

**Accountability, Strategy, and
International Non-Governmental Organizations**

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Abstract

Increased prominence and greater influence expose international non-governmental development and environmental organizations (INGOs) to increased demands for accountability from a wide variety of stakeholders—donors, beneficiaries, staffs, and partners among others. This paper focuses on developing the concept of INGO accountability, first as an abstract concept and then as a strategic idea with very different implications for different INGO strategies. We examine those implications for INGOs that emphasize service delivery, capacity-building, and policy influence. We propose that INGOs committed to service delivery may owe more accountability to donors and service regulators; capacity-building INGOs may be particularly obligated to clients whose capacities are being enhanced; and policy influence INGOs may be especially accountable to political constituencies and to influence targets. INGOs that are expanding their activities to include new initiatives may need to reorganize their accountability systems to implement their strategies effectively.

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I. Introduction

International Non-Governmental Organizations (INGOs) have emerged as important actors in two important, interconnected realms. First, at the *national* level, INGO's have taken on significant roles in promoting the social, economic, and political development of the particular countries in which they are operating. Their enlarged efforts provide disaster relief, deliver on-going social services, build local capacities for self-help, promote self-governance, and enhance the political and policy influence of marginalized populations (Fisher, 1993; Clark, 1991; Edwards and Hulme, 1996). Second, at the *international* level, INGOs have been increasingly important in creating a kind of international civil society, animating informal but powerful normative regimes, and influencing the practices and policies of international institutions (Boli, 1999; Fox and Brown, 1998; Khagram, Riker and Sikkink, 2000; Florini, 2000).

Increased prominence and greater influence expose INGOs to closer scrutiny and sharper demands for accountability. *Donors* demand that the INGOs be accountable for the integrity, efficiency, and impact of programs that they have funded. *Beneficiaries* press INGOs to live up to their rhetoric about fostering locally-determined development rather than impose their own priorities. *Staffs* expect INGOs to live up to the high purposes that drew their commitment to the enterprise. *Partners* whom INGO's have recruited in their efforts to achieve their national and international goals (such as other NGOs, community-based organizations, government agencies, businesses) expect the

INGOs to live up to promises they made in forging their partnerships. Even those who are the *targets* of INGOs demand a kind of accountability from them; they want to know to whom the INGOs are accountable and for whom the INGOs speak so that they can gauge the force and legitimacy of the claims that these organizations are making against them. In short, many different stakeholders call INGOs to account for their activities (e.g., Edwards, 2000).

The purpose of this paper is to develop our understanding of the concept of accountability for INGOs—particularly INGOs focused on development and environmental protection. We begin by presenting the idea of accountability as an abstract ideal. In this conception, accountability is morally good, and it is unambiguous to whom and for what INGOs should be accountable. In the second part of the paper, we present accountability not as an abstract, fixed moral ideal, but instead as a strategic idea to be formulated and acted upon by an INGO with the goal of better understanding and achieving its strategic purposes. In this conception, accountability is both morally good and practically useful. And, instead of there being one right answer of how best to structure accountability, one gives a contingent answer. Accountability choices should advance the strategy an INGO is trying to execute. In the third part of the paper, we show how three different activities or strategies embraced by INGOs—service delivery, capacity-building, and political advocacy—require quite different structures of accountability. This suggests that as INGOs change the balance of their efforts across these different strategies, they have to change their conceptions of accountability, as well as the ways they make themselves accountable to their various stakeholders.

II. The Concept of Accountability

We say that an actor (whether an individual or an organization) is "accountable" when the actor recognizes that it has made a promise to do something, and has accepted a moral and legal responsibility to do its best to fulfill that promise (Cutt and Murray, 2000; Paul, 1992; Najam, 1996; Fox and Brown, 1998).

Because accountability involves a promise to perform, it is natural to think of accountability as a *relationship* among two or more actors. In principle, however, an actor could feel and act as though it were accountable to an abstract purpose. An INGO for example, could reasonably say that it was accountable for the achievement of some transcendent moral value such as the advancement of human rights, or the continuation of dedicated service to the disadvantaged, or for responding effectively to some urgent human need such as hunger or genocide. They might feel accountable to these moral goals independent of the demands of funders, partners, or even clients. In this view, primary accountability is to "the cause," and expectations of others are important only insofar as they align with this important duty.

More often, however, we think of accountability as a concrete relationship among two or more parties. We say that one party is accountable to another for the execution of some duty promised by the former. For example, an INGO may be accountable: a) to *donors* for the proper handling of donated resources, b) to *clients* and *beneficiaries* for the delivery of high-quality, responsive services, c) to *staff* for continued support of the mission that drew them to the organization, or c) to *partners* and *allies* for living up to commitments for action made in the course of developing and executing a joint project.

The idea of accountability as a moral ideal may also include a requirement that an actor make it easy for the stakeholders to monitor the extent to which it has lived up to its promises. We can say, for example, that one actor is more accountable than a second is if the first actor provides more information about his performance, or is more responsive to stakeholder expectations and demands.

Obviously, the concrete structures and processes through which one actor becomes accountable to another can vary on several different dimensions (Moore and Gates, 1986). For example, the substantive terms of the agreement between two actors can be more or less general, and more or less exacting. "Grants," for example, typically create substantive terms that impose only very general demands on the organizations. "Contracts," on the other hand, are typically far more exacting. The substantive terms can also vary as to whether they focus on desired end results (outcomes), or on the activities that are expected to produce the results (activities or outputs).

Similarly, the accountability relationship may specify more or less onerous reporting procedures. Some systems of accountability demand weekly accounting of many detailed events; others work well with annual reporting on only a few dimensions.

Whatever the initial structure of the accountability, the terms can change over time. Often, in the early phases of development initiatives when the tasks remain unclear, it is hard to set clear expectations to which actors can be held strictly accountable (Brown and Fox, 1998; Jordan and van Tuijl, 2000). Moreover, when relationships rest on a general sense of shared purpose in which the partners trust each other's good intentions and capabilities, a more general "political responsibility" may be more appropriate than detailed contracts (Jordan and van Tuijl, 2000). As more detailed

strategies evolve and specific responsibilities are accepted, however; or as trust is eroded by misunderstandings and disappointed expectations; creating more specific terms of accountability can become important.

The idea that accountability defines a relationship is important not only morally and theoretically, but also as a practical reality, for the existence of the relationship is important in enforcing the agreement. Commitments made to others create agents who have stakes in enforcement. Of course, other attributes of the relationship – such as power differences or degrees of trust – affect the extent to which the parties can hold each other accountable. In some cases, organizations can ignore their accountability to stakeholders who are not powerful enough to enforce their claims. But they do so at their moral if not practical peril.

Much of the literature on accountability assumes two parties in a morally and legally asymmetrical relationship. “Principal-agent” theory, for example, focuses on how principals can hold agents accountable for performance that meets the principal’s expectations (Fama and Jensen, 1983; Zeckhauser and Pratt, 1985). The normative assumption in this formulation is that it is the *principal's* purposes that ought to be faithfully realized through the partnership, not the *agent's*. Defections from the principal’s purposes in the interests of the agent threaten both the moral integrity and efficiency of this relationship. The practical challenge is to devise incentive schemes (structures of accountability) that reliably motivate the agent to advance the principal's interests.

For INGOs, however, we believe it is misleading to assess accountability in principal-agent terms. The reasons are essentially two.

First, INGOs are accountable to many different stakeholders, and it is not entirely clear as a moral or legal matter which one of these stakeholders should be celebrated as the *principal* whose preferences ought to be given the greatest weight. When one is thinking in principal/agent terms it is natural to think that an INGO's principal is the donor whose contributions sustain the INGO's activities. After all, they are the ones who are providing the funds. They ought, as a moral and legal matter, to be able to say what purposes the INGO should achieve. They are the ones who look most like the owners of a firm that provided the implicit model for the principal/agent model.

Yet, it is not at all clear that INGOs should, as a moral or legal matter, give their donors this pride of place. Organizations such as Oxfam, Amnesty International, and CARE do make promises to donors. They say at the time that they solicit funds that they will advance particular purposes and aid particular beneficiaries. In making such promises, they make themselves accountable to the donors for the efficient and effective pursuit of these aims. This poses no problems as long as the donor's purposes are closely aligned with the organization's mission and its obligations to particular clients.

But in the course of executing their mission, organizations like Oxfam, Amnesty International, and CARE, make additional promises. They promise clients and beneficiaries that they can count on their assistance. They promise partners that they will live up to specific agreements they made in joint projects. In making these promises they become accountable to many stakeholders other than donors. Again, when all these different accountabilities align, there is no difficulty. When, however, the expectations and claims of the different stakeholders are not aligned, the INGO has to decide which of the claims should be honored.

In an important sense, it is that question that is answered when one of the stakeholders is described as the *principal*, and the others simply as *stakeholders*. What it means to be the principal is to be the stakeholder with the strongest moral and legal claim on the assets and activities of the organization.

In the case of INGOs however, it is not clear which of the stakeholders should be so honored. Should those who have the gold make the rules? Or, should those for whose benefit the organization exists call the shots? And what room should be made for the claims of those comrades in arms with whom one shares the responsibility for the larger cause?

Note that one way to decide which of many stakeholders should be viewed as the principal whose aims ought to be honored is simply on the basis of power. The more powerful the stakeholder, the stronger the claim to be a principal. Prudence might well support this judgment, since, by definition, there are important prices to be paid for resisting the claims of powerful stakeholders. Yet, the difficulty is that many INGOs are committed to *changing* the existing power relationships. They are, there at least in part, to give their clients and beneficiaries a more powerful claim against the donors; to insist that the funds available to the donor be used for the benefit of the clients in ways that the clients think are best. To decide that the principal is the most powerful stakeholder would be to sacrifice this important purpose of INGOs.

Of course, it is not easy for INGOs to challenge the power of those who provide the funds they need to operate. In doing so, they run the risk that they will alienate important sources of support, and lose their capacity to help the clients and beneficiaries they seek to aid. Yet, many INGOs run these risks because they believe that their

mission requires them to do so. Oxfam-America, for example, refuses to take government money on grounds that the government may insist on advancing its purposes rather than those of Oxfam's clients. It then uses the freedom it gains by relying on less exacting donors to make its programs responsive to clients rather than funders. Other organizations have emphasized the importance of remaining accountable to transnational INGO alliances and the political and operational capacities such alliances represent rather than yielding to the demands of particular donors.

The facts that INGOs have many different stakeholders to whom they might owe some accountability, that the different stakeholders have different amounts of effective power to insist that *their* expectations be satisfied, and that the INGO's often seek to re-balance power relationships, lead to the conclusion that the decision about which stakeholders should be viewed as the principal is hardly a straightforward question. With this analysis, we can see that describing one stakeholder as the principal represents an important judgement about the ordering of the stakeholder claims on organizational performance. But it is not clear what principles or criteria one should use to order these claims.

One could make such a judgment on a *moral* or *ethical* basis. That is, one could decide that one stakeholder is more deserving than another; that a donor's claims deserve to be taken seriously because he paid for them. One could also decide that a client's claims should be emphasized because their satisfaction is the whole point of the organization's efforts, or that a partner's claims should be met because they have earned the right through faithful service.

Alternatively, one could make the judgment on a *legal* basis. That is, one could look at the law and determine which of the claims against the organization would be given priority, if a court were asked to resolve the dispute. This would tend to give the greatest weight to those with whom one had signed contracts, probably privileging donors and partners over clients.

One could also decide the matter on a *prudential* basis. That is, one could look at the consequences of honoring or resisting a claim on the survivability of the organization in the future.

Or, finally, one could decide the matter as a matter of *strategic judgment*. That is, one could decide how to balance moral, legal, and prudential concerns in a way that is calculated to allow the organization to define and achieve its mission.

In the next section of this paper, we will argue that it is best for INGOs to think about the issue of accountability not simply as an abstract, moral and legal issue, nor simply as a prudential question about whom it is safe to ignore. We will instead argue it as a key strategic issue that will help the organization define and achieve its highest value.

III. Organizational Mission and Strategy in INGOs

INGO “accountability” must be understood partly as a legal and moral imperative, but more importantly as a strategic choice. The *issue* of accountability arises because various INGO stakeholders believe they have the moral and legal right (as well as the effective power) to make claims on what the organization does with its bundle of assets. The *problem* of accountability arises because the claims of the various stakeholders are

not necessarily coherently aligned with one another. Nor do they necessarily align perfectly with the purposes of those that lead and staff the organizations. As a result, the INGO's leadership must make choices to embrace or resist particular stakeholder demands.

These decisions about which stakeholder demands for accountability should be embraced and which resisted can have a profound impact on the INGO's mission, strategy, and operations, since demands for accountability are potentially important drivers of organizational behavior. If INGOs' structures and systems of accountability are aligned with the mission of the organization, as the leadership now understands it, demands for accountability will neither reduce autonomy nor alter purposes. If, however, the demands are at odds with organizational purposes (as defined by the current leadership), the INGO may have to shield itself from those demands to pursue its "true" purpose.

The difficulty, of course, is that resisting demands for accountability from specific stakeholders can weaken their support. Funders may withdraw support to INGOs that are seen as unwilling to be accountable for the efficient use of resources. Newspaper stories that question the use of funds by child sponsorship INGOs like World Vision or Save the Children, for example, can seriously harm their ability to raise funds from private donors. Committed staff can stop working hard if the INGO fails to embody the values and missions that brought them to the organization. Program partners may stop cooperating if their expectations are not met. Losses such as these could hurt the INGO more than the threatened deflection from its goals or purposes. Such losses could be large enough even to threaten the organization's survival.

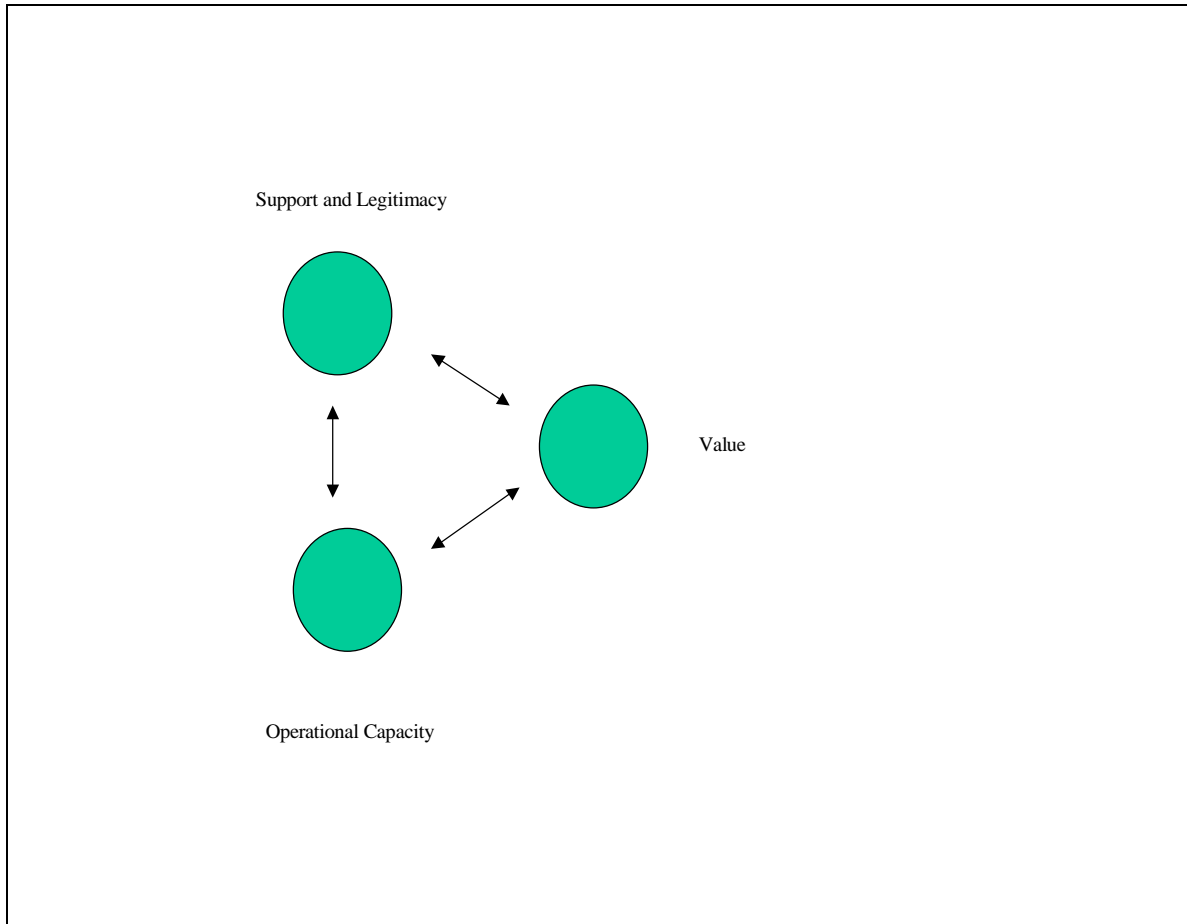
The implication, then, is that crafting an INGO mission and strategy is at least partly a decision about structuring its accountabilities. The INGO effectively trades accountability for support; by making itself accountable to the expectations of particular stakeholders, the INGO earns their continued support.

The relationship between accountability and strategy becomes clearer if we use the “strategic triangle” developed for positioning nonprofit organizations in dynamic funding and task environments (Moore, 2000). Figure 1 presents the strategic triangle. The points of the triangle are meant to focus attention on three crucial calculations leaders must make if their organizations are to survive, produce socially valuable results, and successfully adapt to changing circumstances.

The circle labeled “value” reminds INGO leaders that the INGO exists to accomplish some public purpose. INGOs might have many purposes—improving the lives of poor children, or building rural self-help organizations, or reducing environmental pollution, or combating violations of human rights. The point is that the INGO needs to tell a plausible story about the value it seeks to achieve and how it will do so. The story provides a sense of purpose, helps mobilize and sustain support, and creates a focus for developing and deploying the organization’s operational capacities (Moore, 1995:Ch. 3).

The circle labeled “legitimacy and support” reminds INGO leaders that they must be able to mobilize the political, legal, and financial support needed to achieve their goals. In the for-profit sector, customers who buy the products and services a firm produces confer both legitimacy and financial support. The customer's decision

Figure 1: The Strategic Triangle



to spend money on the organization's products and services simultaneously provides a revenue stream that allows the organization to remain in operation (support), and provides evidence that the organization is producing something that individuals value (a kind of legitimacy). In the not-for-profit sector, however, the idea of “legitimacy and support” is somewhat more complex (Moore, 2000). To a degree, “support” in the nonprofit sector means the same thing that it does in the for profit sector: namely, a flow of money and material resources that allows the organization to stay in operation.

Typically, however, only a small portion of INGO support comes from sales to paying customers. Instead, INGO financial resources come from financial “contributors”—individuals, or foundations, or governments—who are willing to pay for delivering services to beneficiaries who cannot pay for the services themselves.

Dependence for financial support on “contributors” creates some important accountability dilemmas for INGOs. First, it creates the possibility that differences between the preferences of donors and clients might arise. Second, to the extent that these differences *do* arise, the INGO faces the difficult ethical, legal, and strategic question of to whom the INGO should make itself most accountable. The convenient *integration* of accountabilities in the private sector concept of customers is *dis-integrated* for INGOs who face potentially conflicting obligations to contributors on one hand, and to clients on the other.

In the INGO context, the idea of “legitimacy and support” includes flows of other needed resources beyond money. Many INGOs rely on voluntarily contributed time and effort, both from volunteers and from staff paid less than market value for their talents. Many INGOs also benefit from contributions of food, medicine, equipment, and other in-kind goods.

Finally, the concept of “legitimacy and support” focuses on the political and social recognition of the organization’s right to exist, to operate for particular purposes in particular locations, and to press claims on others. The narrowest conception of legitimacy, of course, is the right of the organization to exist at all. In many countries INGOs have to work hard to gain the right to exist and to operate, and they may need to create alliances with other actors to carry out their programs. When PLAN International

sought to begin a child sponsorship programs in India, for example, the Government of India required it to work in partnership with Indian NGOs rather than start its own branches. INGOs can seek to expand this kind of “legitimacy” by associating themselves with universally popular goals, or by acquiring a reputation for expertise, or by representing important constituencies. Without such legitimacy, it can be very difficult for INGOs to carry out their programs.

The third circle of the strategic triangle – “operational capacity” – focuses the attention of INGO leaders on their ability to deliver program results. It is here that one confronts the familiar, demanding technical and operational questions of how best to deploy available financial, material, and political resources to produce desired results. We use the term “operational capacity” (rather than “organizational capacity”) to emphasize that, for many INGOs, the capacity needed to deliver results lies outside their organizational boundaries. Many INGO aspirations—sustainable development in poor communities, or international regimes that protect human rights—must be “co-produced” with partners who are not subject to the INGO’s authority. Many INGOs must focus mobilize and sustain partnerships and coalitions rather than attend exclusively on their own organizations to produce results (Uvin, Jain and Brown, 2000).

What is challenging about this conception of strategy is meeting all of these constraints simultaneously. If the INGO has value and support, but no capability, it will not deliver on its promises. If the INGO has value and capability but no support, it will fail for want of resources or legitimacy. If the INGO has support and capacity, but produces little of value, it survives, but only at the price of wasting resources.

The need to integrate these three circles brings issues of accountability to the fore because each of these circles can be seen as demanding a kind of accountability. INGOs are accountable to achieving some valued purposes encoded in their understanding of their mission. That concept of mission could have come from the original commitments and traditions of the organization, or the moral commitments of its current leaders, or the urgency of the problems the organization now confronts and chooses to take as their own to solve. The legitimacy and support circle reminds INGO leaders of their accountability to those who provide resources, authorize its existence, or allow it to speak for them. The operational capacity circle reminds INGO strategists that it is accountable to the staff and the partners who carry out programs. In this sense the choice of organizational strategy is a negotiated deal among the stakeholders to whom the INGO owes accountability. A successful strategy would be one that aligned these different kinds of accountabilities.

IV. INGO Strategy and Accountability

International NGOs differ from one another in the kind of role they choose to play in fostering human development, and the strategies and activities they rely upon to help them achieve their goals. One influential analysis has sorted INGOs into “generations” that emphasize relief and welfare services, community organization and capacity-building for self-help, creating sustainable development systems, and catalyzing large-scale social movements (Korten, 1989). More recently, Vakil (1997) has argued that INGOs can be classed into five functional categories: welfare, development (in the sense of capacity-building), advocacy, development education, and networking or research.

We will examine three INGO roles: (a) welfare and service delivery, (b) capacity-building for self help, and (c) policy and institutional influence. These roles are common for INGOs. We think they are also best served by quite different structures of accountability. This means that INGO strategists must decide about organizational roles before they set up structures of accountability. It also means that INGOs that change their strategies may have to consider how to change their accountability systems as well. For some organizations, rooted in an existing structure of accountability, shifting basic functions may not be feasible.

Table 1 identifies actors relevant to accountability systems for these different INGO roles. We turn now to exploring the implications of different functions and activities for accountability.

Table 1: Accountability Stakeholders for Different Kinds of INGOs

	Service Delivery INGOs	Capacity-Building INGOs	Policy and Institutional Influence INGOs
INGO Mission Focus	Deliver goods and services to less served beneficiaries	Empower and build capacity of clients for self-help	Foster political voice of under-represented constituencies
Value Creation Stakeholders	Service beneficiaries	Capacity-building clients	Policy constituents; Policy Influence targets
Support and Authorization Stakeholders	Donors and other resource providers; Technical service experts and regulators	Donors and other resource providers; Capacity-building experts and regulators;	Donors and other resource providers; Policy experts and regulators; General public and media
Operational Capacity Stakeholders	INGO Staff; Partners or allies in delivering services	INGO Staff; Partners in building capacities; Client co-producers of capacity	INGO Staff; Allies in influence campaigns; Members represented by INGO in campaigns

Welfare and Service Delivery INGOs

Welfare and service delivery INGOs deliver products or services designed to benefit clients or to improve the state of the world. They are valuable primarily as *producing* organizations that 1) mobilize resources, such as money, volunteer time and energy, and materials; and 2) transform or allocate -those resources higher value uses. The value contributed by the INGO is high if no resources are diverted to inappropriate purposes (integrity), some valuable use can be found for each of the resources (efficiency), and the maximum amount of value is wrung out of the overall stock of resources (effectiveness).

Boards and CEOs of INGOs will feel accountable to groups who provide those resources as a matter of prudence (they guarantee the future survival of the organization!), as a matter of law (there may be some enforceable promises made about how assets will be used), and as a matter of ordinary morality (it would be wrong to take money on false pretenses). What the organization owes to these donors is to produce the maximum feasible return in terms of mission effectiveness.

The service delivery INGO may also be accountable to its “beneficiaries” or “clients.” In the for-profit sector, corporate law tilts accountabilities in the direction of the shareholders, though corporations have some responsibilities to their customers. In the INGO sector, Boards and CEOs also face this dual accountability to financial contributors and clients. One might think that this tension would be resolved more decisively in favor of clients when conflicts exist, since the whole point of the INGO is to benefit its clients. In reality, however, a gap can often appear in the preferences and desires of contributors and those of the clients. Many INGOs are set up to achieve

relatively abstract purposes: to reduce hunger, or prevent AIDS, or protect biodiversity. In order to accomplish these ends they have to interact with individual clients and produce results that may benefit those clients. But producing benefits to individual clients is not the same as achieving the desired social result. The satisfaction of famine victims may not indicate long-term reductions in hunger; alleviating the misery of AIDS victims may not signal better prevention; and approval from rainforest residents may not indicate reduced threat to biodiversity. Client satisfaction may not be a good indicator of success.

The problem grows potentially worse when clients do not pay for INGO services. Donors may say that their purpose is to benefit clients, and allow the clients to define what it is that they want. In the more ordinary case, however, donors seek results that may or may not make individual clients better off in their own subjective terms. Programs to reduce population growth offer birth control education and materials, even if the clients would prefer food or income assistance.

Because there is a distinction between achieving social results desired by contributors and satisfying clients, INGOs face tensions between satisfying donors and keeping clients happy. Prudentially, the interests of the donors will weigh heavily with INGO leaders, since the INGO cannot continue without their support. Legally, donor interests will also count, particularly if resources were conveyed via contracts rather than grants or contributions. Morally, however, the interests of the clients often take precedence.

These tensions can produce serious dilemmas. For example, auditors in one INGO summarily ended a program when they found a Southern NGO partner had

engaged in padding an expense account. The fact that this decision would end a large children's program, since no alternative partners were available, was never discussed, so impacts on constituencies other than donors were never considered in the decision.

For service delivering INGOs, the claims of employees, partners, and co-producers are ranked lower than those of donors and clients are. The reason is that these stakeholders are viewed as instruments for achieving the organization's objectives—not as ends in themselves. Consequently, their claims are often seen as detracting from the INGO's ability to deliver the maximum value to contributors and clients. Of course, the INGO might benefit from paying a fair market price for supplies and work from employees, and it might be more effective if it treated employees well. But if the value added by the organization is conceived primarily in terms of delivering services, then both management and committed staff are likely to resist diverting resources away from those services. Both management and staff will be inclined to privilege the claims of the donors (who want the most value delivered to clients), and clients (who want the most value they can get) over the claims of employees and suppliers. This ordering of priorities and accountabilities also helps to explain why INGOs tend not to invest resources in staff development and capacity-building, even when it might serve the long-term interest of the organization to do so.

Capacity-building INGOs

Capacity-building INGOs focus on working *with* clients to enhance their abilities to help themselves rather than providing services *for* clients in a potentially paternalistic way. Oxfam-America, for example, has long sought to create partnerships by which local

actors can pursue their local aspirations and solve their own problems (e.g., Offenheiser, 1999). A recent study found that most U.S. development INGOs were working in partnership with Southern NGOs to carry out some programs and saw capacity-building as an increasingly central feature of their work (Leach, Kalegaonkar and Brown, 1998).

A great deal changes in organizational accountability once it commits to working *with* rather than doing *for* clients. The capacity-building focus implies a commitment to strengthening clients' abilities to carry out their own purposes and aspirations, rather than achieve those purposes specified by the INGO or its contributors. Capacity-building INGOs commit themselves to more accountability to their clients. This means not only that they will allow their clients to influence the *means* used to accomplish goals, but also that they will reconsider *ends* that are challenged by clients. If an INGO offers training in financial management, and the clients say they need help with political advocacy, then capacity-building INGOs might shift from training in financial management to training in advocacy.

There are several reasons why accepting this degree of accountability to clients as compared with other stakeholders makes sense. First, as a moral matter, it shows respect for the clients' interests in defining their own development needs. Second, as a practical matter, capacity-building initiatives focused on problems relevant to the clients are more likely to produce impacts they will value. Third, clients who care about the problem are more likely to invest in building capacity to deal with it. Fourth, success in dealing with locally recognized problems builds client capacities that can be used to tackle other problems.

Placing a high value on client concerns, however, can create dilemmas when other powerful stakeholders have strong interests. A capacity-building INGO in Asia provides its diagnostic assessments to NGO clients but not to the donors that fund those assessments, on the theory that clients will speak more frankly about problems if they are not worried about donor evaluations. Some donors have accepted this logic; others refuse to fund work that they cannot easily oversee.

A persistent difficulty for capacity-building INGOs responsive to their clients is that results are hard to predict. Outcomes depend in large part on what the *clients* want and are prepared to do, not on what the INGO plans. Even with agreement on goals, clients may choose methods and technologies that do not seem right to either INGOs or their supporters. Traditional tribal or clan elites who reject suggestions made by women or marginalized populations may dominate local decisions. Responsibility and resources may be allocated by criteria that the INGO disapproves. Indeed, different priorities have been apparent in recent discussions at the International Forum on Capacity-building. Northern actors think of “capacity-building” in terms of managerial skills, such as accounting, that enable good use of donor resources, while Southern clients want to strengthen their abilities for policy advocacy, coalition building, and fostering large scale social change (IFCB, 2000).

Shifting primacy in accountability from donors to clients tests the generosity and commitment of donors. Clients may challenge their assumptions about effective practice, good governance, and fiscal accountability. Many donors—especially those accustomed to service delivery roles—may agree with capacity-building commitments at the outset and later find that these commitments are difficult to keep. Sometimes donors and INGO

staffs seek to preserve or re-institute service delivery accountabilities, even at the risk of increasing program costs, eroding trust, and reducing innovation and flexibility. Thus, some of the gains of shifting from a service delivery to capacity-building approach may be undermined by accountability relationships that fail to reflect the shifts required by the capacity-building strategy.

Policy Influence INGOs

A third kind of INGO helps individuals and organizations press their claims against national and international institutions (Keck and Sikkink, 1998; Fox and Brown, 1998; Jordan and van Tuijl, 2000). Some policy and institutional influence INGOs speak on behalf of populations that are otherwise without a political voice. Amnesty International, for example, challenges violations of human rights in many countries on behalf of prisoners of conscience. Others seek to reform political and institutional contexts that harm marginalized populations. Transparency International, for example, seeks to reduce corruption that undermines sustainable development and economic justice around the world, and the Environmental Defense Fund challenges practices that harm the natural environment in different settings.

Policy Influence INGOs resemble service delivery and capacity-building organizations in that they mobilize and deploy resources to accomplish their missions. They are organizations with inputs and outputs. What distinguishes policy influence INGOs from service delivery or capacity-building organizations, however, is that their goals are *to produce effective political demands for action on others*. They seek to make

other organizations recognize problems or to be accountable to commitments they have already made.

Policy influence INGOs engage in many activities. They make arguments for the importance or justice of their causes. They conduct research to show the size and extent of problems. They organize demonstrations to mobilize support. They gather evidence about compliance with existing laws and policies. And they press for laws and policies that further their goals. Policy influence INGOs organized the international campaigns to regulate Nestlé's sales of infant formula, for example (Johnson, 1989). Other policy influence INGOs campaigned to change the World Bank's indigenous peoples policy (Gray, 1998). While still other campaigns seek to influence public awareness as well as policies, such as the environmental campaigns against global warming or the Jubilee 2000 campaign to reduce developing country debts (Keck and Sikkink, 1998; Pettifor, 2000).

Policy influence INGOs are also accountable to many stakeholders. They have boards, financial contributors, and others who authorize them to take action. They have volunteer and paid staffs that carry out their programs, and organizational allies in policy campaigns. They rely on two kinds of clients to create policy influence results: the constituents they represent and those policy-makers and implementing organizations that are the targets of their campaigns.

INGOs' influence over those whom they target, and from whom they demand accountability, depends on many factors. These include the target actor's vulnerability to public opinion and sanctions, the extent to which external campaigns can affect the availability of strategic resources, and the degree to which the values of the targeted

organization are aligned with those that the INGO represents. Many INGO campaigns rely heavily on appealing to widely held values and challenging the actions of institutional targets that violate their own publicly announced standards. The Jubilee 2000 campaign for debt relief drew on Judeo-Christian traditions to advocate debt forgiveness (Pettifor, 2000), while the campaign against India's Narmada Dams emphasized the project's failure to develop a resettlement plan that met the World Bank's own standards (Udall, 1998).

Credible challenges to target accountability, however, require that INGOs be able to answer questions about their own accountability. Their targets, and the wider audiences they need to help them press their claims against the targets, both want to know why INGOs are legitimate voices in these debates.

Some policy influence INGOs can ground their legitimacy in their service to widely-held values, and argue that their legitimacy is rooted in nothing more than the commitment to these transcendent values. The Campaign to Ban Landmines, for example, appealed to widespread concern about innocent victims of landmines (Goose, 2000), and the campaigns to reduce violence against women reflect changing values about gender differences around the world (Keck and Sikkink, 1998). This basis for accountability puts a premium on access to the media and to wider publics whose views can validate and support pressure on key actors.

Other INGOs influence policy through their access to expertise and information that is important to policy formulation and implementation. When INGOs can establish the validity of their information and its relevance to policy-making, their credibility as actors in the process increases. The Environmental Defense Fund, for example, was able

to demonstrate the World Bank projects in Brazil were not living up to the Bank's own policies for requiring grassroots participation, and so influenced the disbursement of Bank funds (Keck, 1998). Accountability for INGOs that rely on information and expertise may be exercised through assessment of their data collection and analysis by technical criteria and experts.

A third basis for accountability of policy influence INGOs focuses on the extent to which they represent constituents for whom the political influence is mobilized. If the INGO claims to represent local constituents, then they are most accountable to those constituents.

Policy influence INGOs that represent political interests might need a governance structure that differs from that of service delivery organizations. Effective service INGOs may have small boards of trustees and a few large donors, but keep beneficiaries largely outside governance structures. Influence INGOs, in contrast, might widen their structures of accountability. They might recruit many small donors as members to widen their *political* as well as their *financial* bases. They might expand their accountability by bringing clients on their boards or by making them members rather than treating them as external clients or beneficiaries. At the extreme this trend blurs the boundary between organization and clients, incorporating clients into organizational governance. In essence this transforms the "other-serving" organizational form of service delivery INGOs into the "member-serving" form of advocacy INGOs.

The problems of accountability for influence INGOs then shift to relations with the constituencies the INGO claims to represent. Often these accountabilities are difficult to define, given the social and political distances between INGOs and grassroots

constituencies, and even more difficult to enforce (Brown and Fox, 1998; Jordan and van Tuijl, 2000). Accountability becomes dependent on arrangements for consultation, information exchange, and dispute resolution across large differences in wealth, power, and culture. As INGOs focus more on political influence, they may need to construct consultative mechanisms to develop strategies, set agendas, and make decisions.

V. Conclusion: Fitting Organizational Strategy to Structures of Accountability

Table 2 briefly summarizes this comparison of INGOs in terms of accountability relationships and priorities. The Table describes relatively pure types, of course, and these types are seldom so clearly delineated in reality. Many INGOs perform multiple functions and carry out multiple activities. It is important to clarify these underlying differences, however, since they have important implications for which stakeholders and accountabilities should take priority.

Table 2: Comparisons of Accountabilities for Different Kinds of INGOs

	Service Delivery INGOs	Capacity-Building INGOs	Policy Influence INGOs
INGO Mission Focus	Deliver goods and services to underserved beneficiaries	Empower and build capacity of clients for self-help	Foster political voice of under-represented constituencies
Accountability to Stakeholders in Value Creation	Beneficiaries have moral claim to services but may be passive recipients	Clients participation essential to define and build capacities	Credibility with targets via values, information, or representation; Constituents voice key to representation
Accountability to Support and Authorization Stakeholders	Donor resources are vital to delivery; Technical bodies assess service quality	Donor resources are important; Regulators have legal sanctions	Donor resources from many and members; Legitimacy grounded in values, information, or member voice
Accountability to Operational Co-Producers	Staff and partners are means to service delivery goals	Staff and partners support capacity; Capacity co-produced with clients	Staff and allies critical to influence campaigns; Membership co-produces influence

For service delivery INGOs, while beneficiaries have a moral claim to good services, much of the power for sanctioning departures from INGO responsibilities rests with: 1) donors who underwrite what are often high costs, 2) technical bodies who assess the quality of services; and 3) regulators that negotiate terms of service delivery.

Capacity-building INGOs face many of the same pressures. Their world is complicated by the reality that building local capacity for self-help requires active participation by local clients. Local clients may be passive recipients of services, but passivity strikes at the heart of effective capacity-building. The nature of capacity-building programs encourages clients to play more active roles in holding INGOs accountable. If terms of accountability that favor client aspirations over those of donors cannot be negotiated, it will be very hard for organizations that start off as service delivery organizations to make the shift to capacity-building roles.

The mission of policy influence INGOs depends on their ability to make powerful claims on their targets. Being committed to transcendentally important moral values can generate that power. Essential expertise or information about public problems can also generate it. Perhaps most importantly, it will come from enabling the political voice of a constituency that needs to be heard. To ensure authentic voice of some political constituency, the INGO must engage with it as a political constituency rather than as a service client. At the limit, the INGO could become a membership organization with a governance structure that gave the members the power to use the organization's voice as their own.

What this Table makes clear, we think, is that the concept of accountability is not fixed; there is no single accountability structure that is right for all organizations. All

organizations have to be accountable, but how they structure their accountabilities will have a decisive impact on the strategies they can execute. If an INGO leader inherits the accountability system of a policy influence INGO, he or she will find it very difficult to sustain a service delivery focus. The old structure of accountability will tend to anchor the organization in its political work and to hamper its efforts at service delivery. In this sense, accountability must be aligned with the strategy that guides the organization.

These challenges are particularly relevant for INGOs that face a globalizing world that calls on them to do more with less, to act as catalysts for rapid change, and to foster sustained improvement in intransigent problems of sustainable development, economic justice, and political democratization around the world (see Edwards, Hulme and Watkins, 1999; Florini, 2000). INGOs around the world are increasingly in the global spotlight as they experiment with evolving strategies, changing functions, and new structural forms (Lindenberg and Dobel, 2000). The challenges of re-framing and reorganizing their accountabilities will be central to those efforts.

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