From monologic to dialogic: Accountability of nonprofit organisations on beneficiaries’ terms

Abstract

Purpose – Informed by the critical perspective of dialogic accounting theory, this paper explores the use of evaluation as a means of enhancing accountability to beneficiaries within nonprofit organisations. As a stakeholder group frequently marginalised by traditional accounting practices, the participation of beneficiaries within a nonprofit organisation’s accountability structure is presented as a means of increasing social justice.

Design/methodology/approach - The research design used case studies involving two nonprofit organisations, examining documents and conducting interviews across three stakeholder groups, within each organisation.

Findings – Findings reveal that when viewed on beneficiaries’ terms, accountability to beneficiaries, through participative evaluation, needs to consider the particular timeframe of beneficiary engagement within each organisation. This temporal element positions downwards accountability to beneficiaries within nonprofit organisations as multi-modal.

Research limitations – The research poses a limit to statistical generalisability outside of the specific research context. However, the research prioritises theoretical generalisation to social forms and meanings, and as such provides insights for literature.

Practical implications – In acknowledging that beneficiaries have accountability needs dependent upon their timeframe of participation, nonprofit organisations can better target their downwards accountability structures. This research also has practical implications in its attempt to action two of the United Nation’s Sustainable Development Goals.

Originality/value – This paper makes a contribution to the limited research into nonprofit accountability towards beneficiaries. Dialogic accounting theory is enacted to explore how accountability can be practised on beneficiaries’ terms.

Keywords - Accountability, Beneficiary, Nonprofit organisations, Critical accounting, Dialogic Accounting Theory, Participative Evaluation

Paper type – Case study

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Introduction

The purpose of this research is to investigate how accountability practices towards beneficiaries within nonprofit organisations (NPOs) might be enhanced. Within this context, beneficiaries are stakeholders that receive a service from NPOs (Wellens and Jegers, 2017). The research has a primary motivation to address social inequality through the empowerment of beneficiaries, often marginalised as a stakeholder group typically ignored within contemporary accounting’s practice of defining, constructing, and then privileging more powerful stakeholders (Brown and Dillard, 2015a). Through this motivation, the research has the potential to action the United Nation’s Sustainable Development Goals (SDGs), specifically goals 10 - to reduce inequality, and 16 - the promotion of inclusive societies, and accountable, inclusive institutions, at a subnational level (United Nations, 2015). According to Bebbrington and Unerman (2018), the SDGs have only recently begun receiving attention within academic accounting literature. They argue accounting academics have a role to play in embedding policy and action at an organisational level, in order to contribute to meeting the SDGs (Bebbington and Unerman, 2018). This research aims to address this call and contribute to the development of an evidence base which might inform policies and practices that can lead to a reduction in social inequality and promote more inclusive societies.

Ebrahim (2016) lists evaluation (a tool) and participation (a process) as accountability mechanisms used by NPOs. However, he suggests that evaluation is underutilized as a tool for increasing or enhancing accountability downwards (to beneficiaries and communities) yet acknowledges its tremendous potential to do so (Ebrahim, 2016). Drawing upon dialogic accounting theory (Bebbington, Brown, Frame and Thomson, 2007; Brown and Dillard, 2015b), this research uses interpretive qualitative case studies to explore how evaluation can enhance accountability to beneficiaries. In order to do this, the research examined: for what are NPOs accountable to their beneficiaries, how, and on whose terms? By focusing on beneficiaries of NPOs and positioning them as a societal actor that traditional accounting tends to ignore, this research attempts to embrace difference and open up dialogue, by creating new opportunities for participation and nonprofit accountability. As Dillard and Ruchala (2005) contend, “instrumentally rational hierarchical accounting and control systems are no less prevalent and controlling in the public and the not-for-profit sectors”, than in the private sector (p. 611).

Mercelis, Wellens and Jegers (2016) describe there being a “dearth of research on accountability towards beneficiaries in general, let alone on beneficiary participation” (p. 1447). They highlight that the perceptions of beneficiaries on beneficiary participation are rarely studied (Mercelis et al., 2016). This research seeks to fill this gap through directly studying the perspectives of beneficiaries regarding participation within their organisation in general, and within evaluation processes. In this light, the theoretical motivation of the research is to explore “on whose terms” (Brown and Dillard, 2015b, p. 250) accountability is practiced within NPOs, through empirically studying the perceptions of beneficiaries regarding their participation within evaluation.

In order to progress, this paper is organised as follows: the next section reports the theoretical underpinning of the research. The subsequent section reviews extant literature on the research
topic within areas of accounting, management, and evaluation. This review leads to the development of the research question. The paper progresses to report the methodology of the research and the two case narratives. The subsequent section presents a cross case comparison and discussion. The penultimate section of the paper outlines research implications and limitations and provides suggestions for further research. The paper concludes with the presentation of summary comments.

References:
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