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A non-profit accountability framework

Abstract: A non-profit accountability framework is developed from the broader academic literature, both within non-profit studies and beyond. The framework includes a comprehensive set of stakeholders that non-profits need to be accountable to, as well as resources to be accountable for. These stakeholders and resources are then contrasted on a matrix.

As recently as 1993, Duncan Campbell noted that “third sector studies are largely the product of the past quarter century . . . . It is safe to observe that numbers of words published on the subject have been expanding exponentially and show no sign of slackening” (1993: 1). Yet, while non-profit studies were growing apace in the early 1990s, during the same period Kevin Kearns asserted that the more specific “literature on accountability in the non-profit sector is well behind the curve” (1994: 186). This is disconcerting because the importance of non-profit accountability is inherent in the nature of these organizations. Non-profits “are granted the right to solicit tax-deductible contributions . . . on the assumption that they are serving the public good [and will] work as directly and as efficiently as possible on behalf of the causes or people they claim to serve” (Herman 1994: 197). Yet accountability to these “causes or people” is often a problematic concept among many non-profit organizations. The “Broadbent Report,” Building on Strength, put the issue of non-profit accountability firmly on the policy agenda: “Canadians . . . are looking more closely at how the voluntary sector works and how it spends its donated money” (Broadbent 1999: 6).

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As interest in non-profit accountability has grown, a number of conceptual frameworks have been developed to explain the concept. Kearns’ first attempt at a non-profit accountability framework used a four-cell matrix, with reactive and proactive internal response systems on one axis and implicit and explicit mandates for external control on the other, to identify the four dimensions of accountability – negotiated, professional/discretionary, compliance and anticipatory/positioning (1994: 188). Adil Najam sought to broaden understanding of accountability beyond “accountability to NGO donors and on mechanistic project evaluations” (1996: 340). He suggests a “simple framework,” with elements that “broadly defined . . . virtually cover the full universe of possibilities as far as NGO accountability is concerned” (341): NGO accountability to patrons, clients and to themselves. Arthur Schafer sought to draw important distinctions between accountability and responsibility (1999). Alnoor Ebrahim similarly developed a three-sided accountability environment for NGOs to include sector regulators, funders, and clients and communities (2003: 190–93). Chao Guo and Juliet Musso, on the other hand, emphasize five dimensions: substantive, symbolic, formal, descriptive and participatory.

In this article, we develop a non-profit accountability framework that builds especially on three previous conceptual frameworks for non-profit accountability – James Cutt (1982), David Brown and Mark Moore (2001), and Kevin Kearns (1996). Our framework is developed and presented in the next section. The following two sections justify the components of the framework, drawing on the literature to identify first the “to whom” stakeholders and then the “for what” resources. Our focus here is on the accountability of the leadership team – executive directors and boards – and their obligation and accountability to stakeholders.

By way of definition for “accountability,” Schafer has argued that “responsibility is a slippery and ambiguous concept, and accountability is scarcely less so” (1999: 5), but he does offer a useful, broad definition of accountability for this article: “the duty to give an account” (9). This duty of the non-profit manager has always been important in theory (if not always in practice), at least within organizations and to their donors. However, the importance of accountability has increased as non-profit organizations have gone beyond being private providers of public goods to become the provider of publicly funded public goods. Whether through the contracted relationships of the so-called “new public management” (Canada, Federal Deputy Ministers’ Task Force on Horizontal Issues 1996; Savoie 1995), the formal partnership reflected in the Voluntary Sector Initiative (2009), or the more diverse inter-relations of the social economy (Quarter 1992), the socio-communautaire (Groulx 2000), governance, horizontal management or networks (Chevallier 2003), government has increasingly become a prominent external stakeholder of non-profit organizations.
Development of the framework

The starting point for this framework is R.L. Gagne’s approach to accountability: “who is accountable to whom, for what and under what circumstances” (1996: 213; see also Brody 2002: 473). This broadens considerably the narrow focus of accountability of non-profit managers to the organization’s board, the members of which, as Judith Miller’s study of non-profit boards found, often see themselves as accountable only to themselves (2002). Accountability “for what” is indicated in the vertical columns of the framework; accountability “to whom” in the horizontal rows. Cutt’s distinction between consequential and procedural accountability, and his distinction between inputs and outputs within consequential accountability, provide the structure for the “for what” axis.

The most intuitive stakeholders of an organization are those directly involved in or affected by the organization.

The second existing framework that structures the accountability framework offered in this article is Brown and Moore’s identification of key stakeholders in the strategic management of non-profit accountability. These include clients, donors and other resource providers, experts/regulators, staff, partners/allies, constituents, policy influence targets, members, the general public and the media.

The final model that helps structure the framework we propose is Kearns’ discussion of accountability auditing. In addition to identifying the importance of auditing accountability beyond “traditional approaches that focus primarily on documenting accountability policies and procedures such as ethics policies, conflict of interest policies, checks and balances, and so on” (1994: 101), Kearns’ focus is on identifying “strengths and weaknesses with respect to the events and trends in the accountability environment” (106). Kearns further identifies a number of resources (1994: 103–4), analogous to Cutt’s “for what” – financial resources, human resources, information resources, legal mandate, networks, public image and credibility, and management controls and governance procedures – for which the non-profit organization should be prepared to account. When the components of these models are integrated, the result is a framework such as the one shown in Figure 1.

We consolidate the frameworks of Cutt, Kearns, and Brown and Moore by:

- drawing on broader literature to rationalize Brown and Moore’s stakeholders; especially adding government, and organizational staff;
- drawing on broader literature to rationalize Kearns’ resources accountability, especially adding the resources of policy impact, mission, ethics, legitimacy and contributions to social capital;
- contrasting these two dimensions on a matrix, allowing consideration of accountability for specific resources to specific stakeholders; and
- reporting on an exploratory application of the model.

This results in a non-profit accountability framework such as the one presented in Figure 2.

**Accountability to whom**

As suggested by the Broadbent Report, *Building on Strength*, non-profits face a wide array of stakeholders to whom they need to consider their account-
ability obligations: “Voluntary organizations have accountabilities down-
ward, outward and upward. They are accountable to their beneficiaries or
clients, members, volunteers, staff, partners and affiliates, donors and fun-
ders, and governments, as well as to the general public” (1999: 191).

The most intuitive stakeholders of an organization are those directly in-
volved in or affected by the organization. Fundamental distinctions exist,
though, between staff, members, clients and constituents. Beyond both paid
professional and volunteer staff of an organization, constituents are those
stakeholders on whose behalf the non-profit works indirectly – for example,
women as constituents for a national women’s rights organization. Clients
are those stakeholders who directly receive services – women who use a re-
productive health clinic. Members are “card-carrying” members of the
organization, while staff are paid employees. This section of the article will
describe each of these stakeholders in turn.

Members
Members are well-acknowledged non-profit stakeholders. For Najam, mem-
bers are a subject of internal accountability, and members also compose a
component of Brown and Moore’s support and authorization stakeholders.
Accountability is often an area in which the members have the upper hand if
members provide the resources (whether through funds that provide oper-
ational resources or through the numbers that confer legitimacy) critical to
the non-profit’s existence (Najam 1996: 345). Indeed, for Jack Quarter, “dem-
ocratic control by members is a fundamental characteristic” (1992: 9) of
organizations in his “social economy”; David Horton Smith notes that small
member-based organizations make up the largest, yet least-studied compo-
nent of the non-profit sector (1997); and Laura Chisholm notes that boards
often have a legal requirement of accountability to members (1995: 145–46).

Membership is also critical in conferring legitimacy. Fears of “oli-
garchization” notwithstanding (Morera 1990; Truman 1971: 129–39), “repre-
sentativeness” – the degree to which the formal membership of an advocacy
organization represents the constituents on whose behalf the organization
claims to work – remains a key criterion of non-profit legitimacy (Atack 1999:
858–59).

Clients
As indicated, clients are those non-members of the organization who directly
receive the non-profit’s services. Richard Mulgan (2000) and Patricia Hughes
(2006) note the importance of responsiveness to clients; Catherine McDonald
identifies “individual consumers” (1999) and Thomas Holland identifies
“recipients” as non-profit stakeholders (2002). It is also worth noting that
client accountability lies behind moves to shift the financing of human ser-
ices from grants to non-profit human service providers, to vouchers and to
individual human service clients (Savoie 1995; Steuerle and Twombly 2002) – hence Kearns’ emphasis on accountability of non-profits to their clients, similar to that of for-profit organizations to their clients (1994: 23–26).

**Constituents**

The importance of constituents as stakeholders has been recognized by a wide range of non-profit accountability scholars, including Iain Atack (1999), Ruth McCambridge (2004), Judith Miller (2002), and Adil Najam (1996). Brown and Moore distinguish between clients and constituents (2001: 580–84), a distinction especially noted by Sonia Ospina and her colleagues in their discussion of identity-based advocacy groups (Ospina, Diaz, and O’Sullivan 2002: 14–20). Accountability to constituents is critical for those groups that base their work on representing people external to the organization – hence Sergio Costa’s distinction between interest-group associations and public-spirited groups (1994: 44–45; Candler 1999). The fundamental challenge of (and distinction in) accountability to constituents, rather than clients or members, is that constituents are often external to the organization and as a result hard to interact with. Indeed, William Bogart notes “free-riding” as a fundamental organizational problem facing “interest groups” – such as in the case of “a person who wants to outlaw commercial whaling reaps a benefit from Greenpeace’s activities even if they do not join Greenpeace as a dues-paying member” (1995: 159). Rubem Cesar Fernandes (1994: 66–67) and Joseph Helfgot (1974: 488–90), on the other hand, raise the issue of the potential for disjuncture between professionalized advocacy groups and the grassroots these claim to represent.

It is also important to note that while many identity-based advocacy organizations face accountability challenges, accountability to the constituents of these groups is at least possible. This is not the case for advocacy groups working on behalf of constituents incapable of indicating their preferences – whether these are political prisoners, “unborn children,” or sufferers of advanced dementia – and so the unique challenges faced by these groups need to be addressed separately. Similarly, the interests of future generations may well be “an obligation on the part of public officials” (Frederickson 1994: 83):
but accounting to this constituency presents at least temporal challenges.

A similar group of constituents to whom “accounting” becomes conceptually challenging are values, animals, or the environment more broadly. For instance, the early Earth First! identified the earth itself as its primary constituent, while Amnesty International has long sought to work on behalf of values of human freedom (Benenson 1961; Predelli 1995: 123–29). Questions of whether “trees have standing” (Stone 1974) are not the issue here. Rather, for those groups that claim to represent environmental entities independent of their human uses and for those groups claiming to represent non-cognitive humans independent of their individual legal guardians, accounting to these non-cognitive constituents presents special challenges. The issue especially becomes salient when a group builds reputational capital working on behalf of a non-cognitive constituent, then invests that capital working on behalf of another stakeholder (Candler 2001: 366; The Economist 2007).

Donors
In accountability terms, donors represent the opposite of non-cognitive stakeholders. While seals, for instance, can neither be communicated with nor hold an environmental advocacy group accountable, donors are a relatively unproblematic, well-discussed non-profit stakeholder. Similar to what Brown and Moore (2001: 575–76; Martinez 2003: 155) describe as “support and authorization” stakeholders, non-profits regularly initiate communication with donors, while donors wield a hefty accountability cudgel by withholding resources. Indeed, Geoffrey Peters argues that “the ultimate control over non-profits rests with donors. They can, by giving or withholding money or other resources, exercise the blunt instrument of financial control” (2001: 23). As a result, donors are routinely identified as important stakeholders in the existing non-profit accountability literature (Broadbent 1999: 11; Chisholm 1995: 146–52; Hashemi 1996: 128–30).

Government
Government is a key, omnibus non-profit stakeholder for a number of the “for what” dimensions of accountability discussed below (Van Til 1994: 52–55). Accountability to government is made especially complex by the myriad governments to whom non-profits need account, both within countries (Irvin 2005: 161–78) and across borders (Atack 1999; Therien 1991). With devolution, government agencies are increasingly becoming a key non-profit financial stakeholder, both as contracting authority (Howlett 2000; Kearns 1994; Phillips and Levasseur 2004) and through the effect of tax policies on donations (Brooks 2000; Day and Devlin 1996). The judicial branch of government is also the key stakeholder in terms of the legal accountability discussed below (see also Kearns 1994: 68–74; Romzek and Dubnick 1987;
228–29). Even in the absence of contractual relationships, government is a non-profit stakeholder as regulator (Boase 1982; Kearns 1994: 68–74), while Holland notes that for the policy advocacy non-profit, legislatures are often a key stakeholder as the target of much advocacy work (2002: 417). The Voluntary Sector Initiative reflects another important dimension of the relationship between government and non-profit organizations, because the VSI “was a unique undertaking between the government of Canada and the voluntary sector to enhance their relationship and strengthen the sector’s capacity” (Canada, Department of Human Resources and Social Development, Community Development and Partnership Directorate, Voluntary Sector Initiative 2009).

General public

Beyond accountability to the general public through its elected government, non-profits often owe obligations of accountability directly to the public or to what Evelyn Brody terms the “public trust” (2002). Thomas Jeavons notes that the tax-exempt status enjoyed by non-profits is based on an assumption that “they are serving the public good” (1994: 197), while Kearns emphasizes the importance of public trust and of public scrutiny (1994). This is echoed by Robert Lawry (1995), for whom public scrutiny is the key to accountability. From a legal perspective, Chisholm notes efforts to expand “standing” to give the public access to legal accountability tools against non-profits (1995: 151–2), while Miller emphasizes the importance of accountability to “the community” (2002: 439–40).

Reputational capital here is defined as the potential of using one’s “brand name” or “logo” to acquire resources and/or political influence

Media

The media can usefully be distinguished from the public to which it communicates. Kearns, for instance, draws this distinction with reference to “subjective standards of appropriate behavior applied by the general public and the news media to executives and board members” (1994: 115); Brown and Moore note that the acquisition of legitimacy for value-based advocacy groups “puts a premium on access to the media and to wider publics whose views can validate and support pressure on key actors” (2001: 583). Margaret Gibelman and Sheldon Gelman especially note the role of the media as watchdogs of non-profit impropriety (2001).
Staff
It is well appreciated, in management across all sectors, that an organization needs to be cognizant of staff morale. For non-profits, accountability to staff becomes more important because of the implicit donation reflected in the lower wages NGO staff are often willing to accept (Brown and Moore 2001: 506–507).

Staff in non-government organizations, therefore, are a focus of both Najam’s internal (1996: 348) and Kearns’ negotiated accountability (1994: 75) and are addressed through Brown and Moore’s operational capacity stakeholders (2001: 578–88). The literature has also long pointed to an inherent conservatism among NGO staff, both in terms of their desires to protect their jobs and in terms of their commitment to the organization’s mission – hence their reluctance to consider change (Candler 2001: 357; Michels 1958; Truman 1971: 129–55).

Partners/allies
Partners and allies have become more important to non-profits as a result of networked, governance approaches to social organization (Chevallier 2003). Brown and Moore identify as key stakeholders partners and allies with whom non-profits work, to the extent that “the capacity needed to deliver results lies outside their organizational boundaries” (2001: 577). Ospina and her colleagues refer to these as “sideways pulls” (2002: 26). Holland’s “related organizations” (2002: 417), Atack’s (1999: 860) and Therien’s (1991: 42–43) partners, and Kearns’ networks represent other acknowledgements of the importance of these stakeholders (1994: 103).

Accountability “for what”
As indicated, Cutt’s distinction between procedural and consequential accountability provides the structure for the “for what” axis of this framework. Cutt further distinguishes, within the consequential accountability that was the focus of his article, between inputs and outputs.

Consequential inputs
Financial resources
A first major input is finances. Though Brody notes that “financial fraud and abuse are the easiest types of accountability problems for the law and practitioners to address” (2002: 475), the importance of accountability for financial resources cannot be overstated (Broadbent 1999: 66–72; Keating and Frumkin 2002). Indeed, Brody goes on to note that despite the “ease” of financial accountability, “even here controversies exist” (2002: 475). David Billis (1991: 64) and Chisholm (1995: 146–47) identify finances as one of the fundamental components of the “roots” of non-profits, and of course non-
profits have a legal requirement of financial accountability. Indeed, the centrality of finances to accountability is especially evident in work on accountability that seeks to expand understanding of the concept beyond finances. Finally, the importance of financial accountability has especially increased for those non-profits entering into contracting relationships with government (Gates and Hill 1995; Lordan 2002).

Volunteer resources
Voluntary labour represents one of the key resources for non-profit organizations. Over thirty per cent of Canadians volunteer, and “over 40 percent of voluntary organizations have no paid staff at all and rely exclusively on the contributions of volunteers” (Broadbent 1994: 27). Contributions of this resource input are rarely accounted for with the same rigour applied to contributions of financial resources – hence efforts to improve the management of volunteers (Broadbent 1999: 5; McCurley 1994; Naismith and Reitsema-Street 2000). Accountability for the management of volunteer resources goes beyond these issues, though, including for instance liability concerns involving government through legal oversight and the importance of creating satisfactory experiences in volunteer retention (Hwang, Anderson, and Grabb 2007; Martinez 2003; Wilson and Musick 1999).

Reputational capital
The third broad type of consequential input incorporated into this framework is reputational capital. Reputational capital here is defined as the potential of using one’s “brand name” or “logo” to acquire resources and/or political influence. Reputational capital is implied in Kearns’ identification of “public image and credibility” as a key accountability resource (1994: 103–104; Laidler-Kylander, Quelch, and Simonin 2007). The concept has been more directly applied in business administration (Petrick et al. 1999; The Economist 2008), but with regards to the non-profit sector, one study valued the Greenpeace brand name at $410 million and noted the organization’s efforts to apply that reputational capital to yielding streams of income (The Economist 1998). Gibelman and Gelman note, too, the impact of scandal on reducing contributions to non-profits (2001). As Independent Sector, a US-based non-profit umbrella group puts it, “Public trust is the single most important asset of the non-profit and philanthropic community. Without it, donors will not give and volunteers will not get involved” (see http://www.independentsector.org/issues/accountability.html).

Consequential outputs
Goods and services
Just as finances are the key resource input for many non-profit organizations, the goods and/or services produced are often the key output. Yet while fi-
Financial inputs are relatively easy to account for, performance is less so. According to Paul Light, “[A] nearly unanimous consensus has emerged that non-profit organizations have to improve their performance” (2000: 13; see also Broadbent 1999: 36–41; Kaplan 2001; Morrison and Salipante 2007: 199–200). Cutt argues that “efficiency in the absolute sense is the only complete measure of consequential accountability – for performance in the use of scarce resources – since it addresses whether or not the program in question is worth undertaking” (Cutt 1982: 314; see also Forbes 1998). Susan Houchin and Heather Nicholson conclude that organizations should adopt a culture of performance-based analysis, “look closely at the evidence and use their findings as a source of energy for mission-driven change” (2002: 277).

Social capital
Social capital – the impact an organization has on the community in which it operates – is the second key output included in this framework. L.S. Tossutti, for instance, analysed the link between volunteering and political engagement (2007). While Herrington Bryce treats non-profits as social capital assets (2006), for Katherine Gallagher and Charles Weinberg, the bottom line of non-profits is often “social profit,” and the benefits of non-profit activity “go beyond the individual being served and extend to a broader community. The importance of these goals is undeniable, but so is the fact that progress toward them cannot always be measured by dollars and cents” (1991: 29–30; though see also Franke 2005).

The laggard record of non-profits in “social accounting” is especially ironic given progress made on this front by the business community, as a result of non-profit calls for “non-financial” accounting by for-profits (The Economist 2004). A solution to this gap between the important role of non-profits in contributing to social capital, and the inattention in accounting for it, lies in social accounting. For Betty Richmond and her colleagues, “social accounting is based on a critique of the limitations of financial accounting, particularly the limited range of items that it considers, its exclusion of items that do not have an established dollar value (non-monetized), and its focus on shareholders and other financing providers to the exclusion of other shareholders” (Richmond, Mook, and Quarter 2003: 308–309). Social accounting is therefore “a systematic analysis of the effects of an organization on its communities of interest or stakeholders, with stakeholder input as part of the data that are analysed for the accounting statement” (Quarter, Mook, and Richmond 2003: 3; see also Smith 1998: 93).

Policy impact
Finally, given the prominent role of policy advocacy among a significant portion of non-profit organizations, assessing the policy impact of advocacy non-profits becomes a third important output of non-profit organizations.
The concept is conceptually challenging, though. Harry Scoble and Laurie Weisberg, in a discussion of Amnesty International, note that the effectiveness of advocacy groups (they use the term “interest group”) “is either not treated at all . . . or it is treated in a nonsystematic manner which simplistically equates activity with impact” (1974: 22). Alan Hudson agrees, noting that “NGOs’ evaluation of advocacy is very limited, with most NGOs struggling to come to grips with it” (2002: 415).

Procedural accountability

Law

This article identifies four key types of procedural accountability: the law, mission, ethics, and legitimacy. Legal accountability is, much like government financial reporting requirements, a component of accountability, which non-profits ignore at their peril. A large body of literature discusses the topic, from how-to guides dealing with issues like liability in the use of volunteers (Flannigan 2005), to liability for boards, to more general discussions of the legal framework of non-profits (Chisholm 1995; Flannigan 1998; Martinez 2003; Neyers and Stevens 2005; Peters 2001). More broadly, legal accountability has featured strongly in existing conceptual frameworks of public and non-profit accountability (Broadbent 1999: 73–76; Cutt 1982: 312; Kearns 1994: 188, 1996: 68–74; Romzek and Dubnick 1987: 228–29).

Mission

A second form of procedural accountability is the organization’s mission. Kearns identifies the mission of a non-profit as “the extension and interpretation of its mandate” (1996: 50), with the mandate being the reason for the organization’s “creation and the obligations to which it is legally bound” (48). Similar to many of the framework elements being developed here, it is well-trodden turf, a point identified by Billis (1991: 63–4), Ed Broadbent (1999: 24), David Brown and Mark Moore (2001: 574–78), Robert Lawry (1995: 177–78) and Adil Najam (1996: 348), among others. For Gallagher and Weinberg, “financial matters are an important element of the strategic plan, but they need to be balanced with other elements . . . . Fulfillment of the mission is of primary importance” (1991: 33).

Ethics

Ethical accountability is especially distinct from obligations to legal codes or formal organizational missions, due to what David Malloy and James
Agrawal refer to as its individual locus (2001: 44–46). A range of influences can be behind individual commitment to ethical accountability. These would include faith (Waterman 1983), professionalism (Romzek and Dubnick 1987: 229; Kearney and Sinha 1988), codes and standards (Gagne 1996: 215) and social values (Kearns 1996: 74; Rothschild and Milofsky 2006), whether located at the broader social level, at the organizational/peer level, or originating from personal conscience and integrity (Laframboisie 1983; Malloy and Agarwal 2001). For Lawry, accountability involves promoting the organization in an ethical way and “implies a willingness to endure public scrutiny, even an invitation for the public to scrutinize the behaviors of the organization’s leadership” (1995: 175).

Legitimacy

Legitimacy is the final facet of procedural accountability we identify in this article. As Ospina, Diaz and O’Sullivan note, accountability is “significant for non-profit organizations if they are to maintain their legitimacy in the eyes of the public” (2002: 8). The issue is especially important in the international literature. As The Economist news magazine asked, “The increasing clout of NGOs, respectable and not so respectable, raises an important question: who elected Oxfam, or, for that matter, the League for a Revolutionary Communist International? . . . In the West, governments and their agencies are, in the end, accountable to voters. Who holds the activists accountable?” (2000: 85). Similarly, Lisa Young and Joanna Everitt (2004: 73–75) have noted that few Canadian groups claiming to represent the interests of the poor have featured significant involvement by the poor – hence Atack’s emphasis on “the need for a closer examination of the legitimacy or normative basis for the role of NGOs” (1999: 857), an issue also raised by John Bryson, Michael Gibbons and Gary Shaye (2001: 275–76) and others.

A complex framework for a complex reality?

At first blush, the framework developed above has two obvious problems: complexity and homogeneity. On homogeneity, the discussion so far has developed a single model for a famously heterogeneous sector. Ebrahim makes this point especially cogently, noting that there are fundamental differences in the accountability requirements for different types of non-profits (2003).

For Ebrahim, membership-based groups are principally accountable to their members, with internal governance mechanisms (“franchise”), reform and dues offered as mechanisms through which members can exercise control. Similarly, human service organizations are principally accountable to funders, sector regulators and clients, with a range of mechanisms available for this: future funding, reporting requirements, laws, codes of conduct, etc. (2003: 204–207). This recognition of the heterogeneity of the sector is also
fundamental to Brown and Moore’s strategic accountability framework, which notes fundamentally different accountability profiles for welfare and service delivery, policy influence, and capacity-building organizations (2001). Perhaps somewhat disturbingly, donors are the most important stakeholder for all but the policy advocacy groups, reflecting Brown and Moore’s characterization of accountability as a “strategic choice . . . to embrace or resist particular stakeholders’ demands” (2001: 574). The survival of the organization becomes, in this perspective, more important than the mission the organization is established to serve.

On the complexity of the framework offered here, taken at face value, the framework suggests that non-profit accountability involves some ninety different components: accounting for ten different resources to as many as nine different types of stakeholders. A factor lessening the complexity of the framework lies in that accountability for a number of the ninety cells suggested by this framework would intuitively be nil: accountability for financial resources to non-cognitive stakeholders, for instance; or accountability to government for contributions to social capital. Legal accountability, too, would be focused heavily on one set of government stakeholders. Further, a single accountability mechanism might allow the non-profit organization to account for a resource to multiple stakeholders: the use of the annual report to report on finances and fidelity to mission, for instance.

The problems of complexity and heterogeneity are further ameliorated by the recognition that various cells would be less relevant, if not irrelevant, for some types of non-profits. Accountability for policy impact may be irrelevant for arts and culture, as well as pure human service non-profits. Similarly, policy advocacy groups may produce no goods, or services beyond policy advocacy; and any number of groups might employ no volunteer labour.

These complexities were illustrated in an exploratory application of the framework on fifteen non-profit organizations in Rhode Island and Massachusetts, in field research for a master’s thesis by Kara Neymeyr (2005). The results are summarized in Table 1.

This study is a qualitative analysis, utilizing both interviews with senior administrators and a comprehensive perusal of organizational documents, of the accountability profile of three organizations in each of five fields: human service, policy advocacy, arts & culture, foundations and professional/trade associations. Each organization was rated zero to two for its
Table 1. A Non-Profit Accountability Matrix for All Non-Profit Organizations

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Financial resources</th>
<th>Volunteer resources</th>
<th>Reputational capital</th>
<th>Goods and services</th>
<th>Social capital</th>
<th>Policy impact</th>
<th>Law</th>
<th>Formal mission</th>
<th>Ethics</th>
<th>Legitimacy</th>
<th>Mean</th>
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</thead>
<tbody>
<tr>
<td>Members</td>
<td>0.93</td>
<td>0.40</td>
<td>1.00</td>
<td>1.20</td>
<td>0.93</td>
<td>0.47</td>
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<td>1.20</td>
<td>0.33</td>
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<td>Clients</td>
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<td>0.07</td>
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<td>0.27</td>
<td>0</td>
<td>0.20</td>
<td>0.67</td>
<td>0.20</td>
<td>0.20</td>
<td>0.30</td>
</tr>
<tr>
<td>Constituents</td>
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<td>0.13</td>
<td>0</td>
<td>0.07</td>
<td>0.53</td>
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<td>0.13</td>
<td>0</td>
<td>0.07</td>
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<td>0.80</td>
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<td>0.27</td>
<td>0.20</td>
<td>1.53</td>
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<td>0.93</td>
<td>0.94</td>
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<td>General public</td>
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<td>0.33</td>
<td>0.36</td>
</tr>
<tr>
<td>Media</td>
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<td>0.07</td>
<td>0.27</td>
<td>0.33</td>
<td>0.13</td>
<td>0.07</td>
<td>0</td>
<td>0.07</td>
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<td>Non-profit staff</td>
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<td>0.13</td>
<td>1.00</td>
<td>0.53</td>
<td>0</td>
<td>0.33</td>
<td>1.07</td>
<td>0.20</td>
<td>0.53</td>
<td>0.51</td>
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<tr>
<td>Partners/allies</td>
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<td>0.13</td>
<td>1.00</td>
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<td>Mean</td>
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Source: Adapted from Neymeyr (2005)
accountability to the stakeholders in the matrix for each of the “for what” resources. Zero represented no evidence of accountability, one some evidence, and two strong evidence of NPO accountability to the type of stakeholder for the resource identified.

The results in Table 1 are too rich to address in this article (see Neymeyr 2005: 25–53) but one can readily identify stakeholders to whom these fifteen organizations felt the need to most comprehensively account, such as donors and members, as well as those resources for which the organizations felt the need to account most comprehensively, such as the goods and services produced by the organization, the mission, and financial resources. The table also unsurprisingly indicates that these organizations felt an almost universal, almost unparalleled need to account to donors and government for the use of financial resources; there is an equally unsurprising total lack of accountability to government for the organization’s reputational capital. Other relatively low scores probably reflect these factors being internalized, such as ethics and certainly accountability for the law, though Neymeyr suggests that these organizations might want to emphasize these factors more strongly (2005: 35).

Other low scores, though, were more interesting. Constituents (both cognitive people and non-cognitive trees!) were felt, almost across the board, to be unimportant, with a partial exception of some need to account to these for the policy impact of the organization’s work (with the policy advocacy groups reassuringly higher on this). The media, too, scored very low, though Neymeyr notes that this was due to these organizations wanting to be more accountable to (or at least to the public through) the media but being frustrated in not getting as much coverage as they would have liked (2005: 35).

Neymeyr’s test of the framework, as well as the literature used to identify the cells in this framework, suggest that the framework has merit. While it may be complex, this may simply reflect the complexity of accountability for non-profit organizations. Rather than this broad approach to accountability to stakeholders, Brown and Moore’s focus is on accountability as a “strategic choice . . . to embrace or resist particular stakeholders’ demands” (2001: 574), with this choice highly dependent on the impact these stakeholders have on organizational survival and mission achievement. Brown and Moore offer this as a pragmatic approach, focused on organizational survival, yet even this narrower focus results in a framework with multiple cells. The non-profit manager wanting to think beyond simple organization survival accountability will need a broader, more complex framework, such as that offered here, and adapt it to suit the organization’s accountability profile.

Despite its complexity though (especially relative to Najam’s three celled offering), this framework is offered especially as an answer to Lawry’s call for a “taxonomy of groups to whom a given non-profit is accountable” (1995: 179). This can help provide structure to the accountable non-profit manager.
and board engaged in self-reflection regarding the organization’s accountability profile.

References


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