

# **ACCOUNTABILITY OF NON-GOVERNMENTAL ORGANISATIONS IN MALAWI:**

*The Case of Selected NGOs*

by

**OWEN EDWARD CHOMANIKA**

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**Supervisor: Dr Victor Madziakapita**

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## DECLARATION

I hereby affirm that this thesis titled: *Accountability of Non-Governmental Organisations in Malawi: The Case of Selected Development NGOs*, is an original piece of work authored by myself. I further confirm that any sources utilised or referenced here have been duly acknowledged and cited through comprehensive references.

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I hereby affirm that this work has never been presented, either in its entirety or in part, for assessment at UNISA for any other academic credential or at any other institution of higher education.

Candidate: OWEN EDWARD CHOMANIKA

Signature:

Date: AUGUST 2024

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## ABSTRACT

The key objective of this study was to explore the accountability of Non-Governmental Organisations (NGO) in Malawi. The qualitative study was carried out in Phalombe, Balaka, Salima and Kasungu districts using interviews with 34 key informants, and four focus group discussions. The study found that economic factors influence the accountability and performance of the studied NGOs; socio-cultural factors do not influence the accountability and performance of the NGOs under study; technological factors do not affect NGO performance but partly affect modes of accountability; donors, MDAs (Ministries, Departments and Agencies), peers, beneficiaries, staff and board, and the public remain NGO stakeholder's spectrum; donors and staff have high interests and high influence. MDAs have high powers but low influence. Beneficiaries have high interest with low influence. The public and NGO peers have low interest and low influence; donors consider NGOs to be accountable while beneficiaries do not consider NGOs to be accountable; NGOs themselves and donors are of the view that the former are performing well and are measuring that performance properly, while beneficiaries have a contrary perception. Standards and self-regulation, and PA-PM and E are the highly ranked NGO accountability mechanisms. NGO accountability target the known stakeholder spectrum with more focus on donors, government, staff and boards. The most prevalent and dominant accountability format remains upward accountability. The most commonly cited reasons for utilising the available accountability mechanisms were funding requirements, increased potential for funding, good management practice, improving public relations and improving programme effectiveness. NGOs mostly account for finances as opposed to performance and impact. The processes through which the accountability systems were developed were not thorough and robust. NGOs in Malawi are exposed to coercive, normative, and mimetic isomorphic pressures and all do acquiescence, manipulation and avoidance in response to the isomorphic pressures they are exposed to. The study contributes to the body of knowledge that the NIS (New Institutional Sociology) and stakeholder theories can be applied to NGO accountability. The study identifies a niche and proposes that further inquiry be undertaken to comprehend the accountability systems of NGOs using stakeholder theory and strategic reactions to institutional pressures as an expansion of the NIS framework.

*Key words/Concepts:*

Accountability, Non-governmental Organisation, Stakeholder, Institution, Malawi, Performance, Isomorphic pressures, Systems, Mechanisms, strategic responses

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## LIST OF ACRONYMS AND ABBREVIATIONS

ADC	Area Development Committee
AIDS	Acquired Immunodeficiency Syndrome
AIP	Agriculture Input Subsidy
ALNAP	Active Learning Network for Accountability and Performance
CAVWOC	Centre for Alternatives for Victimised Women and Children
DDP	District Development Plan
DEC	District Executive Committee
DfID	Department for International Development
GAAP	Generally Accepted Accounting Principles
GBV	Gender Based Violence
GDP	Gross Domestic Product
GNP	Gross National Product
GoM	Government of Malawi
HAP	Humanitarian Accountability Partnership
HDI	Human Development Index
HIV	Human Immuno-deficiency Virus
IASB	International Accounting Standards Board
ICT	Information, Communication and Technology
IFRS	International Financial Reporting Standards
ISO	International Standards Organisation
ITU	International Telecommunications Union
KII	Key Informant Interviews
MDA	Ministries, Departments and Agencies
MGDS	Malawi Growth Development Strategy
MIP	Malawi Implementation Plan
MOU	Memorandum of Understanding
NGO	Non - Governmental Organisation
NGORA	NGO Regulatory Authority
NIE	New Institutional Economics
NIS	New Institutional Sociology
PA-PME	Performance Assessments - Planning, Monitoring and Evaluation
PEST	Political, Economic, Social, Technological

PM	Project Management
PME	Planning, Monitoring and Evaluation
PMS	Project Management System
RBM	Reserve Bank of Malawi
SEP	Socio-Economic Profile
TWG	Technical Working Group
USAID	United States Agency for International Development
USD	United States Dollar
VAP	Village Action Plan
VDC	Village Development Committee

# CHAPTER ONE

## INTRODUCTION

### 1.1 BACKGROUND

Abouassi and Trent (2016:4) define accountability as

.....a relationship between an organisation and its stakeholders in which each side assumes culpability and answerability for its undertakings as it pursues its interests....

This research pivoted around accountability coming out as a responsibility to be liable for specific expected performances, resources and decisions, towards particular stakeholders<sup>1</sup>. Key Non-Governmental Organisation (NGO) stakeholders are mostly partners who provide finance and technical assistance (donors), other NGOs, state ministries, departments and agencies and the targeted community (beneficiaries). The government regulates the NGOs and holds the delivery and leadership of major priority areas of the nation. Beneficiaries are the recipients of all NGO interventions. Following the subsidiarity principle, an NGO is expected to be of service to its community, and of appeal to the needs and demands of its stakeholders while serving its values.

From a development public policy point of view, all NGOs are meant to complement government efforts. However, a question arises as to what extent does this complementarity make NGOs accountable to the government ministries, departments and agencies? Donors anticipate accountability for the financial and technical resources but over-emphasising and over-professionalising the financial dimensions of NGO accountability has partly weakened the capacity for wholesome accountability. NGOs depend on donors for financial resources while donors seek to protect their intentions and interests. This situation makes NGOs direct efforts on upward accountability to donors. Accepting a donor's requirements to the greatest detail can undercut an NGO's downward accountability.

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<sup>1</sup> See Ebrahim, (2003) *op. cit.*; Fry, R. (1995). *Accountability in Organizational Life: Problem or Opportunity for Non-profits?* *Non-profit Management and Leadership*, 6(2): 181-195; and Edwards, M., and Hulme, D. (Eds.). (1992). *Making a Difference*. London: Earthscan. 17 See Brown, L. D., and Moore, M. H. (2001), *op. cit.*; Frumkin, P. (2002). *On Being Non-profit: A Conceptual and Policy Primer*. Cambridge, MA: Harvard University Press; and Brown, L. D., M. H. Moore, and J. P. Honan. (2004). *Building Strategic Accountability Systems for International NGOs*. *AccountAbility Forum* 1(2): 31-43.

The dilemma is that these “multiple accountabilities (downward accountability, upward accountability, vertical accountability and horizontal accountability among others)” are often at collision (Naidoo, 2017: 1-12).

Exploring the accountability of NGOs in Malawi, particularly those in the development sector<sup>2</sup>, is the overall objective of this research. This extends to comprehending the strategic responses towards institutional pressures that influence the recorded accountability relationships. The NGO sector is stocked with several stakeholders. The most notable ones are donors, government ministries, departments and agencies plus beneficiaries. Donors provide financings and other assistance to NGOs to enhance implementation of interventions. Predominantly, based on the basic political economy of aid and development programming, these funders maintain their operations in locations far from both the intervention impact areas and the day-to-day activities of the NGOs. From such a set up emanates the need to establish some mechanism of accountability across the NGO spectrum to confirm the efficiency, economy and effectiveness in how resources are utilised towards the intended beneficiaries. When NGOs are held accountable, their stakeholders can observe and evaluate them critically (Goddard and Assad, 2010). O'Dwyer and Unerman (2010) confirmed that NGOs accountability stand hard in fathoming and executing because of the multiple and complex nature of the variables involved, just as Kilby (2006) agrees that NGO accountability is strenuous because it has no formally defined constituencies to whom they are anticipated to account to.

Private and public sectors have particularly joined the myriad demands for increased and improved NGO accountability in the last few decades (Ebrahim, 2010; Gray, Bebbington, and Collison, 2006). These sectors propose that NGOs must equally fall along the very same accountability lane as any other within the available economic sectors (Fowler, 2013). NGOs have encountered a decline in their reputation due to various instances of accountability failures (Gibelman and Gelman, 2004). Several factors contribute to the demand for accountability, including concerns regarding corruption (Trivunovic, 2011), inadequate management (Safire, 2004), and fraudulent activities (Carr, 2000).

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<sup>2</sup> Some of the areas which steer the development sector are Public Health, Sustainable Livelihood, Education, Water Sanitation and Hygiene, Women and Child Development, Environment and Sustainability, Agriculture and Rural Development, Governance, Urban Development, Micro Finance(<http://careerist.in/development-sector.html#>)



It is worth noting that the lack of credibility resulting from failures in accountability extends beyond the confines of a particular geographical region. Instances have been documented in numerous countries across all global regions (McGann and Johnstone, 2006; Smith, 2010). According to Gibelman and Gelman (2004), mistrust within primary stake-holders in the sector resulted in an increase in requests for accountability, and that accountability concerns must be addressed if NGOs are to gain legitimacy.

Another factor driving up requests for NGO accountability is the notion that corporations are far more accountable than NGOs (Edwards and Gaventa, 2014; Baur and Schmitz, 2012). Of course, there are numerous instances of corporations not being accountable to the point of having recorded scandals such as Enron or Parmalat. The positivity of the corporation scandals is that they led to strong calls for accountabilities. An example being the coming up of Sarbanes Oxley Act in the occurrence of the Enron scandal and implications it brought on corporate governance. The notion is that while commercial businesses have well defined financial metrics, NGOs do not. It is very challenging to accurately evaluate the effectiveness of NGOs because they lack clearly defined bottom lines (Hulme and Edwards, 2013).

One limitation of this conformity to accounting indicator is its unidimensional nature, which might potentially overshadow other qualitative performance metrics, such as social impact (Agyemang, O'Dwyer, and Unerman, 2019). Consequently, concentrating on a one-dimensional accountability system for NGOs is ineffectual because the operations of NGOs are unaffected by economic performance when they concentrate on their constrained operations (Kolk, 2003). However, Smillie, Helmich, Randel, and German, (2013) contend that it is incorrect to claim that NGOs are not accountable because there are no established accountability processes that are compatible with the context of commercial companies.

An additional factor contributing to the heightened recognition of NGO accountability is its role in providing reassurance to providers of funding (grants and donations) regarding the efficient, effective and economic usage of their contributions (Anheier and Leat, 2013). It is recommended that having more robust accountability processes within the NGO sector is preferable to having none (Anheier and Leat, 2013).

Despite the growing requests for more NGO accountability, some argue that the proposals are unfounded, politically driven, and purposely designed to undermine the beneficial work of NGOs (Smillie et al., 2013). The question of increasing NGO accountability has been raised due to the involvement of multiple stakeholder groups and the complexity of the issues at hand (Ebrahim, 2010). Multiple stakeholders with varying interests and demands hold NGOs responsible. NGOs must be vertically responsible to funders, downwards to recipients, and horizontally or internally to themselves (Najam, 1996a). Upward accountability looks at how NGOs interact with their key stakeholders, such as donors and governments, with a concentration on resource efficiency (Agyemang et al., 2017, 2012). Horizontal or internal accountability pertains to how NGOs can execute their objectives, whereas downward accountability dwells much on the interaction of NGOs and their recipients of programming. The dilemma lies in which of these many stakeholders should NGOs focus on? This leads to a phenomenon known as “multiple accountabilities disorder and inconsistency”, in which the accountability relationships between NGOs are diverse and intricate (Awio, Northcott, and Lawrence, 2011: 62-92). The accountability disorders and inconsistencies are not easy to deal with, generally considering the different powers and interests of the stakeholders under consideration.

The decisions of what NGOs should be accountable for, how should they be accountable are other arguments for NGO accountability (Banks and Hulme, 2012). Because of the many expectations from various stakeholder groups, they are made accountable for a variety of aims in a complex and varied manner. Accountability for money, governance, performance, and mission have been defined as four interconnected NGO accountability criteria (Ebrahim, 2010). It is against this background that this research was conceptualised to explore the accountability of NGOs in Malawi against the practices, stakeholders, frameworks and general environment.

## 1.2 PROBLEM STATEMENT

Concerns regarding accountability in NGOs have been raised for some years, in some instances after an array of widely revealed allegations in the corporate and public sectors that have resultantly eroded public trust in NGOs (Gray et.al., 2006). The widening engagement of NGOs is based on the credence that NGOs are able to perform and produce results without spending a lot of funds and resources in comparison with state ministries, departments and agencies (Edwards and Hulme, 1996:963). Najam (1996:340) writes that NGOs are accountable to diverse stakeholders.

In Malawi, NGO accountability continues to be an extremely complex and challenging notion. The government holds NGOs as complimentary agencies but even now, it is unclear as to what the mechanism of accountability is as most NGOs use government structures for confirmations and not for accountability *per se*. NGO accountability is almost a resource strategy in its purity. Additionally, some of the NGOs fail to submit reports, both program and financial, regarding their activities to relevant stakeholders such as the ministries, decentralised government structures and the NGO regulatory authority. For example, only 43% submit reports to the NGO regulatory authority and these submit with many inaccuracies in financing sources and levels<sup>3</sup>. At times, NGOs fail to create an accountability system where all stakeholders are identified and mapped properly, where standards and performance measures are set, where performance is properly accessed and communicated, and where the performance consequences are created in advance. This raises questions on the integrity, transparency, and accountability of the NGOs. This lack of accountability to relevant stakeholders has mostly led to allocative inefficiencies, abuse, misappropriation, and misuse of the limited resources within the NGO sector. This has not been checked properly. The Malawi NGO policy laments that,

Some NGOs lack accountability to local regulatory organisations, particularly the NGO Board especially on audit requirements and annual returns. Furthermore, most NGOs do not meet the reporting criteria as required by the law as well as other relevant stakeholders like Local Councils and Ministries, Department and Agencies (MDAs).<sup>4</sup>

Kadzamira and Kunje, (2002:12) observe that there is a lack of accountability by NGOs which emanates from low credibility and transparency.

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<sup>3</sup> <https://www.ngora.mw/reports/Downloads/2021-NGO-Sector-Report.pdf>

<sup>4</sup> Page 12, Malawi NGO Policy, <https://www.ngoboard.mw/uploads/downloads>.

Kadzamira and Kunje further claim that the Malawi NGO Act was developed to bring accountability in perspective and to restore the donor and government confidence in NGOs. This is contrary to the thinking of the NGOs themselves who considered the NGO Act as not just a regulatory tool but a political apparatus to suffocate the activities of NGOs<sup>5</sup>. This narrative is partly not true as it can be argued that the continued financial support to NGOs by donors is not about confidence in their works but rather the politics of aid.

At times, the NGOs have not been accountable because what they are implementing is not in the development agenda (district and community plans). This is emphasised in a statement by Fred Movete<sup>6</sup>, the District Commissioner for Mulanje in 2015 who stated that,

...in the past, a lot of money [from NGOs] has been channelled to HIV/AIDS. Even if we tell them our priority is water and sanitation because a lot of children are dying from waterborne diseases, they will never buy it.

It is on record by Kermani and Reandi (2023) that the funding resources accessible to small and local NGOs have dwindled and its costly to get funding from donors as the platform has become increasingly competitive. The competitiveness is mostly based on ability to account and being seen to be accountable. The criteria that is being frequently used for funding decisions are of high rigidity and carries no reflection as regards the real operating conditions in Malawi. It is along these mismatches, inefficiencies, and ineffectiveness and their effects on accountability that this research sought to analyse, investigate and examine.

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<sup>5</sup> [https://www.congoma.mw/ngo-community-at-threat-ngos-lament/.](https://www.congoma.mw/ngo-community-at-threat-ngos-lament/)

<sup>6</sup> Fred Movete, District Commissioner, Mulanje 2015 - <https://www.theguardian.com/global-development-professionals-network/2015/sep/28/ngos-in-malawi-what-happens-when-donors-leave>.

## **1.3 RESEARCH OBJECTIVES**

### **1.3.1 Main objective**

This research was undertaken to explore the accountability of Non-Governmental Organisations in Malawi.

### **1.3.2 Research objectives**

The research focused on the following objectives:

- 1) To understand the prevailing context in which NGOs in Malawi operate;
- 2) to understand the spectrum of NGO stakeholders in Malawi, their interests, and influences on accountability;
- 3) to explore the perceptions of NGOs, and their key stakeholders on accountability, performance, and performance measurement of the NGOs;
- 4) to analyse the prevailing systems, dimensions, frameworks, and mechanisms of accountability in NGOs and how they were developed; and
- 5) to understand the pressures that affect NGOs which in turn affect their accountability and the related responses thereof.

### **1.3.3 Research questions**

This research sought to answer the following questions:

- 1) What is the prevailing context in which NGOs operate in Malawi?
- 2) what is the spectrum of NGO stakeholders in Malawi, their interests, and influences on accountability?
- 3) how do NGOs and their key stakeholders perceive NGO accountability, performance and performance measurement?
- 4) which are the prevailing dimensions, systems, frameworks, and mechanism of accountability in Malawi NGOs, and how were they developed? and
- 5) what factors and pressures affect NGOs to a point of affecting their accountability? And how do NGOs respond or react to such pressures?

## **1.4 SCOPE OF THE STUDY**

This study covers an understanding of stakeholder theory and New Institutional Sociology theory (NIS) on their effectiveness in describing and analysing accountability practices by NGOs in Malawi. This study will look at NGO accountability from the multiple stakeholders' perspective. The study further analyses the prevailing systems, dimensions, frameworks, and mechanisms of accountability, and how these were developed within the NGOs. The accountability of NGOs and its relationship with performance and performance measurements is explored. This includes a determination on how accountabilities are managed by NGOs by considering their project management cycles. The spectrum of NGO stakeholders including their interests, power and influences on accountability is part of this study. A further enquiry was undertaken on the perception of key stakeholders on the contribution and performance of NGOs including a thorough understanding of the factors and pressures that affect NGOs which in turn affect their accountability and the related NGO strategic responses to such pressures.

## **1.5 LIMITATIONS OF THE STUDY**

The research encountered challenges in scheduling visits to participants and faced difficulty in coordinating focus group discussions. The researcher encountered a significant obstacle in form of executing the fieldwork during the research process. After obtaining permission, the researcher established interview schedules in collaboration with the selected participants. However, some respondents had to reschedule their interviews at the eleventh hour or were unable to allocate the designated amount of time to engage with the researcher. This was primarily attributed to their professional obligations. When faced with time constraints throughout the interview process, the researcher prioritised the discussion of the most important questions. The researcher successfully overcame these hurdles, ensuring that they did not impact the research outcomes. High level of patience and adaptability was made by making necessary adjustments to schedules in order to overcome the hurdles presented by the interviews and to accomplish study goals. To maintain the integrity of the interviews and focus group discussions, additional sources of information, such as documentary reviews, were employed to enhance the data collection process, whenever feasible.

The constraints were interconnected with the challenge of obtaining permission to engage with other establishments and representatives of donors for the purpose of conducting interviews. Where this occurred, a shift was quickly done and ultimately conducted interviews with the relevant authorities.

The utilisation of an interpretive case study inside two NGOs may introduce some constraints as case studies, mostly, fail to facilitate the extrapolation of study conclusions towards a broader spectrum. While the study provides comprehensive insights, its conclusions may not be readily generalisable to other organisational contexts. Given the utilisation of the case study methodology in this work, it is implied that caution should be exercised when attempting to extrapolate the findings to other NGOs. Nevertheless, the use of CARE and CAVWOC exhibits significant magnitude in representing the NGOs in Malawi. This aids in reinforcing theoretical and analytical generalisations (Hoque, Parker, and Covalleski, 2017; Yin, 2018) rather than relying on statistical generalisation. One potential disadvantage associated with the interpretive case study methodology in this research is the possibility of injecting subjective interpretation and researcher bias into the process of data processing.

Nevertheless, the implementation of a framework that permits the utilisation of theory to inform the analysis of data enabled the researcher to mitigate subjective biases. Triangulation of data sources and data collection instruments also assisted in mitigating subjective biases. Geographical limitations as regards the wide spreading of interventions on NGOs was another limitation. Many interventions are in deep rural areas and the researcher made effort to reach the beneficiaries even in highly excluded geographical areas.

## **1.6 IMPORTANCE OF THE STUDY**

The research contributes to localised literature on accountability issues in the NGO sector in Malawi. Specifically, the study recreates knowledge that will influence future designs of accountability systems for NGOs and the Government of Malawi. In particular, the outcome of this study has theoretical, practical, and epistemological consequences on the development management knowledge and practice in the domains as follows:

- It presents avenues for further study in the field of NGO management and practice;
- it contributes towards practical knowledge and debates on NGO accountability practices, mechanism and frameworks plus how these impact development management practice and theory in academia;
- it informs government, donors, policy makers, advisors, development planners, development stakeholders and practitioner on the critical practical and policy features that affects accountability and the possible designs to comply with the general dictates of NGO accountability in Malawi; and
- it offers information regarding accountability issues and challenges that NGOs in Malawi face.



## 1.7 CLARIFICATION OF TERMS

For this research:

- a) **Accountability** means the responsibility to be liable for performance expectations towards specific stakeholders. In particular, “how individual and organisations report to a recognised authority, or authorities, and are held responsible for their actions” (Edwards and Hulme, 1996:285).
- b) **Non-Governmental Organisation** refers to “private not-for-profit organisations that pursue activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services, or undertake community development”<sup>7</sup>.
- c) **Stakeholder** means “any collective or individual entity that possesses the capacity to exert influence upon, or is interested or subject to the impact of, the successful attainment of an NGO's predetermined goals” (Freeman, Harrison, Wicks, Parmar and de Colle, 2010).

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<sup>7</sup> A Practical Guide to Operational Collaboration Between the World Bank and Non-Governmental Organisations, 1995:13-14, <https://documents1.worldbank.org/curated/en/814581468739240860/pdf/multi-page.pdf>.

## 1.8 CHAPTER LAYOUT

This thesis has been organised into seven chapters as follows:

**Chapter One – Introduction:** This chapter explains the background and the problem statement and what motivated the study. Research objectives and questions are also outlined. The chapter further states the limitations and the importance of the study including the structural overview of the thesis.

**Chapter Two - Context and Background:** This chapter gives a brief background of Malawi from the perspectives of socio-economic environment. The historical roots of the NGO regime are also described. Two NGOs under study have been described and discussed. This chapter helps in contextualising the study within the environment it has been undertaken.

**Chapter Three - Literature Review:** This chapter delves into the characteristics and significance of NGOs both in a broader context and specifically within the realm of development. The chapter introduces the conceptual framework for the thesis, offering a comprehensive examination of accountability theory. It encompasses an overview of the fundamental aspects of accountability, including the rationale behind it, the purposes it serves, and the individuals or entities to whom it is applicable. The chapter provides a working definition of accountability. It further shares a review of NGO accountability related literature, including a discussion on the main systems, typologies, frameworks and mechanisms of NGO accountability. The chapter dwells on reviewing and examining relevant works by others regarding NGO accountability mechanisms, frameworks and systems.

**Chapter Four – Theoretical Framework:** This chapter justifies and examines the theories relevant to the study. The chapter describes stakeholder theory regarding the interests, powers and influence of stakeholders on all NGO accountabilities, mechanism, frameworks and systems. The chapter further describes the institutional theory, in particular, the New Institutional Sociology (NIS).

**Chapter Five – Methodology:** This chapter describes and discusses the methodology that was employed. The chapter sets out with an examination of the philosophical presumptions that form the foundation of the study. Following this, a discussion is provided regarding the justification for employing an interpretive case study methodology to explore the accountability of NGOs. The final section of the chapter provides an analysis of the techniques applied to data collection, organisation, and analysis in the research study.

**Chapter Six - Presentation and Discussions of Findings:** The chapter presents the findings of the study in line with the themes of enquiry as chiselled from the research objectives and related questions. The chapter discusses the findings in detail and necessitates the understanding on how NGO accountability is practiced.

**Chapter Seven – Conclusion, Contributions and Future Studies:** The chapter shares the core conclusions, recommendations and a summary of the study findings. and further discusses the contribution the study will make to policy, practice and the body of knowledge as well as suggested areas for future research.

## **1.9 CHAPTER ONE SUMMARY**

The chapter shared the background and problem related to the character and impact of NGO accountability practice and narrative in Malawi. This study has clearly stated its objectives and identified the key questions that must be addressed to propose viable and effective solutions for enhancing NGO accountability. Lastly, the chapter presented the scope of the research, limitations and importance. Main terms are also clarified. The next chapter looks at Malawi's facts including the prevailing environment in which NGOs find themselves. It describes Malawi's political, economic, and social contexts. It further considers the two case study NGOs (CARE International Malawi – CARE and the Centre for Alternatives for Victimised Women and Children - CAVWOC).

## CHAPTER TWO

### CONTEXT AND BACKGROUND

#### 2.1 INTRODUCTION

This chapter begins with an overview of Malawi followed by a focus on the history of NGOs in the country. The chapter also goes over specific political, economic, social-cultural and technological factors that have an impact on the accountability of NGOs. Two case studies for the research are introduced in the name of CARE Malawi (CARE) and the Centre for Alternatives for Victimised Women and Children (CAVWOC).

#### 2.2 MALAWI BACKGROUND

##### 2.2.1 Malawi general overview

Malawi is classified as among the most impoverished nations, through its low global ranking and is placed 164<sup>th</sup> out of 191 nations on the 2023 Human Development Index (HDI)<sup>8</sup>. The growth trajectory of Malawi is steered by the Malawi Vision 2063 (MW2063). The MW2063 is operationalised from 2021 to 2030 - First 10 Year Implementation Plan (MIP-1) 2021–2030. This MIP is the first of four 10-year plans to guide the implementation and realisation of MW2063. The Malawi Growth and Development Strategy (MGDS) III was the foundation for MIP-1. It built on the successes of Vision 2020 and the lessons learned from it. There is a justifiable need to carry over some of the ongoing and promising interventions under MGDS III that are in line with the MW2063, given the time-overlap between the MDGS III (whose implementation period was from 2017 to 2022) and MIP-1. Malawi is divided into administrative regions which are split into districts. Each district is divided into chief designated regions (Traditional Authority), which are then subdivided into villages. Each village has a Village Development Committee (VDC) which is the lowest level of development implementation in the Malawi local government system. Malawi has a population around 20,091, 519 inhabitants<sup>9</sup> and an average life expectancy of 65.62 years<sup>10</sup>.

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<sup>8</sup> <https://www.wisevoter.com/country-rankings/hdi-by-country/>.

<sup>9</sup> <https://www.worldometers.info/world-population/malawi-population/>.

<sup>10</sup> <https://www.macrotrends.net/countries/MWI/malawi/life-expectancy#:~:text=The%20current%20life%20expectancy%20for,a%200.68%25%20increase%20from%202020.>

## **2.2.2 Malawi's NGO context**

The NGO context in Malawi has the following factors that affect accountability and performance, inclusive of performance measurement. These factors are political, economic, social cultural, technological, environmental and legal. These factors are relevant to the study as they are part of the context hence may have an impact on accountability, performance and performance measurement.

### **2.2.2.1 Political and legal factors**

Malawi's political climate is a hybrid of traditional and modern governance systems that work to maintain political stability. Malawi's current governance system is a constitutional democracy with a total of 193 elected members of parliament, the judiciary and an executive led by president of the republic. Chieftaincy is the central institution in the traditional system of governance. It is contingent upon the ability of traditional leaders (chiefs) to maintain efficient local government set up. Traditional leaders, notably the chiefs and sub-chiefs, exist to ensure that there is peace, community resources are mobilised effectively and efficiently towards social, economic development, and that culture is consolidated<sup>11</sup>. Thus, chiefs are a factor in the accountability of all players in a district.

Political factors are enshrined within the legal and regulatory measures within an NGO's operating environment. The constraints of political factors affect the organisational performance through laws and decisions and tax programs. Laws and regulations are restrictive; thus, they tend to reduce profits of the firms. Perera (2017) asserts that political factors, which include how NGOs are impacted by governmental policies and actions, are components of NGO conduct. There are many ways that legislation can limit or safeguard an organisation's operations. According to Chakawarika (2011), the relationship between NGOs and the government is significant since both institutions are supposed to deliver strategic development to public activities. This brings evidence that, since their nature of work is similar, interactions between the NGOs and government is inevitable. The accessibility of government structures by NGOs, the interest of government in NGO program activities, and invitations to government meetings and functions, demonstrate a generally friendly relationship between NGOs and the government (Smiddy and Mkamanga, 2005:13).

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<sup>11</sup> Malawi Local Government Act (Section 5(1)(c), Section 6); Malawi Chiefs Act (Sections 7 and 8)

However, Fyvie and Ager (1999) noted that frequent transfers of government officials have a negative impact on these favourable connections. The officers, therefore, lack the commitment and the urge to be supportive. Human rights NGOs and governments frequently have a contentious relationship. In a survey of local human rights NGOs, Ukpong (1993:63) found that their activities collide with the government. He pointed out that the empowering approach of NGOs is inherently political. Organising disorganised people, granting them a voice, and equipping them with leadership skills empower the locals to stand against the status quo is political in perception (Andersson, 2006). The administration may interpret such activities as an intentional attempt to sow discontent among the public in order to erode or deflect its legitimacy.

Malawian NGOs were once concerned with the passage of the NGO law that established the NGO board in 2012 and, later, the NGO Regulatory Authority in 2021, which was seen as an attempt to limit freedom of NGOs and control their operations<sup>12</sup>. According to Nowaczyk (2017), regulation involves government's restrictions and controls. The regulatory setting is designed to achieve efficiency and equity. This requires the intervention of the government. For instance, through the NGO Act there are regulations that are set to make the act practical in its application and applicability. Most regulatory decisions are largely made in the context of group politics (Pearce and Robinson, 2014). That is why NGOs themselves form CONGOMA as a recourse among other things to how they can navigate government regulations in solidarity.

#### **2.2.2.2 Economic factors**

Malawi is a developing country with significant economic disparities amongst its three administrative areas. Low agricultural productivity, limited opportunities in non-farming occupations, uncertain economic growth, rapid population expansion, and insufficient coverage of safety net services all contribute to poverty in Malawi. There are varying interrelationships between the economic factors. For example, increased agricultural yields have led to increased employment in rural areas and urban employment has recovered more slowly from disruptions such as the COVID-19. Despite record crops, food insecurity remains a serious problem. Data also shows that the national poverty rate has decreased marginally from 51.5 percent in 2015/16 to 50.7 percent in 2019/20.

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<sup>12</sup> <https://www.icnl.org/post/analysis/malawis-non-governmental-organizations-bill>.

The COVID-19 pandemic has had a significant impact on Malawi's economy, although there are signs of recovery. Economic growth increased from 0.8 percent in 2020 to 2.4 percent in 2021. However, due to harsh weather conditions and the impact of multiple tropical storms that have wrecked agriculture and destroyed important infrastructure, growth was expected to slow in 2022. In January 2022, headline inflation increased to 12.1%. The surge in maize prices drove up food inflation to 14.2 percent. Non-food inflation increased to 9.6%, owing to higher global commodity costs and an upward adjustment in domestic fuel pump prices. Between January 2021 and January 2022, the RBM MWK-USD exchange rate declined by around 6%. The Reserve Bank of Malawi has made significant foreign exchange swaps to support the Kwacha's stability. As of January 2022, gross reserves had fallen to 1.6 months import cover, while net reserves had been negative since February 2021. The budget deficit widened to 9.1% of GDP in FY21/22 because of the COVID pandemic and government expansionary initiatives, particularly the Affordable Input Program (AIP), as well as dismal revenue performance. Due to high levels of wages, loan payments, and fertiliser subsidies, expenditure is predicted to reach its greatest level (25% of GDP).<sup>13</sup>

According to the December 2021 Debt Sustainability Analysis, Malawi's debt vulnerability has risen drastically to unsustainable and stress levels. Malawi's national debt has risen to 55% from 32% of GDP in recent years. The current situation is constraining the budgetary capacity for development expenditures and perhaps displacing private investment. Malawi's economic growth potential remains constrained by its dependence on subsistence rain-fed agriculture. This reliance renders the country more susceptible to climatic shocks and contributes to the prevalence of food insecurity. The progress of investment and commercialisation is impeded by trade regulations and the prevailing business climate, alongside the issue of intermittent electricity supply. This lack of stability hinders the ability to enhance value and decelerates the process of economic diversification. The presence of inadequate fiscal management and economic policies has been a contributing factor to the recurring and expanding fiscal deficits. These deficits have predominantly been financed by costly domestic borrowing, escalating the level of public debt higher.

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<sup>13</sup> Malawi Economic Monitor: <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099071423121539304/p179529071fbd40290899901e20929fd171>.

According to Perera (2017), economic considerations pertain to the comprehensive outlook for the economy. The primary indicators encompassed in this analysis are GDP and GNP, inflation rates, interest rates, currency rates, unemployment rates, wage and price restrictions, as well as fiscal and monetary policies. According to Jagadananda and Brown (2007), legitimacy is enshrined within opinions of stakeholders within an organisation's macro-environment. Legitimacy is about an organisation fulfilling its social contract with the society (Franco 2022). Moore (2000) found that economic factors disrupt the performance of NGOs as it was evident from the findings on Gross Domestic Product and funding. On the aspect of GDP, beneficiaries are still over relying on NGOs since the people are not engaging in economic activities that will generate income for their households. This means that, if households engage in productive economic activities, the overall amount of output a particular country generates increases. Moore (2000) also stated that NGOs are economic institutions since they make use of the scarce resources in the society. For instance, labour and capital, to produce goods and services. On funding aspect, Moore (2000) found that the influence of NGOs at the grassroots level depends on the amount of funding these institutions receive as donations. This shows funding influences the magnitude of activities NGOs at the grass root level.

### **2.2.2.3 Social-cultural factors**

Above half of Malawians are in poverty and not self-reliant for their daily needs (Machira, Mgomzulu, and Malata, 2023). According to Akhter and Sumi (2014), the social-cultural environment majorly consists of social system and the people's culture. The social-cultural environment is made up of all the components, circumstances, and influences that contribute to an individual's personality development and may have an impact on their attitude, disposition, behaviour, decisions, and activities. As a result of cultural, religious, educational, and social conditioning, people develop beliefs, values, attitudes, routines, forms of behaviour, and lifestyles (Akhter and Sumi, 2014). The effect of cultural factors on NGOs over the years has been one of the critical areas of focus. Precisely, many NGOs exist to empower the people who are poverty stricken, to change the attitudes of public members and to campaign for the process of making policies and the issues related to public. They are prompting creation of global governance by creating constitutive norms.



#### **2.2.2.4 Technological factors**

Technological factors aim at helping an organisation gain innovation and avoid obsolescence. A firm should, therefore, be aware of the technological changes that influence the industry (Pearce and Robinson 2014). According to Stieglitz and Kruger (2011), communicating in a multi-directional way is one of the functions of social media. New technologies and web applications help individuals to engage in dialogue with one another. Employees within an organisation can discuss certain topics via the internet. If the participants use social media in this way, virtual communities can develop and change. NGOs have begun to create online communities. They are made up of many members who volunteer and join based on demographic criteria. Additionally, it is a constant feature of NGOs that they are held accountable in their interaction with members and stakeholders. Setting up virtual communities has many benefits, including enhancing and strengthening member relationships and considering diverse viewpoints. The goal of NGO's using social media is to draw attention to their specific issues (Aula and Heinonen, 2015). Malawi's relative performance in the development of its telecommunications market and digital services falls behind that of its counterparts, impeding the country's ability to realise broader digital benefits. According to the 2016 edition of the International Telecommunication Union's (ITU) Global ICT Development Index, the country is positioned 168<sup>th</sup> out of a total of 175 countries.<sup>14</sup>

### **2.3 THE CASE ORGANISATIONS**

#### **2.3.1 Case organisation 1: CARE International Malawi**

Since 1988, CARE International Malawi (CARE) has worked to save lives, defeat poverty, achieve social justice, and fight for women and girls. Currently, the organisation has a range of projects in the areas of food and nutrition security, education and sexual, reproductive and maternal health, as well as emergency preparedness and response. Gender equality, good governance and policy advocacy are approaches which are used in all of CARE's projects. CARE is presently operating in the central and southern regions of Malawi, with projects in the districts of Ntcheu, Salima, Dowa, Nkhotakota, Kasungu, Ntchisi, Nsanje, Mwanza, Neno, Balaka, Phalombe and Mulanje.

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<sup>14</sup> <https://www.worldbank.org/en/news/press-release/2017/06/05/digitizing-malawi-for-a-brighter-digital-future>

Through advocacy and market-based approaches, CARE holds the following strategic objective areas:

- Delivering humanitarian aid, with a focus on gender and localization, to a significant proportion of the society. By the year 2030, CARE endeavors to reach a minimum of 50 million people;
- in food and water, CARE supports, particularly women and girls, in enhancing their access to and enjoyment of their entitlement to sufficient food, water, and nutrition;
- enhancing the realisation of the right to health among individuals in Malawi, with a particular focus on women's sexual and reproductive health;
- ensuring that individuals have improved accessibility and more control over economic resources, opportunities through education and employment. CARE enhances the availability of high-quality education for marginalised children, particularly teenage girls residing in vulnerable and conflict-ridden environments. Also, there is commitment to decent employment and economic empowerment, particularly regarding women;
- enhancement of resilience and adaptation capabilities of impoverished and marginalised on women and girls by making them actively participate in the energy transition while mitigating the impacts of climate change; and
- in advancing equality, CARE aims at ensuring that a significant number of individuals across various genders are witnessing notable advancements in gender equality, with a special emphasis on the eradication of gender-based violence, as well as the promotion of women and girls.

### **2.3.2 Case organisation 2: CAVWOC**

The Centre for Alternatives for Victimised Women and Children (CAVWOC) believes that Malawi can achieve a society free of gender-based violence and all types of abuse against women and children. To achieve this, CAVWOC provides the following interventions to communities it works in:

- Capacity building of community structures and justice providers to reduce occurrences of Gender Based Violence (GBV);
- access to knowledge on and utilisation of Sexual Reproductive Health services including HIV and AIDS;
- promotion of quality, safe and equitable education for girls;
- promotion of use of safe and portable water and uptake of standard sanitary and hygiene practices; and
- support in increase of household food security and income.

CAVWOC was founded in 1997 and incorporated in Malawi in 1998 under the Trustees Incorporation Act. CAVWOC was founded with the sole objective of providing technical and psychosocial help to survivors of gender-based violence and violations of sexual reproductive health rights. CAVWOC protects the rights of women and children in Malawi as a local NGO. The organisation seeks to empower abused, vulnerable, and marginalised women and children by providing them with information, counselling, and help about their rights, allowing them to transition from victims to socially and economically empowered members of society. In the last 20 years, CAVWOC's work has spread across Malawi, reaching 13 traditional authorities in 7 districts of Balaka, Chiradzulu, Phalombe, Chikwawa, Lilongwe, Blantyre and Mulanje.

## **2.4 CHAPTER SUMMARY**

This second chapter looked at facts about Malawi and the NGO roots and landscape. The chapter described Malawi's political, economic, social-cultural, technological, environmental and legal contexts. The chapter considered the history of NGOs in Malawi, as well as two case study NGOs. The chapter also achieved the contextualisation of the study in Malawi's unique setting. The next chapter explores literature on NGO accountability, including a discussion on the main systems, typologies, frameworks and mechanisms of NGO accountability.

## **CHAPTER THREE**

### **LITERATURE REVIEW**

#### **3.1 INTRODUCTION**

This chapter looks at the nature and classifications of NGOs. It discusses the concepts behind this study by offering a comprehensive review of the existing literature on accountability, which encompasses the theoretical aspects of the reasons, objectives, and stakeholders involved in the accountability process. The chapter offers a functional elucidation of the concept of accountability. It further provides a review of NGO accountability-related literature. The chapter dwells on reviewing and examining relevant works by other researchers regarding NGO accountability in general focusing on concept, mechanisms, frameworks and systems.

Performance management and performance measurement are discussed together with the process of how accountability systems are constructed generally from literature postures. The chapter ends with literature on the project cycle management.

#### **3.2 NGOS IN DEVELOPMENT: NATURE AND MEANING**

##### **3.2.1 Defining and classifying NGOs**

Gray et al. (2006:324) argue that the concept of NGO is often defined by highlighting its characteristics through a process of exclusion, sometimes referred to as the negative space approach. Unerman and O'Dwyer (2006a) agree and demonstrate that the definition of an NGO is intricate due to the delineation of these organisations' borders. Unerman and O'Dwyer (2006b) accept the utility of the ambiguous nature of the term NGO, particularly in the context of describing the operational relevance of organisations that adopt this term. According to Assad and Goddard (2010:379), there is a recognition of the complexities associated with NGOs in terms of their conceptualisation and the potential oversight of a significant number of organisations when attempting to classify them based on their diverse strategies, internal ideologies, and managerial approaches. However, according to Banks and Hulme (2012), NGOs frequently endeavour to complement public provision of social goods by addressing poverty reduction and facilitating socioeconomic development, particularly in developing nations.

Scholars have observed that the challenges associated with defining NGOs stem from their significant diversity in terms of size, functions, opinions, standards, strategy, and tactics (Gray et al., 2006:324). This suggests that any definition of NGOs should acknowledge and accommodate these variations (Awio et al., 2011). However, citing the United Nations (2005), Unerman and O'Dwyer (2006a:309) proposed the following qualities of an NGO:

A non-governmental organisation is a non-profit and voluntary association of individuals that operates at the local, national, or international level with the aim of addressing various societal concerns in alignment with the welfare of the general population. NGOs are characterised by their focus on specific tasks and their membership consisting of individuals who share a common interest. These organisations undertake a diverse range of services and humanitarian activities. They play a crucial role in representing citizens' concerns to governmental bodies, monitoring the execution of policies and programmes, and promoting the involvement of civil society stakeholders at the local community level.

The quote above presents two types of NGOs. On the one hand, NGOs that supply public goods through provision of humanitarian assistance and social development, such as poverty reduction (Edward, 2000). On the other hand, NGOs which strive to be "giving otherwise voiceless publics a voice" (Brinkerhoff and Brinkerhoff, 2011:11). According to Edward (2000), the work of NGOs entails providing humanitarian and livelihood support initiatives. He claims that they are legally recognised entities that serve as a conduit between resource suppliers (such as funders and contributors) and resource recipients (such as beneficiaries) (Edward, 2000). NGOs are also active social development players, especially in developing economies, with the goal of enhancing the quality of life (Brown and Kalegaonkar, 2002; Fowler, 2013). Development NGOs strive to alleviate poverty and minimise inequities, according to Fowler (2013). They concentrate on poverty-reduction programs and projects that improve human development (Fowler, 2013). NGOs can consist of several types of entities, although they uniformly operate not on profit motivation. NGO Funding is commonly dependent on external sources, primarily the corporate and government sectors, along with specific individuals from the private sphere. The description of NGOs is challenging due to their diverse array of forms, sizes, perspectives, and functions within the sector. Moreover, the absence of clear-cut criteria poses a challenge in differentiating NGOs from other types of groups.

According to Vakil (1997:257), the absence of consensus over the definition and categorisation of NGOs has impeded advancements in both theoretical and empirical research aimed at enhancing comprehension and support for the operational aspects of the NGO sector. According to Lewis (2014), there is an agreed perception among certain individuals that NGOs are independent entities that operate without profit motives and engage in advocacy efforts for the sake of society. As stated by Edwards (2000), NGOs are formally acknowledged civil society entities that operate under the governance of a board of trustees and primarily rely on voluntary contributions for funding (Anheier, 2014). At times, NGOs are perceived as privately operated, non-profit entities that function independently of governmental jurisdiction and strive to enhance the well-being of socially disadvantaged individuals (Chenhall, Hall and Smith, 2010; Holloway, 2013). This has resemblance to the World Bank's perspective on NGOs. According to the findings of Doh and Boddewyn (2013), the bank states that NGOs provide for those who are disadvantaged to mitigate their distress and safeguard the environment.

The World Bank recognised that NGOs can be perceived as both commercial economic entities and non-profit organisations that are accountable for delivering social benefits (Banks and Hulme, 2012; Anheier, 2014). According to Teegen, Doh, and Vachani, (2004), each of these domains fulfils a unique role in promoting social welfare. According to Florini (2013), the commercial sector is primarily driven by economic motives as it focuses on offering products and services. In contrast, the public sector is tasked with providing public goods. According to Giddens (2013b), several scholars argue that NGOs have a specific space in the economy beyond the duality of being private and public sectors. This perspective contradicts the stance taken by the World Bank. Various terms like civic, associative, third, collective action, civil society, volunteer, and NGO sector have been employed to refer to this additional sector (Anheier, 2014; Giddens, 2013b). Consequently, Fowler (2013) notes that there is a prevailing consensus that NGOs are more appropriately situated within the civil society sector, rather than in the corporate or governmental sectors.

The World Bank's current definition lacks precision in delineating its scope, as it encompasses profit-oriented commercial entities. The term "non-governmental organisation" has faced criticism due since many NGOs globally get support from governments, perform initiatives on their behalf, and engage governments on many matters. A strong connection exists between NGOs and the governments, as noted by Banks and Hulme (2012). NGOs are commonly perceived as entities that supplement the endeavours of governments in addressing significant issues related to development. (Hulme and Edwards, 2013; Lewis, 2013).

Nevertheless, because they are not part of the government's bureaucracies, the term remains relevant and appropriate. Moreover, numerous countries have established their own contextual interpretation of NGOs inside a legislative framework that outlines the regulations and guidelines governing the NGO activities within their jurisdictions (Hayman, Lawo, and Crack, 2013). Malawi is no exception. In its NGO Act of 2000, Malawi defines an NGO as an organisation constituted for a public benefit purpose where "public benefit purposes" refers to:

organisational purposes involving developmental and charitable purposes, such as educational, health, welfare, advocacy, cultural, civic, social, recreational, scientific, environmental, or other similar objects for the benefit of the general public, a segment thereof, or members of the organisation, but excluding activities involving a church or religion, trade union, employer's organisation, or political party.

Mostly, an NGO's rationale is partly formless, void of clarity and definitiveness. Notwithstanding, in this study, the term World Bank guided definition<sup>15</sup> of NGO will be utilized considering that it is the most used term among experts, evaluators, states, donor agencies, and analysts.

Characterising NGOs into classifications is truly challenging on the grounds that there is significant cross-over in their exercises (Banks and Hulme 2012). Independent of the difficulties related to classification of NGOs, Bagci (2007) contends that it is still proper to effectively analyse and understand the enquiry. This thesis will use the local and international classifications.

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<sup>15</sup> A Practical Guide to Operational Collaboration Between the World Bank and Non-Governmental Organisations, 1995:13-14

### **3.2.2 Development NGOs: Historical perspective**

Non-profit groups have existed since the 16th century. Church-affiliated institutions were among the initial establishments. According to Suzuki (1998:217), the earliest known instance of a Canadian Society was established in Montreal in 1653. The establishment of these missionary and educational organisations was driven by the objective of imparting knowledge and skills to those residing within the colonial territories of Africa and Asia. Suzuki (1998) asserts that the earliest secular voluntary groups encompassed American Medical Aid agencies like as the American Medical Society, established in 1847, and Save the Children, which originated in 1919 and is presently recognised as Save the Children UK. These early groups revolved around disaster relief and educational initiatives. The organisations received financial support from their respective governments for their endeavours in international regions due to the synergistic role they performed in bolstering their governments' foreign policy objectives. The phrase non-governmental organisation (NGO) has many roots and varying degrees of legality and was initially employed inside a specific portion of the United Nations charter in 1947 (Markay, 1998:19–21).

This phenomenon coincided with the period during which NGOs transitioned from focusing exclusively on providing disaster assistance to adopting a broader approach that encompassed both relief and development efforts. Following World War II, there was a deliberate transition from a sole emphasis on relief to a combined focus on "relief and development" (Escobar, 1997: 87). However, numerous NGOs operating in Africa during this period remained affiliated with religious institutions and primarily concentrated their efforts on aiding to their members in form of agricultural support, artisanal activities, and other small-scale endeavours aimed at ensuring subsistence. The groups displayed a limited tendency to address significant socio-economic challenges. Consequently, it can be observed that the volunteer sector in many African countries was largely unfamiliar before to the 1980s (Ogusenyé, 1997:4). The recognition of the NGO sector as a crucial component for the balanced progress of contemporary society has only emerged in the 1990s (Bloch and Borges, 2002: 463). This phenomenon can be attributed to the predominance of government-driven initiatives in fostering advancement prior to the 1990s. When it became evident that the government's efforts alone were insufficient to facilitate development, NGOs assumed the responsibility to address this gap (Gariyo 1995:132).



As early as 1998, NGOs were seeing rapid growth throughout Africa, making them the most rapidly expanding form of organisation in the region (Veit, 1998:54, 84). NGOs currently contribute 12% of the total worldwide assistance and technical cooperation flows<sup>16</sup>. The dissatisfaction with international NGOs is on the rise, accompanied by a deliberate effort to enhance the effectiveness of local NGOs in promoting local development. This shift can be attributed to the growing nationalistic attitudes, the disillusionment with partnership agreements, and the growing belief that lack of resources and expatriates is not the primary factor hindering development. Instead, the focus is shifting towards recognising the importance of local leadership, institutional arrangements, capacities, and the mobilisation of local resources (Fowler, 2000: 145). The evolution of NGOs is commonly understood within the field of political science as a response to states' exercise of authority and control over its citizens. Economists analyse the alterations that have occurred within the industry because of unfulfilled expectations or instances of market failure. Nevertheless, one can deduce that the development of the NGO sector is shaped by the enduring interplay of political, economic, technological, and social dynamics. The development in question is being progressively influenced by global issues such as the altered aid architecture and country contexts (Arhin, 2016). Paul Collier<sup>17</sup>, Dambisa Moyo <sup>18</sup>agrees with the assertion that the NGO sector and the international aid system were not originally designed to promote genuine development. Extending the same view, Fowler (2000: 639–653) emphasised the importance of establishing and executing effective strategic accountability measures within NGOs.

The apprehension over a potential uprising has served as the primary impetus behind the establishment and maintenance of the aid system. The primary objective of this endeavour has been to avert disruptions inside society, while concurrently upholding and fostering the worldwide framework (Hancock, 1994:185–193). In this scenario, NGOs can be employed to redirect focus from more profound economic disparities that sustain poverty on a significantly broader magnitude via the system of assistance (Agbola, 1994:61).

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<sup>16</sup> According to the United Nations Development Programme as cited in Capacity.Org (2003: 6)

<sup>17</sup> <https://ideas4development.org/en/development-aid-change-way/>

<sup>18</sup> Dead aid: why aid is not working and how there is a better way for Africa, 2009

NGOs may lack awareness or competence in addressing fundamental or strategic concerns arising from structural transformations or shifts in power dynamics. The individuals in question might lack awareness or face challenges in addressing structural transformation obstacles, because of capacity limitations imposed by their current stage of development (Korten, 1990:120). Despite being cognisant of the issues at hand, donors and the aid system may exhibit reluctance in providing financial support for endeavours aimed at addressing these challenges. For NGOs to assume a strategic role in the realm of development, it becomes imperative for them to undertake a process of redefinition. Consequently, individuals would possess the capacity to assume the role of proficient catalysts for tangible advancements. Individuals can transform themselves through the process of re-evaluating their societal roles, comprehending and implementing developmental strategies, and attaining genuine credibility (Edwards, 1999:3).

In Malawi, the rise of the NGO sector was fuelled by two major drivers of 1994. These included the need for humanitarian assistance among refugees from Mozambique around 1980s and the wave of democracy that brought Dr Hastings Kamuzu Banda's 31-year rule to an end. Human Rights NGOs arose because of this wave (Morphert, 2000:12). Most NGOs started in relief as "one-off interventionist" strategic players. Many NGOs failed to consider what they would do once the refugees were repatriated and the democracy, they fought for had been established (Morphert, 2000:15). Donors and other stakeholders began pressuring NGOs to demonstrate their relevance after 1994. Many NGOs went extinct, some survived amidst increasing financing difficulties (James and Ndalama, 1996:6). DfID commissioned a study in 1996 to identify difficulties faced by local NGOs in Malawi. The survey found that the majority of Malawian NGOs had a deep entrenched absence of effective accountability frameworks, procedures, and mechanisms (James and Ndalama, 1996: 2,3).

However, the NGO industry has grown significantly since 1994 (Smiddy and Mkamanga, 2005:8). Malawi has 941 NGOs registered with the NGO Regulatory Authority as of 2023.<sup>19</sup> The majority of NGOs are small. Over 50% of the NGOs employ one to twenty individuals. Only roughly 21% of the NGOs have more than 100 employees. 75 percent of NGOs get at least 80 percent of their funding from outside sources.

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<sup>19</sup> <https://www.ngora.mw/>.

NGOs' access to local finance remains a major barrier (Smiddy and Mkamanga, 2005: 11–12). With NGO financing so much deepened in the politics of aid, the continued financial support to NGOs is not mostly about confidence in them, it is on another vein about politics of aid as donors want influence and visibility which they can easily attain when they use NGOs other than government institutions. So, the politics of aid is the major factor for continued transfer of resources to NGOs, not necessarily confidence in them.

### **3.3 CONSTRUCTION OF ACCOUNTABILITY SYSTEMS**

The determination of responsibility within NGOs is mostly influenced by their missions and strategies, as stated by Brown and Jagadananda (2007). It has been stated that the standards for accountability depend mostly on objectives and approaches. To secure essential resources, NGOs will be needed to display the calibre and extent of their services, while also ensuring transparency and responsibility towards their benefactors and governing bodies. NGOs often engage in close collaboration with their stakeholders to design and implement programmes. This collaborative approach places a strong emphasis on being accountable, as their active engagement is considered crucial in the process of co-producing positive outcomes. NGOs are required to create trust among both their constituents and the individuals they seek to exert influence upon. To maintain credibility as a representative of marginalised groups necessitates a commitment to being accountable to one's people. In the realm of NGOs, the diverse array of missions necessitates the establishment of distinct priorities regarding stakeholder accountability within the multi-stakeholder landscape.

NGOs that fail to address issues regarding accountability often prioritise stakeholders that possess influential voices and substantial influence. As a result, the NGOs tend to provide less prioritisation to stakeholders with little power, such as clients or agency staff. Accountability systems encompass several components such as the definition of performance, identification of key stakeholders, use of assessment instruments, establishment of processes for transmitting assessments, and implementation of mechanisms for producing consequences based on performance outcomes within the context of NGOs (Brown and Jagadananda, 2007).

NGOs possess the capacity to establish accountability mechanisms that bolster both their performance and the attainment of their objective. To enhance transparency, facilitate stakeholder engagement, evaluate performance outcomes, and address grievances and performance deficiencies, these systems may implement a range of accountability mechanisms. Brown and Jagadananda (2007) coined the process of building accountability systems to involve four distinct components as shown in the Figure 1.



Figure 1: Steps in the Construction of Accountability Systems - Author created

### 3.3.1 Identifying and prioritizing organisational stakeholders

Who are the most important stakeholders for NGOs? Answers to this question vary greatly among NGOs, based on their aims and strategies, the contextual factors they encounter, and the resources they have available. Stakeholders that are important to disaster relief or service delivery may differ significantly from those important to local capacity building or policy advocacy. Trying to be totally accountable to all NGO's stakeholders could result in paralysis or perpetual firefighting. Prioritising accountabilities through stakeholder identification and prioritisation is important for mission success.

Brown, Moore and Honan (2004) postulate that NGO leaders can examine the nature and importance of accountabilities on at least three dimensions once the relevant stakeholders have been identified. First and foremost, is the NGO legally liable? Second, is the NGO responsible at a normative level? Some stakeholders may demand accountability based on NGO's values and norms. Finally, is the NGO responsible on a prudential or practical basis? Stakeholders may have claims based on a variety of factors. Clients may have great moral interests but limited prudential clout or legal standing, whereas donors frequently have significant legal and prudential claims. Brown et al. (2004) proposed assessing stakeholders on all the three questions and then combining the results for an overall priority ranking. Building accountability systems that support mission and strategy achievement requires identifying stakeholders and defining priorities among them. Many NGOs acknowledge the tendency to give more attention to stakeholders with strong prudential and legal claims and less attention to stakeholders with strong value-based claims, even when such values are central to NGO objectives. Recognising and resolving these tensions is essential for developing accountability systems that can effectively support NGO operations.

### **3.3.2 Setting standards and measuring performance**

Agreements regarding performance and how it might be measured are necessary for accountability systems to work. Measuring performance is particularly difficult for NGOs attempting to achieve long-term societal consequences, because such impacts and the contributions of diverse actors to them are difficult to accurately quantify.

While articulating value chains provides a framework for evaluating indicators for measuring immediate outputs, client outcomes, and long-term consequences, determining the origins of those indicators becomes more difficult as they go further removed from NGO activities.

Recently, the issues of measuring social and environmental repercussions have gotten more attention. While many projects have looked at ways to evaluate program outputs in the short term, others have focused on program outcomes in terms of changed behaviour on the part of program targets (Earl, Carden, and Smutylo, 2001). Donors frequently want evaluation strategies for the initiatives they support. However, donor interests differ from those of other stakeholders, and their evaluations may not be useful to them. Indeed, several NGOs collect donor-required data while developing entirely separate systems to assist their own learning (Ebrahim, 2005).

Ebrahim went further to explain that the difficulties of developing performance measurement systems that serve multiple stakeholders have sparked a slew of new ideas, including approaches that emphasise collaborating with stakeholders—particularly clients and beneficiaries—to define problems, identify indicators and measures of impact, and assess and interpret outcomes. Such methods are intended to enable mutual learning regarding program results and impacts, with a focus on program clients' increased independence and capacity, as well as learning for the NGO. The extent to which the NGO has secured agreement on performance assessment with key stakeholders early in the process will often determine the value of information for accountability purposes. Early discussions can assist the NGO and its stakeholders in defining desired performance in the same broad terms.

### **3.3.3 Assessing and communicating performance**

The performance of NGOs can be evaluated in a variety of ways. If important stakeholders are to hold the organisation accountable, the data from performance indicators produced in the previous stage must be reviewed, interpreted, and conveyed to them. Some organisations devote time and money to self-evaluations, deploying employees to gather and evaluate data on program performance and the extent to which their actions are having the desired effects. Others pay for external evaluations (or have them imposed on them) to benefit from technically advanced and organisationally impartial comments. Disclosure statements, annual reports, and the release of internal and external evaluations are examples of communications. While it may be beneficial to sponsors, writing reports in English does not assist customers who are not literate English speakers in understanding what the NGO is doing. The key difficulty here is making data accessible in ways that are both understandable and valuable to multiple parties. Stakeholder variety, of course, means that certain people will have a harder time understanding messages than others. The rise of social auditing has been a significant endeavour in measuring and reporting NGO impacts (Davidson and Peter Raynard, 2001).

### **3.3.4 Creating performance consequences**

Because NGO stakeholders' interests and capacities differ, having information available to them all in the same format does not guarantee that they will be able to hold the NGO accountable.

While government authorities and donor agency personnel may be satisfied with audited accounts or external evaluation reports, grassroots constituents may lack the necessary languages (e.g., English) or skills (e.g., accounting) to understand them. Even if they comprehend the allegations, the grassroots constituents may lack the authority or resources to demand that their concerns be addressed. Creating performance consequences presumes that important stakeholders have some level of voice and influence, as well as some power, to guarantee that NGOs have significant incentives to listen to them. Accountability to clients and beneficiaries is meaningless unless they have the power to demand that their issues be addressed. That authority, however, does not come by chance or default. If mutual learning and responsibility are to be effective, they must be expressly weaved into programs and practiced with great devotion.

### **3.4 ACCOUNTABILITY: THE CONCEPTUAL SETUP**

While the concept of accountability is frequently discussed in academic literature, there exists less consensus regarding its precise definition. Accountability is a conceptual framework that examines the interconnection between multiple entities. Within the realm of academia, the expression in question exhibits a range of applications and understandings. However, the fundamental notion that accountability is a concept rooted in relationships remains steady. The concept of accountability, as defined by Davenport and Low (2013), is regarded by institutions such as the World Bank as a valuable linkage between specified individuals or entities, enabling the exhibition of transparency, credibility, and trustworthiness. The World Bank asserts that accountability encompasses five essential components, namely: delegation; financing; performance; assessment; and enforcement. The concept of accountability has a lengthy historical background, but in recent years, it has acquired a novel significance and intricacy, ultimately evolving into a universally recognised term (Gray, 2013). Accountability plays a pivotal role in evaluating the performance of many organisations within the contemporary socio-economic and political landscape (Zadek, Evans, and Pruzan, 2013).

The concept of accountability has been described as elusive and multiplex (Ebrahim, 2003), possessing both narrow and broad interpretations (Kearns, 1996), exhibiting multiple layers (Broadbent Report, 1999), being abstract in nature (Edwards and Hulme, 1996), and displaying a lack of clarity (Broadbent Report, 1999). According to Ebrahim (2003), accountability can be defined in multiple ways within the academic literature. Kearns (1996:18) characterises it as the act of "answering to a higher authority." Chinman, Imm, and Wandersman (2004) contend that accountability entails demonstrating to key stakeholders the effectiveness of a programme and its efficient utilisation of resources. Deber (2014:12-24) describe accountability as the state of "answering to someone" for the fulfilment of set goals. The notion of accountability entails the involvement of several parties, the completion of tasks, a dedication to revealing categories of information regarding the tasks, and an acknowledgement of the repercussions for the execution or non-execution of those tasks (Jacobs and Wilford, 2010). According to Bovens (2007), accountability can be understood as a process that encompasses the activities of informing, judging, and penalising.

The concept of accountability is a subject of extensive discourse among scholars and professionals, as there is ongoing debate on its precise definition (Jacobs and Wilford 2010). An instance of this can be observed in the perception of responsibility as an entitlement that emerges from the dynamic between an institution that is accountable and the individual or entity being held accountable (Hooks, Coy, and Davey, 2004). According to Jordan (2005), several authors claim that accountability primarily revolves upon responding to the opinions and questions of others.

Kaldor (2013) notes that accountability is perceived by some scholars as a reciprocal procedure including both external responsiveness towards others and inward self-reflection. Lloyd, Oatham, and Hammer, (2007) consider accountability to refer to procedures by which an organisation pledges to address and reconcile the interests of stakeholders in its endeavours. All definitions of accountability have one commonality: they emphasise interactions between numerous players. According to the definitions, the stakeholder is at the heart of accountability, in which the stakeholder holds the NGO accountable for its actions. Transparency, justification, compliance, and enforcement are the four primary components of accountability identified in the literature (Ebrahim and Weisband, 2007).



Contextually, transparency is providing accountability-related information for public examination, whereas justification means providing acceptable explanation for all decision-making possibilities. Accountability relationships are predicated upon power dynamics, wherein one party possesses the authority to exert influence over the actions of the other party. For example, a funding entity possesses the authority to request transparency and responsibility from a recipient organisation, whereby it motivates this association by exclusively providing financial support to entities that are willing to comply with specific performance and accountability benchmarks. Responsibility can be manifested in various directions, either upward, downward, or horizontally, depending on the power dynamics between the entity responsible for ensuring responsibility and the entity subject to it. In the context of upward accountability, a dominant party, possessing more power than the other organisation being held accountable, leverages its power to exert influence over the said organisation, compelling them to provide an account of their actions and comply with specified accountability standards, as previously mentioned.

In the context of downward accountability, a party possessing superior power voluntarily relinquishes a portion of its authority over a particular group or individual, thereby granting them the ability to exert influence on its conduct in terms of a specified level of accountability, such as the provision of information pertaining to accountability to a beneficiary. In this scenario, the dominant party, possesses the potential to exert its authority and manipulate the level of accountability towards the recipient. However, an NGO's accountability may be influenced by an upward accountability relationship to foster downward accountability. This scenario might arise if, for instance, a funding organisation mandates an NGO to ensure downward responsibility as an obligation under a contract. In a horizontal accountability connection, the involved parties possess equivalent levels of authority within the relationship and are required to engage in negotiations to establish the parameters of accountability.

The concept of accountability is rooted in the establishment of expectations, which may be clearly articulated or often stay implicit and are acquired through socialisation processes inside the business (Frink, Hall, Perryman Ranft, Hochwarter, Ferris, and Todd-Royle, 2008). These expectations extend beyond the organisation and are disseminated to various stakeholder groups.

According to Frink et al. (2008), accountability within organisations can be facilitated through several mechanisms such as performance evaluation and feedback systems, reward systems, management by objectives, justice procedures, and formal rules and practices. Dubnick (2005) integrates the notions of conduct accountability and accountability conduct into a comprehensive accountability framework. The former pertains to the actions of individuals, while the latter to organisational structures and processes that facilitate the attainment of accountability. The author conceptualises accountability as a combination of moral pull-factors, including liability, answerability, responsibility, and responsiveness, as well as moral push-factors, such as obligation, obedience, faithfulness, and amenability. Dubnick (2005) submits that these factors are associated with various contexts, including legal. Frink et al. (2008) examine the concept of accountability through a multi-level analysis, encompassing macro, meso, and micro perspectives. At the micro level, accountability pertains to the act of holding individuals responsible, as proposed by Schlenker, Britt, Pennington, Murphy and Doherty, (1994), whereby accountability involves the acceptance of responsibility for one's acts.

The establishment of standards and codes of conduct enables the evaluation and subsequent rewarding or sanctioning of individuals involved, although individuals may attempt to evade accountability by formulating justifications. Frink et al. (2008), go further to express accountability along policies, practices, the monitoring and implementation of controls within organisations, as well as the nature and content of communication with stakeholders. The meso level serves to link the organisation and the individual or group, thereby establishing a connection between the macro and micro levels of responsibility. This linkage allows for the comprehensive examination of all relevant factors (House, Rousseau, and Thomas-Hunt, 1995). Accountability can be attributed to the adherence to external standards and expectations, such as funding conditions, or utilised as a means for the organisation to gain insights from experiences and enhance internal systems. In other words, accountability encompasses both compliance and learning (Verschuere, Verhoest, Meyers and Peters 2006). The concept of accountability is explained and understood from the backdrop of accountability how? Accountability to whom? Accountability in what format? Accountability why? And accountability for what?

### **3.4.1 Accountability how?**

The literature highlights several positive outcomes associated with accountability. These include the advancement of organisational mission, the establishment of trust, the facilitation of continuous improvement through learning, the empowerment of beneficiaries, the promotion of good management practices, the enhancement of organisational behaviour, the improvement of programme effectiveness and results, the augmentation of funding potential, as well as the reduction of costs and risks. NGOs can enhance their effectiveness through the adoption of various accountability methods, which encompass a wide range of thorough and comprehensive options. In their comprehensive analysis, Christensen and Ebrahim (2006) identified a wide range of accountability mechanisms, encompassing more than twenty distinct methods. These mechanisms include, but are not limited to, reporting, conducting audits, maintaining files, conducting monitoring visits, and submitting reports to donors. Ebrahim (2003) examines five primary accountability mechanisms used by NGOs in practical settings. These mechanisms include reports and disclosure statements, performance assessments and evaluations, participation, self-regulation, and social audits.

In Bendell's (2006) comprehensive analysis, a range of accountability mechanisms for NGOs is outlined. These mechanisms encompass elections, monitoring and evaluation, board appointments, standards and codes of conduct, reporting, certifications, dialogue, rating and participation. The literature presents a comprehensive range of accountability mechanisms, which can be categorised into detailed and/or broad groupings. Accountability Standards/Self-regulation, Codes of Conduct, Participation and Complaints Process, Performance Assessment, Planning, Monitoring, and Evaluation and adaptive learning.

#### **3.4.1.1 Accountability standards/self-regulation**

Accountability standards encompass a range of elements, such as policies, procedures, guidelines, standards, and norms. These internal factors can originate from within the NGO itself, while external factors can be established by various entities such as governments, accreditation bodies, and professional organisations that hold authority over the NGO or to which it willingly assumes a role. In the absence of proper supervision and accountability for non-compliance, individuals may be motivated to violate these guidelines and furnish information that is either erroneous or misleading (Walsh and Lenihan, 2006).

There exists a motivation to disregard indigenous customs and legal frameworks when they are perceived as conflicting with the principles upheld by the NGO. According to the findings of Larsen and Haversjo (2001), the primary advantage of implementing standards is the enhancement of managerial control. Furthermore, according to Blind, Petersen and Riillo, (2017), the presence of sector-based standards tends to discourage governments from enacting more burdensome legislation. Lloyd (2005) provides that NGOs engage in self-regulation to display anticipation, ethicality, necessity, credibility, learning, trust, and manage perception. The capacity of an NGO to voluntarily comply with these standards reflects commendable organisational management as perceived by financial supporters. According to Ebrahim (2010:17), the importance of self-regulation lies in its symbolic nature since it conveys messages about the identity and ideals of the sector to a public that is often sceptical. Ebrahim (2010), said that in the process of self-regulation, NGOs have the potential to enhance their performance or identify fraudulent entities. Additionally, this process serves to provide external stakeholders with confidence in the existence of effective governance systems within the sector.

The growing multitude of standards has caused a lack of consensus among users regarding the necessary implementation of these standards, resulting in rising confusion. Moreover, in agreement with Almog-Bar and Schmid (2014), it may be observed that the self-regulation criterion prioritises internal NGO operations cutting out focus on other significant stakeholders. Five widely recognised accountability criteria that are commonly employed, under accountability standards are accreditation (certification), disclosure statements, reporting, legal liability of the board, and rating.

#### **3.4.1.2 Codes of conduct**

These are commonly established at sector, national, or international levels and are typically endorsed by specific groups. Violations of these codes can result in punitive measures being taken against the individuals who breach them. NGOs have the option to enhance existing codes of conduct by incorporating supplementary codes that align with their principles. Alternatively, the organisations can create their own codes of conduct in situations where the prevailing codes are absent or do not align with the NGO's ideals.

These codes of conduct establish the regulations that must be adhered to by NGO personnel, who are accountable for the outcomes that may arise from their actions. According to Sphere standards <sup>20</sup>, if the NGO fails to oversee adherence to the codes of conduct or neglects to implement suitable disciplinary measures for their infringement, it is possible that compliance with the codes of conduct may not be observed within the organisational context. When they engage in initiatives targeting marginalised people, NGOs often adhere to a set of norms encompassing behavioural guidelines, cultural sensitivity, and the appropriate treatment of children, both within and beyond the scope of their working hours. Codes of conduct are implemented with the purpose of providing guidance to personnel, volunteers, recipients, communities, and other relevant stakeholders regarding the duties and accountabilities of individuals operating on behalf of the NGO.

Additionally, these codes inform the public about the ethical standards expected from the NGO and establish a framework for addressing grievances arising from ethical violations. To mitigate the occurrence of infractions, it is imperative to establish compliance reviews, as well as robust enforcement and punishment mechanisms, akin to those employed for accountability standards. Codes of conduct are sometimes created in response to external influences. However, Raiborn and Payne (1990) argue that the most valuable codes of conduct are those formed internally.

Lloyd (2005) asserts that a significant number of codes of conduct mostly function as guidelines, exhibiting deficiencies in terms of monitoring, enforcement, and punitive measures. Merely enrolling in a programme or activity does not guarantee compliance, yet individuals are more inclined to stick to a set of behavioural guidelines that align with their principles. Moreover, if the codes align with the principles upheld by the NGO, individuals may experience peer influence compelling them to adhere to the codes.

#### **3.4.1.3 Participation and complaints process**

Participation serves as a means of fostering accountability in NGOs, with the primary objective of engaging all relevant parties, particularly beneficiaries, in the organisation's decision-making procedures on a consistent basis (Wellens and Jegers, 2011); and Ebrahim (2005), suggest that involvement of stakeholders in matters relating to project conception, planning, and implementation is constrained and primarily controlled by the funders of the NGO responsible for executing the project.

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<sup>20</sup> <https://spherestandards.org/>.

When they engage in project activities, project beneficiaries achieve the second degree of involvement (Wellens and Jegers, 2011). The occurrence takes place when the recipient community contributes labour, materials, funds, and maintenance services to ensure the effective completion and implementation of the project, among other factors. The extent of collaboration is predominantly constrained to the allocation of community volunteers for project implementation on an individual basis. According to Baum (2012), third-level participation refers to the ability of beneficiary communities to engage in negotiations, bargaining, and perhaps reject project decisions made by NGOs. The level of involvement described provides individuals with increased control over regional assets and the implementation of initiatives associated with the project. Engagement at the fourth level encompasses self-directed community initiatives undertaken by various social collectives with the aim of fostering societal progress (Fowler, 2013).

According to the proposition, the initial two levels of engagement are driven by external factors such as funders and NGOs who hold the belief that enhancing public accessibility to services would contribute to the resolution of societal issues. In practice, however, the process of decision-making is predominantly entrusted to these external institutions, often with limited or negligible involvement from the community. Consequently, Andrews (2014) classified these two forms of engagement as spurious participation.

According to Najam (1996a:346-347), community engagement might be perceived as a superficial practice. The inability of community members to withdraw their support, in contrast to donors, and the inability to apply conditionalities, as opposed to governments, results in the illusion of involvement being transformed into a deceptive sense of responsibility. The connection of beneficiaries and NGOs might be indicating an engagement that is primarily cosmetic and lacks substantive outcomes. To support the implementation of effective downward responsibility through effective participation, it is necessary to engage effectively in the operations of NGOs (Wellens and Jegers, 2014). In recent times, there has been a notable emergence of actions aimed at integrating evaluation and performance assessment tools with participatory methods. These endeavours enable communities to review the operations of NGOs, while simultaneously providing them with the opportunity to analyse the acts of funders (Hulme and Edwards, 2013).

The complaints procedure serves as a platform for individuals such as staff members, volunteers, beneficiaries, and other relevant stakeholders to formally lodge complaints against a non-governmental organisation, specifically pertaining to its policies or personnel. Complaints may arise due to perceived breaches of established norms, codes, procedures, performance expectations, or other relevant criteria. They can also stem from apprehensions regarding specific acts, activities, or the absence thereof. When engaging with individuals or groups who possess less authority or influence than the NGO in question, it is advantageous for the NGO to create the position of an ombudsman (Kolk, 2003).

Additionally, the NGO should actively promote and prioritise the complaints process to foster an environment where complaints are treated with due diligence and seriousness. Bradshaw, Kendall, Blackmore, Johnson and Jenkinson, (1998) agree with the idea of implementing an ombudsman to address complaints. However, the authors propose that the ombudsman's job should primarily serve as a local overseer, rather than being integrated inside the NGO itself. In this model, individuals would have the option to lodge complaints both with the NGO directly and with the ombudsman.

The NGO may also implement a whistle-blower policy to safeguard employees from potential retaliation when disclosing concerns. NGOs have the potential to enhance the efficacy of their complaints procedures by offering a complaints centre that is easily accessible and free of charge. It is recommended to document and disseminate concerns extensively, which may include sharing details of any proposed solutions, unless such communication would reveal personal and/or secret data that could jeopardise the safety of the individual lodging the complaint. According to Bradshaw et al. (1998), the implementation of a readily accessible complaints system, diligent management of complaints, and the application of suitable disciplinary measures in accordance with the nature of the complaint can contribute to the gradual enhancement of service quality.

#### **3.4.1.4 Performance assessment, planning, monitoring, and evaluation**

Donors embark on external performance and evaluation assessments to appraise the performance of NGOs, either during the interim phase (mid-term) or upon completion (end of term) of the project. The utilisation of assessment and performance mechanisms offers NGOs the benefit of directing their attention towards project outcomes, while also gathering crucial performance data that can inform future initiatives (Davies, 2001). The evaluation and performance assessment system has faced criticism for its shortemism (Ebrahim, 2010). According to Davies (2001), it has been argued that this method results in the inefficient utilisation of NGOs already constrained time and resources as they strive to meet the requirements set forth by the system. NGOs have the potential to enhance their operational efficiency and achieve better outcomes through the implementation of strategic planning, rigorous monitoring, and comprehensive evaluation of their programmes.

As Chinman, Imm, and Wandersman (2004) succinctly summarise, planning has the potential to enhance implementation, ultimately resulting in improved outcomes. The implementation of monitoring practices can play a crucial role in guaranteeing the provision of relevant data for continuous management and the assessment process (Bovens, 2007). Evaluations provide organisations the chance to systematically assess and record the favourable and unfavourable programming elements, derive insights from experiences, and adhere to financial stipulations (Brinkerhoff and Brinkerhoff 2004, Bovens 2007). Evaluations enable donors to assess and evaluate the performance of different NGOs. This assessment helps decide which NGO is achieving the most favourable outcomes, identifies areas where NGOs require support, and aids in selecting the most suitable NGO to finance for a specific type of activity. Evaluation reports commonly consider outputs and occasionally consider outcomes, but frequently neglect to address impacts. This omission can be attributed to the intricate nature of impacts and the multitude of external factors that might influence them (Slim, 2002; Ebrahim, 2005). Planning encompasses various components, including but not limited to delineating the scope, detailing activities, estimating timeframes, establishing goal dates, identifying resource needs, assessing risks, devising risk mitigation methods, determining procurement requirements, formulating a communications strategy, organising training initiatives, establishing indicators, and implementing a monitoring approach.



Effective planning is crucial for ensuring that programmes, services, and projects are equipped with sufficient staff, cash, and other essential resources. This enables the objectives to be effectively monitored and managed, while also facilitating the mitigation of potential hazards. Organisations have the option to independently carry out all planning activities or involve communities through various means.

Research has indicated that the inclusion of the community throughout the planning stage might yield more favourable and enduring outcomes, while also resulting in cost reduction (Awio et al., 2011). Monitoring is a continuous procedure that observes and evaluates multiple facets of a programme, service, or project. Monitoring has the potential to induce modifications. The outcomes monitoring can then be accessed either on a spontaneous or scheduled basis. From this narrations, the act of monitoring can potentially result in the need for additional resources or the redistribution of resources towards alternative projects or activities within the same programme.

The utilisation of computer technology in monitoring processes may offer advantages, particularly in cases where the program's characteristics and the requirement to manage substantial volumes of data are taken into consideration. According to Awio et al. (2011), community members are strategically positioned to effectively watch and assess the progress of services being given inside their neighbourhood. This can be advantageous when the goals of the community are congruent with the values of the NGO. However, it has a detrimental effect when such is not the case. Literature extensively discusses the advantages of community involvement, but it also highlights various instances where community involvement has had adverse effects.

These negative impacts encompass corruption, discrimination against specific groups within the community, inadequate evaluation of local needs, unintentional support for terrorism, and other related concerns (Lizarralde and Massyn, 2008). Difficulties emerge if local observers lack training to accurately document their observations or fail to effectively carry out their assigned duties. The inclusion of local observers in the monitoring process can contribute to the development of capacities, while also allowing for the evaluation of their performance. Aligning the distribution of tasks with the conditions of financing agreements is advantageous, since it ensures that the organisation bears ultimate accountability for the outcomes of its endeavours (Bendell, 2006). Evaluations are primarily utilised for the purpose of enhancing development outcomes through the acquisition of knowledge from previous endeavours, as well as to ensure transparency and responsibility towards specific stakeholders.

The statement suggests that evaluations ought to encompass several key factors, namely relevance, effectiveness, efficiency, impact, and sustainability<sup>21</sup>. This notion aligns with the concise summary provided by Alexander, J and Kerkvliet, E. (2022:1-25), which emphasises that evaluations should enhance "learning, accountability, and performance within the sector." Evaluations encompass the examination of both procedural accountability, which pertains to adherence to established standards, and operational responsibility, which pertains to outcomes and knowledge acquisition.

According to Ebrahim (2014), assessments can be conducted utilising either internal or external resources. In the scenario, referred to as self-evaluation, the entity doing the task assumes the responsibility for creating the evaluation report. The utilisation of self-evaluation can provide significant benefits in terms of cost efficiency, knowledge acquisition, and long-term viability. This strategy enables an organisation to review and refine its outcomes before sharing them with external entities, such as funders. The evaluation paradigm holds particular significance in situations when the funder seeks to assess and evaluate the relative performances of multiple organisations, with the objective of allocating further cash to those demonstrating superior outcomes. Although it may be financially prudent to allocate funds to NGOs that demonstrate more favourable short-term outcomes, this approach can hinder innovation, which is a crucial aspect of the development process (Ebrahim, 2003).

The process of external evaluation might incur significant expenses, and there may exist motivations to suppress information or selectively modify content prior to its submission to evaluators. Like a financial audit, it is the responsibility of the assessors to meticulously examine all pertinent data to provide an accurate assessment. In instances where a final evaluation report may intentionally exclude certain crucial matters to protect the reputation of the organisation or its funding entity, it remains imperative to address unfavourable aspects to derive valuable insights applicable to future scenarios. In the absence of collusive behaviour, the implementation of oversight mechanisms serves to bolster accountability by augmenting the likelihood of issue detection. This, in turn, enables the formulation of strategic plans to prevent the recurrence of such issues in the future. Naturally, in the event of collusion or superficial assessment of evaluations, the potential for learning may be significantly diminished.

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<sup>21</sup> According to the OECD, Development Assistance Committee Network on Development Evaluation

One potential approach to promote reporting and facilitate sector-wide improvements is to confidentially share the lessons learned with a third-party organisation. The existing body of literature presents a range of perspectives on assessment reports, with varying conclusions. Bornstein (2006) argued that instead of promoting accountability and efficacy, evaluations have inadvertently fostered motivations for deceit. Evaluation reporting serves as a valuable instrument for assessing compliance, guaranteeing several aspects such as the achievement of goals, alignment with the NGO's principles, adherence to timelines and budgetary constraints, and the equitable treatment of beneficiaries.

Kennedy (2019) in reference to HAP advocates for the dissemination of evaluation findings to facilitate ongoing improvement by leveraging the insights gained from projects. Monitoring involves the systematic collection of data at regular intervals, which is afterwards utilised for the purpose of generating reports. On the other hand, evaluation involves the critical examination and analysis of a specific situation at a certain moment in time. The evaluation of performance should be conducted in accordance with the organisation's purpose, vision, values, goals, and objectives. This assessment should utilise baseline data where applicable and indicator values when accessible. However, it is often seen that a limited amount of information is offered in this regard (Clemens, Bamford and Douglas, 2008). Evaluations may encompass several aspects, including procedures, perceptions, outputs, outcomes, and impacts, depending on the preferences of the donor, host government, and internal governance regulations. Evaluations can be conducted with the purpose of ensuring compliance or as a means of facilitating a learning process for NGOs, enabling them to make ongoing changes by drawing insights from both their achievements and shortcomings.

#### **3.4.1.5 Adaptive learning**

Adaptive learning provides a critical reflection on prior project experiences in order to learn from them and transfer knowledge to new ones (Ebrahim, 2010). Effective learning, it is said, leads to a greater grasp of NGO concerns, encourages conclusions, and drives collective behaviour (Ebrahim, 2005; Najam, 1996a). The primary aspects required to implement an adaptive learning approach, according to Garvin, Edmondson, and Gino, (2008), are environment, procedures and practices, plus leadership. Creating a learning environment provides opportunity, psychological safety, and time for NGOs' staff to debate and reflect in order to improve learning. Concrete learning, it is thought, enhances capacity growth through knowledge transfer.

While supportive leadership ensures that management is committed to learning, it also guarantees that time, resources, and a suitable learning environment are available inside their organisation (Garvin et al., 2008). The practical difficulties in designing and adopting an integrated learning process befitting the achieving of long-term organisational objective is the obstacle to implementing adaptive learning as an accountability mechanism inside NGOs (Brown et al., 2012).

Furthermore, the NGO atmosphere does not support learning. Donors, mostly, deny errors and failures in the implementation of projects, do not encourage the disclosure of errors, and penalise NGOs for non-compliance (Townsend and Townsend, 2004). Furthermore, the volume of data and degree of inspection required by donors' functionality accountabilities bar internal learning and knowledge exchange (Burger and Seabe, 2014; Lloyds, 2005). Numerous NGOs have changed their accountability procedures in recent years to include learning into their daily work schedules, as they have realised the value of learning and knowledge sharing (Fowler, 2013). For instance, ActionAid International introduced the Learning and Planning System to decrease internal bureaucracy, streamline reporting, and improve learning (David and Mancini, 2004). Additionally, a rise that been noted in the creation of learning and evaluation techniques to improve learning and knowledge transfer (Bonbright, Campbell, and Nguyen, 2009).

According to Levinthal and March (1993), the process of learning has a dual effect on performance and reliability. On one hand, the process enhances average performance and reliability. On the other hand, it tends to hinder innovation, as it prioritises immediate gains over long-term advantages. This preference for short-term expediencies leads to a focus on local issues rather than broader ones, and a greater emphasis on achieving quick successes while downplaying the importance of failures. According to Levinthal and March (1993)'s perspective, achieving long-term sustainability necessitates striking a suitable equilibrium between leveraging existing knowledge and exploring alternative approaches. The aforementioned perspective is substantiated by Smillie et al (2013:87), who assert that "the process of learning enables organisations to consistently adjust and respond to an uncertain future".

The acquisition of knowledge can provide a competitive edge to NGOs by enabling them to respond to challenges, comprehend and foresee requirements, adjust to diverse contexts, and foster innovation (Stalk, Evans, and Shulman, 1992) promptly and consistently. It is imperative to safeguard the retention of acquired knowledge amidst staff turnover (Levinthal and March 1993), while also preventing information overload among personnel. While Smillie et al. (2013) engage in a discussion addressing the challenges associated with the excessive accumulation of knowledge, Riddell (2013) highlights the limited accessibility of resources pertaining to the assessment of experiences.

### 3.4.2 Accountability to whom?

NGOs are subject to various forms of accountability. These include being answerable to their funders, the beneficiaries they serve, individuals with an interest in or indirect involvement in their activities, their collaborating partners, their internal stakeholders, and the governments of their home country or the countries in which they operate. This categorisation is derived from the works of Christensen and Ebrahim (2006) plus Hammad and Morton (2011). Najam (1996b) conceptualises accountability along being accountable to patrons, clients, and to self. Regarding accountability relationship, NGOs deal with three main stakeholders, according to Najam (1996a). Firstly, NGOs deal with donors/patrons, who supply finances and technical assistance required for their activities. Secondly, NGOs engage direct beneficiaries and thirdly, they connect horizontally with one another (Hammad and Morton (2011). Verschuere et al. (2006) and Wenar (2006) share about stakeholders to whom an NGO is accountable and these are listed in Table 1.

Dimension of Accountability	Those who fund them	Those who they help	Those who are interested in what they do	Those who they work with	Themselves	Government
Types of stakeholders	Donors	Beneficiaries	General Public	Partners	Board of Directors	MDAs
	Funders	Community Groups		Peers	Management team	

Table 1: Accountability stakeholder groups

### **3.4.2.1 Accountability to patrons**

Patrons (donors and funders) are organisations plus people interested in providing resources to NGOs to benefit recipients (Fowler, 2013). The responsibility of NGOs to patrons, according to Najam (1996a), examines the interaction of NGOs and donors, and it involves confirmations of value for money. Effective controls, such as financial and policy controls, can help achieve this. External donors to NGOs are as resource givers or as selected overseers guaranteeing that NGOs operate efficiently. Because donors have the power to impose sanctions on non-governmental organisations which they believe are unaccountable, responsibility to patrons is often formal, forced, pressured, and even abusive.

### **3.4.2.2 Accountability to clients and government**

The intended receivers of NGO interventions or products are known as NGO customers (also known as beneficiaries) (Najam, 1996a). Individuals, groups, communities, and even nations can benefit from NGO work hence the importance of NGO accountability to beneficiaries is based on this. Practically, however, customer responsibility does not exist. When it exists, it turns out to be fake (Najam, 1996a). Client accountability is realised through widespread beneficiary engagement in NGO decision-making and the development of significant community cooperation. However, in practice, this occurs very infrequently because beneficiaries are mostly engaged as mere recipients of the interventions with very little or no participation on their part. This system does not inspire community involvement. Because of this, when it comes to responsibility between NGOs and their clients, the latter group has very little say because they are unable to penalise the former group (Najam, 1996a). As Lawrence and Nezhad (2009) pointed, NGOs are expected to demonstrate accountability not just to the government, including ministries, departments, and agencies, but also to other stakeholders such as the public, as well as their partners and peers.

### **3.4.2.3 Accountability to themselves**

It is not well-documented that NGOs are accountable to themselves; however, NGOs are required to share the extent of accomplishing their stated vision, purpose, and objectives before their stakeholders, including workers, funders, and recipients (Najam, 1996b). The many forms of NGOs, especially membership and non-membership NGOs, have different levels of accountability to themselves. For instance, deciding on classifying membership of NGO as contributors, recipients, or workers is a challenge because each categorization has distinct ramifications.

According to Assad and Goddard (2010), NGOs' accountability can be greatly influenced by the presence of donors and effective leadership. To ensure organisational effectiveness in terms of self-accountability, it is imperative to successfully address internal accountability and operational challenges (Lewis, 2014). These include basic accountability such as internal reports to the board, management and staff, including internal meetings where information is shared about resources, performance, fairness and impact. Staff general meetings can take on these as a way of confirming organisational accountability to themselves.

### **3.4.3 Accountability in what format?**

Han and Demircioglu (2016) state that accountability relationship is contingent upon the power dynamics between the NGO and the stakeholder in question. This suggests that the classification of stakeholders into upward, downward, or horizontal accountability relationships may vary depending on the specific context. For example, two NGOs may form a collaborative partnership to collectively pursue shared objectives within a certain geographical area. Alternatively, an NGO may enlist the services of another NGO to act as its representative and carry out activities on its behalf. In the initial scenario, it is probable that both NGOs would exhibit mutual accountability within a horizontal framework. This is because, as collaborative partners, they would normally possess equivalent levels of influence within the partnership.

In the second scenario, the NGO that was involved would establish an upward accountability dynamic with the NGO that enlisted its services. The presence of accountability can lead to the diversion of resources from the overarching objective and create tensions within organisations as they attempt to address the diverse accountability demands of multiple stakeholder groups or prioritise being accountable to one over another (Edwards and Hulme, 1996).

There exist multiple formats of NGO accountability as alluded to by Ahmed et al., (2011) and Assad and Goddard, (2010) and these are explained below to highlight the dynamics.

### **3.4.3.1 Upward accountability**

Upward accountability refers to the responsibility to guarantee that allocated funds are utilised for their intended goals (Wenar, 2006; Najam, 1996a:342). The concept pertains to the dynamic relationship between NGOs and entities with the authority to shape the distribution of needed resources (Ebrahim, 2003a, b). Upward accountability is the predominant accountability format inside NGOs. Development NGOs are obligated to provide reports to external sources, including corporate entities, public organisations, and government bodies, as they heavily rely on funding from these sources (Chenhall et al., 2010). The flourishing of NGOs is a direct result of increased competition for limited financial resources.

The concept of upward accountability emphasises the importance of being accountable to influential stakeholders and ensuring that NGOs conform to norms set by donors to effectively accomplish their goals (Fowler, 2013; Andrews, 2014). The practice ensures that fund providers receive comprehensive reports regarding the acquisition and utilisation of specified funds (Edwards and Hulme 2002a; Assad and Goddard, 2010; Ebrahim 2003a, b). This practice can be likened to prioritising shareholder accountability over other stakeholders, as discussed by Unerman and O'Dwyer (2010). According to Ahmed et al. (2011), upward accountability pertains to the utilisation of conventional, technical, institutionalised, and hierarchical accounting reports with the objective of meeting the expectations of funding entities. The completion of project objectives requires the submission of a formal report, as stated by Dillon (2004:107). Additionally, it is crucial for NGOs to effectively utilise and meet their contractual commitments with external partners, as highlighted by O'Dwyer and Unerman (2007). Of importance is the recognition on considering the presence of numerous stakeholder groups within the NGO sector, the notion of holding these organisations accountable to a single set of stakeholders is unfeasible. In specific scenarios, it is logical to ensure the satisfaction of donors as they serve as the key financial contributors to non-governmental organisations. However, O'Dwyer and Unerman (2007) argue that the contentment of donors does not necessarily signify the satisfaction of recipients.



It is reasonable to assert that in a significant number of cases, donors exhibit a lack of connection to the operational aspects of NGO projects, thereby potentially lacking awareness of project efficiency in the absence of upward responsibility. The provided justification is somewhat valid; however, assessing the effectiveness of resource allocation in a context where most NGO endeavours are either of extended duration or challenging to evaluate presents difficulties (Andrews, 2014). Numerous scholarly works, by Baur and Schmitz (2014), have raised problems with upward accountability. One critique of the concept of upward accountability pertains to its formal nature, which necessitates donors to specify a planned and pre-defined approach for the creation of accounts (Unerman and O'Dwyer, 2010).

In addition, due to the inherent diversity in the concept of responsibility among different donors, NGOs that collaborate with many donors may be required to meticulously create and furnish distinct accountability documentation to each of their respective funding entities. Unerman and O'Dwyer (2010) argue that this activity represents an inefficient allocation of time and resources, which may be more effectively utilised in alternative endeavours. Upward accountability, according to the argument of Ebrahim 2003b, is short-term oriented and uses impersonal norms and established technical, quantitative financial categories to promote top-down governance by focusing on resource use and quick accomplishments (Johnston and Gudergan, 2007). This explains why all stakeholders must be included in a more thorough accountability system. Upward responsibility is one-dimensional, concentrating on the operations of a few narrowly defined NGOs (Assad and Goddard, 2010). Upward accountability, according to some analysts, focuses on highly rigorous and formalised guides and protocols which mostly are prescriptive, prohibitive, and biased toward contributors, and favours efficiency above effectiveness and efficacy (Najam, 1996a; Messner, 2009). Usually, donors are satisfied when NGOs follow strict guidelines when acquiring products (efficiency) and are less concerned about whether the items purchased will truly fulfil the intended purpose (effectiveness). Given the remoteness that exists between funders and NGO impact areas, a cooperative strategy to propose effective and feasible solutions (Unerman and O'Dwyer, 2010) would be preferable to an emphasis on efficiency. Another criticism of upward accountability pertains to its tendency to oversimplify complex dynamics within the NGO contexts (Ebrahim, 2002). NGOs function within a multifaceted context and are accountable to a diverse set of stakeholders. Consequently, reporting only based on one stakeholder group fails to adequately capture the complexity of NGO operations.

It is crucial to additionally examine the perspectives of beneficiaries who are directly impacted by the activities undertaken by NGOs (Najam, 1996a; Ebrahim, 2003a, 2005). The relationship between the amount of funding provided by donors to NGOs is purportedly associated with the level of upward accountability (Dixon, Ritchie and Siwale, 2006; Baur and Schmitz, 2012). According to Andrews (2014), there exists a positive correlation between the level of upward responsibility held by an NGO and its dependence on funders. The absence of upward accountability within NGOs can impede their capacity to function as effective agents of social change. This is due to its emphasis on control mechanisms which may restrict the cooperative and open exchange of knowledge. Agyemang et al. (2019, 2012) highlighted the same. The presence of an upward obligation towards donors gives rise to tensions among stakeholders, leading to NGOs criticising funders for their perceived lack of fairness (Ebrahim, 2002; Edwards and Hulme, 1996a). An additional ramification of upward responsibility is its potential to impair the efficacy of previously established programmes (Khan, 2003). NGO managers are concerned and anxious about the challenge of demonstrating performance abilities to purportedly hard to satisfy superiors (Najam, 1996a; Ebrahim, 2003a, b). The creativity, sensitivity, and adaptability of NGOs, as well as their accountability connections, are hampered by the emphasis on upward accountability (Ebrahim, 2005; Najam, 1996a).

Furthermore, because various donors have varying upward accountability criteria, NGOs that have many sponsors must cope with diverse upward accountability standards (Agyemang et al., 2017, 2009). The limited nature of the forms utilised restricts the extent of input for upward accountability. As a result, upward accountability fails to promote dialogue or discourse about accountability, and it also does not facilitate the creation of additional narrative content (Agyemang et al., 2017, 2009). The prevalence of upward accountability has distorted the hierarchy of accountability, resulting in a call for a more inclusive kind of social accountability that takes into consideration the interests of all parties involved, particularly those who benefit from the actions or decisions being accounted for (O'Dwyer and Unerman, 2007; Blagescu, De Las Casas and Lloyd, 2005). NGOs are required to submit financial information to their respective governments to retain their tax-exempt status. Additionally, they are generally obligated to furnish their boards of directors or trustees with a comprehensive account of their operational operations.

Throughout history, a significant portion of accountability has been directed upwards, mostly motivated by the need to fulfil contractual responsibilities with funders (Najam, 1996). Traditionally, the focus has been mostly on financial aspects and immediate project goals, with little regard for the long-term consequences or the level of service quality (Kilby, 2006).

The concept of upward accountability entails that NGOs can receive recognition for their achievements and face consequences for their shortcomings, which can manifest in their capacity to secure financial resources and potential damage to their reputation (Najam 1996). According to Ebrahim (2005), the utilisation of this approach has the potential to effectively mitigate the misappropriation of funds. Additionally, Wenar (2006) suggests that this strategy can enhance operational efficiencies by reallocating funds away from underperforming NGOs. According to Bendell (2006), the potential for financial losses may provide a motivation to withhold or manipulate information, therefore compromising accountability. The focus of upward responsibility often leans towards adherence rather than knowledge acquisition. The lack of improvement in sustainability within the community and potential hindrance to programme success arise from the failure to encourage the utilisation of community experience. Nevertheless, it might potentially offer donors with supplementary insights into the effectiveness or ineffectiveness of certain approaches, insights that could afterwards be disseminated to NGOs.

#### **3.4.3.2 Downward accountability**

There is a growing trend among governments and other stakeholders to promote the incorporation of downward or social accountability mechanisms in the accountability systems of regional and global NGOs. This shift is driven by the recognition of the adverse outcomes associated with upward accountability, as evidenced by various scholarly works (Ahmed et al., 2011; Najam, 1996a; Agyemang et al., 2019). The growing call for downward accountability has raised concerns regarding the unequal distribution of power among funders, non- NGOs, and communities. The beneficiaries apprehend the repercussions if they were to question or critique the actions of NGOs and donors, as this may jeopardise their access to future interventions.

The concept of downward accountability posits that NGOs have a dual responsibility: upwards to their funders and downwards to the communities they serve. This framework ensures effective communication and engagement among all stakeholders involved (Unerman and O'Dwyer, 2010; Ebrahim 2003a, 2003b; Edwards and Hulme 2002a). The recognition of the significance of multidimensional accountability systems that incorporate the interests of all stakeholders, including recipients and local institutions, is well-established in the literature (McKernan and MacLulich, 2004; Lloyd, 2008; Unerman and Bennett, 2004; Roberts and Scapens, 1985). Moreover, it is a principle making every stakeholder of an NGOs to possess an inherent obligation to participate in accountability decision making, regardless of their level of power or influence (Lloyd, 2008). NGOs have the capacity to employ downward accountability mechanisms, which enable them to involve project beneficiaries in the decision-making process. This approach also facilitates the acquisition and enhancement of local skills. Additionally, a study by Agyemang et al. (2019) aims to promote a mind-set among donors that emphasises adaptability in addressing the requirements of beneficiaries.

The concept of downward accountability refers to a situation when an entity is only accountable to a certain community, while disregarding the interests and concerns of other stakeholders. The communication style is characterised by informality and encourages ongoing interaction between the involved parties (Edwards and Hulme, 1996a). The approach is characterised by its qualitative nature, openness, and participatory nature, accommodating a broad range of stakeholders and facilitating different discourse (Messner, 2009; Ahmed et al., 2011). Moreover, the concept of downward responsibility is associated with the facilitation of bidirectional communication (Dixon et al., 2006). The concept also entails the active involvement of stakeholders in project decision-making processes (Ebrahim, 2003b). Additionally, Roberts (1991) comments that downward accountability depicts and interplay of political, socio-cultural, and ethical factors.

The notion of downward accountability enables NGOs to leverage the knowledge and experience of local recipients and funders, enhancing their ability to effectively respond to the needs of their beneficiaries by incorporating innovative ideas (Agyemang et al., 2017, 2009). The expansion of the accountability process within NGOs increases the opportunity for these organisations to acquire knowledge and insights from their past errors. The presence of downward accountability enables the opportunity to acknowledge errors and derive lessons from them without apprehension of repercussions, so facilitating the enhancement of succeeding endeavours (Agyemang et al., 2019, 2009). To establish that management does not engage in the misuse of authority, it is imperative for NGOs to uphold a sense of accountability towards the individuals they are dedicated to serving (Gray et al., 2006). The implementation of downward accountability mechanisms can improve the efficiency of assistance distribution by facilitating a deeper comprehension of NGO activities, particularly at the local level (Baur and Schmitz, 2012). Kilby (2006) asserts that NGOs have implemented diverse official and informal mechanisms of downward accountability in the absence of established criteria for downward responsibility. There exist two distinct categories of accountability methods, namely depth of responsibility and formality of accountability. The level of formality has an impact on various aspects, including the degree of formality or flexibility in conducting meetings, the extent to which beneficiary perspectives are considered in setting the agenda, and the structure of meeting minutes. According to Agyemang et al., (2017) and Ahmed et al., (2011), there is a positive correlation between the extent of formality and comprehensiveness of accountability and the extent of beneficiary interaction and ownership of programmes.

As stated by Andrews (2014), the implementation of downward responsibility poses a significant obstacle, particularly within a framework that is primarily characterised by upwardness in accountability. Downward accountability poses challenges because of insufficient commitment from donors and their reluctance to delegate authority (Banks and Hulme, 2012). According to O'Dwyer and Unerman (2010), the implementation of downward accountability is challenging because of insufficient commitment by donors and other important stakeholders, as well as the limited willingness of beneficiaries to engage in accountability discussions due to their lack of capacity. This is also stated by (Burger and Seabe (2014).

Consequently, it is unsurprising that the rate of expansion and acceptance of this phenomenon has been sluggish. Moreover, Andrews (2014) argues that the endorsement of downward responsibility by donors is primarily conceptual and verbal, lacking substantial commitment. This leads to inflexibility in the accountability process, ultimately undermining the intended purpose of downward accountability (Baur and Schmitz, 2012; Banks and Hulme, 2012; Andrews, 2014). To make downward accountability effective, it is necessary to address the anxiety that emerges because of power asymmetries between donors, NGOs, and recipients (Andrews, 2014). By establishing dialogues which leave no stakeholder behind, an NGO can efficiently implement downward accountability (Unerman and O'Dwyer, 2010).

External forces, notably governments and funders, can be blamed for the absence of downward responsibility inside NGOs (Burger and Seabe, 2014). To guarantee compliance, these forces favour upward responsibility (Ebrahim, 2010). Donor dictation is blamed for the lack of downward accountability to recipients, as are the complications of engaging in downward accountability, as well as a lack of money, time, and requisite skills (Baur and Schmitz, 2012; Awio et al., 2011). Many donors claim to understand the necessity of downward responsibility but carry no commitment to put it into practice (Eyben, 2008; Chiweza, 2010). The donor-imposed reporting formats do not stimulate learning, sharing, and improvement, nor do they build downward accountability relationships (Agyemang et al., 2019). The donors must include downward accountability mechanisms into their accountability requirements they place on NGOs. The criteria for successful accountability must be developed in partnership between funders, NGOs, and recipients (Fowler, 2013; Buss, 2013; Islam, Hajar, and Haris, 2013).

NGOs generally lack a legal need to provide an account of their actions to individuals or groups with less influence, but they frequently embrace the concept of downward accountability as a matter of ethics, morality, or operational necessity. In this scenario, NGOs relinquish a portion of their authority over a particular collective, such as beneficiaries, and grant said group the ability to exert influence over their operational decisions (Jacobs and Wilford, 2010). The empowerment of beneficiaries can be facilitated by accountability mechanisms that include them in goal-setting processes, ensure the fulfilment of their requirements in an appropriate manner, and enhance the potential for long-term sustainability (Roche, 1999).

According to Roche (1999), beneficiaries generally lack legal or practical means to impose sanctions on NGOs, except for the possibility of pursuing legal action for negligence or choose to collaborate with alternative organisations, if feasible, in subsequent endeavours (Uphoff, 1996). There exist limited motivations for NGOs to demonstrate downward accountability, as argued by Kilby (2006). Downward accountability is often not formally legislated, which means that it tends to be informal in character and may not be perceived as a recognised entitlement (Kilby, 2006).

The implementation of downward accountability mechanisms contributes to the improvement of learning and sustainability inside NGOs by affording the intended beneficiaries an opportunity to comprehend the actions taken or planned, and to offer their own interpretations of the resulting outcomes and impacts. According to Verschuere et al. (2006), the acquisition of knowledge and skills can result in enhanced outcomes in subsequent initiatives. When it is incorporated at the planning phase, accountability enables beneficiaries to articulate their needs (Hammad and Morton, 2011), thereby imposing a responsibility on NGOs to fulfil their pledges and effect substantial advancements for the individuals they seek to assist (Bendell, 2006). Furthermore, when they are adequately informed and consulted, beneficiaries can acquire knowledge about the established regulations, policies, and procedures. According to Ebrahim (2003), possessing this knowledge has the potential to discourage the misuse of authority within NGOs. The concept of downward accountability can also encompass the expansion of accountability beyond immediate beneficiaries to the broader groups that may be impacted (Najam, 1996), thereby enabling NGOs to gain a deeper understanding of the expanded requirements and enhance overall outcomes for the entire community (Wenar, 2006). Continuous learning has the potential to contribute to the achievement of sustainability. While the inclusion of community involvement, such as equitable participation in planning, monitoring, and evaluation processes, can provide benefits, involving communities at every stage may lead to short-term delays, more NGO involvement, and higher expenses.

### **3.4.3.3 Horizontal accountability**

Horizontal accountability refers to the concept of holding two or more parties accountable in a relationship where they possess equal levels of power. This form of accountability can be observed in several contexts, such as the collaboration between two NGOs or two government agencies, as highlighted in the Broadbent Report of 1999 and a study by Verschuere et al. in 2006. Cooperation has the potential to mitigate redundancy, save expenses, and alleviate the strain on recipient nations or communities. Horizontal accountability involves the sharing of strategies, plans, and outcomes within the development community, rather than engaging in competition for the same communities, duplicating personnel and resources, and placing demands on recipients and local governments.

### **3.4.4 Accountability why?**

NGOs can be held accountable due to several factors, including morality obligations (Cordery, Rahman-Belal and Thomson, 2019), ethical considerations (Gibelman and Gelman, 2001), and legal mandates (Chisolm, 1995). The following exist among several significant factors that contribute to the necessity of accountability.

#### **a) Accreditation requirement**

An accredited NGO is held responsible for meeting the stipulated conditions set forth by the accrediting organisation. The accreditation requirements encompass adherence to established criteria. According to Gugerty (2010), one of the primary advantages of accreditation is the possibility of bolstering reputation, which can lead to increased funding from public or governmental sources. Additionally, accreditation offers internal benefits such as access to resources, standards, and the collective knowledge of fellow members.

#### **b) Funding requirement**

NGOs exercise accountability to make themselves attractive to funders and funding options. While they may not possess a legal entitlement to initiate legal proceedings in cases of fund misappropriation or deceptive communication (Keating and Frumkin, 2000), donors do retain the option to cease providing additional support to culpable NGO (Brown and Moore, 2001). The funder possesses a far higher level of authority to impose accountability requirements on the NGO. Prevailing funding options call for proof of previous accountabilities like previous audit reports.



### **c) Good management practice**

Effective management practices encompass a range of essential elements. These include, the meticulous monitoring and management of financial resources, the formulation and implementation of suitable plans, programmes, policies, and codes of conduct to safeguard employees and beneficiaries, and to enhance the likelihood of successful programme outcomes. Collaborative efforts with partners, alongside active contributions to the advancement of the sector, further contribute to effective management practices.

Furthermore, ensuring accountability and fostering cooperation with both partners and host country governments are integral components of sound management approaches (Wenar, 2006). The advantages associated with excellent management practices encompass enhanced programme effectiveness and efficiency, improved treatment of beneficiaries (Awio et al., 2011), enhanced communication, superior outcomes, and increased trust (Brinkerhoff and Brinkerhoff, 2004). One potential drawback is that the implementation and enforcement of effective management practices could result in increased administrative costs and a decrease in the amount of time that staff can allocate towards assisting disadvantaged individuals.

### **d) Improve organisational behaviour**

The field of organisational behaviour is subject to the effect of management philosophy, which serves to create operational limits, prescribe appropriate techniques for addressing novel situations, and give a shared framework for achieving success (Schermerhorn, Hunt, and Osborn, 2004). Additionally, the way an organisation manages risk further shapes its organisational behaviour. The utilisation of accountability can effectively enhance organisational behaviour through the establishment of standards and protocols for evaluating performance in relation to these standards. The presence of performance evaluation serves as a motivating factor for individuals to meet or exceed the anticipated standards. The establishment of standards for individual behaviour, coupled with the enforcement of sanctions for non-compliance, typically leads to an enhancement in the conduct of individuals.

### **e) Improve program effectiveness**

While quantifying outputs may be straightforward, the significance lies not in the physical presence of these items, but rather in the effects they generate. If the major aim of excavating a well is to establish a sustainable and enduring supply of portable water for the local populace, the failure of the well to remain functional beyond a month's time renders the realisation of this objective unattainable. This outcome can be attributed to either the decision to excavate the well in its current location or the failure to equip the community with the necessary knowledge, tools, and components to rectify any issues that may arise with the well. If the observation holds true for other wells, it is plausible to consider the programme as lacking in effectiveness.

The aforementioned scenario would arise if mosquito nets originally intended for safeguarding children against malaria, were repurposed as fishing nets. The costs and measurement of consequences are significantly higher and more challenging to assess (Ahmad, Lopez, and Inoue, 2000). Enhancing programme effectiveness has the potential to allocate resources for supplementary projects, foster trust, and enhance the overall quality of work conducted (Beck and Buchanan-Smith, 2008). According to Ellis and Gregory (2008), enhancing effectiveness enables organisations to reassess their delivery expenses and offer more streamlined programmes.

### **f) Improve public relations**

NGOs communicate to their personnel, volunteers, and collaborators the imperative to adhere to the NGO codes of conduct, ethics, standards, and values by providing comprehensive information that encompasses both favourable and unfavourable aspects. While the immediate impact of disclosing negative information may harm the reputation of an NGO in the short term, over time, the organisation's credibility improves as it discloses both positive and negative situations. Beck and Buchanan-Smith (2008) argue that individuals who are aware that the material they disclose will undergo critical examination tend to produce reports of higher quality.

### **g) Improve results**

According to Ellis and Gregory (2008), beneficiaries have the potential to achieve improved outcomes through their engagement in accountability processes. According to Hyndman and Eden (1999), when plans are disclosed, workers experience heightened pressure to achieve favourable outcomes for the community.

The act of disseminating information to communities enables these entities to articulate their perspectives on programmes, potentially meeting community needs, fostering local knowledge, and promoting government initiatives. Furthermore, the occurrence of duplicate programmes initiated by competing authorities can be mitigated by the implementation of local coordinating initiatives.

#### **h) Increase funding potential**

Output-based accountability has been shown to be generally well-received by the public (Vesterlund, 2006), with limited concerns expressed regarding performance indicators or effectiveness ratios (Cunningham and Ricks, 2004). The implementation of accountability measures can enhance trust, improve reputation, demonstrate commendable actions, manifest progress, and mitigate adverse publicity. According to Connolly and Hyndman (2004), the dissemination of information regarding past achievements and the promotion of new or ongoing projects can enhance the understanding of potential donors, potentially increasing their willingness to contribute financial support.

#### **i) Legal requirement**

In the context of Malawi, NGOs are required to undergo registration with the NGO Regulatory Authority and adhere to the regulations stipulated under the relevant NGO laws. In accordance with the provisions outlined in the NGO Act of 2022, NGOs are required to maintain accurate financial records and utilise their resources only for charity endeavours, including but not limited to education, religion, poverty alleviation, welfare, and related undertakings. Furthermore, NGOs are legally obligated to submit an annual report containing comprehensive financial and programmatic information via the appropriate documentation.

#### **j) Maintain standards**

Standards play a crucial role in facilitating the operations of NGOs. Standards serve as a framework for effective engagement with various stakeholders. Additionally, standards provide guidelines that contribute to the safety and well-being of beneficiaries and establish a benchmark against which NGOs can be evaluated, ensuring accountability and transparency. They also create expectations for stakeholders, fostering a sense of responsibility and commitment thereby triggering the reason for accountability.

### **k) Reduce costs**

The implementation of accountability measures can contribute to cost reduction by highlighting instances of overpayments, fund misuse, and payments, thereby enhancing the cost-effectiveness of programmes (Bernstein and Hise 2007). Implementing suitable performance indicators, effectively monitoring and reporting expenditures, conducting comparative analyses of expenses associated with similar interventions, designing more efficient programmes, and drawing insights from previous experiences are all strategies that can contribute to cost reduction. The implementation of accountability standards and the provision of relevant technologies, along with the training of staff and partners on their use, need financial resources. However, the potential advantages of accountability might surpass these costs (Wenar 2006), particularly in cases where organisations engage in cooperative efforts (Bernstein and Hise 2007).

### **l) Reduce risks**

Baracaldo and Joshi (2013) submit that the reduction of risks is achieved by the integration of standards, codes of conduct, planning, and the ongoing organisational improvement processes. Additionally, the identification of possible hazards is facilitated by the implementation of monitoring, evaluation, and complaint mechanisms. While it is impossible to completely eradicate risk, the utilisation of supplementary accountability systems aids in mitigating both the likelihood and impact of encountering such hazards. Codes of conduct have the potential to foster an ethical culture inside an organisation, so reducing the likelihood of staff members engaging in unethical practices or exploiting beneficiaries through the solicitation of favours in exchange for help. The implementation of planning strategies can effectively mitigate risks by incorporating contingency measures.

### **m) Standards body requirement**

Membership in standards bodies within the NGOs sector is discretionary, thereby leading to the emergence of private self-regulation (Blind et al, 2004). A standards organisation has the authority to establish standards that are either mandatory or optional for its members to adhere to. If the standards are obligatory, the standards organisation possesses the authority to ensure compliance by verifying adherence among its members and imposing penalties upon those who contravene the standards.

As previously stated in the discourse on accreditation, the consequences associated with non-compliance can exhibit variability contingent upon the degree of severity and frequency of the observed conduct.

### **3.4.5 Accountability for what?**

#### **a) Accountability for finances**

This encompasses both the financial and managerial accounting tasks. Financial accounting pertains to the systematic documentation and analysis of an organisation's financial transactions and events. The task involves the upkeep of an organisation's financial books and records to facilitate the accurate preparation of financial statements. Gapenski (2008) reports that this process involves adhering to GAAP and the IFRSs. Within the NGO domain, instances of misconduct can include fraudulent activities as well as the misallocation of finances. Such misallocation may involve the allocation of an excessive portion of resources towards wages, fundraising efforts, extravagant office spaces, and other expenses.

Additionally, misconduct may involve the collection of donations for a specific cause, only to divert them towards alternative causes. Financial assessments fail to offer any meaningful analysis about the allocation of funds, the efficacy of programmes, or the optimal resource. According to Wenar (2006), the financial data presented by NGOs lacks consistency, rendering it incomparable. Managerial accounting pertains to the deliberate and practical utilisation of information by management in decision-making processes. In contrast to financial accounting, which focuses on documenting past financial vents, management accounting utilises historical data to analyse concerns and forecast performance (Gapenski, 2008).

#### **b) Accountability for fairness, performance and impact**

Fairness encompasses the principles of equity, the establishment of rules, regulations, and processes, and the consistent application of these guidelines in a manner that is free from discrimination. It also involves addressing genuine demands and interests and maintaining transparency (Kane, 2010). The rules, standards, and processes serve as a benchmark for assessing fairness and establishing accountability. For fairness to be upheld, it is necessary for it to also encompass justice. It is not possible to consider the treatment of all parties in an equally unjust manner as fair (Rawls, 2013).

A significant portion of the assessment of NGOs' performance in terms of accountability has primarily focused on inputs, such as the amount of funds raised, and outputs, such as the number of vaccines purchased. However, there has been a lack of emphasis on evaluating the outcomes and impacts of these efforts. For instance, the installation of latrines in 400 houses may be considered an output, but it is also crucial to examine the corresponding decrease in mortality rates, which serves as a measure of impact. This issue has been highlighted by Roche (1999). Accountability involves providing a comprehensive, impartial, and equitable explanation of what has been achieved or not achieved, while assuming responsibility for the resulting outcomes, regardless of their positive or negative nature (Bovens, 2007). Additionally, accountability encompasses the dissemination of knowledge (Gertler, Martinez, Premand, Rawlings, Vermeersch, 2011). The prioritisation of NGO performance and impact is widely recognised as the foremost determinants influencing donor decisions about assistance for NGOs.

### **3.5 NGO PERFORMANCE MANAGEMENT AND MEASUREMENT**

#### **3.5.1 NGO performance management**

The significance of performance management for NGOs in developing nations escalated of late due to factors such as uncertain funding, the need to meet various stakeholder expectations, and the call for enhanced efficacy and accountability (Olujide, 2005). While there has been considerable discourse in the existing literature around performance assessment in NGOs, evidence on the significance of performance management is growing (Yap and Ferreira, 2011). Broadbent and Laughlin, (2009) have posited that the effective implementation of performance management necessitates harmonisation of essential practices and activities within a comprehensive management system, which is further bolstered by a designated performance assessment framework. This study examines the performance management notion in the context of NGOs. Performance management practices encompass customs that pertain to the specification of objectives, techniques, procedures, and controls within a given system. These practices are designed to provide information that can be utilised by the organisation (Leeuw and van den Berg, 2011). While earlier research has examined the advantages and difficulties associated with performance assessment in NGOs (LeRoux and Wright, 2010), there is a lack of detailed exploration on the benefits and challenges of performance management practices specifically within NGOs.

The subject of performance and efficacy within the NGO sector has proven to be challenging to grasp for some time. The concept of NGO effectiveness as a metric for evaluating the performance of NGOs has been the subject of scholarly inquiry for a considerable period. Various studies by Lecy, Schmitz, and Swedlund, (2012) have examined this topic. However, there is no consensus on the precise definition and measurement of NGO performance. NGO performance can be understood as the resultant effect of the actions undertaken by NGOs. A review of scholarly literature on NGOs indicates a significant focus on the concept of effectiveness as a crucial indicator of performance. This emphasis is supported by studies conducted by Kronkisky (2007) and Sowa, Selden, and Sandfort, (2004). Notably, some researchers within this body of literature equate effectiveness with performance.

According to Benjamin and Misra (2006), organisational effectiveness is perceived in the context of NGOs as the degree to which the organisation successfully achieves its mission. Additionally, Kronkisky (2007) suggests that organisational effectiveness can also be gauged by the extent to which an NGO fulfils its objectives and aims. According to Beamon and Balcik (2008), effectiveness can be defined as the degree of fulfilling client needs, while efficiency refers to the relationship between the attained effectiveness and the resources utilised. Previous studies have mostly concentrated on various aspects of NGO performance, such as goal achievement, availability of resources, reputation, and the utilisation of multi-dimensional assessment methods (Lecy et al., 2012; Kronkisky, 2007). The former approach placed significant emphasis on goal attainment as the primary measure of NGO performance, asserting that progress towards accomplishing goals is the sole determinant of success. Nevertheless, the lack of singular and specific goals inside NGOs has been subject to criticism (Lecy et al., 2012). In order to overcome the constraints associated with achieving goals, the systems resource approach was introduced focusing on preserving the organisation (Kronkisky, 2007).

The measurement of organisational performance in non-profit entities is based on their capacity to effectively influence and utilise their external environment in order to acquire limited and valuable resources, mostly financial resources, with the aim of accomplishing their objectives (Ritchie and Kolodinsky, 2003). The methodology was subject to criticism due to its emphasis on quantifiable financial metrics, such as expenditure and income, as indicators of performance.

The reputational approach is predicated on the utilisation of subjective assessments from various important stakeholders to evaluate the effectiveness of non-governmental organisations (Lecy et al., 2012). The premise of this argument is rooted in the notion that the attainment of organisational legitimacy is crucial for the effective functioning of an NGO within a complicated sector. The rejection of this method is justified by the lack of consensus among stakeholders regarding the performance of non-governmental organisations (Herman and Renz, 2004). To overcome the shortcomings of previous approaches, scholars have proposed multidimensional models of NGO performance (Kendall and Knapp, 2000; Kaplan, 2001). These models incorporate various organisational levels and units of analysis (Sowa et al., 2004), as well as consider dimensions such as goal attainment, system resources, and reputation (Lecy et al., 2012).

Although multidimensional models have the potential to yield various advantages, empirical evidence suggests that their implementation in NGOs is challenging (Moxham, 2009; Carman, 2007). This difficulty arises primarily from factors such as the inherent complexity of these models, the overwhelming amount of information they entail, and the limited resources and expertise available to NGOs in utilising such systems (Le Roux and Wright, 2010). The success of NGOs in a particular aspect does not necessarily indicate their overall effectiveness (Lecy et al., 2012).

Ferreira and Otley (2009) recreated a more comprehensive enhanced framework for performance management and control. This enhanced framework offers a broader scope for examining performance management practices, encompassing not just profit-making enterprises but also NGOs. The framework highlights twelve issues that have been identified in the three phases of performance management. These are:

#### **3.5.1.1 Performance planning**

- Vision and mission, organisational objectives and purposes communicate them to management and staff;
- key success factors - identification of key factors for future success and how they are brought to attention of managers and employees;
- organisational structure – Recognition of the impact of organisational structure on design and use of PMS and strategic management process;
- strategies and plans - How strategies and plans are adapted, generated and communicated to managers and employees.



### **3.5.1.2 Performance Measurement**

- Key Performance Measures - Key financial measures and non-financial measures used by organisations and how they are assessed;
- Performance targets setting - challenging performance targets and the process of setting targets;
- performance measurement and evaluation - processes for evaluating individual, group and organisation performance and its consequences;
- rewards for performance - financial and non - financial rewards that are in place for management and employees for achieving the targets and penalties for failure.

### **3.5.1.3 Performance management context**

- Information flows and feedback systems - systems and networks that organisation have developed to support feedback;
- performance information use - type of use (diagnostic, interactive or both) is made of information collected from PMS at different hierarchical levels;
- PMS dynamism -The way in which PMS is modified considering changes in the organisation and environment is it proactive or reactive; and
- strength and coherence - links between PMS components and the performance information use.

The framework is distinguished by its introduction of functional and contextual factors that can be considered when examining the design and implementation of performance management systems in NGOs. The functional issues pertain to the effective handling of determinants such as key success factors, organisational structure, strategies and plans, performance measurement and evaluation, and rewards for performance. Additionally, the functional issues involve the management of results, including vision and mission, organisational objectives and purposes, key success factors, key performance measures, and performance targets. These concepts have been explored in previous studies by Fitzgerald, Johnston, Silvestro, and Voss, (1991), Ferreira and Otley (2009), and Broadbent and Laughlin (2009). The contextual concerns pertain to the functioning of the performance management (PM) system, encompassing aspects such as information flows and feedback mechanisms, utilisation of performance information, dynamic of the PM system, and its strength and coherence.

### **3.5.2 NGO performance measurement**

In literature, numerous authors have presented a variety of definitions of performance measurement. According to Poister (2003), performance measurement is a systematic approach to discovering, managing, and utilising various objective indicators of an organization's performance and its programmes on a consistent basis. In addition, Lindblad (2006) posited that performance measurement entails the utilisation of objectives, indicators, and information to evaluate the activities and services provided by NGOs. In their study, Ferreira and Otley (2009) regarded performance measurement as a means of evaluating individuals, groups, and the entire organisation.

According to Carman (2007), performance measurement refers to a methodical assessment of the outcomes, inputs, and impacts of a programme. However, there has long been a lack of agreement on the definition and measurement of success in NGOs due to the ambiguous nature of their goals and the uncertain connection between programme activities and outcomes (Kanter and Summers, 1987). The performance of NGOs has been conceptualised by Kanter and Summers (1987) as the exhibited capacity to obtain the requisite resources for the survival of the organisation. However, evaluating the success of NGOs encompasses more than just assessing their ability to obtain the essential resources for sustaining their operations. According to Kareithi and Lund (2012), the major objective of NGOs is to prioritise the objectives desired by the beneficiaries they serve and the communities they operate in. Consequently, the evaluation of these organisations should be based on their ability to accomplish social goals that have been jointly acknowledged. An enduring challenge in the field of NGOs' performance evaluation is the identification of suitable indicators for assessing and evaluating their performance (Herman and Renz, 2004).

Studies on the measurement of performance in NGOs have focused on two primary areas of investigation: internal indicators and external indicators. The internal indicators in question pertain to the financial performance of NGOs, encompassing aspects such as funding accessibility, budgetary efficiency, and expenditures and costs (Ritchie and Kolodinsky, 2003). Conversely, the external indicators pertain to the correlation between the NGO and the environment. Yuchtman and Seashore (1967) introduced a conceptual framework known as the system resource framework, which delineates the performance of NGOs as their ability to effectively leverage external resources to secure the necessary financial means for their sustenance.

NGOs commonly evaluate their effectiveness by establishing performance indicators and subsequently collecting data pertaining to these indicators. According to Carman (2007), the performance indicators most employed by NGOs encompass measures of efficiency, effectiveness, fundraising, costs, audits, and beneficiaries' satisfaction. Teelken (2008) employed a set of four performance measures to assess the operational activities of NGOs: efficiency, effectiveness, economy, and efficacy. According to Benjamin and Misra (2006), the assessment of performance in NGOs should encompass the evaluation of inputs, outputs, results, and impact.

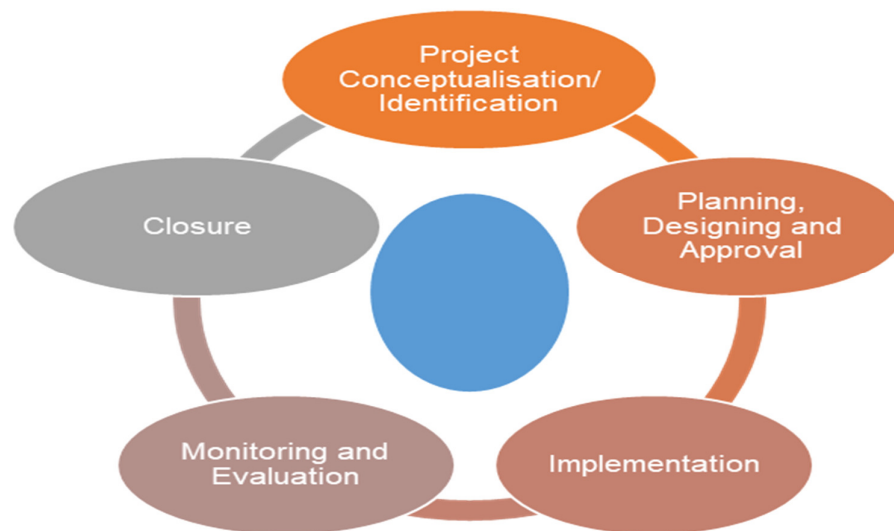
According to Fine and Snyder (1999), efficiency refers to the relationship between inputs utilised and outputs attained, making efficiency appear to be the maximisation of both financial and non-financial resources, such as labour, time, and expertise, to attain the intended outcomes. Economic efficiency refers to the degree to which a programme has effectively utilised its resources and inputs to generate desired outcomes, with the aim of maximising outputs. Typically, the correlation between input metrics and output measures yields enhanced efficiency. The input measures primarily capture the resources allocated to a programme or project, including personnel, time, and financial resources. On the other hand, the output measures pertain to the outcomes achieved through the utilisation of these resources, specifically focusing on the number of beneficiaries served and the quantity of products delivered, in relation to the pre-determined objectives of the programme. Conversely, outcomes or effectiveness measures pertain to the indicators that elucidate a qualitative distinction in the lives of the beneficiaries who are the focus of an NGO or its intervention (Lindgren, 2001). In essence, this analysis primarily assesses the degree to which the stated goals of a programme have been achieved.

These indicators encompass the involvement of stakeholders and the assessment of recipients' satisfaction. Measures of beneficiaries' satisfaction provide an additional important method for evaluating the performance of NGOs and can serve as an outcome or indicator of effectiveness. According to Niven (2008), the assessment of beneficiaries' satisfaction can be conducted by evaluating factors such as access, timeliness, selection, and availability. The impact performance pertains to the degree of success in attaining the overarching goals of a programme, such as fostering community development, promoting sectoral growth, improving living standards, and effecting changes in individuals' lives. The impact assessment often encompasses the enduring ramifications of attaining goals and the broader socio-economic transformation.

### 3.6 THE PROJECT CYCLE FRAMEWORK

The project cycle is a technique of conceiving project management. It is also a system that allows for effective information management. The assessment and collection of information are the first steps in the project cycle. There is no such a thing as a static environment, and the initial assessment simply gives you a picture of what is going on at the time. As soon as it is gathered, the data quickly becomes obsolete. This is why the project is presented as a cycle, with the phases being performed again and over to maintain the project current in a changing environment.

The project cycle was envisioned in the image of the Euro assistance Project Cycle Management Handbook (2002) as indicated in Figure 2 below:



*Figure 2: Project cycle – Author Created*

Because it emphasises three main ideas, this cycle is significant to performance assessment and accountability:

1. At each phase, decision-making criteria and procedures (including critical information requirements and quality assessment criteria) are developed;
2. the phases of the cycle are progressive - each step must be completed before moving on to the next; and
3. as part of a planned process of feedback and institutional learning, new programming and project identification draws on the findings of monitoring and assessment.

In actuality, the length and relevance of each phase of the cycle will vary based on the size and scope of the project, as well as the precise operating modalities under which it is set up. A major and sophisticated multi-year assistance program, for example, may take many years from identification to implementation, whereas a project to provide emergency assistance in the aftermath of a flood disaster may only take a few weeks or months to be up and running. Nonetheless, allocating sufficient time and resources to project identification and formulation is crucial to facilitating the design and implementation of meaningful and feasible projects.

### **3.7 CHAPTER THREE SUMMARY**

The relevant literature on the accountability of NGOs has been evaluated in this chapter. Based on the discourse provided, Table 2 provides a summary of the accountability framework, depicting the accountability mechanisms (how) examined in this research, as well as the potential rationales for being accountable (why) and the potential recipients of accountability (to whom), including the formats of accountability. The table demonstrates that each accountability mechanism can encompass a maximum of thirteen reasons for its selection and up to six groups of stakeholders for accountability. Issues of performance management and measurement have been discussed, plus the methodology of constructing accountability systems. The programming tool of project cycle management was discussed.

The next chapter discusses the theoretical and conceptual frameworks for this research.



ACCOUNTABILITY FRAMEWORK					
Accountability Why?		Accountability How? (Mechanisms)	Accountability for What?		Accountability to Whom) (Stakeholders) and in what Format?
1. Accreditation requirement. 2. Funding requirement. 3. Good management practice. 4. Improve organisational behaviour. 5. Improve program effectiveness. 6. Improve public relations. 7. Improve results. 8. Increase funding potential. 9. Legal requirement. 10. Maintain standards. 11. Reduce costs. 12. Reduce risks. 13. Standards body requirement.		Accountability Standards and Self-regulation	Finances, governance and performance, depending on what is being reported		1. Those who fund them -Donors, Funders (Upward) 2. Those who they help –Beneficiaries, Community group (Downward) 3. Those who are interested in what they do -General Public (Downward) 4. Themselves - Board of directors, Management team, Staff, Volunteers (Internal) 5. Those who they work with – Partners, Peers (Horizontal) 6. Governments or agencies (Horizontal)
		Code of conduct	Finances and governance, depending on what the codes or standards emphasise		
		Participation and Complaints process	Depends on the purpose of participation, e.g., whether it is seeking input on implementation (performance) or to influence agendas (governance)		
		PA-PM and E	Performance, often short-term outputs but with increasing emphasis on impacts		
		Adaptive Learning	Mission and performance		

Table 2: Accountability framework (Author created)

## **CHAPTER FOUR**

### **THEORETICAL FRAMEWORK**

#### **4.1 INTRODUCTION**

Zhu, Sarkis and Lai, (2013) argues that organisations are motivated to adopt specific tactics due to a range of stakeholder and institutional pressures. This chapter introduces the theories, which are subsequently employed to analyse and explain the findings of the research in the subsequent sections. This research extends to exploring the influence of institutional forces on NGO accountability by employing institutional theory, specifically New Institutional Sociology (NIS). An integration with concepts from the examination of strategic reactions to institutional pressures. This chapter sets out by providing a definition of institutions and engaging in a discourse on institutions, asserting that the scholarly community continues to engage in ongoing debates on the precise delineation of institutions. The subsequent discussion pertains to the overarching concept of institutional theory and its recent surge in popularity. In this chapter, the concept of New Institutional Sociology is utilised to explain the accountability rationale within NGOs. This chapter also encompasses the stakeholder theory. The chapter ends with a diagrammatic presentation of the conceptual framework, accompanied by a rationale for the selection of NIS and stakeholder theory as the basis for consolidating the framework.

#### **4.2 INSTITUTIONAL THEORY - NEW INSTITUTIONAL SOCIOLOGY**

North (1991)<sup>22</sup> defined institutions as humanly devised constraints that structure political, economic and social interaction. They consist of both informal constraints (sanctions, taboos, customs, traditions, and codes of conduct), and formal rules (constitutions, laws, property rights). Throughout history, institutions have been devised by human beings to create order and reduce uncertainty in exchange. The concept of institutional characteristics is a subject of intense scholarly discourse in the literature (Powell and DiMaggio, 2012; Brammer, Jackson, and Matten, 2012). The variation in the conceptualisation of institutionalism across scholars, as noted by Peters (2011), may contribute to its potential contradictions, as highlighted by Hall and Taylor (1996).

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<sup>22</sup> [edisciplinas.usp.br/pluginfile.php/1695541/mod\\_resource/content/1/North %281991%29.pdf](http://edisciplinas.usp.br/pluginfile.php/1695541/mod_resource/content/1/North%281991%29.pdf).

However, it is widely acknowledged that institutions are external arrangements or structures that collaborate with other factors within various social contexts to create and preserve stability and control social behaviour (Jackson, 2010; Peters, 2011). According to Brammer et al. (2012), there are establishments in which a social entity is obligated to conform to specific behaviours and operations under circumstances. Any deviations from these norms lead to social penalties and, in certain instances, affect the credibility of the social entities implicated. Institutions have a critical role in fostering societal prosperity by providing a framework of standardised and harmonised structures for adoption (Scott, 2013). These structures have the potential to be either universal or specific in nature. According to Brammer et al. (2012), actors can adapt and operate within broad frameworks by making slight alterations as necessary. However, specialised structures are inflexible and do not permit any deviations.

Social actors internalise and adopt institutional frameworks after they are established, enabling them to operate effectively within their respective functional environments. According to Scott (2013), actors are informed on institutional aspects through the utilisation of symbolic systems, relational systems, procedures, and artefacts. In practice, institutions employ many mechanisms, including legal frameworks, governance mechanisms, operational protocols, and standardised practices, to enforce social frameworks upon individuals involved. According to Giddens (2013b), these frameworks are assimilated and embraced by individuals within society, becoming the fundamental principles that govern social behaviour. Consequently, any departure from these principles is promptly recognised and discouraged. The concept of enforcement is a fundamental aspect of systems, and it is influenced by three key pillars: regulative, normative, and cognitive. These pillars, as described by Scott (2013), play a crucial role in shaping how actors adhere to established systems.



### **4.2.1 Institutional theory**

Institutional theory has been explained and proposed as a framework for understanding how institutions affect organisational functioning for many years. Old institutionalism first appeared in the 1960s, and institutional theory then came into being in the 1970s (Scott, 2013). The neo-classical theory that served as the foundation for old institutionalism gave a lot of weight to the rationality of people and society in its pursuit of maximising value and upholding formal standards. However, the theory disregarded how informal factors and environmental elements affected how organisations operated (Meyer, 2010). According to Hall and Taylor (1996), the old institutionalism perspective posits that societal behaviour is unaffected by social interactions and that society makes rational decisions irrespective of limitations.

The field of sociology experienced the rise of institutional theory during the 1970s, which is often referred to as sociological institutionalism, neo-institutionalism, or new institutionalism (Rowan, 2010). The utilisation of institutional theory stands highly significant in elucidating the process of societal evolution and comprehending the influence of institutions on social behaviour (Giddens, 2013a). The fundamental concept of contemporary institutionalism posits that society comprises social actors, including individuals, and organisations. In addition, contemporary institutionalism asserts that the behaviour of these actors is significantly influenced by the social environment (Meyer, 2014). Modern institutionalism, as a scholarly approach, focuses on the analysis of the dynamic interplay between organisations and their external environments. The theory seeks to elucidate the process by which organisations assimilate socially constructed norms, thereby becoming the framework upon which societal perception and interpretation of the world is based (Meyer, 2010). This theory focuses on the progression of social rules, values, structures, beliefs, and cultural norms, plus the subsequent impact they have on the behaviours of individuals and organisations (Powell and DiMaggio 2012). Based on the theoretical framework, the incorporation of various salient environmental factors (such as symbols, beliefs, values, etc.) within a given social context gradually leads to their institutionalisation and internalisation in the cognitive processes of individuals involved.

These variables gradually gain social acceptance and are recognised as legitimate to the extent that they are embraced as societal norms and integral aspects of the prevailing way of life within that particular society. According to the assertion, in instances where robust norms become prevalent within an organisational setting, firms operating within this environment are compelled to adhere to these norms as a means of ensuring their continued existence. The inquiry at hand pertains to the strategies employed by organisations in managing institutional norms and pressures, as well as the motivations that drive firms to embrace and enforce the rules set out by these institutions. The popularity and enthusiasm around institutional theory among social researchers has increased since its inception due to its capacity to incorporate social actors in the assessment of organisational legitimacy within their respective environments (Meyer, 2010).

To establish credibility and ensure long-term viability, the concept enables management to effectively address the disparity between community perceptions and organisational practices, while also integrating prevailing social norms, expectations, and mandates into routine operations (Meyer, 2014). The wide adoption of institutional theory can be attributed to its transdisciplinary nature and its capacity to be applied universally. The concept has been widely employed for research purposes in several disciplines (Powell and DiMaggio, 2012; Dillard, Rigsby, and Goodman, 2004; Tsamenyi, Cullen, and Gonzales, 2006). According to Dillard et al. (2004), institutional theory possesses broad applicability across various organisational contexts, encompassing both private and public sectors. The significance of institutional theory in comprehending the accountability of NGOs lies in its ability to elucidate how certain existing environmental factors can potentially influence these systems. One could argue that the presence of NGOs within societies renders them subject to ontological influences stemming from socially constructed perspectives and norms (Scott, 2013). This study employs NIS as the chosen methodology, which will be discussed further in subsequent sections.

#### **4.2.1.1 New Institutional Sociology (NIS)**

This theory explains how the PEST elements exert influence on business operational dynamics. This theory asserts that structures, methods, and principles established by an organisation are substantially influenced by external factors, rather than being driven solely by logical aims such as cost-cutting. Based on the findings of NIS, the presence of macro-level elements can exert a significant influence on an organization's operational strategies (Powell and DiMaggio, 2012; Anheier, 2014; Powell and Bromley, 2013). The adherence to these components bestows legitimacy upon an organisation and functions as a catalyst for its long-term viability (Powell and DiMaggio, 2012). According to Meyer and Rowan (1992), institutionalisation refers to the process through which an organisation internalises external regulations, norms, values, conventions, and beliefs. According to Tsamenyi et al. (2006), the model has the potential to be utilised in the analysis of organisations that are grappling with uncertainty and facing issues related to institutional and political legitimacy. The New Institutional Sociology (NIS) model presents a contrasting perspective to the economic rationality ideology of the New Institutional Economics (NIE). NIS argues that organisations have the capacity to make decisions that may be considered irrational from an economic standpoint.

Furthermore, NIS suggests that these organisations may encounter minimal resistance and adhere to societal norms, as long as their actions serve to legitimise their existence and do not disrupt the prevailing PEST elements. Thus organisational decisions may be significantly influenced by the requirements of the institutional context in which they operate. Consequently, one could argue that the accountability systems employed by NGOs are partly irrational, and may be influenced by the institutional framework within which they function. This framework is the behaviour of donors, MDAs, beneficiaries, peers, professional organisations, and other entities (Hussain and Hoque, 2002). Consequently, NGOs may develop accountability procedures that lack logical coherence to address the environmental constraints exerted by stakeholders if such measures ensure the survival and garnering public legitimacy. This statement aligns with the perspective presented by Moll, Major, and Hoque, (2006a:187) which demonstrates that the implementation of different accountability systems can be deemed as a response to external pressures rather than solely driven by a rational pursuit of internal efficiency.

The concept of isomorphism, as articulated by Powell and DiMaggio (2012), refers to the phenomenon wherein entities or individuals are compelled to conform to the behaviours and practices of others in comparable contexts. This concept holds significant importance in enhancing our comprehension of the NIS theory. Isomorphism refers to the phenomenon wherein individuals within a population are compelled to exhibit uniform behaviour and function in a consistent manner when exposed to comparable environmental circumstances (Dillard et al., 2004). The concept of isomorphism, as articulated by Powell and DiMaggio (2012:66), refers to a process that imposes constraints on a particular unit within a population, compelling it to adopt similarities with other units that encounter the same array of environmental factors. Isomorphism refers to the process of adapting diverse organisational characteristics to align with established environmental standards, thereby creating uniformity across all entities within a given organisational domain and fostering a shared objective. Hannan and Freeman (1977) propose that isomorphism emerges because of managers reaching a consensus on acceptable behaviour, hence eliminating any suboptimal behaviour exhibited by players within a given organisational field over a period. Consequently, the phenomenon of isomorphism compels firms to embrace particular characteristics that are deemed environmentally and socially sustainable, rather than only relying on rational decision-making.

Competitive isomorphism and institutional isomorphism are two distinct forms of isomorphism known in scholarly works (Powell and DiMaggio, 2012). Competitive isomorphism thrives within a highly competitive market environment, emphasising factors such as market competition, rational decision-making, fitness evaluation, and adaptation to changing market niches (Powell and DiMaggio, 2012). Competitive isomorphism is commonly attached to bureaucracy and has faced criticism due to its limited suitability in the contemporary dynamic business environment. Consequently, institutional isomorphism came up as a complementary concept, which has been overlooked in previous attempts to elucidate isomorphic processes. In accordance with the theory of institutional isomorphism, the characteristics of organisations are mirrored in the prevailing societal norms and standards. In the pursuit of desirable attributes, such as accountability mechanisms in NGOs, institutional isomorphism serves as an indicator of the extent of operational uniformity among organisations operating within a specific environment or sector.

Based on existing theoretical perspectives, it is argued that the contextual factors influence the establishment and configuration of organisations more than forces of marketization (Powell and DiMaggio, 2012). Furthermore, it is posited that the adoption of these structures contributes to the attainment of legitimacy, whereas the failure to adopt them can result in organisational failure (Powell and DiMaggio, 2012). According to Meyer and Rowan (1977), organisations embrace some environmental influences to enhance their legitimacy and ensure their sustainability. Organisations often adopt structures, processes, job titles, and roles based on their suitability for the prevailing operational context (Powell and DiMaggio, 2012).

#### **4.2.1.2 Institutional isomorphism**

According to Powell and DiMaggio (2012), isomorphism/homogeneity happens in moments of organisational endeavour to embrace comparable institutional norms and values that are deemed acceptable for the purpose of ensuring their legitimacy and longevity. DiMaggio and Powell (1983) proposed a framework that categorises institutional isomorphism into three distinct types: coercive, mimetic, and normative isomorphism. They argue that the convergence of organisational characteristics in a particular operational field can occur through various mechanisms, such as alterations in structure, behaviour, and decision-making processes (Ramanath, 2014). The next section is a discussion on the three types of institutional isomorphic forces that have been identified.

##### **4.2.2.2.1 Coercive**

Coercive isomorphism refers to the phenomenon in which dominant autonomous entities exert influence or pressure on subordinate actors, compelling them to conform to specific behavioural patterns. The pressure may manifest itself in either formal or informal ways, and it can be exerted through many means such as persuasion, force, evolution, or co-optation. Mandates, annual reports, standards, financial reporting duties, and legislation are all instances of coercive isomorphism that may possess legal or technological characteristics. There exists some correlation on the degree of dependence, and the degree of coercive isomorphism in a general context. Pfeffer and Salancik (2003) have posited that the extent to which an organisation depends on external sources for resources, such as financial capital and human labour, directly correlates with its level of influence and control.

Coercive isomorphism, which refers to the imposition of external pressures on organisations to conform to certain practices or norms, can originate from any of these sources. This may manifest in the form of conditions attached to the funds provided, specifying how the funds should be utilised, where they should be allocated, and the establishment of accountability mechanisms for the NGOs. While they may include ceremonial attributes, certain standards hold significant importance due to the potential ramifications for the future of the NGO if they are not adhered to. One potential limitation of coercive isomorphism, particularly when driven by political motivations, is its inherent rigidity, repressiveness, regressive nature, and reduced adaptability (Pfeffer and Salancik, 2003).

#### **4.3.2.2. Mimetic**

Mimetic isomorphism refers to a phenomenon when a company within a particular industry replicates, imitates, or adopts the practices of other organisations operating within the same industry. Mimetic isomorphism refers to a strategic approach employed by organisations to address deficiencies within their internal operational environment, which may arise due to factors such as unclear objectives, limited technological comprehension, inadequate guidance, and unpredictable external conditions (Powell and DiMaggio, 2012). This approach involves organisations emulating the practices and structures of successful counterparts as a means of improving their own performance. Available research suggests that there is an anticipated increase in mimetic isomorphism in circumstances characterised by uncertainty and purpose ambiguity (Pfeffer, 2003; Sarrina and Lee, 2010).

Mimetic isomorphism has the benefit of enabling firms to tackle intricate challenges while minimising costs and inconveniences more effectively. This is achieved by locating analogous organisations that have encountered comparable issues in previous instances (Assavapisitkul and Bukkavesa, 2009). Mimetic isomorphism enhances an organisation's legitimacy, particularly by demonstrating to stakeholders its willingness to copy others to enhance operational capabilities and ensure survival. According to Wasserman (2011), this phenomenon consistently leads to the establishment of organisational stability. Mimetic isomorphism plays a significant role in ensuring the consistency and widespread adoption of certain structural and other arrangements inside businesses (DeMichele, 2014).

#### **4.3.2.3. Normative**

Normative isomorphism refers to the phenomenon wherein professional bodies in a specified sector implement a set of norms and regulations that all parties concerned must adhere to. The phenomenon arises as a consequence of professionalization, whereby individuals within a particular occupation establish a consensus regarding norms, laws, and operational benchmarks (Andrews, 2009; Dillard et al., 2004). The International Accounting Standards Board (IASB), International Organisation for Standardisation (ISO), accounting firms, legal and medical professionals, and other practitioners are examples that have implemented normative isomorphism (Powell and DiMaggio, 2012; Andrews, 2009). These governing bodies have effectively implemented normative legislation to oversee and govern many domains under their purview.

NIS and its associated isomorphism offer a theoretical framework that elucidates the rationale behind organisations' propensity to engage in seemingly irrational behaviour. The rationale behind the adoption of certain tactics can be attributed to either the influence of professional organisations that enforce their implementation (normative), or the necessity to adopt certain techniques to ensure survival and legitimacy (mimetic) due to external pressures (coercive). NGOs may face isomorphic pressures from various entities such as governments, donors, local communities, the world community, opinion leaders, traditional rulers, professional bodies, and other environmental factors.

#### **4.2.1.3 Limitations of NIS**

The widespread applicability of NIS in various organisational contexts, together with its ability to incorporate both external (exogenous) and internal (endogenous) factors, has resulted in its adoption for the purpose of understanding and analysing the accountability systems of NGOs (Tsamenyi et al., 2006; Hussain and Hoque, 2002). The concept has been extensively utilised to analyse the impact of an NGO's operational context, encompassing methods of accountability. Criticism has been directed towards NIS for prioritising the influence of the macro environment while neglecting the significance of micro environmental variables (Yazdifar, Zaman, Tsamenyi and Askarany, 2008). Therefore, it is imperative to effectively include both micro and macro environmental factors, as they significantly influence organisational structures. An additional criticism of NIS is its limited applicability in elucidating internal organisational transformations (Hopper and Major, 2007).

This NIS hypothesis demonstrates greater explanatory power in the context of organisational stability compared to its ability to account for organisational change. One of the primary shortcomings of NIS is its failure to accurately provide the strategic options that can be employed to address institutional pressures. Based on the findings of NIS, organisations are subject to institutional pressures that are enforced upon them through coercive, mimetic, or normative means by institutions functioning within their institutional field. These pressures are manifested through the rigorous adherence to prescribed protocols, as discussed by Yazdifar et al. (2008). Nevertheless, scholars argue that organisations actively develop strategic responses to institutional constraints rather than simply conforming passively (Delmas and Toffel, 2010).

In practical application, organisations do not merely acquiesce to imposed institutional demands as the sole resolution; rather, they conscientiously assess the ramifications of such pressures on their functioning and react accordingly (Greenwood, Raynard, Kodeih, Micelotta and Lounsbury, 2011).



## 4.2.2 Isomorphic pressures and strategic responses

Oliver (1991) provided thorough guide on how organisations respond to institutional pressures. According to Canning and O'Dwyer (2013), organisations do not always adopt a passive stance when faced with institutional expectations and pressures. Instead, organisations pursue the active and consistent development of strategic responses to effectively address these pressures, aiming to mitigate their impact on their day-to-day activities. Oliver (1991) establishes a correlation between institutional pressures and organisational strategic responses, a notion supported by Jamali (2010) and Miller, Breton-Miller and Lester, (2013). Five distinct tactics and corresponding sub-tactical responses that are crucial for organisational strategic responses to institutional constraints, are identified in Table 3.

<b>Strategic Responses to Institutional pressures</b>		
<b>Strategies</b>	<b>Tactics</b>	<b>Examples</b>
<b>Acquiesce</b>	Habit	Following invisible, taken-for-granted norms
	Imitate	Mimicking institutional models
	Comply	Obeying rules and accepting norms
	Balance	Balancing the expectations of multiple constituents
<b>Compromise</b>	Pacify	Placating and accommodating institutional elements
	Bargain	Negotiating with institutional stakeholders
	Conceal	Disguising nonconformity
<b>Avoid</b>	Buffer	Loosening institutional attachments
	Escape	Changing goals, activities, or domains
	Dismiss	Ignoring explicit norms and values
<b>Defy</b>	Challenge	Contesting rules and requirements
	Attack	Assaulting the sources of institutional pressure
	Co-opt	Importing influential constituents
<b>Manipulate</b>	Influence	Shaping values and criteria
	Control	Dominating institutional constituents and processes

Table 3: Strategic responses to institutional pressures – (Oliver 1991:152).

Table 3 illustrates the potential methods and techniques that companies can employ to effectively address institutional pressures. According to Munir et al. (2011), the table indicates that organisations have a total of five strategies and fifteen tactics available when addressing institutional isomorphism.

The strategic options, namely: acquiescence; compromise; avoidance; defiance; and manipulation, are organised in a sequence that reflects their level of active resistance to institutional constraints. While acquiescence represents the lowest level of reaction, manipulation is situated on the higher end of the spectrum.

### **1. Acquiescence**

According to Pache and Santos (2010b), enterprises have the option of choosing acquiescence as their initial strategic response to institutional constraints. Passive submission to institutional restrictions without active resistance is a strategic approach adopted by organisations (Bradley and Morrison, 2012). When it foresees potential benefits, such as social acceptance and legitimacy, an organisation opts for the acquiescence strategic choice as a response to institutional pressures (Thorgren, Wincent and Boter, 2012). Habit, imitation, and compliance are proposed to be sub tactical options for acquiescence strategy (Jamali, 2010; Munir et al., 2011).

According to Funnell and Wade (2012), habit refers to the usual assuming of deeply rooted behaviours, social norms and values as a customary response to the impact of institutional factors on the functioning of organisations. The concept of imitation as a strategic response is closely linked to the notion of mimetic isomorphism, whereby a corporation strategically replicates the actions of a presumed industry leader to gain certain perceived advantages (Salomon and Wu, 2012). When they are confused about the potential impacts of their strategic approach, firms often seek guidance and opinions. (Doherty, McConnell, and Ellis-Chadwick,, 2013). Organisations strategically embrace compliance as a proactive approach to address institutional challenges with the aim of attaining society acceptance, relevance and other benefits (Thorgren et al., 2012).

### **2. Compromise**

Compromise is a strategic course of action that presents diverse stakeholders with conflicting wants and expectations about an organisation's goals and aims (Mason, 2012). Arguably, organisations that have several stakeholders are unable to achieve equal satisfaction among all of them. Consequently, the act of compromising emerges as a strategic alternative that holds merit and should be considered (Clemens et al., 2008).

In such circumstances, companies have three strategic alternatives: achieving equilibrium, promoting tranquilly, or engaging in negotiation (Funnell and Wade, 2012). Organisations employ the approach of balancing to effectively address the needs and demands of various stakeholders who are subject to different institutional pressures and expectations, while simultaneously mitigating the negative consequences that may arise from unhappy stakeholders (Burchell and Cook, 2013). Organisations have the ability to employ the strategy of balancing in order to establish equity and foster agreement among several stakeholders. When firms engage in partial resistance to institutional demands while attempting to appease stakeholders or alleviate pressures due to concerns about potential negative consequences, this behaviour is commonly referred to as pacifying. Organisations strive to fulfil the minimum institutional needs. Bargaining is considered to be a highly dynamic compromise, as it enables organisations to engage in negotiations and potentially offer concessions to several stakeholders (Funnell and Wade, 2012).

### **3. Avoidance**

According to Oliver (1991), the ultimate strategic approach to address institutional constraints is avoidance. Organisations utilise information technology to minimise their interactions with stakeholders who are difficult to satisfy. The phenomenon being discussed is the practice of employing overt deception in the public sphere with regard to the perception of adherence, particularly in cases where the organisation does not have sufficient incentive to adhere to established institutional limitations (Elbers and Arts, 2011). Avoidance is a strategic approach that organisations employ to disregard institutional obligations, while simultaneously concealing non-compliance through tactics such as concealment, buffering, and evasion (Jamali, 2010). Concealment refers to the deliberate act of feigning compliance with institutional pressures, as observed by Funnell and Wade (2012). The fundamental differentiation between concealment and compliance is in the underlying rationale behind individuals' decision to not adhere to institutional pressure.

According to Pache and Santos (2010a, b), compliance is more likely to occur when there is a genuine purpose for non-conformance, whereas concealment is more likely to occur when there is no such purpose. Buffering is a strategic approach employed by companies to shield what they are doing from scrutiny, assessment, and examination (Munir et al., 2011).

According to Jamali (2010), when organisations seek public acceptance to legitimise the allocation, use, and sustainability of their resources, buffering is said to be ineffectual. Escape is considered the most extreme avoidance tactic employed by organisations when they find themselves burdened by institutional limits. In such cases, companies may choose to either withdraw from the institutional realm entirely or alter their focus in order to evade compliance with institutional requirements (Funnell and Wade, 2012).

#### **4. Defiance**

Defiance refers to the deliberate refusal to adhere to established institutional norms and expectations, particularly in cases where organisations can engage in such behaviour without facing significant repercussions (Oliver, 1991). Organisations have the potential to ignore, question, or actively oppose institutional limitations, as suggested by Canning and O'Dwyer (2013). Dismissal is frequently employed as an active form of disobedience when the established enforcement mechanisms of an institution are perceived as ineffectual or when the objectives of an organisation are conflicting with the institutional needs (Jamali, 2010). A challenge arises when groups make the deliberate decision to resist established institutional pressures, while simultaneously endeavouring to justify their deviation or non-compliance in a derogatory manner (Burchell and Cook, 2013; Whelan, 2013). Organisations employ the strategy of attack as a proactive means of vehemently criticising detrimental institutional attitudes and expectations that pose a threat to the organization (Funnell and Wade, 2012).

#### **5. Manipulation**

According to Oliver (1991), manipulation is a strategic response that is highly proactive in nature, as it seeks to actively exert influence and counteract the impact of institutional pressures. This can be achieved by either directly influencing the pressure itself or by influencing the individuals or groups responsible for imposing the pressure (Jamali, 2010). Primarily the objective of employing manipulation is to exert (Jamali, 2010). Oliver (1991) identifies co-opting, persuading, and controlling as three tactical manipulative strategies. Co-optation is a strategic approach employed to sway prominent stakeholders within institutions, with the aim of curbing their influence on an organisation's decision-making processes. The co-optation strategy promotes the inclusion of important institutional stakeholders in the decision-making process.

It also involves forming alliances with other entities to gain more influence in resource allocation and approval (Greenwood et al., 2011). Burchell and Cook (2013) contend that organisations strategically adopt institutional structures as a means to alleviate possible threats to their legitimacy. Industry-wide groups employ influence as a strategic approach to alter public opinion or convince governmental and regulatory bodies to align with their interests for mutual gain (Greenwood et al., 2011). Controlling serves as a strategic approach aimed at mitigating the impact of emerging, geographically specific, or inadequately disseminated institutional constraints (Jamali, 2010).

## **4.3 THE STAKEHOLDER THEORY**

### **4.3.1 Introduction: NGOs - From a stakeholder to having stakeholders**

The involvement of stakeholders is a crucial component in achieving sustained organisational performance. The support of stakeholders is essential for the functioning of any organisation; nevertheless, the identification of stakeholders may vary based on the specific operational setting of the institution. In the contemporary and interconnected business landscape, the significance of strategic stakeholder relationships is heightened. Stakeholders can use their influence in order to assist the organisation in effectively addressing the challenges it encounters when responding to environmental forces. The notion of stakeholder management acknowledges a paradigm change from a focus solely on shareholders to a broader consideration of stakeholders. This shift entails a departure from the narrow financial obligations of businesses towards a more comprehensive understanding of the organisational system and strategic management. Freeman and Reed (1983) arrived at the conclusion that the stakeholder concept is deceptively simplistic. The statement suggests that the corporation has a responsibility towards other groups, other than stockholders, who have a vested interest in the organisation's activities.

The shift from an industrial-based economy to a networked economic landscape gave rise to a cultural milieu that places a premium on collaboration over control, with a strong emphasis on the significance of interpersonal connections. In response to these evolving dynamics, scholarly literature has shifted its focus away from Milton Friedman's (1970) notion of profit maximisation and, instead, has turned its attention towards notions such as corporate citizenship, shared value, and stakeholder value creation (Porter and Kramer, 2011).

Organisations are no longer regarded as isolated entities possessing exclusive power, wealth, and expertise. Instead, they are seen as integral components of a networked society. An organisation engages in activities and exerts influence within its external environment. Gaining a comprehensive grasp of the environment in which an organisation operates, as well as the various actors involved and their respective influences and interests, is crucial for comprehending the potential realisation of the organisation's objectives. Stakeholder theory aims to enhance the comprehensibility of these procedures.

The concept has presented an alternative perspective to perceiving the organisation solely as a mechanism for input-output operations and a centre for resource exchange. The disciplines of philosophy, ethics, economics, and organisational social sciences collectively contribute to the field of stakeholder research and management, as established by Freeman et al. (2010). The concept that businesses should be held responsible to external parties, as well as the practical benefits of using stakeholders as a framework for assessing the societal impacts of business activities, provide support for the stakeholder approach in both a theoretical and practical sense (Wheeler, Ewers and Buonanno, 2003:15).

Stakeholder theory places significant emphasis on the concept of stakeholders. According to Freeman (1984:46), stakeholders can be defined as any collective or individual entity that possesses the ability to influence or be influenced by the organisation's goals and objectives. The stakeholder approach has experienced significant expansion, leading to heightened attention on sustainable business practices. As a result, enterprises across various industries are now subject to examination from the public, organisations, and regulatory bodies. The key stakeholders of non-profit organisations differ greatly from those of for-profit corporations due to the distinct operational and motivational grounds on which they function (Leroux, 2009). According to Freeman et al. (2010:207), normative stakeholders of for-profit organisations typically encompass financiers, employees, customers, and local communities. However, the application of stakeholder theory to non-profit and public organisations often tends to be constrained, focusing primarily on the identification of a selected stakeholders. Leroux (2009:160–161) categorises significant stakeholder groups in the non-profit sector as either clients or financiers, specifically referring to sponsors or donors.

### **4.3.2 Stakeholder theory and management**

The core objectives of traditional neoclassical organisational strategy encompass profit maximisation, financial rewards, and the creation of value for shareholders. In addition to the neoclassical theory, scholars have developed an alternative perspective on stakeholder theory, which focuses on cooperation, management, and value creation within the stakeholder network. This approach offers a different understanding of the operational environment of organisations (Freeman 2014; Harrison and Wicks 2013).

The input-output model is a well-recognised organisational framework that places significant emphasis on transactions and the generation of economic income and value for shareholders. In order to challenge this perspective, Freeman (1984:25) proposes an alternative framework known as the stakeholder view of the organisation and strategic management. This framework diverges from the traditional emphasis on internal corporate functioning, profit maximizing, and shareholder advantaging, and instead seeks to elucidate reliance on external environment and various stakeholders. Freeman (1984) discusses management concepts and methods, aiming to cultivate an efficient organisational strategy within a dynamic and turbulent environment. Stakeholder thinking refers to the perspective of perceiving an organisation's actions from the standpoint of its stakeholders. According to Näsi (1995:19), these groups possess vested interests in the organisation, thereby facilitating its functioning. When conducting an analysis of an organisation's sphere of influence, the theoretical framework underscores the importance of adopting a multi-perspective approach to perceive the organisation as a subject of influence. The evaluation and handling of stakeholders, as per the concept, is of utmost importance for the functioning of a company. In accordance with the principle, it is imperative to allocate attention to all relevant parties, rather than solely focusing on those who directly impact and are influenced by the actions of the organisation, in order to achieve long-term and prosperous business outcomes. Stakeholder theory endeavours to formulate a strategic approach for organisations that predominantly aligns with the interests of significant stakeholders (Freeman 1984; Donaldson and Preston 1995).

According to Donaldson and Preston (1995), there are three distinct methods within stakeholder theory, namely descriptive, instrumental, and normative. The theory is employed as a means of elucidating the characteristics and conduct of an organisation in a descriptive fashion. Furthermore, the instrumental approach places emphasis on the identification and management of stakeholders as a means to attain organisational objectives. The three components of the theory are typically not differentiated. The aforementioned approaches exhibit a degree of overlap and interconnectedness within the theoretical framework, wherein the normative aspect serves as the fundamental basis for the remaining two elements. According to the stakeholder hypothesis, stakeholder management can be classified as a form of strategic management. Stakeholder management encompasses a diverse array of tasks, encompassing the identification and acknowledgment of stakeholders and their significance, the cultivation and maintenance of relationships with them, effective communication strategies, and the establishment of contractual agreements (Boesso and Kumar, 2009:65–66). The justification for stakeholder management and thinking can be attributed to the existence of interdependencies between an organisation and its stakeholders. According to Harrison and St. John (1996), stakeholders assert the need for managerial attention. The instrumental perspective encompasses stakeholder collaboration that yields relationship benefits, including enhanced trust, improved capacity to anticipate and adapt to changes in the operational context, and heightened operational efficacy.

In contrast, the normative viewpoint posits that stakeholder engagement is supported by utilitarian principles that govern the ethical operation of a corporation (Harrison and St. John, 1996:48-51). The approach proposed by Post, Preston, and Sachs (2022:8–11) builds upon Freeman's (1984:25) conceptualisation of the corporation as a central organisation, but expands it to encompass other economic, social, and environmental dimensions. This is achieved through establishing connections between the organisation and other stakeholders involved in its operational activities and value generation. While stakeholder theory initially frames the relationship between stakeholders and the organisation as a transaction, Freeman and Moutchnik (2013) contend that the true emphasis lies in the interdependence that exists between these stakeholders and the organisation. Consequently, the focal point lies in the interplay and collaboration of the business, its stakeholders (including owners, employees, managers, suppliers, customers), and the surrounding community.



The result of this collaborative partnership extends beyond financial considerations, aiming to harmonise the organisation and its stakeholders in the generation of reciprocal value and exchange. Stakeholder theory is predicated on the notion that the majority of individuals inside the system possess inherent goodness, but the capitalist economic framework prioritises both creation and social collaboration. The notion posits that it is imperative for all stakeholders to be actively engaged and motivated. The act of engaging and participating results in improved outcomes. The capacity for engagement is predicated upon a comprehensive comprehension of stakeholder identification and designated function, vested interest, accountability, and the capacity to exert influence over resultant results. The capacity to actively involve stakeholders is consistently reinforced through the implementation of feedback systems.

#### **4.3.2.1 Stakeholder identification and classification**

According to Freeman et al. (2010:9–11,29), stakeholder theory emphasises the significance of identifying stakeholders as a fundamental element in effective stakeholder management. The foundation for ethical organisational planning should be seen as the unfiltered flow of information throughout the stakeholder network due to its intrinsic connection to the interests of the organisation. The stakeholders involved in an organisation's activities have an influence on and are influenced by the objectives and aims of the organisation (Noland and Phillips, 2010:48). The practice of stakeholder management involves utilising this information and endeavouring to achieve a harmony amidst the diverse and conflicting expectations and interests of stakeholders (Fassin 2012:88). In contrast to Fassin's (2012) perspective, Freeman argues that stakeholder theory does not overtly seek to balance conflicting stakeholder interests. Rather, Freeman contends that the stakeholder field should be evaluated with the objective of achieving equilibrium among the diverse interests involved. Moreover, it is imperative to avoid the simplification of stakeholder interests and instead prioritise the identification and pursuit of overlapping interests.

Conflicts, however, could be perceived as a potential avenue for enhancing value, wherein the interests of stakeholders ought to be prioritised and harmonised within an organization's strategic framework. The integration of social psychology and group dynamics has become more prevalent in stakeholder analysis frameworks. This shift involves identifying stakeholders based on their humanistic characteristics and social identities, rather than solely focusing on their primary interests and economic connections (Crane and Ruebottom, 2011; Bundy, Shropshire and Buchholtz, 2013).

The identification and assessment of these issues can be conducted by considering each issue individually, rather than solely relying on the perspective of the advocating stakeholder (Bundy et al., 2013). The concept of issue salience may be categorised into two distinct types: instrumental salience, which arises from the strategic significance of the issue, and expressive salience, which arises from the organisation's desire to shape its identity by addressing these concerns (Bundy et al., 2013:364). Crane and Ruebottom (2011) put out a stakeholder identification paradigm that establishes a connection between stakeholder identities and respective responsibilities. Mainardes, Alves, and Raposo (2012:1864) caution that while it is essential to identify key stakeholders, the process of stakeholder identification does not inherently guarantee the incorporation of stakeholder perspectives into organisational strategies.

#### **4.3.2.2 Stakeholder power/influence and interest analysis**

In explaining the stakeholder concept, interest and influence emanates from the interface-linkages such a stakeholder has with the organisation, there must be a source that justifies and qualifies the interest or influence. According to Clayton (2014), there are eight distinct sources of stakeholder interest. These are:

- The social aspects which pertain to the potential societal repercussions and impacts that may arise from the implementation of a project;
- Political factors – What are the political factors influencing your project? What potential political consequences could it entail?
- Economic aspect – Which stakeholders will experience economic impacts as a result of your project?
- Commercial aspect – Who are the individuals and entities involved in your supply chain? For which stakeholders will there be commercial implications?
- Evaluation, delivery, configuration, and maintenance of technology shall be carried out by the relevant stakeholders. Who will adjust to the new technology?
- regulatory aspect - To which regulatory frameworks are you subjected?
- environmental Impact – In what ways could your project potentially influence the environment? Who is concerned about the influence you have on the environment?
- security aspect - Refers to the potential impact of the project on the safety and security of individuals or entities involved. Who are the individuals who may experience concerns regarding their own safety or security?

Mendelow (1991) gives a valuable framework for assessing the strategic influence and possible impact of various stakeholders. The assessment aims to ascertain the extent of influence or power possessed by the stakeholder in order to gauge their potential impact. The matrix facilitates the plotting of the stakeholder group's position, so allowing for the anticipation of the potential impact of stakeholder on the organisation's success. The matrix additionally provides suggestions for the implementation of policies that could enhance the likelihood of stakeholder approval for the organisation. The stakeholder group has the potential to adopt one of four positions within the matrix, contingent upon their degree of interest and level of power or influence. These are:

- Low power - low interest: Stakeholders within this quadrant are expected to exhibit minimal opposition towards the project due to their limited interest and diminished influence or power, rendering them susceptible to influence;
- Low power - high interest: The stakeholder group has a significant level of interest in the project. Despite their limited individual influence, individuals may strive to enhance their power by aligning themselves with other stakeholder groups due to their level of interest;
- High power - low interest: Despite the potential lack of enthusiasm exhibited by these stakeholders, it is important to acknowledge that they constitute a group possessing significant influence and authority within the project; and
- High power - high interest: This assemblage of stakeholders demonstrates a combination of significant influence/power and substantial interest. Moreover, they possess the ability to effectively challenge and counteract your project actions and possess the capacity to instigate change should they so choose.

### **4.3.3 Stakeholder engagement and value creation**

The focal point of stakeholder management has shifted towards stakeholder connections and long-term value (Harrison and Wicks, 2013). Stakeholder engagement refers to a series of methodologies employed by an organisation to effectively involve its stakeholders in various activities. The interconnections between NGOs and their stakeholders are manifested and mediated through the day-to-day activities of the organisation. Relationships possess the potential to generate novel methodologies and fostering mutual assistance and recognition of the value of each participant. However, it is important to acknowledge that relationships can also have negative consequences (Sachs and Rühli, 2011:60).

Stakeholder expectations are shaped via the active participation of stakeholders in the establishment of the relationship. Näsi (1995) contends that the sustenance of stakeholder and organisational collaboration hinges upon the fulfilment of these expectations via rewards. Possible benefits include monetary compensation, tangible things, valuable information, social position, esteemed reputation, and influential power. Sachs et al (2006:509) argue that the legitimacy of an organisation is contingent upon its ability to deliver value to its stakeholders.

Wheeler et al. (2003) proposes a conceptual framework that facilitates the analysis of organisational behaviour by integrating the dimensions of sustainability (social, ecological, and economic) and the generation of value through engagement with stakeholders. Post et al. (2022:8) have further developed Freeman's stakeholder definition by incorporating the notion of value. According to the authors, stakeholders are defined as persons and groups who contribute, either willingly or unwillingly, to the organisation's capacity to generate income and engage in activities. As a result, the persons or groups have the potential to benefit from or suffer the risks associated with the organisation. Post et al. (2022) argue that the process of value creation extends beyond the immediate or core stakeholders and is instead distributed throughout the extended organisation. Harrison and Wicks (2013) argue that businesses that adopt a stakeholder management approach are more inclined to invest resources beyond what is strictly required to meet the needs and expectations of their stakeholders. The practice of stakeholder management generates additional value.

According to Sachs and Rühli (2011:62), stakeholder behaviour and involvement are influenced by stakeholder identity and interest. The presence of dyadic ties has a significant impact on the identity of stakeholder groups or organisations. Due to the dynamic nature of companies and stakeholders, their respective roles may evolve over time, leading to shifts in views on the potential for value creation (Sachs and Rühli 2011:62). Consequently, no individual stakeholder or organisation possesses absolute control over the process of mutual value creation. Stakeholders engage in interactions when their objectives and interests are jeopardised, as well as when they seek affiliation with novel stakeholder collectives. Nevertheless, the participation is limited as a result of the varied interests, values, and expectations across the many stakeholder groups. Sachs and Rühli (2011:62) present a conceptualisation of the variables examined in a stakeholder analysis, wherein the stakeholder paradigm is shown as a dynamic process.

The focus turns towards the interplay between risk and opportunity that is inherent in each stakeholder interaction when the groups develop their organisational capacity and engage in various activities. Consequently, a crucial aspect of stakeholder analysis involves comprehending stakeholder identities, objectives, interests, and perspectives on value creation.

#### **4.4 WHY INSTITUTIONAL THEORY AND STAKEHOLDER THEORY ARE BEST SUITED FOR THIS STUDY**

The objective of this study is to uncover overarching principles of stakeholders, and institutional issues, thereby establishing causal relationships pertaining to a social phenomenon of accountability in Malawian NGOs. Melo (2005) discussed the link between institutional design and accountability by focusing on the normative assumptions about this link. The main question was on the effects of institutional design on accountability. He concluded that institutional theory partly can be used to explain issues of accountability in a political government system. From the same vein, the institutional theory is adopted to explore if it can be used to explain issues of accountability in NGOs. This study dwells on the institutional design factors available in the theory of New Institutional Sociology to exact the appropriateness. This study also considered the use of Institutional Theory following the works of Yang and Northcott (2018) who examined the role of identity accountability in NGO outcome measurement (OM) practices by employing the neo-institutional sociology - institutional work concepts, and policy-practice and means-ends decoupling. From their works, they concluded that organisations employ a variety of mechanisms to create and maintain norms and practices; they also develop reflexive awareness of accountability in their practices. By extension this study was conceived and proposed to use this NIS theory to understand accountability in NGOs in Malawi.

In their study on accountability of NGOs, Yuesti, Novitasari and Rustiarini (2016:98-119) considered the perspective of stakeholder theory. They concluded that the agency theory cannot be applied by NGOs because they are social organisations as also alluded to by Dixon, et al., (2006). Therefore, it was conceptualised for this study to know the practices and the accountability of NGO using interpretive existential phenomenology hence the stakeholders' responses. This consolidated the appropriateness of conceiving to explore the accountability in NGOs of Malawi using the stakeholder theory. The appropriateness was further consolidated by Phillips, Robert, Barney, Freeman and Harrison (2019) who redefined stakeholder theory.

## 4.5 CONCEPTUAL FRAMEWORK FOR THE STUDY

The conceptual framework of the study is shown in Figure 3. The stakeholder approach emphasises that organisations are integral components of a stakeholder network. The stakeholder approach emphasises that the organisation does not always serve as the central point of connection for all stakeholders, but rather as one component within a broader network of participants. The primary goal of the organisation is to generate value for its significant stakeholders, as outlined in the stakeholder theory. The practical dimension of the stakeholder approach is stakeholder management, which is grounded on the process of stakeholder analysis. The concept posits that by first identifying stakeholders, an organisation may be assessed and comprehended based on its relationships with these key parties. The primary objective of incorporating stakeholder approaches into organisational activities is to validate the actions of the organisation, deliver benefits to stakeholders, and ensure the achievement of operational objectives through the utilisation of recognised performance measurement and programme tracking methodologies.

The concept of New Institutional Sociology (NIS) is expanded in this research by incorporating strategic responses into institutional pressures. This inclusion aims to enhance our comprehension of the institutional dynamics that shape accountability systems inside NGOs, as well as the strategic approaches they employ (Oliver, 1991). The notable concepts drawn from the theory and literature are as follows:

1. Accountability of an NGO is determined by the institutional pressures it faces;
2. the institutional pressures are formed by a sum of stakeholders (demands, perceptions, motivations, requirements), NGO features (governance, objectives, and leadership) and PEST (Political, Economic, Social, Technological) factors;
3. strategic reactions in the form of acquiescence, compromise, avoidance, defiance, manipulation, explain the relationship between the accountability of NGOs and the institution isomorphism pressures;
4. performance measurement and management models, mainly the Project Cycle Management model, strengthen or weaken the relationship between NGO accountability and stakeholder, NGO features plus PEST factors; and
5. stakeholders, NGO features plus PEST factors also directly affect the way an NGO lines up its strategic responses to pressures.

## **4.6 CHAPTER SUMMARY**

This chapter began with an examination of institutions and institutional theory as a general theory for institutional studies. The subject dwelt on NIS and the three isomorphisms, together with strategic response options at the NGOs' disposal. The essential concepts of stakeholder theory were also explored in the chapter. However, failure by NIS to define organisations' reaction spectrum necessitates the inclusion of the strategic responses framework, which has been clearly defined. The chapter ended with a conceptual framework presented diagrammatically and explained clearly. The next chapter deals with the methodology that this research adopted.

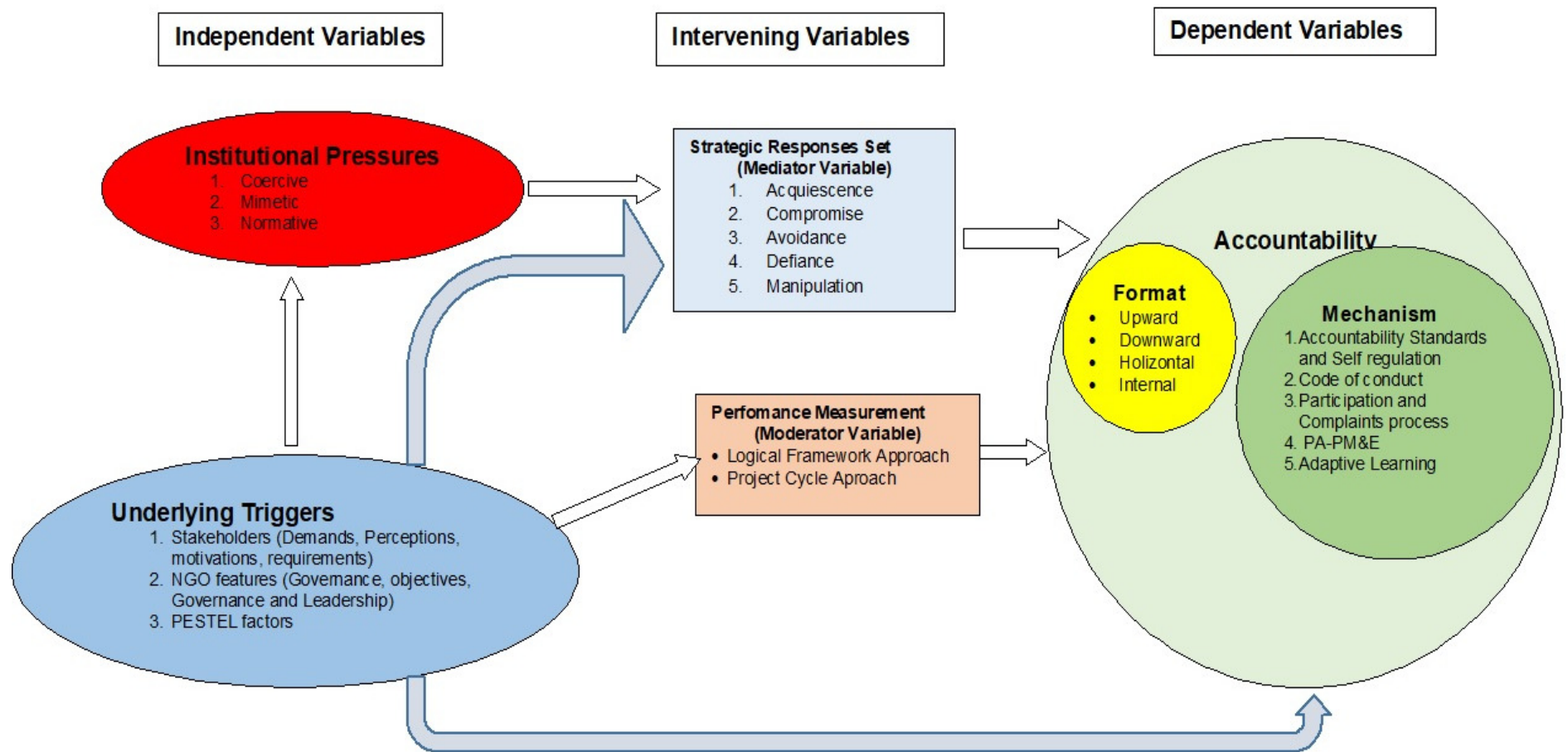


Figure 3: Conceptual Framework - Author created.



## **CHAPTER FIVE**

### **METHODOLOGY**

#### **5.1 INTRODUCTION**

This chapter focuses on the philosophical dimensions, methods, design and strategy utilised to help attain the goals of the study. There are three sections in this chapter. The first discusses the many philosophical perspectives and assumptions of the study. Section Two will discuss the methodology. The research design and strategy, which includes data collection and analysis for this study, are explained in Section Three.

#### **5.2 PHILOSOPHICAL PRESUMPTIONS OF THE RESEARCH**

The research holds an interpretivist philosophical stance, which shapes the methodology, techniques, and methodologies employed to gather empirical data. The researcher opted for the interpretive technique due to a belief in the social construction of knowledge and the necessity of interpreting and explaining it from the perspective of social actors (Flick, 2014; Marshall and Rossman, 2010). According to Hoffman (2014), the fundamental purpose of research is to facilitate the identification of intellectual findings that have the potential to enhance knowledge and, in certain instances, bring about significant changes. Furthermore, these scholars assert that the basis of any investigation lies in the endeavour to address unresolved issues. According to Bryman (2012) and Flick (2014), there are various factors, including the content and process of constructing valid information, as well as the underlying nature of reality, have an impact on the outcomes of research inquiries.

Academic research, from a philosophical standpoint, is primarily concerned with the researchers underlying beliefs. The ability to engage in academic research is influenced by an individual's philosophical beliefs or worldviews (Moll, Major, and Hoque, 2006b). The approach employed in academic research is influenced by various factors, including the nature of the social world (referred to as the ontological argument), the fundamental principles governing knowledge and its formation, and the researcher's position within the investigation (Laughlin, 2004). Burrell and Morgan (1979) have delineated the two research assumptions based on the ontology of the social world and the epistemology of the researcher. Ontology pertains to the beliefs regarding the nature of knowledge about the world (Ritchie and Lewis, 2003:11).

The scholarly examination of the nature of knowledge and the methods employed to acquire or comprehend information pertaining to the societal context is the subject of inquiry in the field of epistemology (Ritchie and Lewis, 2003:11). Both ontology and epistemology have a significant impact on the approach to studying a subject and the necessary methodology. Consequently, these factors contribute to the shaping of research inquiries and the implementation of research methodologies (Bryman, 2013). The assumptions of ontology, epistemology, and methodology are interconnected with two distinct worldviews: subjective and objective (Burrell and Morgan, 1979). Subjectivist research, commonly referred to as interpretivist, places significant emphasis on the empirical construction of reality and exhibits a preference for qualitative research methodologies. According to Moll et al. (2006b), it is postulated that there is an absence of pre-existing theoretical frameworks. Therefore, despite the phenomenon of objectification through human interaction, it is important to recognise that social reality is a product of emergence and subjective construction (Chua, 2011:27-39). Subjectivists utilise qualitative research approaches, as noted by Ahrens and Chapman (2006). In contrast, the objectivist, also known as the positivist, adopts a philosophical stance rooted in a foundationalist ontology and epistemology (Bryman, 2012; Myer, 2009). The objectivist perspective in natural science is influenced by the empiricist tradition, wherein theory is employed to generate testable hypotheses that can be readily verified through direct observation.

### **5.2.1 Ontology and epistemology**

Ontology and epistemology serve as the fundamental frameworks for thinking about research philosophies, and paradigms are distinguished by the resolutions they offer to inquiries, according to an in-depth examination of the progress of academic research dispositions (paradigms) (Creswell, 2012).

The concept of **ontology** is rooted in the inquiry into the nature of reality and its representation (Dobson and Love, 2004). Numerous ontological perspectives exist with positivism and Interpretivism representing the opposing ends of the spectrum (Punch, 2014). The emergence of positivism was driven by its aim to advocate for specific values, including the pursuit of precise scientific knowledge, the utilisation of numerical data to define physical attributes and connections, the process of quantification, the ability to measure phenomena, the attainment of objectivity, and the understanding of cause and effect (Potter, 2013).

For instance, proponents of positivism argue that legitimate knowledge ought to be derived exclusively from empirical observations and experiences (Duberley, Johnson and Cassell, 2012). According to the positivist ontological perspective, reality is considered to be independent of social actors or human cognition, and it is believed to be situated within the cognitive processes of individuals (Johnson, Onwuegbuzie and Turner, 2007). According to Gray (2013), the positivist perspective asserts that the purpose of research is to generate universal hypotheses or rules pertaining to the world. Positivism places significant importance on the unplanned reactions to external stimuli. Additionally, positivism emphasises using nomothetic approaches to formulate theories and forecast the behaviour of social actors. Nevertheless, it often fails to consider the subjective behaviour demonstrated by individuals within social contexts. The epistemological position held by positivists posits that knowledge is considered justified when it can be empirically observed (Pather and Remenyi, 2004). According to Holloway and Wheeler (2016), interpretivists argue that reality is constructed through social processes, and that individuals are unable to directly perceive the external world, regardless of its existence. According to Potter (2013), interpretivists hold an epistemological stance that suggests researchers can gain a deeper understanding of the world by conducting research among individuals as social agents, rather than focusing solely on inanimate objects. This approach also emphasises the importance of adopting an empathetic perspective. Interpretivists utilise qualitative research methods in order to enhance their comprehension of social phenomena by examining the viewpoints of individuals involved in these phenomena (Punch, 2014).

**Epistemology** pertains to an examination and analysis of the essence and organisation of knowledge. This study explores different approaches to knowledge acquisition and examines the criteria for determining acceptable knowledge within a specific field of study (Potter, 2013). In reality, the primary objective of the majority of researchers is to make a valuable contribution to the existing body of knowledge by augmenting the available information. To achieve this objective, researchers must initially establish the parameters of valid knowledge, a task undertaken by the field of epistemology. Bryman and Bell (2011) argue that positivism's epistemological framework aligns with that of natural scientists who prioritise empirical evidence and objective facts.

Positivism posits that valid knowledge, or reality, is derived from objects that are considered to exist independently of the researcher's subjective experience (Bhaskar, 2015). According to Bhaskar (2015), the positivist perspective posits the existence of truth and asserts that it can be ascertained through a methodical and scientific approach. Consequently, proponents of positivism commonly employ quantitative methodologies akin to those employed by natural scientists to systematically collect data in an idealised manner, disregarding the agency and influence of social actors (Creswell, 2012). The positivist epistemological perspective posits that the collection of data should strive to minimise bias and maximise impartiality. Positivism predominantly utilises theory to formulate hypotheses which are exposed to statistical analysis in order to validate, refute, or advance novel theories. In order to enhance the process of replication, epistemologists who adhere to the positivist perspective employ scientific methodologies that are characterised by a high degree of structure in non-interactive settings (Creswell, 2012; Gill and Johnson, 2010). The researcher challenges the positivist epistemological perspective by asserting that reality is constructed within the cognitive processes of social actors.

The philosophical perspective of realism shares similarities with positivism in its adoption of a scientific approach in producing knowledge and its belief in an objective reality that exists independently of human cognition (Smith, 2011; Yin, 2018). As an advocate of critical realism, Bhaskar (2015) argues that a comprehensive understanding of the social world necessitates an understanding of the underlying social structures that have engendered the observed phenomena. This perspective underscores the notion that our perception is limited to a fragmentary representation of the broader reality (Flick, 2014). The choice of research methodology is closely related to one's ontological and epistemological beliefs regarding the nature of knowledge and the place of humans in the universe. The acquisition of knowledge can be facilitated through the application of positivist methodologies in circumstances where human behaviour is believed to be governed by determinism and the perception of reality is considered to be objective. When considering humans as agents with the capacity for decision-making and discernment, and perceiving reality as subjective, the acquisition of knowledge can be achieved through an interpretive methodology (Creswell, 2012).

## **5.2.2 Justification for the philosophical stance adopted**

The following reasons confirm why this study took an interpretive philosophical approach.

- The reality of accountability only exists within the mind-set of a sector's participants, including donors, government MDAs, NGO staff, members of the general public, and beneficiaries. As a result, the players' experiences and expectations could be used to socially create interpretive knowledge about NGO accountability systems. Thus, issues relating to accountability are socially constructed;
- in order to analyse NGO accountability systems from a positivist standpoint, the role of social attitudes must be comprehended. In order to establish connections with respondents and comprehend the prevailing accountability postures in use, the researcher viewed himself in this way as a part of the larger social environment (Punch, 2014); and
- by adopting an interpretivist approach, the researcher was able to analyse and report on experiences of actors realistically.

### 5.3 RESEARCH METHODOLOGY

The two predominant categories in research methodologies are qualitative and quantitative strategies (Bryman, 2012; Creswell, 2012; Punch, 2014; Silverman, 2013). Various strategies and methodologies place differing emphases on the establishment of causal linkages (Flick, 2014). The utilisation of quantitative research methods has consistently been favoured by social science researchers, particularly within the field of accounting (Chua, 2011; Myers, 2013; Punch, 2014; Silverman, 2013). Recently, the popularity of qualitative research strategies has grown within the realm of social science research (Creswell, 2012). Bryman (2012) conducted an evaluation of two research methodologies, as in Table 4 below.

<b>Angle</b>	<b>Quantitative</b>	<b>Qualitative</b>
Role of theory	Deductively used in testing theory	Inductively used generating theory
Epistemological Orientation	Natural Sciences	Interpretivism
Ontological Orientation	Objectivism	Constructivism

*Table 4: Qualitative and quantitative research strategies - Bryman 2012*

Table 4 illustrates the contrasting theoretical, epistemological, and ontological perspectives between the two research methodologies. The methodologies employed in quantitative research are grounded in the epistemological principles of natural science, as opposed to interpretivism principles that underpin qualitative research strategies (Holloway and Wheeler, 2016). The quantitative research strategy is characterised by its adherence to objectivism, whereas the qualitative research strategy aligns with constructivism and targets to construct reality primarily through social interactions (Bryman and Bell, 2011). In addition, both approaches incorporate interviews as a means of data collection. However, quantitative methodologies employ fixed-choice questions, whereas qualitative methodologies utilise open-ended questions. Qualitative research employs the utilisation of video and audio mediums to enhance comprehension of interviewees and uphold precision. Conversely, quantitative research employs audio and video resources sparingly and infrequently, primarily for the purpose of validating the accuracy and dependability of interview records. The primary distinction between the two methodologies lies in the manner in which data is acquired and evaluated (Denscombe, 2008).

### **5.3.1 Qualitative research methodology**

According to Denzin and Lincoln (2000:8), this methodology is characterised by a focus on the attributes, processes, and meanings that cannot typically be investigated or evaluated through experimental methods, and if they are measured, it is not done along quantities, amounts, intensities, or frequencies. According to Creswell (2012), qualitative research involves interconnecting concepts to assumptions within an inquiry, which is employed to gather and analyse data descriptively. This line of inquiry argues that each phenomenon possesses distinct characteristics, thereby requiring applying distinct descriptive perspectives to enhance understanding (Holloway and Wheeler, 2016; Silverman, 2013; Yin, 2015). In contrast to the process of quantifying social features, qualitative research enables the gathering of first-hand information of a phenomenon within their broader social contexts, employing a holistic and interpretive approach (Myers, 2013; Potter, 2013; Silverman, 2013).

The utilisation of qualitative techniques presents a viable alternative to the prevailing quantitative tradition. Qualitative research methodologies were developed with the aim of enabling scholars to examine social and cultural phenomena (Myers, 2013). Scholars employ a qualitative research methodology, arguing that the construction of social reality arises from human interactions and is shaped and objectified subjectively (Ahrens and Chapman, 2006:219). When utilising a qualitative methodology for understanding the world, the focus is on the interpretation of meanings while maintaining proximity to the available evidence (Ahrens and Chapman, 2006). In essence, the utilisation of a qualitative research tradition is employed to acquire data pertaining to interconnections. Qualitative research employs a naturalistic and interpretative methodology when analysing data (Myers, 2013). In contrast to the quantitative tradition, the present approach places emphasis on the significance of interpretation in addition to observation when it comes to understanding social reality. This understanding of social reality is centred around the perceptions and meanings attributed by individuals (Richie and Lewis, 2003). Therefore, it is recommended that researchers direct their attention towards the interpretative aspects of knowledge, as these components play a crucial role in the phenomenon being studied (Ahrens and Chapman, 2006). Researchers should incorporate personal values, beliefs, and organisational culture when endeavouring to construct realities within empirical settings (Bryman and Bell, 2011).

According to Ahrens and Chapman (2006), the analysis of organisational activities, decisions, beliefs, or values does not necessarily require a pre-existing theory. The reliance on a prior theory may impose limitations on the researcher's understanding of the complex realities associated with these phenomena. This suggests that researchers employ a minimal theoretical framework when employing investigatory approaches in qualitative research. In contrast, observers are positioned within the designated "universe of study" (Denzin and Lincoln, 2000:3). Consequently, the role of human creativity is crucial in directing the actions of researchers during the process of data collection. This is achieved through the utilisation of various data collection methods, including observation, in-depth interviewing, group discussions, narratives, and analysis of documentary evidence (Richie and Lewis, 2003). Consequently, the data generated through this approach encompasses diverse forms of representation, including field notes, interview transcripts, dialogues, visual materials, audio recordings, and written memos (Denzin and Lincoln, 2000). According to Laughlin (2004:283), qualitative research generates knowledge of reality, which in turn informs the development of theory. This suggests that researchers' interpretations of empirical field realities are subjective and influence their representations of said realities.

However, qualitative research assumptions have been subject to a range of criticisms. Despite its widespread utilisation, qualitative research has faced criticism for its perceived drawbacks, such as its potential for being a complex and time-intensive process in gathering data (Ahrens and Chapman, 2006). The qualitative research approach is often criticised for its potential bias due by relying on the perceptions of the participants involved in the study (Ahrens and Chapman, 2006). The study methodology of this particular subject has faced criticism for its perceived lack of specificity and focus, as noted by scholars such as Bryman and Bell (2011) and Packer (2010). Consequently, the assessment of study evidence quality and researchers' interpretations may pose challenges, leading to difficulties in determining their trustworthiness. Additionally, the process of generalisation may be hindered, as highlighted by Bryman (2012) and Myers (2013).



Regarding the acquisition and examination of data, it is important to acknowledge the potential existence of a study procedure that is both time-intensive and financially burdensome. Accordingly, it is posited that the existence of universal or immutable meanings is not supported, as meanings are contingent upon temporal and spatial factors. Researchers are, therefore, unable to furnish a definitive narrative or elucidation (Saunders, Lewis and Thornhill, (2009). The fundamental objectives of qualitative research methods encompass the description, analysis, and explanation of issues, while also generating ideas. Consequently, these methods exhibit an inductive nature, coupled with an interpretivist and constructionist orientation (Gray, 2013). Qualitative study enables researchers to immerse themselves in a particular social context, observe and gain a comprehensive understanding of social issues from the viewpoint of individuals involved. This approach proves valuable in investigating the social aspects of any given phenomenon (Marshall and Rossman, 2010). Qualitative research is considered advantageous when a researcher seeks to deeply engage with the authentic environments inhabited by the affected social participants, with the aim of comprehending the broader societal consequences of a particular occurrence (Potter, 2013; Punch, 2014).

Cassell, Symon, Buehring and Johnson, (2006) argue that qualitative research exhibits a high degree of flexibility, as it enables researchers to modify the study procedure. The argument posits that the perception of reality is contingent upon societal perspectives, necessitating a subjective unravelling of its complexities. Consequently, a qualitative research strategy is a grounded investigation targeting an explaining a social phenomenon and dynamics through the perceptions of the individuals involved. Qualitative research endeavours to examine social phenomena through the lens of the individuals involved, thereby circumventing any preconceived notions or biases (Packer, 2010). The establishment of a connection between the researcher and the subject of investigation is undertaken with the purpose of ascertaining the veracity of phenomena (Punch, 2014). The utilisation of the qualitative research approach facilitates the direct gathering of data from individuals who are directly affected by a particular social phenomenon, within their natural environments. This methodology enables a more comprehensive elucidation and comprehension of the phenomenon in question (Holloway and Wheeler, 2016;).

Nevertheless, qualitative research has been subject to criticism due to its dependence on the researcher's subjective interpretation, which may introduce bias, particularly when conducted by inexperienced researchers (Pettigrew, Roberts and Hastings, 2011). This study strategy has faced criticism for its impressionistic nature (Merriam, 2014). Moreover, within the realm of qualitative research, evaluating the quality and dependability of the obtained information, along with the researcher's interpretation, can pose challenges, thereby complicating the process of generalisation (Bryman, 2012; Myers, 2013).

When considering the aspects of data collection and processing, it is important to note that qualitative research is characterised by a time-consuming and potentially costly nature (Saunders et al., 2009; Yin, 2018). The concept of NGO accountability is subjective and is a product of perception by stakeholders and social actors within the sector. The interpretation of the viewpoints of these social actors is crucial for obtaining a thorough understanding of this concept.. Moreover, the flexibility of the qualitative approach enables the researcher to modify the study methodology as needed in order to incorporate any significant new advancements that may emerge. The researcher opted for qualitative research methodology in order to assess, depict, and elucidate the accountability frameworks implemented within the NGO sector. Due to its narrow emphasis on technical matters and disregard for broader social perspectives, quantitative research was deemed unsuitable for this study as it would have hindered the researcher's access to the requisite sensitive and intricate material.

### **5.3.2 Qualitative research methods**

Field studies, field experiments, and case studies are three distinct qualitative research methodologies that have been widely employed in various academic disciplines (Bryman, 2012; Myers, 2013; Silverman, 2013). A case study was employed to examine the accountability of NGOs. The utilisation of the case study approach in this research is indicative element of philosophical perspective in this study, which posits that reality is constructed within cognitive processes of social actors. This perspective further emphasises the necessity of employing a flexible yet in-depth investigation to unravel the complexities inherent in understanding this constructed reality.

### **5.3.2.1 Case study method**

Baxter and Jack (2008) introduced the qualitative case study methodology as an alternative approach to qualitative research. This methodology allows for the examination of a phenomenon within its specific context, utilising multiple sources of data. The case study methodology employed in this research is a qualitative approach that emphasises the examination of topics from multiple perspectives, rather than relying on a single viewpoint. This approach aims to offer a comprehensive understanding and insight into the event under investigation. The utilisation of case study research methodologies has experienced an upward trend in recent years, primarily attributed to advancements in organisational behavioural and social theories (Chua, 2011; Scapens, 2011).

A case refers to the primary subject of a research study and serves as the central focus of an investigation (Bryman, 2012; Flick, 2014). Communities, organisations, individuals, or any other unit of analysis studies in their natural settings, with the aim of providing a comprehensive understanding of the whole, can be regarded as cases (Creswell, 2012; Punch, 2014; Yin, 2018). Amongst researchers, the scholarly discourse surrounding the appropriate number of instances to be examined for the purpose of conducting a thorough analysis remains a topic of ongoing discussion and disagreement (Gray, 2013; Silverman, 2013). There is a divergence of opinions among scholars regarding the optimal number of case studies to be included in research. One perspective argues in favour of a limited number of case studies, which enables a thorough examination and understanding of the subject matter (Fowler, 2014; Silverman, 2013; Punch, 2014; Yin, 2018).

Another perspective advocates for the strategic pick of case studies, taking into consideration resource limitations (Denscombe, 2010; Stake, 2013; Yin, 2018). While employing a solitary case study in research facilitates a comprehensive examination, the requirement for multiple case studies may arise due to factors such as resource availability, time constraints, and other relevant considerations (Bryman, 2012; Creswell, 2012; Stake, 2013). Although there are criticisms regarding the reduction of detail in several case studies, it has been argued that they provide researchers with the opportunity to examine each case individually and facilitate effective comparisons between cases (Yin, 2018; Gray, 2013; Silverman, 2013).

Scholars have shifted their attention from the dichotomy of single versus multiple dimensions in case studies to emphasise two additional dimensions: the capacity to conduct research in authentic settings or contexts involving actors, and the utilisation of multiple sources of evidence (Crowe, Creswell and Robertson, 2011; Yin, 2015). The utilisation of real-world settings for investigation enables researchers to conduct studies within their realities. This approach is advantageous as it allows for dynamic examination of the subject matter. Additionally, the incorporation of multiple sources of evidence, such as interviews, questionnaires, observation, and document reviews, serves to enhance the authenticity and verification of the collected data (Gray, 2013; Silverman, 2013; Yin, 2015).

Several researchers have categorised case study research as description based, illustration based, experiment based, exploration based, and explanation based (Creswell, 2012; Gray, 2013; Punch, 2014). Descriptive case studies serve as a valuable means of collecting information in order to elucidate situational phenomena (Flick, 2014). The utilisation of case studies serves the purpose of illustrating the practical application of novel systems and concepts within real-life scenarios (Yin, 2018). Experimental case studies are employed to effectively evaluate the challenges related to the creation and execution of novel systems by utilising established theories (Stake, 2013). Exploratory case studies, on the other hand, are conducted as initial inquiries to evaluate the potential extent for future research (Yin, 2018). Case studies are highly regarded for their ability to offer comprehensive contextual analysis, making them a commonly employed research method in various fields such as organisational studies, management, policy analysis, accounting, and NGO research. These studies are valued for their capacity to provide detailed insights and explanations of specific events (Flick, 2014).

Grey (2013) and Yin (2015) contend that case studies are especially valuable for conducting research that focuses on real-life experiences and requires multiple sources of evidence, such as interviews, questionnaires, and observation, in order to facilitate a comprehensive understanding. Myers (2013) and Silverman (2013) argue that case studies offer advantages in terms of facilitating the successful incorporation of the three fundamental principles of qualitative research methods, namely comprehending, depicting, and elucidating social phenomena.

The selection of research design follows the nature of research questions, with case studies being deemed fitting instances where the research questions pertain to the how and why aspects (Maxwell, 2012; Yin, 2018). According to Holloway and Wheeler (2016), case studies are deemed suited to research conducted in a real-world context, particularly when the researcher possesses limited or no control over the subject being investigated. Case study methodologies are considered suitable due to their ability to accurately portray the viewpoints of individuals being studied, thereby facilitating a comprehensive reconstruction of the subject matter (Merriam, 2014; Yin, 2018). It is advantageous to have a diverse range of sources of evidence that can mutually reinforce each other, thereby facilitating a more comprehensive comprehension of the events in question (Stake, 2013; Yin, 2018). In contrast, case studies require a significant investment of time and may entail challenging processes (Yin, 2018). Under typical circumstances, the duration required to carry out the case study process, encompassing the tasks of sampling and selecting cases, obtaining entry to case sites, and gathering and analysing data, can be considerably protracted.

#### **5.3.2.2 Justification for the case study method**

The interpretive case study technique is adopted given the premise that accountability is a socially constructed phenomenon. Furthermore, the rationale behind the existence of these mechanisms needs to be explicated, as perceived by the social actors who are impacted by them. The research on NGO accountability utilised a case study technique due to its advanced contextualisation analysis capabilities (Fowler, 2014). Every individual case study possesses distinct characteristics and qualities. Consequently, the accountability relationships within CARE and CAVWOC may exhibit variations compared to those observed in other contexts, thereby warranting further investigation. Case studies have been widely employed in the field of NGO studies to examine diverse issues (Fowler, 2013; Hulme and Edwards, 2013). The researchers opted for the case study methodology due to its capacity to enable comprehensive analysis of situations through the utilisation of diverse sources of information, such as interviews, discussions, document reviews, and observations (Gray, 2013; Yin, 2018).

Case studies possess a flexible nature and lack a rigid structure, thereby enabling researchers to modify the scope and emphasis of their investigations as required, while causing minimal disruption (Holloway and Wheeler, 2016; Yin, 2018). In addition, the utilisation of case study investigations is advantageous as they are typically carried out in the niche of the respondents. This approach enables researchers to comprehensively understand a phenomenon from the realities of respondents (Gray, 2013). The characteristic of case studies aligns with the epistemological position taken by social constructivists who claim that reality is constructed by society and should be understood by examining the realities of individuals in their authentic contexts (Potter, 2013; Punch, 2014). According to Creswell (2012), additional rationale for conducting a case study lies in its capacity to integrate diverse forms of evidence, including individual and focus group interviews, document analysis, and observation. Case studies are a valuable research method that enables researchers to offer detailed and authentic narratives of social phenomena, thereby providing comprehensive and insightful perspectives on social issues. Case studies are advantageous when addressing complex and non-linear scenarios that lack predetermined boundaries (Yin, 2018). This study provides academics with a comprehensive understanding of the application of systems, practices, procedures, and strategies across various organisational contexts (Yin, 2018).

This approach can be employed to facilitate a comprehensive comprehension of accountability concerns within NGOs as well as other accounting practices. According to Guthrie, Ricceri and Dumay, (2012), case studies are a suitable approach for comprehending phenomena and can be effective in situations where the researcher seeks to engage with practice. Case studies offer several benefits in terms of examining the impact of study participants' experiences, expressions, emotions, attitudes, and subjective evaluations within an organisational context on research inquiries (Adams, Hoque, and McNicholas, 2018:486-497). The aforementioned aspect was of utmost importance in my particular circumstance, as the primary objective of the study was to enhance comprehension of accountability relationships and conduct a more comprehensive examination of their potential influence on a given situation (Cooper and Morgan, 2008).

The two NGOs have a diverse range of stakeholders, encompassing their distinct international offices, governmental entities, foreign donors, affiliated religious organisations, and beneficiaries of their services. While these partnerships may share a common purpose, it is important to note that they can be driven by varying motivations. By employing a case study methodology, it would be possible to capture the nuances and divergent perspectives of officials from NGOs. This implies that the perspectives of NGO officials can serve as a valuable tool for comprehending the dynamics of accountability relationships and the implementation of account-giving procedures, including the motivations and methods employed in practice. Adams et al. (2018) and Berry and Otley (2004) discuss that case studies are descriptive, exploratory, and /or explanatory.

A descriptive case study aims to portray a particular occurrence within its authentic context, such as the implementation of accountability practices. The exploratory case study researcher often encounters a phenomenon that lacks a clearly defined set of outcomes and is commonly linked to a deterministic viewpoint (Adams et al., 2018; Yin, 2018). For instance, it is employed to examine concepts that are subsequently assessed utilising a large database to generalise findings and achieve broader applicability (Hoque et al., 2017). However, the objective of case study is not to offer conclusive explanations for a given phenomenon (Adam et al., 2010). The explanatory case study method is employed to analyse a particular case scenario and investigate the underlying reasons for observed practices (Berry and Otley, 2004).

According to Hoque et al. (2017), theories play a crucial role in the case study approach as they provide plausible explanations for observed practices. In order to elucidate and comprehend the occurrences of the phenomena being examined, it is imperative to employ empirical evidence for the application of this technique (Adam et al., 2010). Acknowledging the difficulties frequently highlighted in the literature regarding the utilisation of case studies, this thesis recognises the inherent challenges in producing a case study that is devoid of any pitfalls (Adams et al., 2018; Yin, 2018). A frequently voiced critique of the case study method pertains to its utilisation of limited sample sizes, which consequently leads to a dearth of statistical generalisability, also known as population validity (Hoque et al., 2017; Berry and Otley, 2004). This thesis may face criticism due to its reliance on a limited number of case studies.

The selection of the two case organisations is predicated upon a distinct context, namely international locally based NGOs, operating within the geographical confines of Malawi, during a specified timeframe, and under specific circumstances. It is imperative to acknowledge, nonetheless, that although the thesis does not disregard the importance of statistical generalisation, it also does not actively pursue statistical generalisation. Instead, the objective is to formulate analytical generalisations by leveraging the comprehensive information provided in the case study (Ryan, Scapens and Theobald, 2002; Hoque et al., 2017). The objective of this thesis is to utilise the outcomes of the study in order to apply them to NGOs in Malawi that are facing similar circumstances.

#### **5.4 RESEARCH DESIGN AND STRATEGY**

This section discusses the research strategy and procedures employed in selecting and gathering data from the two case study NGOs, namely CARE International Malawi and CAVWOC. Ryan et al. (2002) put forth a set of sequential and coherent stages for the execution of case study research. These stages encompass selecting the case, accessing, preparing, collecting evidence and assessing it, as well as identifying patterns and explanations (Bryman, 2013;). However, achieving linearity in case study research may be difficult to accomplish due to inherent challenges. On the other hand, it is worth noting that several scholars have developed a methodical framework for carrying out case study research, which includes various components such as designing, selecting case, and interpreting findings (Yin, 2018). The following sections detail the sequential processes employed in this study.



### 5.4.1 Population of the study

The population for the study were all 941 NGOs registered with the NGO Regulatory Authority of Malawi. These NGOs are spread in the following sectors as depicted in the figure 4 below<sup>23</sup>.

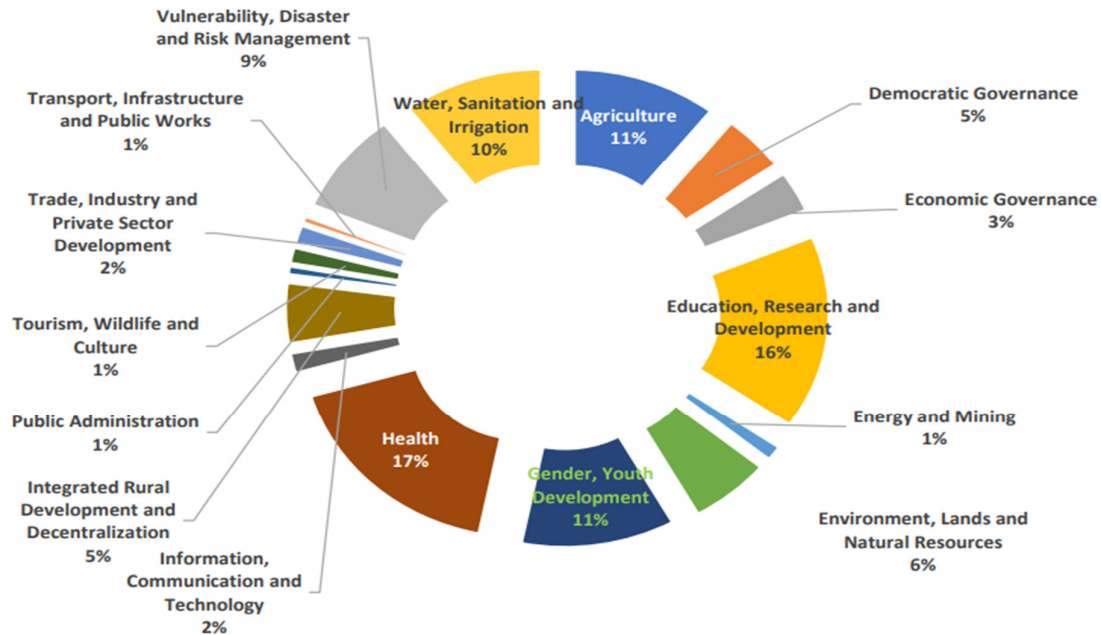


Figure 4: Summary of NGO Sectors (Adapted from 2023 NGO Sector Report)

### 5.4.2 Sampling techniques and access

"Purposive, snowball, and quota sampling" are the most commonly utilised sampling procedures in qualitative study design, according to Yin (2018:87). Purposive sampling procedures, on the other hand, were used to choose the case study organisations.. Purposive sampling procedures were appropriate for this investigation because the NGOs had to fulfil a specific criteria or profile. Snowball sampling was used during the interviewing process by identifying more recommended contacts who fit the defined profile. The two NGOs were purposefully selected basing on accessibility as they stood out before the researcher. The purposefully selected NGOs also advised on which districts the study will include. The guidelines on the selected districts were shared. Accessing the case organisation was a critical step in the purposive sampling for study (Gray, 2013; Yin,2018).

<sup>23</sup> 2023 NGO Sector Report, <https://www.ngora.mw/reports/>

Creswell (2012) and Denscombe (2010) concur that obtaining unfettered access to case studies remains a pivotal factor. The utilisation of social connections as a means of obtaining entry and the practice of treating respondents with courtesy are crucial. To get access to the NGO, a formal letter was issued to the purposively sampled NGOs with pertinent attachments requesting permission to use the study's organisation and relevant programming sites. After gaining access, the NGO was asked to name a focal contact person. Appointments with important informants were made in advance to avoid disruptions and failure. Because cases were chosen from the population, it was critical to choose a case that accurately reflected the population. The selection of participants in this study deviated from the conventional practice of random sampling commonly employed in quantitative research. During the interview process, the researcher employed snowball sampling, whereby previously interviewed individuals recommended additional potential interview participants. The researcher was provided with a list of funders for potential participation by the CARE and CAVWOC Programme Directors and employed appropriate sampling strategies (Fowler, 2014; Miles and Huberman, 2013) to select a suitable case location and identify relevant individuals who could offer valuable insights and enhance the comprehension of NGO accountability.

The researcher utilised personal connections within their social network to arrange visits to CARE and CAVWOC during their personal trips. Subsequently, the researchers engaged in electronic correspondence and telephonic discussions to ascertain the acquisition of consent for the study. In order to mitigate interruptions, efforts were undertaken to engage in negotiations and arrange appointments with the case staff, and designated respondents as noted by Yin (2018). Before commencing fieldwork at the designated case site, the researcher engaged in a comprehensive review of pertinent scholarly literature. This exercise facilitated the identification of crucial research inquiries, which in turn informed the formulation of an investigative plan designed to yield the desired outcomes within the constraints of time. The works of Creswell (2012), Merriam (2014), Saunders et al. (2009), and Yin (2018) were consulted in this preparatory phase. This study on NGO accountability utilised interviews, focus group discussions, and documentary evidence. The instruments used for data collection were submitted to the University of South Africa for purposes of obtaining ethical clearance.

### **5.4.3 Selection of the case study organisation**

The selection of suitable case(s) is widely regarded as a crucial element in the successful execution of a case study. The selection of cases in academic research can be guided by two main approaches. First, cases can be chosen based on their conceptual relevance that informs the study. Alternatively, cases can be selected to contribute to theory development or to offer a unique perspective on existing theories. This approach is supported by Creswell (2012), and Hoque et al. (2017).

A comprehensive criterion was developed to provide guidance for the selection process of an appropriate case organisation for this study as follows:

- 1) Have valid registration with the NGO Regulatory Authority and must not be a purely pass-through organisation;
- 2) NGO 1 - Have a relationship with multiple donors and spends close or more than an equivalent of \$750,000.00 per year. The \$750,000.00 threshold is adopted from the USAID audit requirement (USAID 2021);
- 3) NGO 2 - Have a relationship with multiple donors and spends close to or less than an equivalent to \$300,000.00 per year;
- 4) Be involved in at least two of the sectors of those sectors outlined in Section 13, subsection (n) of the constitution of Malawi; and
- 5) have a wide geographical coverage in Malawi, thus covering at least three districts.

### **5.4.4 Research participants and selection**

The study involved two (2) NGOs purposively selected from the comprehensive criterion developed in section 5.4.3. A total of 34 (thirty-four) key informants were selected purposively from the NGOs, NGO Regulatory Authority, and the relevant ministries. All respondents were purposively picked because they have technical knowledge on the subject related to the requirements of the research. Snowballing was also used to achieve this. Respondents listed below were reached out:

Organisation	Management	Staff	Donors	Beneficiaries	Area Development Committees	District Council staff	Relevant key government ministry
	Key Informant	Key Informant	Key Informant	Focus Group Discussion	Key Informant	Key Informant	Key Informant
CARE	3	2	2	20	4	4	2
CAVWOC	3	2	2	20	4	4	
NGO Regulatory Authority	2	NA	NA	NA	NA	NA	NA
TOTALS	8	4	4	40	8	8	2

Table 5: Research participants tabulation

Notes to the sample size tabulations include:

- 1) NGORA - In NGORA, the Director of Corporate Services and Director of Economics and Monitoring would be interviewed;
- 2) in the government ministries, the office of the Director of Planning would be interviewed;
- 3) the two staff would be those responsible project leads at the district of activity;
- 4) management shall mean the Executive Director or equivalent, Head of Programs or equivalent and, Head of Finance or equivalent.
- 5) each NGO under study shall have two districts of study with ten beneficiaries per district as respondents, two members of ADC per district, and two district council staff members (Director of Planning and Development and Technical Director of the sector under review).

#### 5.4.5 Data collection methods/procedures

According to Flick (2014), the selection, development, and utilisation of a suitable data collection tool or instrument are essential components of a viable study. This research employed three data collection instruments, namely: key informant interviews; focus group discussions; and a review of key documents. The study employed a data triangulation methodology to gather data, enhance the comprehensiveness of the findings, and verify the accuracy of the data (Yin, 2015, 2018). The research utilised qualitative data obtained through interviews, focus group discussions with beneficiaries, and a review of pertinent documents. Following the outbreak of the Covid-19 pandemic, data for this study was gathered through a combination of online Zoom calls, telephone interviews, and in-person interviews.

The utilisation of qualitative research methods in examining the organisation of participants' discourse and body movements necessitates the inclusion of data recording as an essential element in the data collection process. In order to ensure a comprehensive coverage of the information provided by participants, all interviews were meticulously documented through the use of audio recordings, and in certain instances, supplemented with handwritten notes. The act of taking notes served as a precautionary measure in the event of a malfunction or failure of the recording device. The voices were captured utilising a digital voice recording device equipped with the capability to categorise and store voices in distinct folders. Non-verbal cues, on the other hand, were documented using traditional pen and paper notebooks. These findings proved to be highly valuable in the process of analysis. Additionally, this methodology facilitated the researcher's ability to pose relevant inquiries and observe any noteworthy non-verbal cues exhibited by the participants. Prior to the commencement of the interviews, the interviewees were requested to grant their consent for the purpose of recording the proceedings. The utilisation of recording as a method for data collection enables concentration on formulating inquiries, precisely documenting responses, and providing evidentiary support (Marshall and Rossman, 2010; Rubin and Rubin, 2011). To mitigate the influence of extraneous factors such as noise and other interferences, the researcher took measures to ensure that the scheduled interview hours were convenient for the interviewee and scheduled during periods when the likelihood of interferences was minimised.

#### **5.4.5.1 Interviews**

This section of the study elucidates the rationale behind the utilisation of interviews as the preferred method for collecting primary data, as opposed to the administration of questionnaires. Qualitative research relies on various data collection methods, with interviews as a prominent tool for capturing social perspectives on issues (Maxwell, 2012; Seidman, 2012). General interview guide approach was employed. This approach entailed the creation of generic interview guidelines. The interview guidelines were developed with the purpose of aiding the researcher in formulating relevant inquiries that address the research objectives and questions. The aforementioned instruments were employed during in-person interviews conducted with the participants.

The researcher's interpretive philosophical stance was reinforced by employing in-depth interviews, enabling a comprehensive understanding of the issues at hand from the viewpoint of the participants (Seidman, 2012). Creswell (2012) and Maxwell (2012) assert that interviewing continues to be a prominent method for collecting qualitative research data, leading to a sense of unease regarding certain issues. The utilisation of comprehensive interview guides was fully employed in the investigation of NGO accountability. The interview guides were formulated with the purpose of providing the researcher with a structured framework for posing relevant inquiries during in-person interviews with the participants. The utilisation of key informant interviews aligned with the interpretive philosophical stance taken in the study. The utilisation of interviews as a method for gathering data in this study improved the precision of questioning, when necessary, and facilitated the clarification of ambiguous responses from participants. This methodology employed measures to ensure that the data gathered accurately represented the perspectives of the participants without any impediments. The utilisation of open-ended inquiries yielded a wide range of responses from participants, particularly in relation to their individual interpretations of the topic being examined (Fink, 2014). The cost and time required for conducting interviews are acknowledged, and it is recognised that the interpretation of interviews can be influenced by the interviewer's biases, as well as by the non-verbal cues exhibited by the interviewees.

The interview guide comprised a series of questions pertaining to various thematic lines this study sought to explore. Rubin and Rubin (2011), and Seidman (2012) collectively support the notion that interview guides are suitable tools as they ensure consistency in responses without imposing predetermined answers. The guide facilitates a structured and purposeful exchange, promoting effective time allocation between the interviewer and interviewee. Furthermore, interview guides possess the characteristic of adaptability, allowing for modifications to be made as necessary in order to address emerging and pertinent matters.

### **5.4.5.2 Focus group discussions**

Focus group refers to a carefully selected group of individuals who are intentionally chosen to gather comprehensive insights from knowledgeable and engaged participants in a structured discussion on a specific subject (Rubin and Rubin, 2011). While some scholars argue in favour of employing homogeneous, pre-existing groups that possess comparable characteristics (Denscombe, 2010), others advocate for the utilisation of heterogeneous groups that exhibit diverse characteristics. This approach aims to prevent any pre-existing relationships and guarantee a comprehensive spectrum of responses (Denscombe, 2010). Marshall and Rossman (2010) contend that the efficacy of a focus group discussion is assessed by the researcher's level of engagement and energy, rather than the group's characteristics. . Flick (2014) argues that a suitable number of participants for capturing diverse perspectives ranges from 6 to 12. Conversely, for the purpose of ensuring effectiveness, alternative recommendations propose a range of 6 to 8 members (Stewart and Shamdasani, 2014).

When comparing one-on-one interviews to a technique that utilises social interactions to foster collective group dynamics, it is believed that the latter approach leads to a more varied, comprehensive, and profound comprehension (Creswell, 2012; Punch, 2014). The focus group technique is advantageous in that it collects large and comprehensive datasets efficiently (Krueger and Casey, 2000). Additionally, the technique allows for the observation and analysis of non-verbal cues (Stewart and Shamdasani, 2014). The data collection process is characterised by its adaptability and informality, potentially resulting in the identification of insights (Marshall and Rossman, 2010).

The utilisation of this approach is generally deemed suitable for individuals with limited literacy skills (Denscombe, 2010). However, its implementation may yield outcomes that may not represent the broader population perspectives and may entail intricate analysis that hardens interpretation (Rabiee, 2004). The research employed a focus group interview methodology, characterised by an open-ended conversational format using a set guide (see Appendix 11). This approach was utilised to validate certain assertions and gather perspectives, particularly pertaining to matters of accountability. The researcher conducted a series of four focus group discussions to gain insights from the perspective of recipients and enhance the narrative.

In order to enter the beneficiary communities, the researcher accompanied the officers of the case organisation. Throughout the study there was a proper identification and establishment of communication with several gatekeepers. These individuals, as defined by Saunders (2009), possess the authority to control access to research. The individuals mentioned are prominent figures within the community, exerting significant influence. Among the individuals involved in NGO operations, there are community volunteers and opinion leaders who possess a comprehensive understanding of these operations. The researcher received assistance from the gatekeepers who were previously identified in coordinating the participants for the focus group and determining the meeting venue. The investigator conducted a total of four (4) focus group discussions as part of this study. Each focus group consisted of ten participants, evenly divided between men and women. The gender equilibrium of these focus group discussions (FDGs) was ensured through deliberate composition, fostering an environment that instilled confidence in women and facilitated the inclusion of perspectives from both genders. Contrary to Malawian cultural norms, wherein men typically exert dominance over women in debates, no intimidation was observed in this particular context. The four groups responded to comparable inquiries, exhibiting slight variations in the researcher's approach to questioning and probing. The primary emphasis of these sessions revolved around the manner in which CARE, CAVWOC, and donors provide an account of their actions to the community or beneficiaries. The inquiry was consistently posed, and individuals offered their perspectives. The researcher successfully redirected participants who deviated from the main subject matter. The participants were afforded the opportunity to freely express their viewpoints regarding the topics under discussion, resulting in debates that were characterised by a high level of engagement and dynamism.

#### **5.4.5.3 Documents reviews**

In addition to conducting interviews and focus group discussions, the research also examined various pertinent documents such as forms, templates, policies, agreements, proposals, reports, brochures from NGOs and websites. The utilisation of document review and focus group discussions in this context functioned as supplementary sources of data to enhance the primary source, which consisted of key informant interviews. This activity was conducted as a component of the data triangulation procedure, contributing to the enhancement and validation of the data, as affirmed by Yin (2018).



#### **5.4.6 Data collection instruments**

To achieve the objectives, the availability of suitable data gathering instruments is crucial (Flick, 2014; Merriam, 2014). The research employed three primary instruments for data collection, specifically the Document Review Checklist, Interview guide, and Focus Group Discussion guide.

#### **5.4.7 Data analysis**

The empirical data was subjected to rigorous analysis using appropriate methodologies. The selection of a specific analytical approach is purportedly influenced by various factors, such as the nature of the research inquiries, research methodologies, theoretical underpinnings, methodologies employed, and the available data (Punch, 2014). The study utilised qualitative data analysis techniques as outlined by prominent scholars in the field (Creswell, 2012; Haberman, 2014). The researcher was required to devise and execute a data reduction methodology in order to enhance data analysis due to the substantial volume of data gathered. The data reduction method was utilised to facilitate the identification and substantiation of novel patterns and themes within the dataset. It is noteworthy to mention that the data analysis involved pattern coding techniques and audit trail maintenance. The data obtained from the interviews underwent pre-coding and subsequent re-coding to ensure comprehensive coverage prior to conducting an audit trail, as recommended by Silverman (2011) and Richards (2014).

**Pre-coding:** Marshall and Rossman (2010) assert that the organisation of data holds significant importance within the realm of qualitative data analysis. There is a contention that data in this phase is in its original form, unprocessed, and characterised by a high level of description. As a result, it is necessary to arrange this data into a format that is appropriate for analysis. In this section, the data was systematically categorised, grouped into specific topics, analysed for recurring themes, and examined for discernible patterns. During the period of data collection, the researcher commenced the practice of arranging unrefined and unprocessed data with the intention of deriving meaning. The data, which encompassed both recorded and handwritten notes, obtained from interviews and focus group discussions, was analysed on a daily basis. In this phase of the research, the gathered data was translated and transcribed into written form. This was done in order to facilitate the subsequent identification and emphasis of key elements. This was consistent with the objectives of the study.

To maintain the immediacy of the concerns discussed and the responses provided, every interview and focus group discussion was transcribed promptly within a 24-hour timeframe. The entirety of the documented material was compiled into a summary document, following the recommendation of Miles and Huberman (2013), in order to assess their level of complementarity or lack thereof.

**Coding:** Following a proficient pre-coding phase, the subsequent stage involves the commencement of actual data analysis (Punch, 2014). The rationale behind the pre-coding phase lies in its ability to assist researchers in discerning emerging themes from raw data, thereby facilitating subsequent investigations. The field notes in the study were transcribed, and supplementary data was subjected to coding. Symbols or codes were devised to represent corresponding sections of the transcribed data, such as paragraphs, sentences, and phrases. These symbols or codes were determined in accordance with the research questions, key concepts, and themes. The various events that exhibited similarities were classified. The utilisation of these codes served as a mechanism for data organisation, enabling convenient identification of comparable codes for potential clustering, inquiring, subjecting, and theming. Patterns coded to understand recurrences, and underlying reasons that characterised the phenomena and events under investigation. The entirety of the transcribed content was collected and organised in a sequential manner based on chronological order.

In order to establish a connection or correlation between the data and the individuals responding to it, specific numerical values were assigned to the important aspects or categories within the dataset. The organisation of paragraphs, sentences, and phrases, among other elements, was guided by the four research objectives. When reviewing the transcribed data, any portion or response that had a significant impact on the research objectives was marked with a corresponding colour. This process was repeated multiple times. The portions that shared similar colours were collected and subsequently segregated for preservation. The data that was categorised by its colour was systematically arranged into separate folders according to the thematic patterns that were identified during the coding procedure. To clarify, the data, including evidence, was systematically categorised into folders according to similar subject matters. The assessment of the quality and contribution to the achievement of the research objectives was conducted by analysing the combined data within each folder, which represented various themes.

The identification of the most frequently occurring words or terms that encapsulated each of the research objectives was achieved through a thorough analysis of the summary phrases, which were repeatedly examined. The researcher employed a method wherein commonly utilised words and terms served as a foundation for the application of colour-highlighting to paragraphs, sentences, and phrases that encompassed said words and terms. Subsequently, an analysis of the contextual framework in which they were employed was conducted. The themes that were identified were subsequently examined and evaluated in the findings and discussion sections of this research.

### **Audit trail**

The audit trail represents the subsequent stage of data analysis, as outlined by Marshall and Rossman (2010) and Richards (2014). According to Richards (2014), this technique helps in identifying and managing data chunks. The primary objective of a trail is to fashion a coherent connection between predetermined categories within the research. Audit trail additionally assists in verifying the presence of adequate data to substantiate the findings.

### **5.4.8 Validity and reliability**

The evidence's reliability (evidence independence) and validity (true reflection) were evaluated using procedural reliability and contextual validity techniques. (Maxwell, 2012; Hoque et al, 2017). The adoption of proper research method procedures to provide the potential for impartial confirmation of the research processes is known as procedural reliability (Creswell, 2012; Flick, 2014; Punch, 2014). The level of trustworthiness of the evidence and conclusions drawn from the findings is referred to as contextual validity (Bryman, 2012; Seidman, 2012). Triangulation can be used to achieve contextual validity (Flick, 2014; Holloway and Wheeler, 2016). This study used data triangulation to compare and cross-check the validity of various pieces of information with different sources whenever possible. Data verification and correctness were assured through qualitative research methodologies and data gathering by the researcher himself.

The research investigated research procedures to assess the reliability and validity of the collected evidence. The research methods ensured that the study design and strategy included an audit trail that allowed for independent verification of the research processes (Punch, 2014:109).

The researcher employed piloting and testing of instruments to confirm the design and guarantee the validity and reliability of the data and outcomes. A pre-test was conducted prior to the actual data collecting. It was largely done to test the data collection devices and methodologies, as well as the interview guide's logical order and whether the planned questions would be answered adequately without ambiguity and vagueness. Even though it took time and resources, the actual study had no problems with the equipment.

## **5.5 CHAPTER SUMMARY**

The chapter demonstrated the philosophical dimensions of the study, the research methods, design and strategy utilised to help attain the goals of the research. The first section discussed many philosophical perspectives of the research as well as the researcher's philosophical assumptions. The arguments about the employed research methodology are discussed together with the research design and strategy which includes data collection and analysis for this study.

The researcher employed the interpretive-explanatory case study approach to effectively address research questions. The selection of the case study approach was influenced by the philosophical standpoint guiding this study, which posits that reality is socially constructed and that knowledge can be acquired through engagement with these individuals who are affected by the phenomenon under investigation. Consequently, a comprehensive examination of CARE and CAVWOC was undertaken through the utilisation of research techniques including interviews, focus groups, and document analysis. The data underwent pre-coding and subsequent coding as part of a data analysis procedure that adhered to the study's research questions, methodologies, and theoretical framework. The next chapter presents and discusses the study's findings.

## **CHAPTER SIX**

### **FINDINGS**

#### **6.1 INTRODUCTION**

The research findings on NGO accountability in Malawi are set forth in this chapter with a specific focus on CARE and CAVWOC (the case study NGOs). The data underwent an analysis that utilised thematic and conceptual derivatives from existing literature and fieldwork. Precautions were taken to prevent the imposition of pre-conceived themes onto the data. This methodology enabled the researcher to incorporate emerging themes and concepts while eliminating pre-established themes that were incongruent with the collected data. This approach allows for the acknowledgment of the fluid characteristics of empirical qualitative data, specifically within the context of a case study. The subsequent sections present and discuss the findings pertaining to the research questions within the context of the two case organisations, namely CARE and CAVWOC. Interviews were conducted with a total of thirty-four key informants.

#### **6.2 MAJOR FINDINGS AND DISCUSSION**

##### **6.2.1 Prevailing context in which CARE and CAVWOC operate**

###### **6.2.1.1 Political factors on performance and accountability**

Political and legal factors affect NGOs accountability and performance in the wake of the NGO Regulation Authority Act (2022). It was made evident since the majority of the respondents acknowledged that a relationship between the government and NGOs is vital since these organisations must interact with government institutions due to the nature of their work and that they complement the government by providing services to society.

...On recent demand by NGORA for all NGOs to comply in being accountable, I feel its justifiable because GoM is the main owner of the development agenda. It must know the donors, amounts of money from the donors and the themes being chased by the relevant programming, it also helps GoM to organise the NGOs in Malawi to avoid duplication of efforts and ensures proper resources allocation. - KII17.

This agrees with Perera (2017) on the fact that an NGO conduct is impacted by government policies and laws which are part of the political environment. The NGOs were behaving to comply with NGORA provisions. In many avenues, the NGOs were nevertheless pursuing the compliance with cosmetic conduct. The majority of respondents also acknowledged that rules and regulations formulated by the government favour the activities of NGOs, but the NGO Regulatory Authority is not yet coordinating this well. Notably, MDAs, mostly the district councils, are not able to track and review complementarities of NGOs as reported by KII4 as.

We have problems to track the works of NGOs as a district. Complementarity is still something we are grappling with to achieve because NGOs are not accountable through and through, and we don't have the tools to measure the same KII4.

NGOs in Malawi are trying their best to consult stakeholders before, during and after their projects. What is clear is that there are a numbers of ways NGOs are doing it. First, through DEC/ADC/VDC consultative meetings. Second, using the prevailing VAPs/SEPs/DDPs which contain priority needs of the stakeholders including the beneficiaries and third through participatory needs assessments or needs verification exercises. It is clear that whichever means is used, some priority needs are addressed with very few scenarios where there could be a mismatch because each and every NGO has its mandate and themes of interest. The mismatches in NGO intervention emanate from the mismatches between National Planning and Local government planning (Hussein 2019).

#### **6.2.1.2 Economic factors on performance and accountability**

Both NGOs are affected by economic highs and lows as this affects funding and expenditure. KII14 commented.

As inflation heightens so does the cost of activities. We have had an NGO telling us that they will do three classroom blocks instead of four due to escalating construction costs.

The study found that economic factors influence the accountability activities and performance of NGOs along budgetary and/or funding aspects. Organisational performance was found to be affected by economic growth rate since performance level increases when the rate increases and vice versa.

Funding is a major key that determines organisational performance and the width and breadth of accountability activities undertaken by the NGOs.

The NGO does not have a reason and an allocation in their budget to spend on downward accountability mechanisms ... FGD4 Kalembo VDC

Tzifakis, Petropoulos and Huliaras (2017), affirmed that economic factors like economic crises have a mixed impact on NGOs: they present threats, but they also offer opportunities to civil society organisations. The findings point only on the threats of the economic lows without extrapolating the opportunities NGOs face in the economic arena of Malawi which resonates with their performance and accountability.

### **6.2.1.3 Impact of social–cultural factors on performance and accountability**

Performance and accountability of NGOs was found not to be influenced by social cultural factors as indicated by opinions of stakeholders. This finding is contrary to the submission of Warui and Marbach (2022) who affirmed that in any way social–cultural settings affect NGO performance and accountability from a facet of project designing and implementation. They concluded that,

Culture shapes the formation and evolution of values, including economic behaviour, political participation and social solidarity. That's why culture also needs to inform project design and implementation. Project planners should always consider this to avoid culture-blind programme designs.

The opinion of stakeholders to say the NGOs performances and accountability are not affected in anyway by the social-cultural factors may be an obscured position triggered by lack of knowledge or lack of consideration.

### **6.2.1.4 Technological factors on performance and accountability**

No interview revealed the direct impact of technology on NGO accountability and performance. Nevertheless, the study observed that technological competence, the internet and social media are some aspects that affect the performance of NGOs as it was discovered that all NGOs were running websites and social media platforms. Social media platforms have facilitated interactions, the sharing of ideas and information that initially would have been facilitated by physical meetings. On its part, the internet has facilitated fast communication between NGOs and stakeholders thus decisions are generated more quickly than when traditional modes of communications are employed. Information disclosure facilitated by the internet promotes accountability and transparency and this enables better organisational practices.

This is in line with the findings of Hakala (2011), who discovered that in order to continue to perform better than its rivals, an organisation must adopt complex technologies that its rivals are unable to imitate. The study concurs with Matschke, Moskaliuk and Cress (2012) who claimed that NGOs are always characterised by interaction among their members in regard to social media and the internet. According to Klein and Ford (2003), stakeholder communication can be supported and boosted using social media. This is accomplished through features like online accessibility, download options, web forms, search engines, and hyperlinks. Utilising social media platforms offers a fresh method of communication, allowing businesses to communicate with a wide range of stakeholders. Organisations use social media platforms to sway the perceptions, opinions, and decision-making of stakeholders.

The study also discovered that the internet has made it easier for organisations to share information, which encourages best practices and allows for accountability. Bies (2010) observed that proactive information disclosure is viewed as a responsible act that fosters organisational best practices and excellence in accountability. Thus, for NGOs to be accountable and efficient in their practices, openness to their stakeholders is key and this can be better enhanced via technology in social media and internet.

### 6.2.2 Process of accountability system development

Overall, the study found that the accountability system was developed on a low to moderate process path. The NGOs knew their stakeholders but there was no clear profiling of the stakeholders to match prioritisation. Furthermore, there is no written standards of performance as matching each stakeholder. Usual reporting remains the mode of communicating results to selected stakeholders mostly donors. No clear mechanisms of consequences of non-performance are set in the process. Table 6 depicts the score on each step of accountability system development.

STEPS		CARE	CAVWOC
1	Identifying and prioritizing organisational stakeholders,	Moderate	Moderate
2	Setting standards and performance measures,	Low	Low
3	Assessing and communicating performance results	Moderate	Low
4	Creating mechanisms that enable performance consequences so stakeholders can hold the NGO accountable.	Low	Low

Table 6: Process of developing accountability systems



#### **6.2.2.1.1 Identifying and Prioritising organisational stakeholders**

Both NGOs identified their stakeholders. These were identified, based on their aims and strategies, the contextual factors they encounter, and the resources that they have. CARE focused on value generation, legitimacy and support, and operational capabilities. CARE and CAVWOC identified and prioritised their stakeholders tilting on legal liability basis, normative basis and on prudential/practical basis. CARE has a map of stakeholders written down. As Brown et al. (2005) claimed, stakeholders may have claims based on a variety of factors including moral interests but limited prudential clout or legal standing, whereas donors frequently have significant legal and prudential claims. CARE and CAVWOC used prudence and legality more than morality operations.

#### **6.2.2.1.2 Setting standards and measuring performance**

Even though, agreements regarding performance and how it might be measured are necessary for accountability systems to work, CARE and CAVWOC do not have specific standards and performance measurement frameworks that match the stakeholders mapped. Donors get prioritised and all standards and performance measurements favour them. However, donor interests are different from those of other stakeholders, and their evaluations may not be useful to them. Indeed, CARE and CAVWOC dimensions align with the conclusion by Ebrahim (2005) that several NGOs collect donor-required data while developing entirely separate systems to assist their own learning. There are no clearly internal systems developed for the organisation with a view of all six groups of stakeholders in mind.

#### **6.2.2.1.3 Assessing and communicating performance**

Kabala and Ngacha (2023) stresses the need to communicate performance to all stakeholder in a proper way customised to each. Reality in this study is contrary. CARE and CAVWOC performance are evaluated in a variety of ways but mostly from the donor perspective. Both NGOs devote time and money to assessments and evaluations, deploying employees to gather and evaluate data on program performance and the extent to which their actions are having the desired effects. The reports of these assessments are mostly to donors. All reports are in English to benefit donors and sponsors therefore not assisting beneficiaries who are not proficient in English to facilitate their understanding of what the NGO is doing.

#### **6.2.2.1.4 Creating performance consequences**

Douglas, Johnson, Johnson and Dave, (2022) points out that there must be well known consequences a stakeholder can stand on in the event of non-performance or undesired performance. Due to differing stakeholders' interests and capacities, having information available to all stakeholders in the same format does not guarantee that they will be able to hold the NGO accountable. CARE and CAVOC have a map of stakeholders but have not created performance consequences, thereby accepting that their stakeholders have some level of voice and influence, but do not have power to guarantee that NGOs have significant incentives to listen to them. Accountability to beneficiaries is almost not relevant in the absence of the power to demand that their issues be addressed.

### **6.2.3 CARE and CAVWOC stakeholders**

#### **6.2.3.1 Spectrum of stakeholders**

Both NGOs disclosed a spectrum of stakeholders to involve donors, government (MDAs), networks, beneficiaries, staff, boards and the public. This is depicted in Figure 4. This disclosure by CAVWOC and CARE links with the stakeholder categorisation derived from the works of Christensen and Ebrahim (2006) and Hammad and Morton (2011). It aligns with the conceptualisation of Najam (1996b) regarding being accountable to patrons, to clients, and to self. The spectrum matches the submissions of Verschuere et al. (2006) and Wenar (2006).

The respondents put forward sentiments such as the following:

We generally have donors, the District Council, government ministry, beneficiaries and other NGOs with whom we share the same technical working groups. KII3.

These sentiments were equally put forward by an official from the NGO Regulatory Authority who mentioned donors, MDAs, beneficiaries, the public and other NGOs as stakeholders to NGOs. In both NGOs, donors and beneficiaries were the most recognised stakeholders, seconded by MDAs. The local NGO environment did not recognise the public as a stakeholder and appreciated peers and staff lastly.



Figure 5: NGO stakeholder spectrum

### 6.2.3.2 Interests and power/Influences of stakeholders

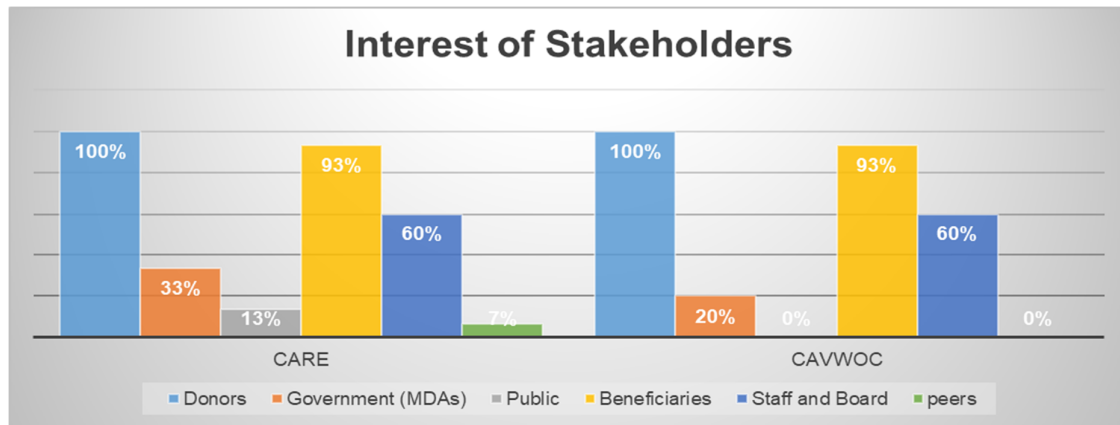


Figure 6: Interests of NGO stakeholders

All stakeholders have interests. Donors, beneficiaries, staff, and the government have their interests in that order for all NGOs with a demonstration that the government and its departments mostly have higher interest in internationally postured NGOs than in local NGOs as depicted in Figure 5.

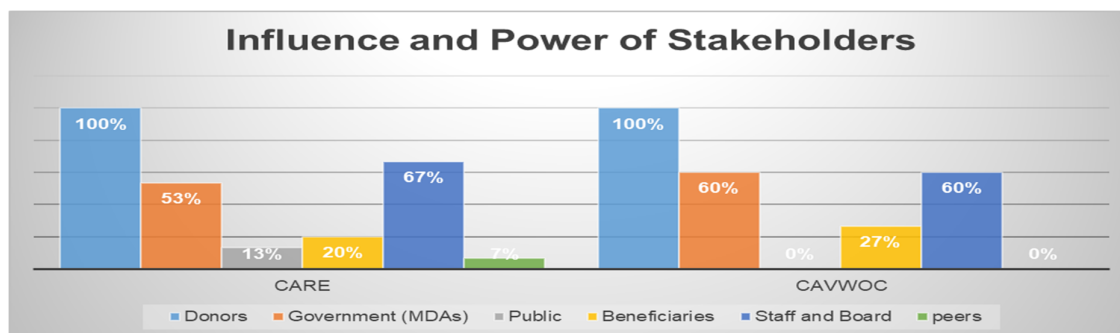


Figure 7: Influence and power of NGO stakeholders

As regards influences and power, Figure 6 shows that donors hold high power and influence, seconded by staff. MDAs come third. Beneficiaries carry the least power and influence. Considering an example of a project cycle management, the narratives below show the array of such powers and influences. These findings marry with the explored concept of upward accountability by Fowler (2013) and Andrews (2014) who stressed that there is a prevailing emphasis on the importance of involving and being accountable to influential stakeholders.

### **Interest and power/influence - stakeholders in the NGO's projects cycle**

The implementation of efficient project cycle management is of paramount importance in ensuring the successful execution of any programming endeavour. Within the framework of project cycle management, it is imperative that stakeholders possess the capability to obtain pertinent information in order to make an informed decision when choosing the most optimal alternative from the various options that are available. Furthermore, during this process, stakeholders may be afforded the opportunity to intervene in accordance with their respective aims and objectives. Nevertheless, it has been noted within the examined NGOs that the level of engagement from donors, who serve as the primary sources of funding, extends well beyond the provision of financial resources and technical support throughout the project management cycle. In the majority of instances, it appears that donors exert influence over various aspects of project management, including decision-making pertaining to project conceptualisation, planning, implementation, monitoring and evaluation, and closure. The decisions made within CAVWOC and CARE are primarily influenced by donors, resulting in limited or negligible input from the NGOs themselves. Some beneficiaries agreed with this notion and said:

In my view, the NGO lives to support donors implement their projected themes. Anytime we suggest something they say it's not as per donor requirements and plans, they do what themselves and their donors want not what we want". KII10, Pemba ADC

Over the years, the management of CARE and CAVWOC has taken on a sizable number of projects. It is observed that donors make all of the specific decisions pertaining to most projects, with little input from NGOs in some cases. This perspective agrees with Manzari (2023) who found out that there exist power imbalances that reduce localisation of decisions and commitments along the cycle of program implementations that satisfies international actors but seem to be short-changing the local actors while and affected communities.

### ***Context - Project conceptualisation (understanding situation)***

The matter of project conceptualisation pertains to the inception of projects. Prior to initiating projects, it is imperative to conceptualise ideas. It can be argued that in the context of the NGO sector, project conceptualisation should involve consulting stakeholder groups, including beneficiaries as put forward by Brajer-Marczak, Marciszewska and Nadolny (2021) who established that stakeholders are as important in the initial planning and financing of the projects, and they further found that the project's sustainability depends on the project's conceptualization and the inclusion of the stakeholders. This study found that the process of project conceptualisation is primarily influenced by donors in CAVWOC and CARE. The findings show that the public does not take any part in the conceptualisation of projects. MDAs are almost not involved with some elements of the conceptualisation only dubbed from socio-economic profiles and district development plans.

Sadly, a number of districts have outdated plans and profiles reducing their relevance. Donors and NGO management engage in the conceptualisation of projects, wherein they determine the project's impact area, total project key activities, and other pertinent conditions. The aforementioned conditions are consolidated and presented through solicited and unsolicited calls for proposals, these calls aim to invite potential NGOs like CAVWOC and CARE to participate in the application process. In the majority of instances, the process of project conceptualisation typically excludes the involvement of NGO field staff, beneficiaries, and other stakeholder groups, except for donors and NGO management. Following the allocation of the project, the chosen NGO retains limited influence over the decision-making process regarding the adaptation of the conceptualised project to the practical circumstances at the grassroots level. When queried about the extent to which donors typically engage CAVWOC in the conceptualisation, selection, and location of projects, one beneficiary stated:

We are not always asked on the conception stage; we just see the NGO coming to brief us on what they intend to do as they discussed with their funders. KII12, Phaka ADC, Balaka.

Despite NGOs clearly outlining their implementation mechanisms in their responses to advertised proposals, donors still have the ability to modify and alter the submitted proposals. In such cases, NGOs may feel compelled to remain silent or take no action due to the fear of jeopardising their chances of being considered or facing rejection. CARE's international dimension and the expertise of its highly qualified staff instil a sense of confidence in its ability to engage with donors.

The staff in their particular case exhibit greater engagement in the project cycle compared to the staff of CAVWOC. NGOs and other stakeholder groups possess the ability to develop project ideas. However, projects not originating from donors often struggle to secure funding, resulting in their inability to be implemented, regardless of the merit of their conceptualisation. The findings also indicated that proposals by the beneficiaries of CARE or CAVWOC, which were perceived to be highly advantageous by the beneficiaries themselves, did not receive any favourable acknowledgment or response from CARE or CAVWOC.

Previously, we have attempted to propose initiatives that we believed could enhance our well-being through CARE. However, the organisation consistently conveyed that they do not allocate financial resources for such endeavours. They expressed intentions to consult their donors and assess the feasibility, but rarely followed up on these matters. Even when they did, the responses received were predominantly unfavourable". FDG1 Mduka VDC, Kasungu.

While the respondents desire to see stakeholder being involved, this is practically ambiguous as Ouma and Kiarie (2017) found out that there is negative directional influence of the stakeholder participation in project conceptualisation.

### ***Planning, Designing and Approval***

This research has demonstrated that donors also have a substantial influence on the establishment of project objectives and the specification of project activities. The finding is that donors typically conceptualise projects and establish their objectives, thus it is customary for them to delineate the activities required to attain said objectives. Subsequently, these data are conveyed to CAVWOC or CARE, as well as other relevant stakeholder entities that may have affiliations with the undertaking. In addition to the donors' role in determining project activities for CAVWOC's implementation, they also possess the authority to modify the number of activities, potentially resulting in reduced engagement with beneficiaries, peers, and MDAs. The staff members are actively involved in the process of implementing changes. The staff of CARE hold a greater degree of influence due to the organisation's international dimension.

These findings are contrary to assertions by Siborurema (2015), who found a significant positive relationship between planning, technical project design, stakeholder engagement, project cost, and project funding policy on project sustainability. It only displays that CARE and CAVWOC are not engaging stakeholders as precisely as possible hence jeopardising the sustainability of their projects.

### ***Implementation, monitoring and evaluation***

During the initial stages of project preparation, stakeholders are actively involved in raising awareness. However, a participant in the focus group discussions reported that they are merely informed about the project without necessarily having the opportunity to make modifications to the predetermined plans.

We are just notified of the project and what our roles will be as VDCs and beneficiaries. FGD5 Nazombe ADC, Phalombe, KII9 Maganga ADC, Salima.

The individuals working in MDAs, who are actively involved in designated spaces such as District Executive Committees (DECs) and Area Executive Committees (AECs), contribute to project preparations with minimal anticipated modifications to the established projects. Prior to implementing the projects, the key documents are prepared by donors in collaboration with NGO staff.

Government officials from Balaka and Salima made an almost similar remark stating that.

Stakeholders involve the government after they have already established their impact pathways, log frames, and/or theory of change. KII26, KII31.

These findings do not echo Buba and Tanko (2017) who found that the ability of project stakeholders to oversee the project implementation, monitoring and evaluation minimises the chances of failure. Additionally, the study findings do not agree with Maina (2013), who concluded that effective project implementation must ensure stakeholder engagement throughout the project.

### ***Project closure***

The manner in which projects are concluded is contingent upon the terms and conditions stipulated in the contract or agreement.

Beneficiaries, peers, and MDAs are involved in closure mostly in a “BYE” mode hence not much is done to involve them for continuity.

From the project cycle submissions and findings, the Mendelow matrix can be drawn, as in Figure 7, to conclude the following:

- a) Donors and staff have high interests and high powers in NGOs as stakeholders;
- b) government MDAs have high powers but low interests in NGOs;
- c) beneficiaries have high interest with low powers in NGOs; and
- d) public and NGO peers have low interest and low powers.

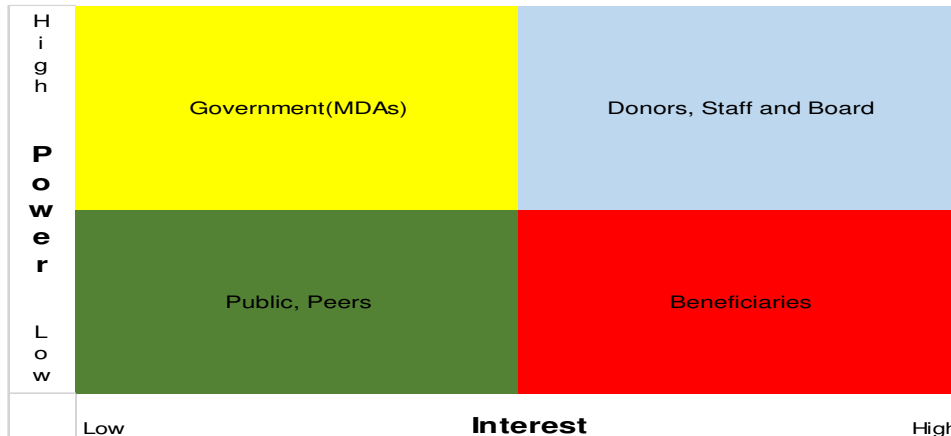


Figure 8: Mendelow matrix for CARE and CAVWOC

## 6.2.4 Perceptions on accountability, performance and performance measurement

### 6.2.4.1 Perceptions on accountability

In summary, as Figure 8 shows, donors perceive CARE to be more committed to accountability contrary to beneficiaries who are not fully perceiving it as such. MDAs and staff are moderately satisfied with the commitment of CARE towards being accountable. This is confirmed by:



Figure 9: Perception on accountability of CARE



Figure 9 shows that for a local NGO like CAVWOC, it is the staff who are leading in confidence regarding the organisation's commitment to accountability. Donors come second in perception about CAVWOC commitment while MDAs and beneficiaries remain sceptical about the commitment of CAVWOC to accountability.

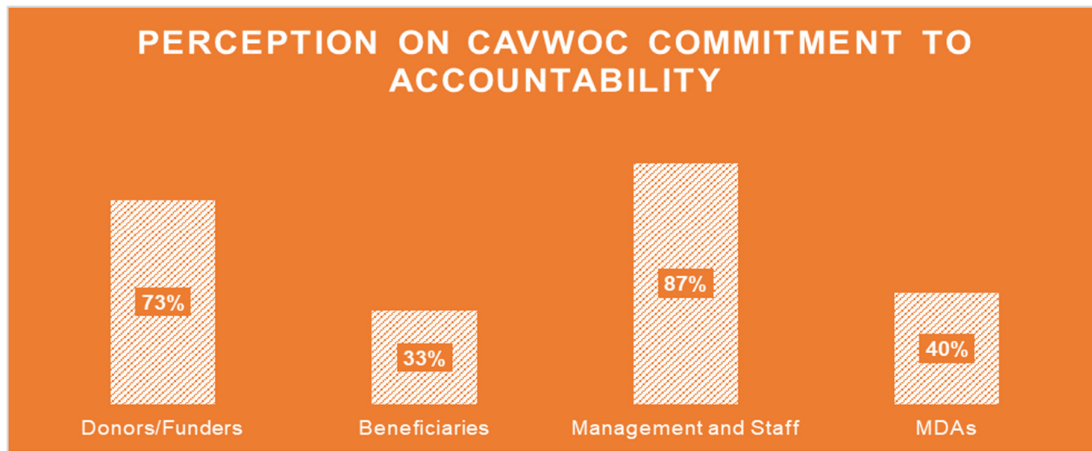


Figure 10: Perception on accountability of CAVWOC

All beneficiaries look at NGOs as lowly accountable. The findings tend to align with the perspective of Yasmin, Ghafran and Haslam, (2020), who argue for prioritising beneficiary concerns in the accountability processes of NGOs (also see Osman and Agyemang, 2020). The literature suggests improving the level of beneficiary accountability in order to promote a transformative approach to NGO practices that aim to bring about social liberation. According to Yasmin et al. (2020), a re-orientation of the role of NGOs in society is necessary. There is a need to distinguish between the beneficiary-centric approach and a downward approach by shifting the focus away from an organisation-centric accountability process and instead prioritising the needs and rights of beneficiaries. The proposed re-orientation involves perceiving beneficiaries as integral components of NGOs, not as detached entities, and exploring the possibility of delegating responsibilities to local partners to foster enhanced involvement and trust. The staff and management expressed a heightened sense of responsibility and commitment towards accountability. 'Felt accountability' has been explored in literature focused on NGO accountability, as discussed by Fry (1995), Ebrahim (2003), Boomsma and O'Dwyer (2015), and O'Leary (2017). The emergence of this concept can be attributed to previous theoretical discussions that aimed to expand the scope of accountability beyond economic objectives and incorporate ethical considerations (Roberts, 1991; 2001; Sinclair, 1995).

The concept has been recognised as a valuable framework for comprehending accountability based on the sense of responsibility within Non-Governmental Organisations (Fry, 1995). According to Boomsma and O'Dwyer (2015), the experience of accountability fosters a sense of personal responsibility and internal motivation among individuals.

Actors willingly subject themselves to examination and are held accountable through adherence to shared values, mission, and culture, which they strive to align with the organisation's values (Gray, Bebbington and Collison, 2006). The concept of accountability is centred around the establishment of a collective vision among individuals within an organisation, achieved through collaborative relationships and a shared responsibility for outcomes (Roberts, 2001; Boomsma and O'Dwyer, 2015). According to Boomsma and O'Dwyer (2015), there is a need for a shared sense of responsibility that is collectively established rather than unilaterally imposed. This is where the perceptions of staff, management and the board are falling short due to the discrepancies with the beneficiaries they serve. Donors perceive NGOs as accountable. This is mostly because the donors hold a coercive force by seeking compliance with the project agreement protocols and having ability to punish non-compliance along accountability protocols (Andrews 2014). The MDAs consider accountability commitment in NGOs moderate. This is in some cases because even the MDAs themselves do not have the exact tools to track NGO accountability in full.

#### **6.2.4.2 Perceptions on performance and performance measurement**

In summary, as Figure 10 shows, the perception of donors is that CARE is more committed to performance measurement contrary to beneficiaries who are not fully convinced on the rightness of the prevailing performance measurement leading to acceptable accountability. MDAs and staff moderately are satisfied with the performance measurement of CARE.

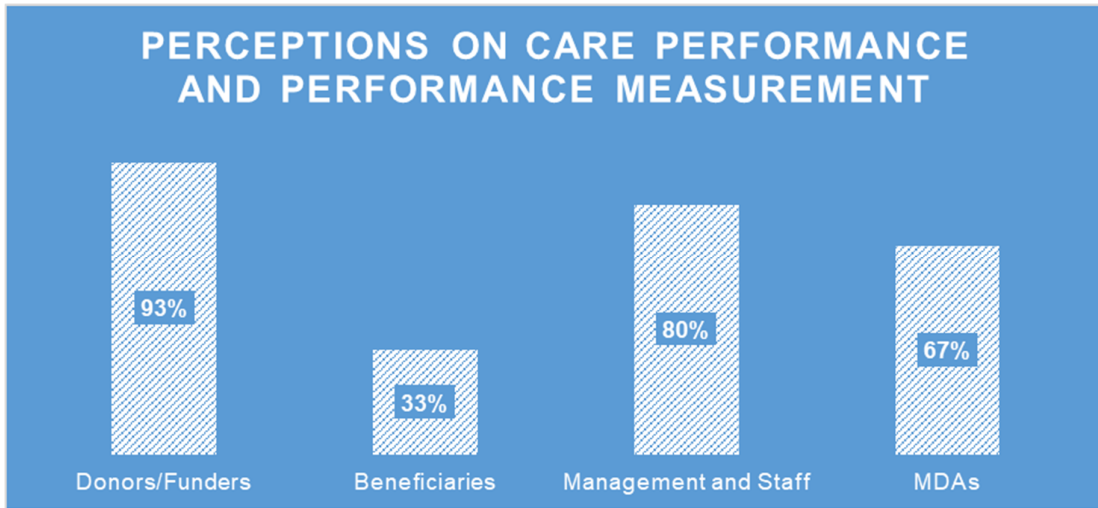


Figure 11: Perception on performance measurement – CARE

As regards CAVWOC, Figure 11 shows that staff are at the top in perceiving the organisation as more committed to performance measurement. Donors come second to staff to appreciate the performance measurement of CAVWOC. As with CARE, beneficiaries are not fully convinced of the correctness of the prevailing performance measurement in CAVWOC. MDAs are also not satisfied with the performance measurement of CAVWOC.

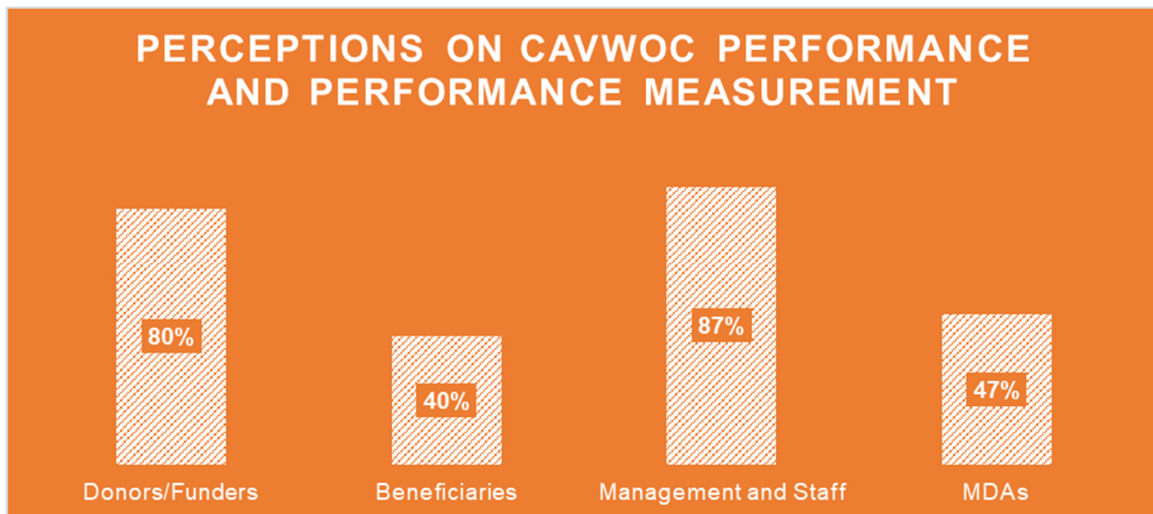


Figure 12: Perception on performance measurement – CAVWOC

The examination conducted across the two NGOs demonstrated a notable focus on objectives and the impact of their activities within the community, efficient utilisation of resources, and the perception of the public. Several important dimensions of NGO performance have been identified, including efficient organisation and management systems, networking and partnerships, programme impact, organisational capacity, and responsiveness to the external environment.

One notable observation is the shift from a narrow conceptualisation of performance as the mere attainment of objectives, to a more comprehensive understanding of performance and effectiveness within the context of NGOs.

We are committed to performance, and we use a balanced scorecard. For all stakeholders to agree on performance and its indicators we need to have a method that agrees on what are we measuring, and what is performance. KII17.

CARE emphasises the evaluation of efficacy in terms of delivering high-quality services to beneficiaries while optimising resource allocation. Upon careful analysis of practical illustrations provided by the majority of managers concerning their noteworthy accomplishments in terms of effectiveness, it becomes evident that these examples predominantly revolve around the notion of meeting objectives.

This implies that performance is still predominantly defined within the practical realm of achieving specific goals. One significant obstacle faced by NGOs is the task of accurately attributing the change in outcomes within a community to their own activities, given the presence of numerous stakeholders operating within the same community.

### **Performance planning practices**

#### a) Vision, mission and objectives

The two NGOs provided explicit and well-defined vision, mission, and objectives statements, along with effective communication methods and strategies that were communicated to managers, employees, volunteers, and project partners. Two frequently cited communication strategies and methods include participatory approaches involving staff during regular meetings and direct communications to new employees and partner organisations during induction processes. It is imperative to acknowledge that alongside the mission and vision statements, NGOs possess explicitly articulated core values that delineate their identity and guide their daily activities. The study revealed that a majority of NGOs examined possessed identifiable key success factors that were considered essential for achieving their long-term goals and aspirations. The key factors identified, include the clarity of objectives and policies, the credibility of the organisation, the recognition and utilisation of government systems, the development of organisational and partner capacities, cost control measures, a robust induction process, the presence of competent human resources, and adherence to strategic plans.

## b) Strategic plans and strategies

The strategic planning process is also an aspect of performance planning practice that stands out and well understood in the NGOs. A prevalent consensus among the participants is that strategic planning entails the development of a well-defined vision for future objectives. According to one participant, the term, pro-visioning your organisation, was described as the act of providing for the future needs and requirements of the NGO. The alignment between the strategic plans and strategies and the objectives was evident. The planning process primarily consisted of either top-down strategic workshops that involved clients, staff, and other partner organisations, occasionally with the assistance of external consultants typically encompassing the active involvement of key stakeholders.

## **Performance measurement practices**

### a) Performance measurement, indicators, targets and data collection

The NGOs commonly employed the logical framework approach to establish project indicators and establish performance targets. The analysis unveiled that the predominant performance indicators utilised by NGOs were primarily focused on outputs and were quantitatively measured. These indicators were directly associated with the specific objectives of the NGOs, such as the number of individuals trained, the number of students supported, the number of trees planted, the number of computers supplied, the number of interventions established, and the time required to deliver an order. The research documented challenges associated with reporting the impact on the community, specifically highlighting the complexities involved in obtaining reports from the individuals who have benefited from the intervention.

The data collection methods employed to assess performance indicators exhibited a notable degree of similarity between the two organisations. While there were variations in targets among the organisations, it was observed that participants generally concurred on the significance of managing financial expenditure, budget targets" and output targets as crucial performance indicators within the NGO sector in Malawi. According to KII13 and KII7, the financial aspect holds significant importance, referred to as investment targets. Consequently, performance is evaluated based on meeting monthly and quarterly targets. It is observed that a significant focus of many NGOs revolves around achieving financial objectives. This entails adhering to pre-determined spending limits within specific timeframes.

Consequently, any deviation from these targets, whether excessive or insufficient expenditure, may result in unfavourable consequences with respect to donor relationships. The target setting process for the NGOs was characterised by a combination of participatory approaches and individual-driven efforts. Both NGOs commonly converted their performance indicators into performance targets.

#### b) Rewards and penalties

Rewards and penalties are integral components of performance measurement practices that appear to exhibit similarities among NGOs. It was mutually acknowledged that the delineation of performance-based incentives within the NGOs lacked explicit and formal clarity during the planning phase. The majority of the financial incentives were contingent upon team performance.

The financial incentives provided encompassed modest department and organisational bonuses, salary increases, and opportunities for permanent employment. Non-financial incentives encompassed various forms of recognition and support, such as staff training, scholarships, publication of success stories on websites and bulletins, award certificates, promotions, staff trips, and end-of-year celebrations. The study's results show that organisational policy featured explicit penalties for non-performance, which were individually targeted and punitive towards both employees and managers. These penalties encompassed measures such as dismissal, demotion, contract termination, discontinuation of the programme for the organisation, and lack of promotion opportunities. Incentives are granted upon the successful attainment of goals, and in the event of failure, an employee may face consequences. Dismissal is considered the most severe consequence for failing to meet performance expectations. Performance planning practices exhibited a broader scope within the NGOs in comparison to performance measurement practices. Despite the involvement of NGOs in various performance domains and their engagement in performance planning activities, their performance measurement practices did not adequately reflect this diversity.

## **Performance context practices**

### a) Feedback and monitoring systems

The NGOs under investigation have implemented various feedback and monitoring mechanisms to gather and disseminate feedback to their staff and managers. These systems serve the purpose of facilitating learning, implementing corrective measures, and fostering the generation of innovative ideas. CARE and CAVWOC employ various formal monitoring and feedback mechanisms in their operations. These mechanisms include 360-degree and pipeline feedback systems, client forms, benchmarking, surveys, and websites.

In addition, the communication strategies employed for feedback encompassed various approaches such as feedback review meetings, e-mail networks, quality assurance reports, monitoring and evaluation reports, and effective dissemination through media platforms to emphasise exemplary methodologies. CARE and CAVWOC displayed such, with CARE having more traits than CAVWOC.

### b) Performance information use

In contrast to the initial hypotheses of this study, the data derived from performance measurement systems within the NGOs under exploration is frequently employed for the purpose of assessing performance and effectiveness. The additional purposes can be categorised as follows: 1) to exhibit responsibility and credibility, 2) to delineate prospective expansion, 3) to facilitate informed strategic planning and decision-making, 4) to record achievements and disseminate exemplary approaches, and 5) to comprehend emerging concerns and foster innovative concepts.

### c) Performance management systems dynamism

Another noteworthy discovery is that performance management practices within NGOs have undergone changes across various organisations. The study suggests that the strategic components of performance management systems have undergone modifications in response to the demand for improved service delivery, evolving community needs, the political landscape, and the inability to achieve performance objectives. These frameworks have transitioned from prioritising quantitative measures to incorporating qualitative measures, which involve the assessment of beneficiaries and partners in evaluating performance.

#### d) Strengths and coherence of PMS

The strength of PMS lies in several key aspects which include a robust induction process for both regular employees and partners, comprehensive performance management systems that involve all employees, the capacity to identify emerging issues, and a focus on developmental matters. Additionally, it has been revealed that coherent systems possess a well-defined understanding of perspective, professionalism, and an enhanced network and partnerships in terms of management. One significant drawback of the existing systems is perceived to be their high resource requirements, as well as the limited funding available for the implementation of performance management.

Additionally, there is a notable preoccupation with achieving results, which often comes at the expense of considering the well-being of employees and the social aspects of the organisation. Furthermore, insufficient attention is given to the capacity of employees to effectively carry out their responsibilities.

The greatest strength of our PMS is our induction process for our staff is very thorough; everybody gets to sit in every department once you are hired before you actually go on the ground. As a weakness, it is sometimes limited by funds, and you do not actually reach and implement as envisioned. KII28.

Regarding performance and effectiveness, managers acknowledged a diverse range of performance domains, which aligns with the findings of Lecy et al. (2012). However, when prompted to provide exact real illustrations, the managers tended to prioritise the accomplishment of objectives and public perception. This emphasis on goal attainment and reputational approach was evident in their responses. The primary areas of focus within NGOs encompass organisational management, project design, implementation, networks and partnerships. While NGOs acknowledge the importance of the aforementioned areas, their primary focus lies in attaining project objectives. The potential cause of this phenomenon can be attributed to the dependence of NGOs in Africa on external sources of funding, as highlighted by Shivji (2007). The focus on objectives and targets permeates performance management practices, encompassing the definition of performance measurement, the selection of performance measures, and the utilisation of performance measurement frameworks, as observed in previous research (Carman, 2007; Moxham, 2010).



The primary obstacle encountered by the individuals was the task of ascribing community results to the activities of the NGO, which aligns with the concerns raised by Lindgren (2001). Despite the varied nature of the sector, there is consistency in the performance dimensions observed across different organisations. The findings on performance-planning practices suggest that NGOs possess mission, vision, objectives, and goals that are clearly defined, albeit with a broad scope. While Ferreira and Otley (2009) do not incorporate core values into their framework, the NGOs examined in the study possessed core values within their mission and vision statements, which contributed to their distinct identity. Therefore, it is crucial to acknowledge the significance of these fundamental principles and their impact on formal control mechanisms, as elucidated by Chenhall et al. (2010).

To initiate the process of performance measurement, it is widely acknowledged among researchers that NGOs must undertake the task of clearly delineating their mission and purpose, encompassing their societal role and the advantages they provide to their respective communities. Because of this, logical systems like performance management frameworks must incorporate these distinct and intrinsic intentions and be perceived as assisting in their accomplishment rather than standing in the way. Others have countered that the very nature of NGOs tends to restrict performance measurement within them. For instance, Benjamin and Misra (2006) found that in NGOs the idea of doing good work seemed to hinder outcome measurement.

The NGOs have important success factors, as noted by Yap and Ferreira (2011), that give them a competitive edge in achieving their mission and vision. As observed by Ferreira and Otley (2009), NGOs also have a transparent strategic planning process, despite having distinct strategic activities and plans throughout the industry. The strategic plans and activities varied because most NGOs carry out multiple, occasionally unrelated activities to fulfil their mission. According to Shivji (2007), the earlier discussed shifts in funding trends among the donor community have an impact on NGOs' strategic activities and plans. The NGOs use the logic framework to measure performance, so output indicators are common as a result of the earlier emphasis on objectives and targets, according to a close examination of performance measurement practices (Poister, 2003). According to Lindgren (2001), output measures are counts of programme products and services delivered to clients or participants.

The assessment of CAVWOC and CARE reporting requirements by the government and the results of the interviews and FGDs reveals emphasis on financial measures in the NGO sector. Kaplan (2001) rightly pointed out that publicly available performance reports on NGOs and performance measurement systems focus on financial measures such as program expenditures and funding, and expenses. Thus, it is worth revisiting the shortcomings of financial measures especially in the NGO sector. According to Fitzgerald et al. (1991) and Kaplan (2001), financial measures have a number of flaws, including a lack of neutrality and accuracy; being too irrelevant and summarising due to the length of the accounting period; placing too much emphasis on the short term, frequently at the expense of strategic issues; and a general lack of balance. According to a review of the performance measurement literature, non-financial measures are more advantageous and can be linked directly to long-term organisational strategy.

The findings of the study support the findings of Waweru and Sprakman (2009) that performance measures and targets in NGOs are team- as opposed to individual-based. The results were consistent with earlier research on both informal and official data collection techniques. Despite NGOs' claims that they had performance metrics, formal evaluations of performance were less common, according to the literature. Thomson (2010) concluded that non-profits had difficulty evaluating and documenting final results. The NGOs set performance goals at the organisational, departmental, and individual levels after deciding on the key performance measures and the measurement technique. The findings show that the NGOs place a strong emphasis on financial objectives and project outputs, at times to a point of not much focusing on their mission and vision. The managers in the case studies explained that the pressure from funders to use the funds within the allotted period, failing which it is considered non-performance, was the reason for the emphasis on financial targets.

The issue of burn rates is pertinent; it is used to measure performance and project progress too. KII22.

Finally, managers reported formal and informal feedback mechanisms in performance context practices and used the data for diagnostic and interactive purposes (Ferreira and Otley 2009). Despite recent empirical evidence, Alexander et al. (2022) contend that the use of performance information in NGOs is still not clear. Thus, this dimension was specifically included in Ferreira's and Otley's (2009) framework.

Tom and Frentzel (2005) emphasised that NGOs can use performance information for budgeting process, enhancing the quality of services, communicating results to stakeholders, managing human resources, and enhancing performance. Le Roux's and Wright's (2010) concluded that NGOs were trying to implement performance measurement systems for decision-making, resource allocation, and performance improvement. The PM systems within the two NGO are very dynamic, and there is a shift towards qualitative measures to reflect environmental changes, which is similar to Yap's and Ferreira's (2011) findings, in contrast to Moxham's (2010) findings that PMS were not dynamic and balanced in NGOs. Effective induction procedures and system coherence were among the PM system's strong points. According to Moxham (2010), the main flaws are the resource-intensive nature, lack of employee capacity, and obsession with results. NGOs use a variety of performance management techniques.

The logical framework, which typically paints a picture of the entire management process based on goals, objectives, strategies, inputs, activities, outputs, and outcomes, is the most frequently used one. Benchmarking, outcome measurement tools, and results-based management systems are additional frameworks. It is evident from the findings that not all NGOs had formal performance management systems, even though all NGOs used the logical framework. An in-depth analysis of the traits of NGOs without formal performance management systems showed that both international and national NGOs share these traits. The implementation of performance measurement systems presents some difficulties for the NGO sectors as well. One of the main issues that many organisations face has emerged as culture. Due to its deeply ingrained cultural traditions, the public sector finds it difficult to accept change. Another bigger issue for most NGOs has emerged as a result of resource limitations. The participants emphasised the importance of embracing research and development, innovation, good core management systems and policies, and growing networking and partnerships among NGOs.

## 6.2.5 CARE and CAVWOC Accountability systems and perceptions

### 6.2.5.1 How to do accountability?

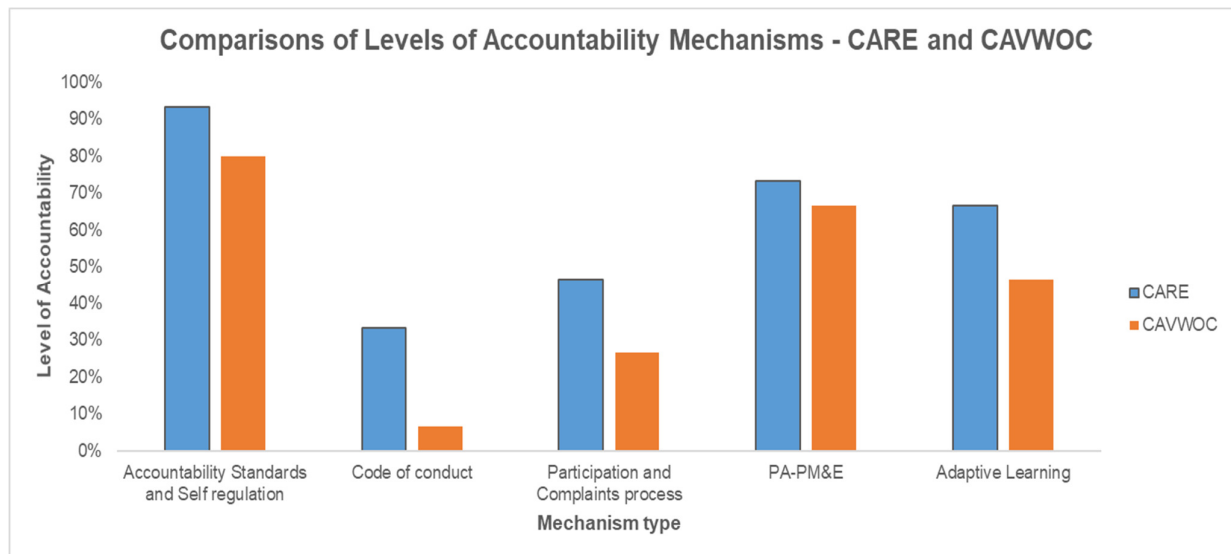


Figure 13: How of accountability

Both case studies display an engagement in accountability using all the five mechanisms outlined in literature. Notably, CARE has high intensity for all mechanisms than CAVWOC signifying that local NGOs are slightly low ranked in exhausting the accountability mechanisms in practice.

**Standards and self-regulation:** Figure 12 shows that the NGOs use accountability standards and self-regulation more than any other available mechanism. The findings suggest that local NGOs like CAVWOC are held to a higher standard of accountability by their boards of directors. This makes sense because it might be anticipated that a local NGO's board of directors would interact with its members more frequently than an NGO with an international focus, such as CARE.

**Code of conduct:** CAVWOC had few codes targeting the board and management mostly while CARE had a number of codes of conduct targeting myriad spectrum of stakeholders including volunteers.

**Participation and complaints process:** According to this study, NGOs' only accountability for complaint procedures is to themselves and their beneficiaries. Figure 11 shows that CARE had more complaint handling procedures than CAVWOC.

**PA – PM and E:** Figure 12 shows that in both instances, NGOs are held accountable for PM and E by their donors, MDAs, management, staff and the board, rather than by beneficiaries or the general public.

Furthermore, CARE receives more referrals to PM and E than CAVWOC. Most M and E tools, including those used by NGOs, do not support beneficiaries' accountability.

**Adaptive learning:** Figure 12 shows that CARE has a mechanism for learning accountability, and they stated that they account for their successes to each of the stakeholder groups. Beneficiaries, neighbourhood organisations, peers, and volunteers receive exceptions. The majority of CAVWOC participants said they account for learning to both them and their donors. In both cases, accountability to beneficiaries, neighbourhood organisations, and peers is still minimal, mostly for adaptive learning objectives, with CAVWOC appearing to be very low.

In conclusion, the NGOs surveyed have a propensity to account more to internal stakeholders than to external stakeholders, with the exception of learning from successes, which demonstrates higher than average accountability to more stakeholder groups. Except for reporting to themselves, those who fund them, and MDAs, most NGOs do not report standards, codes of conduct, or complaints to any stakeholder group. NGOs stated that of the five main accountability mechanisms provided, they are most responsible to themselves. Given the relationship between donors and NGOs, Keohane (2003) sees donors as internal to the NGO and expresses concern that:

NGOs may be more inclined to appease their internal constituencies but [be] unresponsive to the real needs of the people whom they claim to serve.

This sentiment was echoed in the interviews at CARE.

Ebrahim (2005:73) states that, "too much accountability can hinder [NGOs] in achieving their missions". According to Fransen and Kolk (2007), NGOs may ultimately decide to hold stakeholders accountable who are willing to compromise. It gets simpler to share accountability information with others as it becomes more widely available internally. The willingness of NGOs to share different types and amounts of information depends on the accountability mechanism and, to a lesser extent, on the organisation's size and focus.

Generally speaking, this research demonstrates that NGOs are more willing to accept responsibility for their successes than for their failures. Successes, according to Keohane (2003), improve reputation, which encourages the NGO to account for them because there are gains to be expected from doing so.

According to Ebrahim (2003a, 2005), accountability tools like financial reports, disclosures, and performance reviews are examples of tools that are primarily directed at donors and are repeated over time. He also notes that non-profits frequently place more emphasis on short-term accountability, in part, as a result of the upward accountability push. According to Christensen and Ebrahim (2006) and van Zyl and Claeys (2019), upward accountability encourages NGOs to be more active in reporting, auditing, and monitoring activities to show their performance. However, there are no definite methods for assessing NGO performance.

Some authors suggest that NGOs perform self-regulation by creating uniform codes of performance and behaviour in order to get around this restriction. Self-regulation aims to boost an NGO's reputation while also shielding it from overly onerous regulations (Schweitz, 2001). Self-regulation enhances accountability processes to donors, beneficiaries, and the NGO itself, even though government oversight may be appropriate for fostering public trust (Hielscher, Winkin, Crack and Pies, 2017; Stotzer, Martin and Broidl, 2021). Costa et. al. (2011) put forth a framework that evaluates both functional and strategic accountability, its efficacy and efficiency, and how feedback and readjustment can influence behaviour. Joining accountability clubs, which have systems in place to monitor compliance and support the upkeep of the required standards for the organisation (Tremblay-Boire, Prakash and Gugerty, 2016; Yates, Belal, Gebreiter and Lowe, 2021) is another suggestion. Despite the aspirations of NGOs for more substantial and integrated accountability, Murtaza (2012) and Yesudhas (2019) emphasise that these organisations prioritise being accountable to boards and donors while providing sub-par accountability to communities. The authors suggest creating an accountability system and engaging in transparency to empower beneficiaries in order to change this practice. However, the authors do not make it clear how this change can be implemented.

### 6.2.5.2 Accountability to whom?

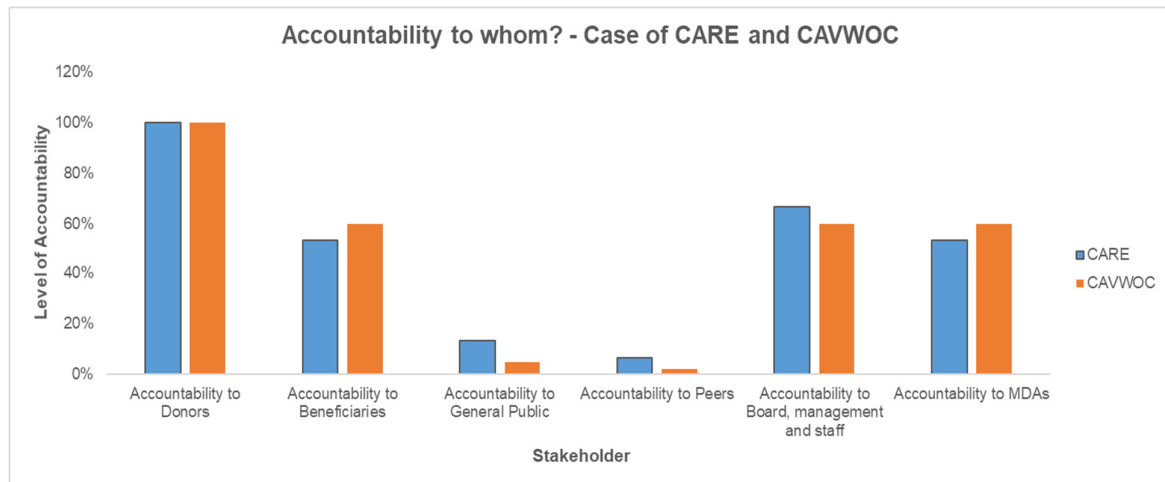


Figure 14: Accountability to whom?

The study confirms the existence of six overarching categories of stakeholders that establish accountability relationships with NGOs: funders, direct or indirect beneficiaries, interested parties, collaborating entities, the NGOs themselves, and governmental bodies within their own country or the countries of operation. Figure 13 presents a visual representation of the summarised findings obtained from the survey, which were organised into six overarching categories. The most notable finding is that accountability to donors features highly ahead of all stakeholders. The highest ranking of donors confirms the submissions of Goncharenko (2019), Guo, Hall and Wiegmann, (2022); Hyndman and McConville, (2018) and Yates et al. (2021). These scholars put it that NGOs mostly prioritise donors so as to enhance the organisation's legitimacy and transparency perception to funders thereby distinguishing themselves from others and, consequently, appealing to a larger donor base. NGOs with an international dimension like CARE take time to account to peers through technical working groups which the organisations belong to mostly by virtue of global presence. CAVWOC has no element of publicising their works voluntarily except for mere media publicity dimension not accountability posturing. Notably, local NGOs such as CAVWOC have high accountability to MDAs at district levels due to their localised impact areas. Beneficiaries are not very engaged for accountability purposes, rather for result churning, as is shown in the Figure 13 above. It is more revealing in the work by Bawole and Langnel (2016) that citizens engaged in project planning processes were limited to endorsing already prepared plans, decisions, and mundane aspects of the project.

The authors, therefore, concluded that the participation of citizens in decisions was largely tokenistic and rhetorical, thus did not contribute to the kind of empowerment that will promote downward accountability. Donors play a crucial role in facilitating the operational capacity of NGOs by means of their financial contributions or active participation as volunteers. The reliance on donor contributions has a significant impact on the manner in which NGOs prioritise their accountability towards these funders. The presence of bias towards donors has implications on levels of commitment to account to other players (Van Zyl and Claeve 2019). The obligation to be accountable to donors necessitates that NGOs disseminate information to donors, potentially constraining their ability to generate other essential reports that provide insights into the operations of the organisations. The implementation of such a practice has the potential to create a specific obscurity on the necessity to improve effectiveness (Schmitz, Raggo and Bruno-van Vijfeijken, 2012).

The process of preparing reports for donors results in increased administrative expenses for NGOs, which subsequently has a negative effect on preference for low administrative costs (Dietz, Barber, Lott and Shelly, 2017; Ito and Slatten, 2020). Some scholars have proposed alternative approaches to enhance the accountability target groups. According to Hielscher et al. (2017), the establishment of accountability necessitates the adoption of a comprehensive governance framework that thoroughly examines all interactions with stakeholders of NGOs. Literature demonstrates that the enhancement of accountability within NGOs necessitates the identification of the fundamental competence dilemma present within the NGO, with a particular emphasis on employing collective self-regulation as a viable resolution. Costa, Ramus and Andreas, (2011) argue that the accountability of NGOs ought to be grounded in their respective missions. Implementing such a change has the potential to mitigate the challenges encountered by NGOs in fulfilling their obligations of accountability to both donors and beneficiaries.

NGOs would be safeguarded from the potential risks associated with prioritising accountability relationships with donors, as it is imperative for the organisations to remain steadfast in their mission and, consequently, their dedication to beneficiaries. Contrary to assertions made in existing scholarly works, Connolly and Hyndman (2017), discovered that although they are commonly perceived as influential stakeholders within NGOs, donors actually relinquish authority to the beneficiaries. The obligation to be accountable to donors does not inherently exclude the obligation to be accountable to beneficiaries.



Conversely, the focus on donors may potentially enhance the NGO capacity to engage in effective downward accountability practices. Similarly, O'Dwyer and Unerman (2007) observes that donors possess a desire to assist NGOs in enhancing their accountability towards beneficiaries. According to Dewi, Manochin and Belal, (2019), the inclusion of volunteers has the potential to enhance beneficiary accountability by diminishing the geographical gap between the NGO and its beneficiaries. The identification of options such as a perceived sense of responsibility towards beneficiaries, in accordance with the mission of the organisation, is recognised as a mechanism to reconcile attention to all stakeholders (Chu and Luke, 2022). While the concepts discussed are not widely addressed in existing scholarly works, they present intriguing implications for addressing the constraints associated with bottom-up accountability within NGOs.

### 6.2.5.3 Formats of accountability

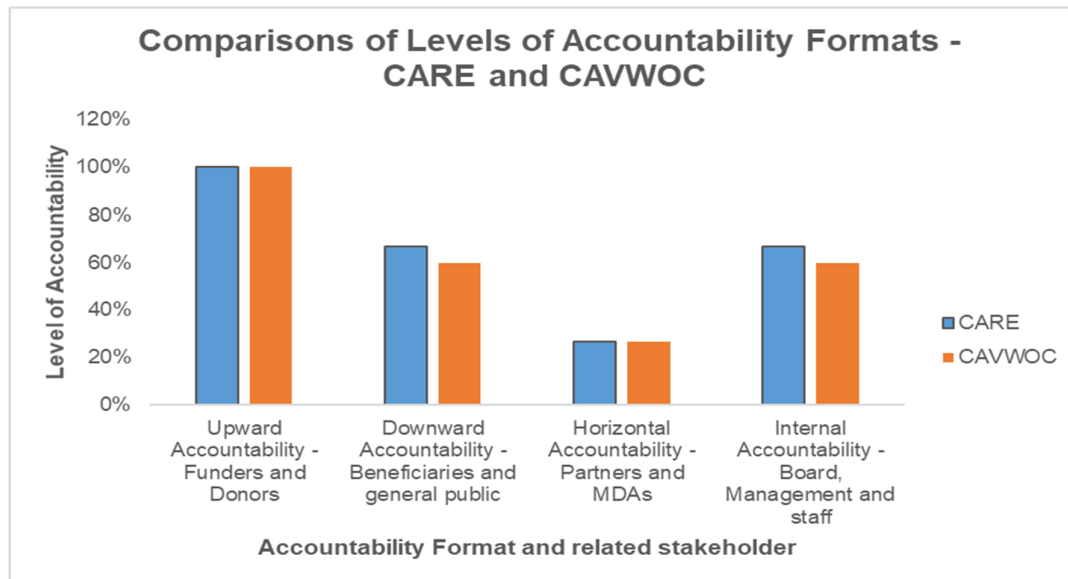


Figure 15: Formats of accountability

Donors play a crucial role in providing financial support and additional resources to NGOs such as CARE and CAVWOC. These NGOs then utilise these resources to deliver services to communities in need, effectively addressing the identified needs within these beneficiary communities. The presence of such a correlation inherently necessitates the implementation of accountability measures, which aim to guarantee the effective distribution of donor resources for their intended objectives.

This raises the consideration of four distinct accountability formats that have been identified as being present between CARE/CAVWOC and their stakeholders. The elucidation of these mechanisms has been grounded in empirical evidence and their correlation with existing scholarly works.

#### **6.2.5.3.1 Upward accountability**

As depicted in Figure 14, both the CARE and CAVWOC cases demonstrated a complete commitment to practising and prioritising upward accountability, with a 100% adherence to this principle. Upward accountability is widely considered to be the predominant form of accountability within NGOs, and this perception is supported by several scholarly works. One of the factors contributing to this phenomenon is that within the context of NGOs, the most influential group of stakeholders primarily consists of the primary contributors of the resources necessary for the operational functioning of NGOs such as CARE or CAVWOC.

Indeed, the absence of backing from these prominent stakeholders would result in a dearth of essential resources for the majority of NGOs, leading to a decline in their current operational capacity. As a result, the organisations possess the ability to request increased levels of responsibility and transparency from those under their authority (Chenhall et al, 2010).

Both CARE and CAVWOC heavily rely on donors and other influential actors for the necessary resources to sustain their operations. As a result, the two NGOs are obligated to demonstrate effective upward accountability through various means such as review meetings, disclosures and reports, external monitoring, and auditing. According to Ebrahim (2003b), reports and disclosures serve as a significant accountability mechanism for the primary stakeholders. Donors require regular narrative, financial, and ad-hoc reports and disclosures from CARE and CAVWOC, and the two organisations provide the reports and disclosures with promptness. This implies that while they may lack effectiveness in their operations, NGOs can establish accountability by providing reports, thereby potentially attracting funding resources from donors to sustain their operations.

According to Burger and Owens (2010), donors tend to prioritise efficiency over effectiveness and incline to provide support to NGOs that demonstrate their efficiency through upward accountability. The reporting requirements that CARE and CAVWOC must adhere to are contingent upon two primary factors: the nature of the donor(s) and the type of project. Due to the influence of these two factors, CARE and CAVWOC consistently receive requests to compile and submit various reports at regular intervals to donors, serving as evidence of their commitment to upward accountability. In accordance with the stipulations outlined in project contracts, individuals are required to periodically submit reports to the entities providing financial support.

The study additionally noted an increase in the influence of resource providers on CARE and CAVWOC. According to a statement provided by an MDA, it has been verified that:

We acknowledge that if they don't, please the donors, someone will arise to please them, and they end up losing out and get out of implementation. All we seek is a balanced accountability framework not an equally effort framework. KII25.

Consequently, it was observed that the entities responsible for providing resources emerged as the most influential stakeholders in their interactions with CAVWOC, and their demands must be strictly adhered to. The available evidence indicates that the nature of these demands may differ and can be either contractual or non-contractual. These demands primarily involve the requirement to account for resource utilisation through the submission of reports and engagement in other related activities. This perspective is also supported by Roberts (2001) who views upward accountability as a means of scrutinising the behaviour of those who are dependent on external support. It has been observed that in the majority of instances, donors establish the reporting formats and reporting frequencies, allowing CARE or CAVWOC to make few or no adjustments. It is imperative that the reporting obligations are diligently followed and promptly submitted without any delay, in order for the NGO to be regarded as a credible and commendable institution. The aforementioned assertion is substantiated by Agyemang et al. (2009:5), who said:

Reporting formats frequently appear rigid and offer limited opportunities to convey the perspectives and experiences of beneficiaries and officers in the field to donors.

The adherence of NGOs, such as CARE and CAVWOC to reporting obligations has the potential to enhance their credibility and garner increased esteem from donors.

Donors, as well as other stakeholders, are hesitant to accept reports from CARE or CAVWOC as the definitive report upon initial submission.

...Typically, reports are submitted in the form of draft documents, utilising the word format to facilitate convenient editing. Donors possess the prerogative to exercise editorial control over the "submitted reports" provided by us, utilising the available tracking feature, should they desire to do so. The act of modifying reports encompasses a range of alterations, which can vary from minor linguistic adjustments, such as replacing the term 'finished' with 'completed', to more substantial and substantive changes....". KII27.

Regardless of the magnitude of the modifications, NGOs are obligated to thoroughly integrate feedback from donors into the report prior to its acceptance as the definitive version. The omission of incorporating modifications from the donor into the ultimate report may imply a lack of adherence and could result in consequences. This statement suggests that the challenge of ensuring accountability in NGOs arises from the presence of numerous, intricate, and dispersed variables as highlighted by Burger and Owens (2010). This relationship can be characterised as a form of imposition. The consistent production of audited financial statements for the evaluation of donors underscores the implementation of upward accountability by CARE and CAVWOC (Ebrahim 2003a, 2003b). While upward accountability generally serves to promote and provide reassurance to fund providers regarding the effective utilisation of their resources, it is not a conclusive fact (Unerman and O'Dwyer, 2010). If it were so, there would not be numerous scandals and mismanagement of donors' resources. This implies that solely prioritising upward accountability is insufficient and cannot fully address the issue of resource misallocation or guarantee the effective utilisation and security of donor resources.

Therefore, it cannot be guaranteed that the reliance of donors on upward accountability within CARE and CAVWOC solely for their own satisfaction will necessarily result in efficiency and effectiveness. The prevailing pattern indicates that upward accountability tends to be uni-dimensional, limited in scope, primarily influenced by donors, and often lacking adaptability confirmed by Islam et al, (2013).

The findings of the study indicate that the accountability dynamics between CARE and CAVWOC and their primary stakeholder, namely donors, are primarily characterised by an upward flow of information and responsibility. This observation agrees with Burger and Seabe (2014) who confirmed that prevalence of upward accountability as the primary accountability mechanism. Donors maintain a strict stance on the content of reports, requiring CARE and CAVWOC to diligently integrate any feedback provided by the donors, regardless of its magnitude, into their preliminary reports in order to attain approval for the final report. The magnitude of the tasks involved in reporting is difficult to fathom. Indeed, a positive correlation exists between quantity of donors affiliated with an NGO and the volume of reports that must be done. At the time of the study, CARE and CAVWOC were found to have a number of donors, each of whom had distinct formal reporting standards and requirements. These variations in reporting standards have consequential implications for the implementation of projects.

An observation was made that CARE and CAVWOC demonstrate a high level of proficiency in meeting the reporting obligations of donors, which enables them to attract additional funding opportunities, an experience confirmed by Assad and Goddard (2010). The demonstration of upward accountability relations between CARE and CAVWOC and donors is evident in the donors' capacity to request pictorial evidence and conduct visits to CARE's offices independently or through external agents. CARE and CAVWOC are required to disclose their programmes to donors or their representatives in order to facilitate upward monitoring and evaluation. MDAs have the authority to request regular or spontaneous reports and disclosure statements from CARE and CAVWOC. While district councils push for MoUs with NGOs, the activities of all NGOs are regulated through the NGORA. This regulatory framework enables the GoM to enforce adherence to regulatory standards and guidelines, which includes the requirement to submit annual reports and renew their operational certificates on an annual basis. This in essence stands as demand for upward accountability from these organisations (Ebrahim, 2010).

#### **6.2.5.3.2 Downward accountability**

In CARE and CAVWOC, upward accountability has been found to be more prevalent and emphasised, while downward accountability has been relatively underdeveloped and received limited attention. The lower state of downward accountability in CARE and CAVWOC can be attributed to multiple factors.

One of the primary factors contributing to this phenomenon is the limited capacity of beneficiaries to contribute resources. Najam (1996a:346-347) posits that the fragility of downward accountability is due to the absence of dedication and backing from influential stakeholders, primarily donors and government, as well as the disadvantaged position of beneficiaries. The narrative reveals that communities lack the ability to withdraw their funding, unlike donors, and are unable to impose conditionalities, unlike governments. CARE and CAVWOC, do not extensively engage their beneficiaries in active participation. Assad and Goddard (2010) noted that there is a discrepancy between the goals of NGOs to enhance the well-being of their beneficiaries and the extent to which these aspirations are manifested in their accountability practices towards said beneficiaries. Despite minimal attempts by CARE to enhance their downward accountability, these efforts are limited in scope and lack the level of detail observed in CARE or CAVWOC's reporting to their influential stakeholders, particularly donors.

This phenomenon occurs due to the necessity for CARE and CAVWOC to establish and validate their continued existence. In order to fulfil this obligation, the organisations are required to provide an account of their activities and outcomes to donors and other influential stakeholders. There is currently no evidence to suggest that there will be a substantial improvement in downward accountability to beneficiaries in the near future, unless donors take heed to actively promote and enforce it. According to Kreidler (2011), the role of donors in the accountability chain is crucial, as they are responsible for ensuring that appropriate measures are taken when the system fails to meet expectations. Stakeholders place their trust in donor representatives to address any shortcomings in the system's performance. It is crucial to thoroughly examine the extent of donors' influence and limitations, as well as the mechanisms available to them for improving the accountability and efficacy of humanitarian assistance (Kreidler, 2011). Another potential factor may be the absence of a distinct and well-defined framework, guidance, or explicit instructions provided by donors regarding the manner in which NGOs should report and provide accountability to their beneficiaries.

Furthermore, there is a lack of enforceable observable assuring mechanisms in place to ensure compliance with such requirements.

...Even when a stakeholder attempts to demonstrate commitment in downward accountability, the technique is viewed as cosmetic and inconsistent.... KII31.

Very little donor allegiance to downward accountability exists within CARE and CAVWOC. Despite the donors' reluctance to commit to downward accountability, the NGOs attempt to reach out to beneficiaries for their own posterity, there is still a need for greater commitment to the concept.

... In pursuance of its purpose, CAVWOC, as an organisation, strives to provide beneficiaries with a consideration; however, its degree of energy and immediacy is not equivalent to that provided to donors.

.... KII15.

.... Upon receiving authorisation to proceed with a specific project, CARE strives to execute a community entry strategy, wherein we engage in visits to traditional leaders, and other key personalities in the targeted beneficiary communities to provide a comprehensive overview of the forthcoming project.... FGD2. Chiunda, Kasungu.

CAVWOC engages in these activities based on the belief that the implementation of effective downward accountability holds the capacity in augmenting the efficacy of interventions. This statement aligns with the perspective of O'Dwyer and Unerman (2010), who argued that the practice of downward accountability to beneficiaries can serve as a valuable mechanism for enhancing the efficiency of limited development aid. This highlights the significance of downward accountability in facilitating the efficient execution of programming delivery. In a similar vein, Cornwall and Nyamu-Musembi (2004) emphasise the significance of downward accountability in acknowledging the entitlements of beneficiaries as mere recipients of interventions, but as active participants who can contribute to the effectiveness of projects. In actuality, the act of solely providing beneficiaries with information regarding an upcoming project does not meet the criteria for involvement.

The matter at hand pertains to addressing the question of how NGOs can be held accountable to beneficiaries who lack comprehensive information about the project and are not actively involved in its implementation. The absence of an enforcement provision in donor contracts with CARE or CAVWOC contributes to the current state of affairs, wherein the case NGOs are not compelled to extensively involve beneficiaries. If donors were to prioritise the implementation of downward accountability and impose mandates on NGOs to ensure its practice, organisations would be compelled to comply, in the same way they adhere to upward accountability. Indeed, in some instances of the donor-NGO relationship, there exists a vested interest among donors and other influential stakeholders to promote downward accountability, as an effective mechanism for monitoring and evaluating the performance of these NGOs.

In light of the aforementioned factors, it is evident that beneficiaries face urgent and overlooked obstacles requiring prompt focus. Donors possess necessary resources to effectively address these obstacles, while NGOs possess the capacity to efficiently utilise these resources in order to resolve the aforementioned issues. It is, therefore, imperative for all stakeholders involved, including donors, NGOs and beneficiaries, to collaborate in a comprehensive manner in order to collectively attain the desired goals. Effective accountability can be ensured when beneficiaries are actively engaged and possess comprehensive knowledge regarding project content and resource allocation. This heightened level of involvement empowers beneficiaries to assume a pivotal role. By ensuring the implementation of these measures, it would align with the proposition that certain common goals and anticipated advantages of engaging in development include enhancing the efficacy, efficiency, sustainability, and scope of projects and programmes, as well as fostering stakeholder capacity, self-sufficiency, and empowerment (Marilee, 2000). As an integral component of its downward accountability endeavours, CARE consistently establishes frameworks, such as joint monitoring teams from project inception. CAVWOC uses VDCs and ADC and establishes an additional framework within the communities to assess its efficacy. While acknowledging the commendable nature of these structures, it can be contended that these primarily serve as mechanisms established by NGOs to indirectly showcase their efficacy to donors, rather than to provide transparent reporting to the recipients of their aid.



One notable finding is that both NGOs under study are recipients of designated funding as opposed to undesignated funding. This cuts downward accountability. Designated funding (grants) is specific and come with its own rules and NGOs should follow the rules and therefore accountability to funders becomes so critical. As Chakhovich and Virtanen (2023) point out, accountability from the point of view of present stakeholders only at a present point in time may appear restrictive and limit the consideration of difficult-to-hear other or future stakeholder groups. Undiluted upward accountability thwarts sustainability. Undesignated funds are given for the NGOs to use in the way they want. With undesignated funds, the NGOs can do downward accountability easily because they can ask the communities what they want, how they want to do it and other issues that consolidate accountability. Undesignated funds increase downward accountability and leads to more sustainability while designated funds encourage upward accountability and cuts into sustainability as displayed in some project best practices not continuing and not being adopted after the project close outs.

Some things we were taught to practice are not in practice and have falling adoptions mostly because the relevant project phased out and was replaced by another. As for Us we were not engaged much then ...but CARE is better than others. KII9.

This entails that upward accountability be used as an argument why many NGO projects are not sustainable.

#### **6.2.5.3.3 Horizontal accountability and internal accountability**

There is substantial presence of internal accountability in both CARE and CAVWOC. This internal accountability is an extension of internal control systems where the board and management do the supervision and reviews. CARE has higher internal accountability due to its internationalisation of uniform internal control systems. Horizontal accountability is about two or more parties accountable in a relationship where they possess equal levels of power. Verschuere et al. (2006) clarifies that this accountability is observed in the collaboration between two NGOs or with government departments. This entails being responsible and answerable to MDAs. CARE is actively engaged in TWGs and other forums. Collaboration has the potential to mitigate redundancy, decrease expenses, and alleviate the strain on local communities. Horizontal accountability is about co-working and sharing best practices and success stories, rather than engaging in competition.

### 6.2.5.4 Why accountability?

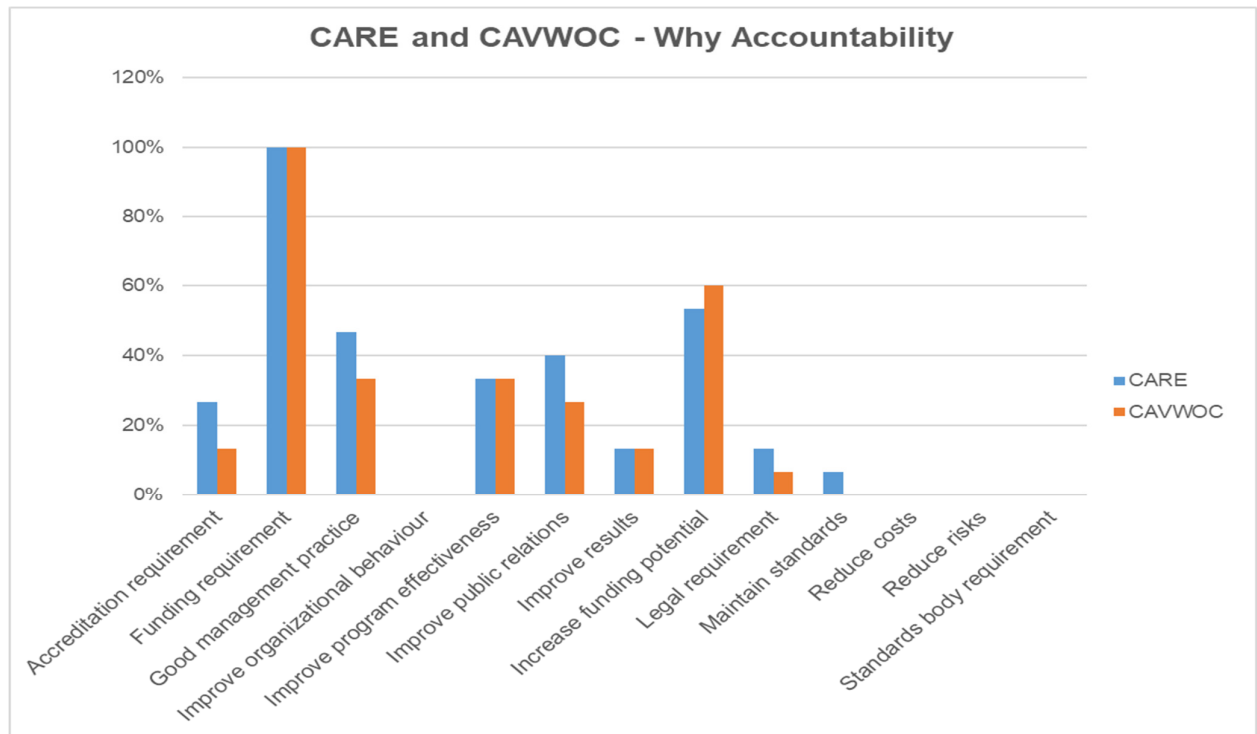


Figure 16: Why accountability? – CARE and CAVWOC

The literature review conducted for this study identified a total of 13 potential factors that contribute to the need for accountability. These factors include accreditation, funding, adherence to standards set by regulatory bodies or legal requirements, implementation of good management practices, enhancement of organisational behaviour, improvement of programme effectiveness, bolstering of public relations, achievement of desired results, increased potential for funding, maintenance of standards, and reduction of costs or risks. The survey explored the perspectives on the factors influencing the presence of distinct accountability mechanisms. Figure 15 presents a comprehensive overview of the prevalent justifications provided by the two NGOs for implementing accountability mechanisms. Figure 15 presents data indicating that the most commonly cited reasons for utilising the five accountability mechanisms were funding requirements, increased potential for funding, good management practice, improved public relations, and improved program effectiveness.

CARE and CAVWOC underscore the significance of accountability in enhancing programme efficacy and minimising expenses. There was a consensus among survey participants from both NGOs regarding the top five reasons and the three lowest reasons for being accountable.

### 6.2.5.5 Accountability for what?

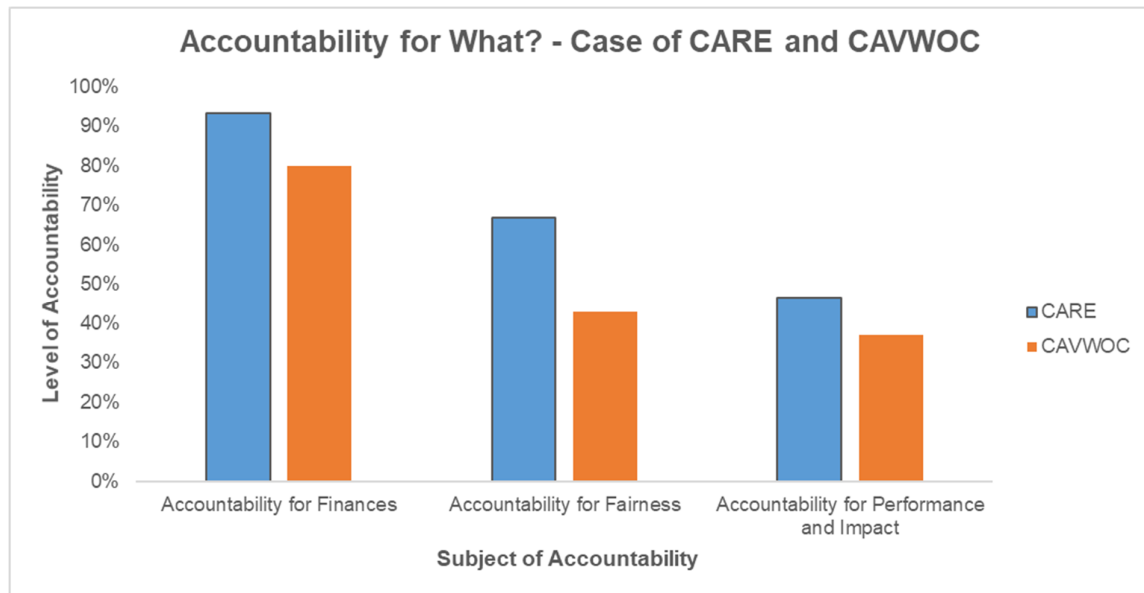


Figure 17: Accountability for what?

Figure 16 demonstrates that CAVWOC and CARE account more for finances than for fairness, performance and impact. This perspective agrees with Saxton and Guo (2011) who distinguished two forms of accountability: financial accountability and performance accountability. Financial accountability pertains to the management of financial resources, while performance accountability focuses on demonstrating the achievement of performance outcomes in alignment with an NGO's mission objectives. Accountability for performance encompasses the act of showcasing the NGO's advancements towards its objectives and ensuring that it adheres to the predetermined performance targets and accomplishes its overarching mission. This means that NGOs stress on reporting for finances thereby prioritising the providers of finances over any other stakeholder. McDonnell and Rutherford (2018) stressed that performance accountability holds greater significance for NGOs due to their obligation to be accountable to donors and other stakeholders. This accountability extends beyond financial sustainability and encompasses the social impact of their endeavours.

In practice, NGOs like CARE and CAVWOC submit their financial reports together with narrative reports to match the two objects of accountabilities as depicted in Figure 15. Nevertheless, while the primary focus of NGOs lies in the achievement of their social objectives, it is worth noting that financial accountability receives heightened scrutiny (Cordery et al., 2019; Keating and Frumkin, 2003) as evidenced by even differing timelines for their reporting and action, stressed by misalignment of finances and programming teamwork. Furthermore, works by Gálvez-Rodríguez, Caba-Pérez and López-Godoy, (2016), McDougale and Handy (2014), suggest that donors do not base their donation decisions on standard performance and impact accountability information. This is evident in the accountability of CARE and CAVWOC. With impact felt way after interventions, mostly its short-term performance, in terms of mere milestones that carry the day to be an acceptable object of accountability, priority falls on accountability for finances.

## 6.2.6 CARE and CAVWOC institutional sociology

### 6.2.6.1 Isomorphic pressures

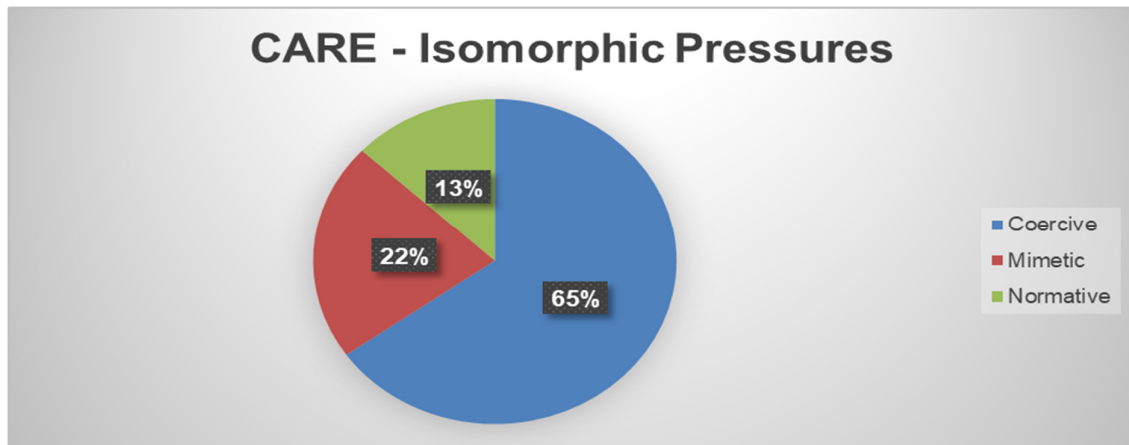


Figure 18: Isomorphic pressures – CARE

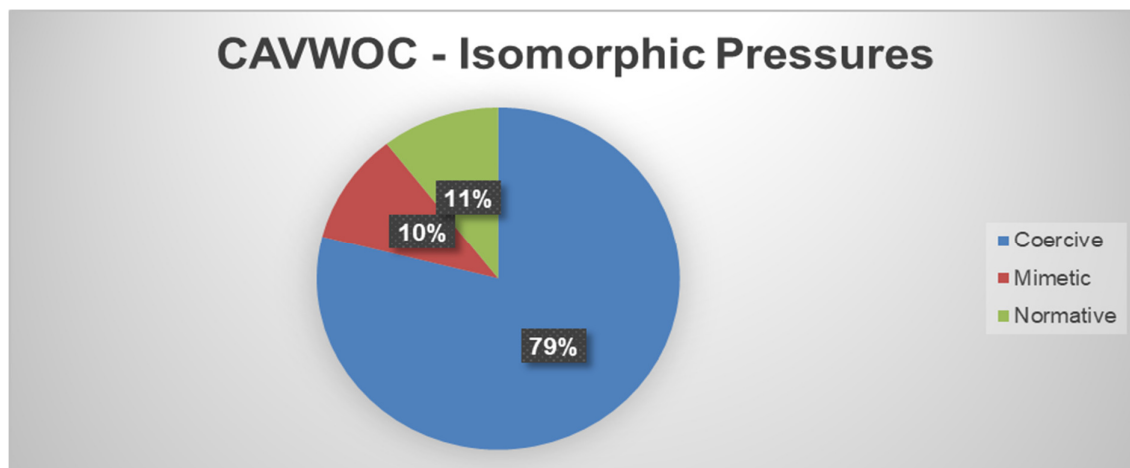


Figure 19: Isomorphic pressures – CAVWOC

The influence exerted on the two NGOs is significantly shaped by the institutional environment of the two NGOs. The accountability formats discussed in Section 6.2.5.3 are influenced by institutional forces in a coercive, mimetic, or normative manner (DiMaggio and Powell, 1983). The interviews conducted revealed that the three institutional factors proposed by DiMaggio and Powell (2012), namely coercive, normative, and mimetic, were observed to varying degrees in the accountability relationships between CARE and CAVWOC and their stakeholders. While the behaviour of NGOs is influenced by all three forms of institutional isomorphism, it is evident that coercive isomorphism plays a prominent role in shaping decision-making processes and the establishment of accountability relationships.

According to Powell and DiMaggio (2012), organisational regulation refers to the explicit implementation of a set of processes and regulations deemed reasonable to facilitate proper governance. The pressure manifests itself in either formal or informal ways, and is exerted in modes such as persuasion, force, evolution, or co-optation. Donors use mandates, annual reports, standards, and financial reporting duties. The behaviour and operations of CARE and CAVWOC can be attributed to the influence of institutional forces. These forces play a significant role in shaping decision-making processes and accountability relations within these organisations. The primary avenue through which the government can exert coercive influence on CARE and CAVWOC is by means of a regulatory entity, NGORA. MDAs also use mandates, annual reports, and legislation to display coercive isomorphism.

The study demonstrates a clear correlation between the provision of resources and the level of coercive force employed. Donors exert much force because they provide resources. NGORA exerts less because it gets some resources from NGOs through annual subscriptions as opposed to providing resources to the NGOs. This makes the regulatory body weak because they cannot enforce accountability processes coercively on NGOs that are also their other funding source somehow. Beneficiaries use coercion as a threat of withdrawing their involvement as subjects. Mimetic and normative pressures are high in CARE because of its international dimension as opposed to CAVWOC.

### 6.2.6.2 Strategic responses to isomorphic pressures

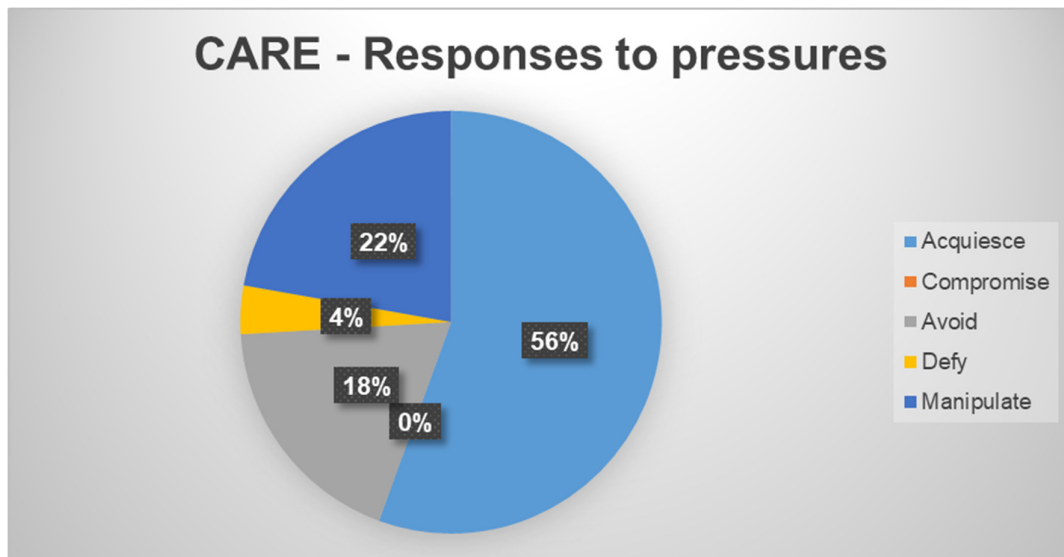


Figure 20: Strategic responses to isomorphic pressures— CARE

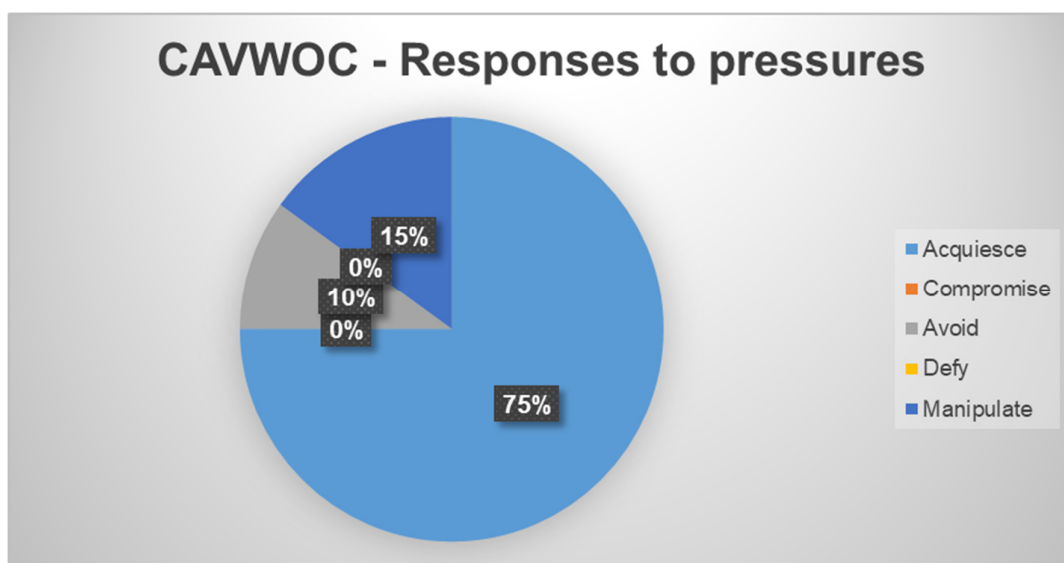


Figure 21: Strategic responses to isomorphic pressures— CAVWOC

Contrary to the claim made by DiMaggio and Powell (2012) signalling that organisations hold limited alternatives hence they passively conform to existing institutional pressures, there is a counter argument that organisations proactively react to these pressures (Crilly, Zollo and Hansen, 2012; Elbers and Arts, 2011; Pache and Santos, 2010b). In the specific context of CARE and CAVWOC, this study noted that these organisations respond differently to institutional pressures in relation to their accountability relationships. The response of CARE and CAVWOC to institutional pressures varies from active conformity to partial resistance, as demonstrated by studies by Thorgren et al. (2012), and Whelan (2013).

The available evidence suggests that CARE and CAVWOC consistently employ responses to address the institutional pressures they face in relation to accountability. They have been found to effectively develop and implement strategic responses that align with institutional pressures, as evidenced by submissions by Crilly et al., (2012). This supports the assertion by Boon, Paauwe, Boselie and Hartog, (2009) that organisations actively address institutional pressures in various ways rather than merely acquiescing to them. The presence of various institutional pressures requires organisations to employ distinctive organisational characteristics and strategic responses that are effective in negotiating for legitimacy and ensuring survival (Greenwood et al., 2011; Powell and DiMaggio, 2012; Zietsma and Lawrence, 2010). CARE and CAVWOC typically conform to, negotiate with, evade, challenge, and manipulate institutional pressures regarding their accountability relationships.

The evidence collected indicates that CARE and CAVWOC make efforts to devise strategies to bypass certain accountability requirements that have been imposed. CARE and CAVWOC demonstrate a proactive response to institutional pressures regarding their accountability relations, primarily driven by their dependence on stakeholders, including donors and the Government of Malawi, for operational sustainability and survival. Based on Burger and Seabe (2014), it was noted that CARE and CAVWOC demonstrate a high level of adherence to the reporting and accountability requirements set forth by donors. In adherence to their accountability mandates, CARE and CAVWOC fulfil their reporting obligations by utilising standardised templates, regardless of the donor's nature, in accordance with their contractual commitments. The commitment to producing and promptly submitting reports and other documentary evidence to the most influential stakeholders as a means of showcasing their adherence to accountability standards is remarkable.

The prompt delivery of these documents is regarded as an ingrained practice within CARE and CAVWOC, to the point where it is deeply embedded in their organisational cultures. Indeed, both CARE and CAVWOC have recognised the significance of reports as indispensable for the cohesive functioning of their respective forces, considering them a necessary component despite their potential drawbacks, in order to ensure their ongoing existence and development. Consequently, CARE and CAVWOC have strategically integrated the practice of report development and submission into their organisational culture.

CARE and CAVWOC strategically emulate other NGOs to improve their competitiveness as well as to strengthen their accountability relationships. This aligns with the arguments put forth by Jamali (2010) and Rauh (2010). At times, CARE and CAVWOC strategically choose donors to collaborate with in the implementation of projects, as mentioned in a general sense by Elbers and Arts (2011). The available evidence indicates the existence of a phenomenon in which CARE or CAVWOC engage in inquiries with other NGOs that have previously collaborated with specific donors. The tactical choices made by CARE or CAVWOC have significant implications for their accountability relationships. These choices allow them to select donors and volunteers who are compatible with their accountability goals, as well as project locations that have the potential to positively influence their accountability relationships, as described by Brass (2002).

One additional approach employed by CARE and CAVWOC to strategically address the needs of marginalised recipients is by offering only essential information, particularly considering their lack of obligation to provide reports and disclosures to beneficiaries. Nevertheless, in their endeavour to meet the needs of the recipients, CARE and CAVWOC tend to appease them by providing intermittent excerpts from reports. While they collaborate with multiple donors on various projects, CARE and CAVWOC carefully evaluate and negotiate the decision and consequences of incorporating additional donors and projects into their portfolio. This strategic assessment aims to prevent any potential backlash from existing donors and minimise any adverse effects on their accountability relationships. CARE and CAVWOC are inclined to forgo the involvement of a project or donor if their participation is anticipated to have adverse effects on their current operational activities.



The available evidence indicates that NGOs tend to employ avoidance tactics as a strategic response to institutional pressures and the associated tactics in their operations and accountability relations, albeit to a limited extent. The organisation is unable to disregard any of its significant group of stakeholders due to their critical role in providing resources necessary for its sustenance. CARE and CAVWOC possess limited capacity to obscure instances of non-compliance, exhibit weak institutional affiliations, and/or withdraw from their operational sphere. Both CARE and CAVWOC encounter challenges in effectively concealing their operations and accountability relationships from the public sphere. The constant presence of donors and their representatives, the regulatory authority of the government, and the presence of a dynamic media landscape create significant obstacles for CARE and CAVWOC in implementing effective avoidance strategies. Furthermore, the pervasive inquisitorial and policing approach adopted by donors, media outlets, governmental agencies, and other stakeholders renders it exceedingly challenging for NGOs to evade their obligations of accountability, unless they opt to withdraw from the sector, a course of action they are unwilling to pursue. The necessity for CARE and CAVWOC to undergo annual renewal of their operational/recognition certificates with the NGO Regulatory Authority in order to maintain legal operations in Malawi further complicates their ability to conceal their activities.

Despite facing significant public scrutiny, both CARE and CAVWOC remain have committed to remaining active within the NGO sector. The reason for this alignment is rooted in the shared dedication of both organisations to their fundamental principles of aiding individuals experiencing poverty and deprivation. Consequently, CARE and CAVWOC intermittently engage in the practice of concealing their operations. There is existing literature that provides evidence of the utilisation of avoidance strategies and the associated tactics (Pache and Santos, 2010b). Wallace, Bornstein and Chapman, (2006) elucidated the prevalent utilisation of decoupling strategies within NGOs. There is a significant disparity between the accountability reports submitted by NGOs to their donors and the actual evidence-based circumstances on the field. NGOs purported certain values and assumptions as accomplishments, yet the actual circumstances on the ground were entirely divergent and did not align with the information presented in the reports.

While it has been argued that decoupling leads to dishonesty among breed donors towards NGOs, some of these NGOs may strategically adopt decoupling as a means of ensuring their survival (Wallace et al., 2006). Elbers and Arts (2011) found NGOs frequently employed avoidance as a strategic approach to navigate interactions with donors who were perceived as inflexible and demanding in terms of project and reporting expectations. This approach involved the deliberate selection, rejection, and withdrawal of NGOs from engagements with such donors. The disparity in the results may potentially be ascribed to variations in the degree and scope of dependence on donors (Elbers and Arts, 2011).

The study contends that in cases where an organisation relies on donors for financial support, utilising rejection as a strategy may not be optimal. However, they suggest that implementing this approach could effectively communicate the NGO's unwavering position to donors. The study also revealed that CARE and CAVWOC employ defiance and manipulations as strategic options to a limited extent in their accountability relations. The inherent characteristics of contractual obligations outlined in operational and accountability mandates pose significant challenges, rendering strategic defiance or manipulation arduous and occasionally unattainable. One contributing factor to this situation is CARE's and CAVWOC's reliance on external donors for financial resources and on governments for operational permissions, without which the organisations would be unable to sustain their existence.

The submission of mandatory and ad-hoc reports is an essential aspect of accountability that must be followed without exception. These requirements cannot be easily disregarded or manipulated. The organisation is unable to defy donors and may potentially submit reports and other documents past the designated deadline. The allowance for delays is strictly prohibited, making it difficult to challenge their incidence, regardless of the authenticity of the excuse. In such cases, the most viable option is to engage in negotiations. For their operations, CARE and CAVWOC are significantly reliant on donors. The operational capabilities of CAVWOC are solely reliant on the contributions of its donors, and the potential withdrawal of any one donor could have a detrimental effect. This elucidates the rationale behind the organisation's decision to not view defiance as a viable strategic choice. CARE has the potential to acquire resources directly from its international headquarters, which may result in the manifestation of certain elements of defiance.

### **6.3 CHAPTER SUMMARY**

This chapter provided an analysis and discussion of the research findings on NGO accountability in Malawi, specifically focusing on two case organisations - CARE and CAVWOC. The findings are supported by relevant literature and theoretical frameworks. In addition to the introductory section and the discussion of study limitations, the chapter was structured around: 1) Prevailing context in which CARE and CAVWOC operate, 2) stakeholders, 3) perceptions on accountability, performance and performance measurement, 4) accountability systems and perceptions, and 5. institutional sociology. The subsequent chapter provides an overview of the conclusions, contributions and areas of further study.

## **CHAPTER SEVEN**

### **CONCLUSIONS, CONTRIBUTIONS AND FUTURE STUDY**

#### **7.1 INTRODUCTION**

This chapter provides an overview of the study against the research methodology and framework, summary of findings, core conclusions, recommendations, contributions and areas of further study.

#### **7.2 CONCLUSIONS**

##### **7.2.1 Overview of the study**

The primary objective of the study was to explore the accountability of NGOs in the context of Malawi. The research used two NGOs in Malawi, specifically CARE and CAVWOC, as case studies. In order to facilitate the accomplishment of the study objectives and enhance understanding, a set of specific questions was formulated. The study employed a qualitative methodology and justifiably utilised a case study approach. The study involved the collection of data, which was subsequently analysed using stakeholder theory and institutional theory, with a specific focus on new institutional sociology (DiMaggio and Powell, 2012; Oliver, 1991).

##### **7.2.2 Overall conclusions**

The objective of this study was to explore the accountability practices of NGOs in Malawi, with a specific focus on CARE and CAVWOC. This section, therefore, provides a concise overview of the main findings derived from the study. To facilitate comprehension, the significant discoveries are organised in a manner consistent with the research questions outlined in Section 1.3.3 and explicated hereafter.

### **7.2.2.1 What is the prevailing context in which NGOs are operating in Malawi?**

#### **a) Political and legal factors Vs accountability and NGOs performance**

The study explored factors of politics as an indicator of NGOs performance. The study found that the performance of these organisations is not greatly influenced by political factors. This was made evident since majority of the respondents acknowledged that a relationship between the government and NGOs is vital since these organisations must interact with government institutions due to the nature of their work and considering that the NGOs complement government efforts by providing services to society. On the other hand, government enacts laws and also regulates the affairs of the NGOs, through the NGO Regulatory Authority. The majority of respondents also acknowledged that rules and regulations formulated by the government favour activities of NGOs and coordinates NGOs well, thereby, enabling the organisations to conduct their affairs efficiently.

#### **b) Economic factors Vs accountability and NGOs performance**

The study concluded that economic factors influence the performance of NGOs as funding aspects are economic related aspects from the side of the provider of such funding. It was observed that many people are less involved in economic activities to generate their income and, as a result, rely excessively on NGOs to meet their needs. Low economic activities escalate poverty levels thereby creating greater space for NGO participation in development and massive competitions for funds flows from donors and funders. Funding is a major key that determines organisational performance since the impact of NGOs at the grass root level is majorly determined by amount of funds generated to these organisations. Less funds are apportioned to accountability activities as more funds are pumped into actual service delivery activities. Taxation frameworks and inflation are economic issues that also affect NGO performance and accountability frameworks, this is displayed by reducing programming activities and interventions.

### **c) Socio-cultural factors Vs accountability and NGOs performance**

NGOs performance and accountability were found not to be influenced by social cultural factors as indicated by the opinions of stakeholders. This finding is found to be contrary to Warui and Marbach (2022) who confirmed that social–cultural factors affect NGO performance and accountability. Also, the submission of DiMaggio and Powell (2012) concluded that normative isomorphism emanate from societal pressures that prompt organisations to conform to specific patterns of behaviour and practices that align with socially accepted norms.

### **d) Technological factors Vs accountability and NGOs performance**

Technological competence, the internet and social media are some of the aspects of technology that have been observed to affect accountability and performance of NGOs. Social media platforms have facilitated interaction, the sharing of ideas and information that initially would have been facilitated by physical meetings. On its part, internet has facilitated fast communication between NGOs and stakeholders. Decisions are, therefore, thus generated quickly compared to when traditional modes of communications are employed. Information disclosure facilitated by the internet promotes accountability and transparency and this enable better organisational practices.

#### **7.2.2.2 What is the spectrum of stakeholders for NGOs in Malawi and their strength of interests, influences?**

Both NGOs acknowledge that the spectrum of their stakeholders involve donors, government (MDAs), peers, beneficiaries, staff and the board, and public. Of these, donors and staff have high interests and high influence in NGOs; government MDAs have high powers but low influence in NGOs; beneficiaries have high interest with low influence in NGOs while the public and NGO peers have low interest and low influence.

### **7.2.2.3 How do NGOs and their key stakeholders perceive the NGO accountability, performance and performance measurement?**

While the two NGOs perceive performance as a multidimensional concept, their focus lies primarily on the measurement of objective attainment. The aforementioned emphasis is also evident in the subsequent practices related to performance measurement. In conjunction with the organisation's vision and mission, NGOs possess a set of fundamental principles, commonly referred to as core values.

It is imperative that these core values be incorporated into the performance management system, as any discordance may impede the successful implementation of the said system. In Malawian NGOs, the scope of performance planning activities is generally broader in comparison to performance measurement activities. The incentives within the sector lack clarity, while the consequences for underperformance are well-defined. Performance information serves as a valuable tool for both diagnostic and interactive purposes. The performance management systems within the sector have undergone modifications over time in order to be aligned with the evolving operational environment, despite the inherent difficulties associated with this process. The performance management system of an organisation is influenced by various organisational factors, including technology (ICT), resource constraints, and organisational culture. However, it is observed that prominent NGOs such as CARE often possess formal performance management systems, potentially attributed to the ample resources available to them. In conclusion, the study concurs with the submissions of Yap and Ferreira (2011) that performance management practices within NGOs exhibit a high degree of complexity and multifaceted nature.

**7.2.2.4 Which are the prevailing dimensions, systems, frameworks, and mechanism of accountability in Malawi NGOs, and how they were developed?**

PREVAILING DIMENSIONS, SYSTEMS, FRAMEWORKS, AND MECHANISM OF ACCOUNTABILITY – CARE AND RELATED NGOS															
Why Accountability	How Accountability					Accountability to Whom	Format of Accountability	Accountability for what	How Accountability						
	Standards and Self-regulation	Code of conduct	Participation and Complaints process	PA – PM and E	Adaptive Learning				Standards and Self-regulation	Code of conduct	Participation and Complaints process	PA – PM and E	Adaptive Learning		
Accreditation requirement						Those Who Fund them									
Funding requirement				X		Donors	Upward	Finances	X	X		X	X		
Good management practice	X	X	X	X	X	Funders	Upward		X	X		X	X		
Improve organizational behavior	X	X		X	X	Those they Help									
Improve program effectiveness	X	X		X	X	Beneficiaries	Downward	Finances Performance Impact Fairness		X	X			X	
Improve public relations				X		Communities	Downward								
Improve results		X		X	X	Those who are interested in what they do									
Increase funding potential						General public	Downward	Fairness							
Legal requirement						Themselves									
Maintain standards	X	X		X	X	Board	Internal	Finances Performance	X	X	X	X	X		
Reduce costs					X	Management	Internal		X	X	X	X	X		
Reduce risks	X	X		X	X	Staff	Internal	Impact	X	X	X	X	X		
Standards body requirement						Volunteers	Internal	Fairness		X	X	X	X		
						Those they work with									
						Peers	Horizontal	Performance							
						Ministries, Departments and Agencies									
						Ministries, Departments and Agencies	Horizontal						X		

Table 7: Dimensions, systems, and mechanisms of accountability – CARE



PREVAILING DIMENSIONS, SYSTEMS, FRAMEWORKS, AND MECHANISM OF ACCOUNTABILITY – CAVWOC AND RELATED NGOS															
Why Accountability	How Accountability					Accountability to Whom	Format of Accountability	Accountability for what	How Accountability						
	Standards and Self-regulation	Code of conduct	Participation and Complaints process	PA – PM and E	Adaptive Learning				Standards and Self-regulation	Code of conduct	Participation and Complaints process	PA – PM and E	Adaptive Learning		
Accreditation requirement						Those Who Fund them									
Funding requirement				X		Donors	Upward	Finances	X	X		X	X		
Good management practice	X	X	X	X	X	Funders	Upward		X	X		X	X		
Improve organizational behavior	X					Those they Help									
Improve program effectiveness	X			X	X	Beneficiaries	Downward	Finances Performance Impact Fairness		X	X			X	
Improve public relations						Communities	Downward								
Improve results				X		Those who are interested in what they do									
Increase funding potential						General public	Downward	Fairness							
Legal requirement						Themselves									
Maintain standards	X				X	Board	Internal	Finances Performance Impact Fairness	X	X	X	X	X	X	X
Reduce costs					X	Management	Internal		X	X	X	X	X	X	X
Reduce risks	X	X		X		Staff	Internal		X	X	X	X	X	X	X
Standards body requirement						Volunteers	Internal			X	X	X	X	X	X
						Those they work with									
						Peers	Horizontal	Performance							
						Ministries, Departments and Agencies									
						Ministries, Departments and Agencies	Horizontal							X	

Table 8: Dimensions, systems and mechanisms of accountability - CAVWOC

On the process of accountability system development, the study revealed that not all stages are exercised with full engagement.

#### **7.2.2.5 What factors and pressures affect NGOs to a point of affecting their accountability? How do NGOs respond or react to such pressures?**

The research revealed that the institutional context in which the NGO functions exerted a substantial impact on the accountability dynamics. The study utilised DiMaggio and Powell's (2012) New Institutional Sociology framework to examine the accountability relations. The research identified three primary institutional isomorphic pressures, namely coercive, mimetic, and normative, which were found to exert varying degrees of influence on these relations. This perspective agrees with Hussain and Hoque (2002), that various players such as donors, MDAs, beneficiaries and professional firms can exert isomorphic pressures.

Coercive forces manifest when the NGO is compelled to adhere to rules, standards of procedures, and behaviours that it would otherwise not voluntarily adopt or implement. CARE and CAVWOC were found to employ upward accountability systems primarily due to significant pressure exerted by influential stakeholders. The decision-making processes for projects conducted by CARE and CAVWOC, including project conceptualisation, selection of implementing partners, and reporting formats and frequencies, are largely influenced and controlled by donors due to their provision of essential resources. Therefore, while CARE and CAVWOC are entrusted with the responsibility of executing projects, their actual authority over project implementation is limited. Reliance of CARE and CAVWOC on donors for financial and other resources grants donors the ability to exert coercive influence in promoting specific practices and standards, such as reporting and disclosures. In many instances, CARE and CAVWOC are compelled to conform to donor directives due to apprehension regarding the potential withdrawal of funding. One potential avenue for altering this dynamic is for CARE and CAVWOC to reduce their reliance on donors (Assad and Goddard, 2010). This aligns with the contention that coercive isomorphism can be observed in various manifestations, such as the utilisation of annual and other reports, standards and regulations, performance evaluation, and accounting practices and policies pertaining to subsidiaries. Government, mostly through NGORA, exerts a comparatively lower level of coercive influence on CARE and CAVWOC.

Mimetic isomorphism is a phenomenon that exerts pressure on organisations to adopt behaviours similar to those of a presumed best practice organisation through the process of benchmarking. In order to promote standardisation and enhance accountability systems among its members, the coalition of NGOs possesses the capability to identify members who have demonstrated commendable accountability practices. The study discovered that the NGOs exhibited mimetic characteristics that had the potential to exert influence on the accountability dynamics of CARE and CAVWOC. Donors are another stakeholder or institution that has been identified as having influence on mimetic accountability. The study revealed that donors have the ability to direct organisations such as CARE and CAVWOC to imitate other entities that possess perceived credible accountability credentials, thereby showcasing their proficiency in mimetic isomorphism. The accountability relations between CARE and CAVWOC are influenced by the mimetic influence of donors (DiMaggio and Powell, 1983). Under the authorisation of donors, it may be required for professional firms to oversee and assess the accountability systems of CARE and CAVWOC in order to identify potential areas for improvement or adjustments. Professional firms have a significant impact on the accountability relations of CARE and CAVWOC towards donors, exerting mimetic influences.

Normative isomorphism arises from societal pressures that prompt organisations such as CARE and CAVWOC to conform to specific patterns of behaviour and practices that align with socially accepted norms (DiMaggio and Powell, 2012). The study identified several normative forces that exert influence on the accountability relations of NGOs.

These forces include the media, local authorities, communities, opinion leaders, traditional authorities, volunteers, the Internet, and academic researchers. The media employs various mediums, such as print or voice, to raise awareness in society and encourage the adoption of practices that were previously uncommon. KII26.

The research findings show that CARE and CAVWOC employ distinct approaches when addressing the accountability mechanisms imposed by their primary sources of funding, particularly donors. Therefore, the utilisation of all five strategic response options, as identified by Oliver (1991), was observed to varying extents within CARE and CAVWOC.

This implies that CARE and CAVWOC typically conform to, negotiate with, evade, challenge, and manipulate institutional pressures regarding their accountability relationships. CARE and CAVWOC exhibit diverse responses to institutional pressures in relation to their accountability relationships. The study posits that the response of CARE and CAVWOC to institutional pressures varies from active conformity to partial resistance. NGOs consistently interchangeably employ strategic responses to address institutional pressures on their accountability relationships, as supported by Jamali (2010), Munir et al. (2011), Thorgren, et al. (2012) and Whelan (2013). The study's findings indicate that CARE and CAVWOC typically engage in the initiation and execution of suitable strategic responses to institutional pressures that align with their operational objectives.

The study concludes and argues that CARE and CAVWOC do not fully adhere to the accountability requirements outlined in their contractual agreements with third parties, particularly donors. The organisation endeavours to develop strategies to circumvent certain mandated accountability measures. This is consistent with findings from studies by Canning and O'Dwyer, (2013), Elbers and Arts, (2011), Funnell and Wade, (2012) and, Pache and Santos, (2010b). The study further posits that CARE and CAVWOC intentionally emulate certain accountable organisations that have demonstrated best practices. This emulation is driven by institutional pressures to improve the competitiveness of organisations in securing funding and contracts, as well as to strengthen their accountability relationships. It can be inferred that CARE and CAVWOC possess the capability to discern rigorous accountability standards and individuals with questionable integrity through a method wherein they seek information from other members of the NGO fraternity who have previously collaborated with specific donors. This is consistent with the findings reported by Brass (2012). Furthermore, the research findings indicate that CARE and CAVWOC effectively employ a strategic approach to address the concerns of dissatisfied stakeholders by implementing a consultative process for selecting project volunteers from the community. The strategic measures undertaken by CARE and CAVWOC, such as the inclusion of community opinion leaders in projects, the establishment of community project teams, and the collaborative selection and utilisation of community volunteers, are aimed at addressing the concerns of marginalised beneficiary communities. Previous research has yielded similar findings (Rauh, 2010).

Moreover, the study posits that CARE and CAVWOC employ defiance and manipulations as strategic choices within their accountability dynamics, albeit with caution. The inherent characteristics of contractual obligations outlined in operational and accountability requirements often pose significant challenges, rendering strategic defiance or manipulation arduous, and in certain cases, unattainable. In contrast, the study concludes that CARE and CAVWOC consistently engage in actions that challenge and manipulate beneficiaries whenever the opportunity arises. This is connected to previous findings as discussed by Brinkerhoff and Brinkerhoff (2004) and Elbers and Arts (2011).

### 7.2.3 Core conclusions

This study came up with the following core conclusions.

- The theoretical models of stakeholder's theory and New Institutional Sociology theory can be effectively used to inform the description and analysis of Accountability practices for NGOs in Malawi;
- NGOs accountability to beneficiaries is very much linked to the set systems of integration set by MDAs in their practice, particularly Local government accountability systems and processes;
- With political factors prevalent, NGOs must take heed of political, economic, social and technological factors by tabulating key relevant issues that affect their existence. From the same, organisations must inform their policies, strategies and approaches;
- Accountability systems of NGOs under study were not developed using proper steps, inputs and rationale. The systems need readjusting and revision;
- All six groups of stakeholders must be considered and mapped properly into an accountability system that is robust with properly articulates value chains, prioritisation mapping, shared anticipated standards and clear performance measurement methodologies and indicators, proper communication ways and well laid performance consequences. The stakeholder mapping must also use interest-power matrix so as to develop a watertight accountability system that satisfies all identified stakeholders; with a robust accountability system, distorted perception of stakeholders NGO accountability, performance and performance measurement can be avoided or mitigated. Currently the perceptions are distorted.
- Standards and self-regulation, PA – PM and E, and adaptive learning rank high among the five mechanism of accountability. This leaves out some stakeholders who may not be served or saved by the top three mechanism. NGOs must harness the other mechanisms by adjusting the relevant accountability formats in the developed accountability system;

- The most prevalent accountability format that stands out is upward accountability, other formats like downward accountability are not very much considered. NGOs must do proper accountability system development to come up with right intensities of accountability formats. Notably, upward accountability cuts on downward accountability and dwindles sustainability;
- The type of funding an NGO gets determines the accountability systems they can employ. Designated funds force the NGOs to focus on upward accountability while undesignated funds help NGOs to use the downward accountability. Undesignated funds help the NGOs to work with beneficiaries easily and listen to them so that sustainability of the projects being implemented can be acquired;
- The right accountability system development will clarify reasons for accountability. At the moment, the reasons so much lean on the prevailing self-set stakeholder mapping, thereby leaving out some pertinent reasons for accountability and objects of accountability. Currently, the most stressed object of accountability is finances at the expense of fairness, performance, and impact;
- It is confirmed that all NGOs face isomorphic pressures, mostly coercive pressures, distantly followed by mimetic and normative pressures. Unto these pressures, NGOs strategically respond largely by acquiescence, and in few instances by manipulation and avoidance. These responses can be in proper intensity if the pressure points and related stakeholders are properly mapped into a viable robust accountability system; and
- NGORA exerts less coercive pressure to regulate NGOS because of its need for subscription fees. This sets the NGOs to belong to a subscribed club where NGORA seems to be postured as a body that represents the NGOs other than enforcing the rules and regulations of government.

## **7.3 CONTRIBUTION OF THE STUDY**

The study provides a substantial contribution to the existing body of knowledge, specifically in relation to policy, practice, and theory, as elaborated in the subsequent sections.

### **7.3.1 Contribution to policy**

The findings of the study have two major policy ramifications. While more upward accountability is made possible by conventional methods for enhancing total accountability, they are not very effective in enhancing downward accountability. Considering the notable discrepancies in resources and influence between NGOs and funders, it is worth contemplating the feasibility of holding them accountable for the actions and outcomes of grant recipients. There exists empirical evidence that demonstrates the efficacy of NGO initiatives in mitigating these imbalances. These efforts involve implementing strategies aimed at reducing vulnerability and dependence on a limited number of funding sources. Additionally, NGOs leverage their available resources, such as information and reputation, to enhance their influence over funders. This evidence is supported by studies conducted by Ebrahim (2002) and Meyer (1999). Although they do not explicitly employ the terminology of accountability, these sporadic endeavours to resist the influence of donors can be interpreted as an endeavour to mitigate the potential for abuse resulting from an excessive emphasis on upward accountability and a lack of emphasis on downward accountability. The salient observation is that mechanisms for downward accountability remain comparatively underdeveloped, prompting NGOs to adopt strategies aimed at safeguarding themselves against undesirable interference from funders. The attainment of downward accountability is expected to be challenging without considering these mechanisms, despite the low likelihood that donors will be receptive to the notion of being assessed by the NGOs they support. No wonder many NGO projects fall short of full sustainability.

Another policy implication is that special mechanisms must be taken into consideration in order to improve accountability within NGOs themselves. Two potential mechanisms are social auditing and self-regulation, with the former emphasising sector-level issues while the latter focuses on intra-organizational accountability (and with stakeholders).



The primary policy implication of this study suggests that outside motivation for accountability, such as legal requirements or funding conditions, should be considered as just one component of the broader accountability framework. While externally driven mechanisms are bolstered by the presence of threats that undeniably have the potential to decrease non-compliance, internally driven mechanisms are imperative in upholding the credibility and reputation of the NGO sector. There exists a pressing necessity to accord significant importance to performance assessment within a sector that perceives itself as primarily driven by its mission. This is crucial in order to validate activities through substantiated evidence, rather than relying solely on anecdotal or rhetorical claims. In this context, it is imperative that both funders and regulators assume their respective responsibilities. Instead of mandating routine reports of a predetermined nature, donors should place more emphasis on helping NGOs develop their internal capacity to create their own long-term assessment tools. This will help NGOs internalise performance assessment.

From a government policy front, the study creates a series of implications, by enabling and encouraging NGOs to contribute more fully to prioritised national development. These thematic areas will assist in determining the best combination of policy instruments to achieve synergies of NGO accountability and impact. The policy areas to be under considerations are as follows:

- The Legal framework regulating NGOs must hold proper registration and reporting requirements to enhance accountability and NGO growth;
- Taxation policies must not stifle NGO initiative; in essence the policies must provide incentives; and
- Collaboration must be enhanced within strong monitoring and evaluation strategies at national and local government levels.

### **7.3.2 Contribution to practice**

The study on NGO accountability and strategic responses to institutional pressures in the context of CARE and CAVWOC holds significant importance for major stakeholders, including donors, NGOs, government agencies, beneficiaries, and academics. As an emerging nation, Malawi faces numerous developmental obstacles that cannot be effectively addressed by government alone. Despite having a significant proportion of the global population relying on finite resources for their sustenance, NGOs continue to have a significant role in complementing the economic progress of Malawi by addressing the gaps in the provision of public goods and services, as well as advocating for the rights and interests of the impoverished and marginalised segments of society (Weger, 2012). In order to adhere to regulatory requirements, stakeholders have implemented various measures and mechanisms. These mechanisms are designed to ensure the responsible utilisation of resources, including financial assets, that have been entrusted to NGOs for the betterment of individuals residing in domestic and international beneficiary communities (Agyemang et al., 2012; Baur and Schmitz, 2012).

Various policies emphasise upward accountability, with a lesser emphasis on downward accountability, as evidenced by the research conducted by Ahmed et al. (2014) and Burger and Seabe (2014). However, the study conducted using CARE and CAVWOC indicates that the adoption of these policies in developing countries, such as Malawi, is hindered by various difficulties. Therefore, owing to the challenges encountered in implementing projects within the intricate operational context of NGOs in Malawi, these organisations employ specific strategies to selectively embrace elements of the imposed upward accountability mechanism, while disregarding impractical aspects of its implementation. Previous studies have made similar observations (Munir et al., 2011, Thorgren et al., 2012). Nevertheless, the adoption of such a stance by NGOs has the potential to create tension in their relationships with key stakeholders, including government ministries, departments, and agencies (MDAs), as well as donors. It is, therefore, imperative to establish a platform that facilitates the alignment of accountability dynamics among NGOs and various other stakeholders within this context. The feasibility of this proposition lies in the development of accountability systems that are tailored to the unique operational environment of NGOs in Malawi.

Therefore, the conclusions drawn from this study contribute to the establishment of protective measures for the long-term viability and endurance of the NGO sector. The findings of this study also serve as a foundation for the long-term viability of NGOs and serve as a forum for stakeholders to engage in discussions regarding appropriate accountability settings for the organisations. This would guarantee their ongoing survival and capacity to provide unparalleled assistance to the underprivileged individuals in society. An observation was made that there was a lack of downward accountability within the organisations of CARE and CAVWOC. This finding underscores a significant issue of sustainability that is applicable to NGOs in general, with specific relevance to CARE and CAVWOC. Therefore, this research makes a practical contribution by engaging in discussions with the management of CARE and CAVWOC. These organisations expressed their commitment to enhancing their accountability procedures, specifically in relation to the welfare of beneficiaries. The administrations of the two NGOs have additionally reached a consensus to disseminate the research outcomes to fellow participants of the diverse coalitions to which they belong. Therefore, this study emphasises the significance of establishing an accountability framework that incorporates increased participation of beneficiaries in order to facilitate the efficient implementation of projects. The inclusion of beneficiaries in accountability matters has the potential to mitigate project duplication and wastage, as they are typically the ultimate recipients of donor-led interventions. This finding is consistent with the results of previous studies conducted by other researchers (Andrews, 2014; Burger and Seabe, 2014).

The study highlights the importance of involving beneficiaries in all stages of the project cycle. This active involvement will instil confidence in donors. Although the potential for enhancing transparency through effective accountability exists, prior scholarly investigations have not extensively examined these initiatives (Edward and Hulme, 1996b). It is, therefore, recommended that there be dissemination of information to key project implementers, specifically CARE and CAVWOC to initiate a proactive initiative focused on enhancing accountability, mostly towards beneficiaries.

Furthermore, the study contributes to practice by confirming the envisaged conceptual framework in that:

1. Accountability of an NGO is determined by the Institutional Pressures exerted on the organisation;
2. The institutional pressures are formed by a sum of stakeholders (demands, perceptions, motivations, requirements), NGO features (governance, objectives and leadership), PEST (Political, Economic, Social, Technological) factors;
3. Strategic responses package of acquiescence, compromise, avoidance, defiance, manipulation, explains the relationship between accountability of NGOs in reaction to the institution isomorphism pressures;
4. Performance measurement and management models, mainly the Project Cycle Management model, do not in any way strengthen or weaken the relationship between NGO accountability and stakeholders, rather it's the pressures exerted on the NGO; and
5. NGO features and PEST factors directly affect the way an NGO line up its strategic responses to NGO Pressures.

### **7.3.3 Contribution to theory**

The primary focus of this study revolves around the inquiry of whether the theoretical frameworks of stakeholder theory and New Institutional Sociology theory are suitable for informing the description and analysis of accountability practices for NGOs in Malawi.

The study argues that the stakeholder theory should be expanded to inform the descriptions and analyses of accountability for NGOs in Malawi. This assertion is based on the belief that accountability systems can be established by articulating value chains, implementing performance consequences, and identifying and prioritising stakeholders. New Institutional Sociology (NIS) has been utilised in various academic disciplines to interpret research findings (Hopper and Major, 2007; Hussain and Hoque, 2002; Tsamenyi et al, 2006). However, NIS is one of the limited theories employed in studies focusing on the accountability of NGOs. The theoretical framework employed by NIS in this study elucidated the reasons behind CARE and CAVWOC's preference for upward accountability over downward accountability. Therefore, this aids in elucidating the impact of institutional forces, namely coercive, mimetic, and normative, on the accountability systems of NGOs. The utilisation of this theoretical framework to explain the observations of this investigation has demonstrated its potential efficacy in elucidating similar studies in subsequent research endeavours. Once again, it is contended by NIS that professional organisations and practitioners such as the International Accounting Standards Board (IASB), International Organisation for Standardisation (ISO), legal practitioners, medical professionals, and human resource experts typically exert influence and foster normative pressures due to their authoritative status (Powell and DiMaggio, 2012). However, the findings of this study contradict this assertion.

Indeed, it has been determined that both the media and the beneficiaries exert normative influences on the accountability systems of CARE and CAVWOC. Moreover, the research revealed that local authorities, community opinion leaders, traditional authorities, project volunteers, and occasionally, various MDAs exerted certain normative pressures on CARE and CAVWOC, albeit in a subtle manner. These findings expand upon the NIS theory by incorporating additional elements related to normative forces, such as the media and other identified entities.

Furthermore, this study makes a valuable contribution to the existing body of knowledge. The study addresses a research gap in the examination of strategic responses in relation to accountability systems employed by NGOs. Therefore, the incorporation of strategic responses to institutional processes as an expansion of the New Institutional Sociology (NIS) framework has also contributed to the understanding of how NGOs respond to pressures from institutions. This contribution challenges the previously established claim that NGOs are passive entities that simply react to institutional pressures, as argued by Elbers and Arts (2011), Pache and Santos (2010b), and Rauh (2010). This information has contributed to a deeper comprehension of how NGOs can develop strategies to address the challenges they face, while also demonstrating diplomatic approaches towards significant sources of funding, such as donors and government agencies (MDAs).

The study, therefore, significantly enhances the existing body of knowledge in terms of theoretical advancements. The application of the NIS theoretical framework was employed to explain the influence of institutional forces on accountability systems within the NGOs. Additionally, the strategic response argument offers further insight into how NGOs can proactively devise appropriate measures to address these pressures. The study makes a significant contribution to the existing body of knowledge by asserting the necessity of expanding the concept of NIS to incorporate strategic responses. This expansion is crucial in order to achieve a comprehensive evaluation of accountability systems employed by NGOs.

Another notable contribution is what the study constructed as a theory of accountability and sustainability. This is built from the perspectives of future or disregarded stakeholders as alluded by Chakhovich and Virtanen (2023). From the study, it can be concluded and constructed that funding type precipitates upward or downward accountability. Designated funds encourage upward accountability and triggers elements of countering sustainability by cutting off other stakeholders like beneficiaries and staff who are key representation of future stakeholders.

## **7.4 SUGGESTIONS FOR FUTURE STUDY**

This study recommends the following as areas for future studies:

### **7.4.1 Processes and mechanisms underlying donor accountability and their impact on NGO quality and credibility**

Future studies must explore further the processes and mechanisms underlying donor accountability, with the aim of addressing its limitations and transforming it into an effective tool for enhancing the performance of NGOs. This study posits that the establishment of suitable and precise mechanisms for accountability can serve as a reliable measure of the quality and credibility of NGOs. Such mechanisms not only facilitate the demonstration of transparency and legitimacy by the NGO, but also enable its accountability to be utilised as a marketing tool for donors to assess and compare it with other NGOs.

### **7.4.2 Why downward accountability still fails**

Agyemang et al. (2009), Manor (2011) have proposed that beneficiary communities exhibit reluctance to actively engage in downward accountability relationships due to various factors, such as inadequate skills, limited education, and lack of commitment. Further investigation is required to ascertain the authenticity and credibility of these claims. This proposed study will aim to investigate the reasons behind the hesitancy of donors and other influential stakeholders to fully endorse downward accountability, despite assertions that its implementation could enhance aid and other services for impoverished and marginalised populations, particularly in Africa and other developing regions.

### **7.4.3 Accountability mechanisms and sustainability**

Research into the collective design and implementation of an accountability mechanism with the potential of serving the needs of all stakeholders is recommended within the framework of sustainability concepts.

### **7.4.4 Government and NGO relations**

NGOs' relationship with the government aims to influence coordinated development in communities and in grassroots areas. The level of government involvement in all aspects of NGO activities is seen to be evolving. It would therefore be interesting to investigate the extent of their influence on NGO community projects.

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# APPENDICES

## Appendix 1: CAVWOC – Permission to participate



May 7, 2023

The Executive Director,

CAVWOC – Malawi

Blantyre

Attention: The Head of Programs

Dear Sir/Madam,

### REQUEST FOR PERMISSION TO CONDUCT RESEARCH AT CAVWOC – MALAWI

I, Owen Edward Chomanika, am doing research with Dr. Victor Madziakapita, a senior doctoral supervisor in the Department of Development studies towards a Doctorate at the University of South Africa. We are inviting you to participate in a study entitled ACCOUNTABILITY OF NGOS IN MALAWI – A CASE OF SELECTED DEVELOPMENT NGOS. The aim of the study is to investigate Accountability of Non-Governmental Organizations in Malawi, particularly those in the development sector.

Your organization has been selected because

- 1) It is registered with NGO Board and is not a purely pass-through organisation
- 2) It has a relationship with multiple donors
- 3) It is involved in at least two of the sectors of Health, Education, or Agriculture (Section 13, subsection (n) of the constitution of Malawi prioritizes these sectors in long term investment)
- 4) It has a wide geographical coverage in Malawi, thus covering at least three districts.

Attached is a checklist on key areas of probing questions that will guide the interviews with your key staff and stakeholders. The study will entail gathering data through: Document Review, key Informant Interviews, and Focus Group Discussions. The following will be needed:

- 1) The 2 project staff members at the district of activity.
- 2) Head of Programs or equivalent and, Head of Finance or equivalent. These are needed because they are core in the management and programming of projects
- 3) We shall have 2 districts of study with 10 beneficiaries per district as respondents, 2 members of Area Development Committees per district, and 2 district council staff



University of South Africa  
Pretorius Street, Muckleneuk Ridge, City of Tshwane  
PO Box 392 UNISA 0003 South Africa  
Telephone: +27 12 429 3111 Facsimile: +27 12 429 4150  
www.unisa.ac.za



University of South Africa  
Pretorius Street, Muckleneuk Ridge, City of Tshwane  
PO Box 392 UNISA 0003 South Africa  
Telephone: +27 12 429 3111 Facsimile: +27 12 429 4150  
www.unisa.ac.za

members (Director of Planning and Development and Technical Director of the sector under review).

- 4) Some relevant forms, templates, policies, agreements, procedures, project proposals, donor reports, annual reports, auditors' reports, organizational structure, training reports and materials, policy documents, project evaluation reports, NGOs brochures, journals, and websites shall be requested for review.

The benefits of this study are

- a) It will inform government and Donor policy makers, advisors, development planners, development stakeholders and practitioner on the critical features that affects accountability and the possible designs to comply with the general dictates of NGO accountability in Malawi
- b) It will contribute to the current practical knowledge and debates on NGO accountability practices, mechanism and frameworks plus how these impact development management practice and theory in academia.
- c) It will offer first-hand evidence-based information for those interested to know the accountability issues and challenges of NGOs in Malawi
- d) It will serve as a stepping stone in initiating further study in the field of NGO management and practice

No clear Potential risks are envisaged and anticipated.

Feedback procedure will entail sharing with your organization the initial findings and discussions, later the copy of the thesis will be shared.

Yours sincerely

OWEN EDWARD CHOMANIKA - PHD Student

+265 999 293 757



## Appendix 2: CARE Malawi – Permission to participate



April 20, 2023

The Country Director

Care Malawi

**Attention:** The Head of Programs and Head of Human Resources

Dear Sir/Madam,

### REQUEST FOR PERMISSION TO CONDUCT RESEARCH AT CAVWOC

I, Owen Edward Chomanika, am doing research with Dr. Victor Madziakapita, a senior doctoral supervisor in the Department of Development studies towards a Doctorate at the University of South Africa. We are inviting you to participate in a study entitled ACCOUNTABILITY OF NGOS IN MALAWI – A CASE OF SELECTED DEVELOPMENT NGOS. The aim of the study is to investigate Accountability of Non-Governmental Organizations in Malawi, particularly those in the development sector.

Your organization has been selected because

- 1) It is registered with NGO Board and is not a purely pass-through organisation
- 2) It has a relationship with multiple donors
- 3) It is involved in at least two of the sectors of Health, Education, or Agriculture (Section 13, subsection (n) of the constitution of Malawi prioritizes these sectors in long term investment)
- 4) It has a wide geographical coverage in Malawi, thus covering at least three districts.

Attached is a checklist on key areas of probing questions that will guide the interviews with your key staff and stakeholders. The study will entail gathering data through: Document Review, key Informant Interviews, and Focus Group Discussions. The following will be needed:

- 1) The 2 project staff members at the district of activity.
- 2) Head of Programs or equivalent and, Head of Finance or equivalent. These are needed because they are core in the management and programming of projects
- 3) We shall have 2 districts of study with 10 beneficiaries per district as respondents, 2 members of Area Development Committees per district, and 2 district council staff



University of South Africa  
Pretter Street, Muckleneuk Ridge, City of Tshwane  
PO Box 392, UNISA 0003 South Africa  
Telephone: +27 12 429 3111 Facsimile: +27 12 429 4150  
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members (Director of Planning and Development and Technical Director of the sector under review).

- 4) Some relevant forms, templates, policies, agreements, procedures, project proposals, donor reports, annual reports, organizational structure, training reports and materials, policy documents, project evaluation reports, NGOs brochures, journals, and websites shall be requested for review.

The benefits of this study are

- a) It will inform government and Donor policy makers, advisors, development planners, development stakeholders and practitioner on the critical features that affects accountability and the possible designs to comply with the general dictates of NGO accountability in Malawi
- b) It will contribute to the current practical knowledge and debates on NGO accountability practices, mechanism and frameworks plus how these impact development management practice and theory in academia.
- c) It will offer first-hand evidence-based information for those interested to know the accountability issues and challenges of NGOs in Malawi
- d) It will serve as a stepping stone in initiating further study in the field of NGO management and practice

No clear Potential risks are envisaged and anticipated.

Feedback procedure will entail sharing with your organization the initial findings and discussions, later the copy of the thesis will be shared.

Yours sincerely,

OWEN EDWARD CHOMANIKA - PHD Student

+285 999 293 757



University of South Africa  
Pretter Street, Muckleneuk Ridge, City of Tshwane  
PO Box 392, UNISA 0003 South Africa  
Telephone: +27 12 429 3111 Facsimile: +27 12 429 4150  
www.unisa.ac.za

### Appendix 2: CARE Malawi - Permission to Participate

# Appendix 3: Participant Information Sheet



## PARTICIPANT INFORMATION SHEET

May 28, 2022

### TITLE: ACCOUNTABILITY OF NGOS IN MALAWI – A CASE OF SELECTED NGOS

#### Dear Prospective Participant

My name is Owen Edward Chomanika, and I am doing research with Dr. Victor Madziakapita, a senior doctoral supervisor in the Department of Development studies towards a Doctorate at the University of South Africa. We are inviting you to participate in a study entitled ACCOUNTABILITY OF NGOS IN MALAWI – A CASE OF SELECTED NGOS.

#### WHAT IS THE PURPOSE OF THE STUDY?

I am conducting this research to find out Accountability of Non-Governmental Organisations in Malawi. The NGO emerging sector in Malawi has no existing localised literature. Therefore, the research will contribute to localized literature on accountability issues in the NGO sector in Malawi. Specifically, it will recreate knowledge that will influence future designs of accountability systems for NGOs and the Government of Malawi.

The benefits of this study are

- 1) It will inform government and Donor policy makers, advisors, development planners, development stakeholders and practitioner on the critical features that affects accountability and the possible designs to comply with the general dictates of NGO accountability in Malawi
- 2) It will contribute to the current practical knowledge and debates on NGO accountability practices, mechanism and frameworks plus how these impact development management practice and theory in academia.
- 3) It will offer first-hand evidence-based information for those interested to know the accountability issues and challenges of NGOs in Malawi
- 4) It will serve as a stepping stone in initiating further study in the field of NGO management and practice

#### WHY AM I BEING INVITED TO PARTICIPATE?

You have been selected because you were sampled since you belong to the group of individuals who have key required information and interact with the works of the organisations under study (WVI and/or CAVWOC). There shall be more than 30 (Thirty) participants in this research including you.

#### WHAT IS THE NATURE OF MY PARTICIPATION IN THIS STUDY?

You shall be one of the interviewees in the study. The study involves interviews and focus group discussions. The questions will be about accountability of WVI or CAVWOC as they implement their programmes in your area. The interview will take less than one hour.

#### CAN I WITHDRAW FROM THIS STUDY EVEN AFTER HAVING AGREED TO PARTICIPATE?

Participation is voluntary and that there is no penalty or loss of benefit for non-participation. Participating in this study is voluntary and you are under no obligation to consent to participation. If you do decide to take part, you will be given this information sheet to keep and be asked to sign a written consent form. You are free to withdraw before participating in the groups or interviews at any time and without giving a reason.

#### WHAT ARE THE POTENTIAL BENEFITS OF TAKING PART IN THIS STUDY?

The greatest benefit of participating is that you shall contribute immensely to the purpose of the study and its anticipated benefits.

#### ARE THERE ANY NEGATIVE CONSEQUENCES FOR ME IF I PARTICIPATE IN THE RESEARCH PROJECT?

No clear Potential risks are envisaged and anticipated.

#### WILL THE INFORMATION THAT I CONVEY TO THE RESEARCHER AND MY IDENTITY BE KEPT CONFIDENTIAL?

Your name will not be recorded anywhere and no one will be able to connect you to the answers you give. Your answers will be given a code number or a pseudonym and you will be referred to in this way in the data, any publications, or other research reporting methods such as conference proceedings.

#### HOW WILL THE RESEARCHER(S) PROTECT THE SECURITY OF DATA?

Hard copies of your answers will be stored by the researcher for a period of five years in a locked cupboard/filing cabinet in Chikwawa Office for future research or academic purposes; electronic information will be stored on a password protected computer. Future use of the stored data will be subject to further Research Ethics Review and approval if applicable.

#### WILL I RECEIVE PAYMENT OR ANY INCENTIVES FOR PARTICIPATING IN THIS STUDY?

No payments will be given to the participants save for refreshments and snacks in the course of the participation.

#### HAS THE STUDY RECEIVED ETHICS APPROVAL?

This study has received written approval from the Research Ethics Review Committee of the Department of Development studies, Unisa. A copy of the approval letter can be obtained from the researcher if you so wish.

#### HOW WILL I BE INFORMED OF THE FINDINGS/RESULTS OF THE RESEARCH?

If you would like to be informed of the final research findings, please contact OWEN EDWARD CHOMANIKWA on +265 999 283 757 or [owenchomanika@gmail.com](mailto:owenchomanika@gmail.com). Should you have concerns about the way in which the research has been conducted, you may contact Dr. Victor Madziakapita, a senior doctoral supervisor in the Department of Development studies towards a Doctorate at the University of South Africa through [vmadzi@unisa.ac.za](mailto:vmadzi@unisa.ac.za).

Thank you for taking time to read this information sheet and for participating in this study.

Thank you,

OWEN EDWARD CHOMANIKWA - PHD Student



University of South Africa  
Pretoria Street, Muldenburg Ridge, City of Tloane  
PO Box 392 UNISA-0003 South Africa  
Telephone +27 12 429 3111 Facsimile +27 12 429 4150  
[www.unisa.ac.za](http://www.unisa.ac.za)



University of South Africa  
Pretoria Street, Muldenburg Ridge, City of Tloane  
PO Box 392 UNISA-0003 South Africa  
Telephone +27 12 429 3111 Facsimile +27 12 429 4150  
[www.unisa.ac.za](http://www.unisa.ac.za)



University of South Africa  
Pretoria Street, Muldenburg Ridge, City of Tloane  
PO Box 392 UNISA-0003 South Africa  
Telephone +27 12 429 3111 Facsimile +27 12 429 4150  
[www.unisa.ac.za](http://www.unisa.ac.za)

## Appendix 3: Participant Information sheet

**Appendix 4: Participant consent to participate**

**CONSENT TO PARTICIPATE IN THIS STUDY**

I, \_\_\_\_\_ (participant name), confirm that the person asking my consent to take part in this research has told me about the nature, procedure, potential benefits and anticipated inconvenience of participation.

I have read (or had explained to me) and understood the study as explained in the information sheet.

I have had sufficient opportunity to ask questions and am prepared to participate in the study.

I understand that my participation is voluntary and that I am free to withdraw at any time without penalty (if applicable).

I am aware that the findings of this study will be processed into a research report, journal publications and/or conference proceedings, but that my participation will be kept confidential unless otherwise specified.

I agree to the recording of the **INTERVIEW**.

I have received a signed copy of the informed consent agreement.

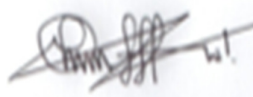
Participant Name & Surname..... (please print)

|

Participant Signature.....Date.....

Researcher's Name & Surname...**OWEN EDWARD CHOMANIKA**

Researcher's signature.....



..Date **30 AUGUST 2021**

## Appendix 5: Interview Guide – Case Organisation

### Interview Guide – Case Organisation

The questions below will serve only as a guide for the engagement of participants' towards the research on **Accountability of Non-Governmental Organisations in Malawi**. Reactions from participants will be treated as confidential and their responses will only be summarised as evidence for the research.

This Guide is for

- Management - Head of Programs, Head of Finance, Executive Director or relevant program Manager
- Staff - Field officers in the district of Operations

#### Interview Guide: Case Organisation –

1. Who are your main stakeholders (The six)?
2. What are the demands, perceptions, motivations and requirements of each of your main stakeholders?
3. How did you get these to be your stakeholders? How do you rank/profile these stakeholders? Do you account to all?
4. What is accountability in your setting?
5. What do you account for when dealing with each of them? (Finance, performance, mission, etc.)
6. Why do you account to these stakeholders?
7. How do you account to each of these stakeholders? (one size fits all? Probing around the five Mechanisms),
8. Along your program cycle stages, which stakeholder do you involve (Donors, beneficiaries, MDAs, other NGOs, etc.? How do you involve them?
9. Do you experience some pressure to account from these stakeholders?
10. Are these pressures Coercive, Mimetic or normative? Explain from each stakeholder group
11. And how do you respond or react to each of such pressures?
12. Does your Organisation in any way show a behaviour where they are accountable by following what is needed without resistance – Acquiescence, By compromise, By avoidance, By defiance, By manipulation?
13. What prompts your organisation to respond in such a manner to the pressures?
14. Considering the PESTEL factors, to what extent do these affect you and your accountability system? How do you respond to PESTEL?
15. How do you measure your performance? What tools, indicators and standards do you use? Do your stakeholders understand such tools/standards?

## Appendix 6: Interview Guide – Donors

The questions below will serve only as a guide for the engagement of participants' towards the research on **Accountability of Non-Governmental Organisations in Malawi**. Reactions from participants will be treated as confidential and their responses will only be summarised as evidence for the research.

This Guide is for

- Donor representatives

### **Interview Guide: Donor Representatives - 4**

1. What is NGO Accountability in your understanding?
2. Do you ensure and encourage accountability from your recipient organisations? Accountability for what? To whom and Why Must they be accountable? How? Demonstrate
3. How do you ensure that NGOs are accountability to beneficiaries, other donors, MDAs and themselves?
4. Do political, economic, social, and other environmental issues affect how these NGO do their accountability to you and other stakeholders?
5. Do you exert some pressure to NGOs to account? How do you pressure?
6. Are these pressures Coercive, Mimetic or normative? Explain
7. And how do NGOs respond or react to such pressures?
8. Do your recipient Organisations in any way show a behaviour where they are accountable by following what is needed without resistance – Acquiescence, by compromise, by avoidance, by defiance, by manipulation?
9. What prompts These NGOs to respond in such a manner to the pressures?
10. Do these NGOs have a profile of stakeholders which you know? Which ones?
11. In your view who are their strong stakeholders in rank? How strong and its effects)
12. How are you involved in the management of the project cycle of recipient organisation?
13. Considering the PESTEL factors, to what extent do these affect NGO accountability system? How do your recipients respond to PESTEL?
14. How committed are your recipient NGOs to accountability? Demonstrate this from their features – staffing, governance, policies, objectives etc.)
15. How do they measure their performance? What tools, indicators and standards do they use? Do their stakeholders understand such tools/standards?

## Interview Guide- NGORA

The questions below will serve **only** as a guide for the engagement of participants' towards the research on **Accountability of Non-Governmental Organisations in Malawi**. Reactions from participants will be treated as confidential and their responses will only be summarised as evidence for the research.

### Interview Guide: Government – NGO Regulatory Authority -2

1. How is NGO defined in the context of Malawi?
2. How do you classify or categorise NGOs in Malawi?
3. What roles do you anticipate NGOs to perform?
4. Roughly how many NGOs are registered to operate in Malawi at the moment? How does the NGORA monitor all these NGOs to ensure compliance?
5. What are some of the challenges faced by your Authority in regulating NGOs and performing your activities efficiently?
6. What are some of the benefits that accrue to registered NGOs?
7. Are there any sanctions for members who are not registered or 'misbehave'? What are the most common NGO misbehaviours or issues?
8. What is NGO accountability to you?
9. What are these NGOs accountable for? To whom?
10. Why are they Accountable?
11. How do they practice accountability? (Mechanisms)
12. How do you ensure effective accountability from member-NGOs to the authority?
13. Do NGOs in any way show a behaviour where they are accountable by following what is needed without resistance – Acquiescence, by compromise, By avoidance, By defiance, By manipulation?
14. How do you perceive their overall performance as an NGO in Malawi? (Thus their contribution to national progress)

## Interview Guide- MEPD

The questions below will serve **only** as a guide for the engagement of participants' towards the research on **Accountability of Non-Governmental Organisations in Malawi**. Reactions from participants will be treated as confidential and their responses will only be summarised as evidence for the research.

1. How is NGO defined in the context of Malawi?
2. What roles do you anticipate NGOs to perform?
3. What is NGO accountability to you?
4. What are these NGOs accountable for? To whom?
5. Why are they Accountable?
6. How do they practice accountability? (Mechanisms)
7. Are these NGOs Accountable enough for you to know and regulate what they are doing? Explain
8. How does the ministry ensure that NGOs are accountable?
9. Do political, economic, social, and other environmental issues affect how these NGO do their accountability its stakeholders?
10. Do NGOs in any way show a behaviour where they are accountable by following what is needed without resistance – Acquiescence, by compromise, By avoidance, By defiance, By manipulation?
11. What prompts your organisation to respond in such a manner to the pressures?
12. Do these NGOs have a profile of stakeholders which you know? Which ones?
13. Does their profiling of stakeholder implicate the accountability system they adopt?
14. How do you perceive their overall performance as an NGO in Malawi? (Thus their contribution to national progress)
15. How do they measure their performance? What tools, indicators and standards do they use? Do their stakeholders understand such tools/standards?

## Interview Guide: Government – DPD and Sector Dir -

1. How many NGOs operate in your district?
2. To what extent are you involved in these NGOs in project's selection decisions, planning and implementation?
3. Do they take you as a top stakeholder? How do you describe their accountability behaviour with you?
4. What is NGO accountability to you?
5. What are these NGOs accountable for? To whom?
6. Why are they Accountable?
7. How do they practice accountability? (Mechanisms)
8. Are these NGOs Accountable enough for you to know and regulate what they are doing? Explain=
9. How does the council ensure that NGOs are accountable?
10. Do political, economic, social, and other environmental issues affect how these NGO do their accountability its stakeholders?
11. Do NGOs in any way show a behaviour where they are accountable by following what is needed without resistance – Acquiescence, by compromise, By avoidance, By defiance, By manipulation?
12. What is your interest in NGOs work and accountability?
13. Do political, economic, social, and other environmental issues affect how these NGO do their accountability to you?
14. Do these NGOs have a profile of stakeholders which you know? Which ones?
15. Does their profiling of stakeholder implicate the accountability system they adopt?
16. How do they update you of the progress and measuring how they are realising the district goals as set in SEP and DDP?
17. Do you think NGOs are accountable to their stakeholders, you included? Justify
18. How do you perceive their overall performance as an NGO in Malawi? (Thus their contribution to national progress)
19. How do they measure their performance What tools, indicators and standards do they use? Do their stakeholders understand such tools/standards?



## Interview Guide: ADC Members - 8

1. Were you involved/consulted in anyway before the commencement or during the project relation to the project: Conceptualisation, Planning, Implementation, M&E, Closure?
2. If yes to any of the above, what was your level of involvement?
3. Do you ensure and encourage accountability from CARE/CAVWOC or any NGO operating in your area? Accountability for what? To whom and Why Must they be accountable? How? Demonstrate
4. How do you ensure that NGOs are accountable to you?
5. Do political, economic, social, and other environmental issues affect how these NGO do their accountability to you and other stakeholders?]
6. Do you exert some pressure to NGOs to account? How do you pressure?
7. Are these pressures Coercive, Mimetic or normative? Explain
8. And how do you observe the NGOs respond or react to such pressures?
9. Do these NGOs in any way show a behaviour where they are accountable by following what is needed without resistance – Acquiescence, by compromise, by avoidance, by defiance, by manipulation
10. How do you perceive their overall performance as an NGO in Malawi? (Thus their contribution to national progress)
11. How do they measure their performance? What tools, indicators and standards do they use? Do you understand such tools/standards?
12. Was there something else you would have preferred or suggested if you were consulted?

## Appendix 11: Interview Guide – Beneficiaries – FGDs

The questions below will serve only as a guide for the engagement of participants' towards the research on **Accountability of Non-Governmental Organisations in Malawi**. Reactions from participants will be treated as confidential and their responses will only be summarised as evidence for the research.

### Interview Guide: FGDs- 40

1. Were you involved/consulted in anyway before the commencement or during the project relation to the project: Conceptualisation, Planning, Implementation, M&E, Closure?
2. If yes to any of the above, what was your level of involvement?
3. Do you ensure and encourage accountability from WVI/CAVWOC or any NGO operating in your area? Accountability for what? To whom and Why Must they be accountable? How? Demonstrate
4. How do you ensure that NGOs are accountable to you?
5. Do political, economic, social, and other environmental issues affect how these NGO do their accountability to you and other stakeholders?
6. Do you exert some pressure to NGOs to account? How do you pressure?
7. Are these pressures Coercive, Mimetic or normative? Explain
8. And how do you observe the NGOs respond or react to such pressures?
9. Do these NGOs in any way show a behaviour where they are accountable by following what is needed without resistance – Acquiescence, by compromise, by avoidance, by defiance, by manipulation
10. Do these NGOs have a profile of stakeholders which you know? Which ones?
11. Does their profiling of stakeholder implicate the accountability system they adopt? How do they prioritise you?
12. How do you perceive their overall performance as an NGO in Malawi? (Thus their contribution to national progress)
13. How do they measure their performance? What tools, indicators and standards do they use? Do their stakeholders understand such tools/standards?
14. Was there something else you would have preferred or suggested if you were consulted?