustainability of the university under study.

Scope of the Study

1. Subject Scope

The subject scope is limited to analyzing the impact of unfunded scholarships on financial sustainability in a non-profit university in Saudi Arabia by studying their reflection on financial, strategic, and operational risks using a methodology of document analysis and establishing a risk register.

2. Geographical Scope

The study's geographical scope is limited to a non-profit university in Saudi Arabia without mentioning the university name, considering it is a case study

3. Time Scope

The time scope of the study is limited to document analysis and available institutional data in the period from 2020 to 2025, using financial reports and statements and related documents in the specified period, subject to data availability.

4. Population Scope

The population scope of the study is limited to documents and official data from the university under study and the relevant departments to the scholarship programs and financial sustainability, without delving into a study of other universities.

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