

Abstract

## **Accounting, Governance and Accountability in NGOs**

### **Investigator**

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### **Aims and objectives of the research**

The proposed research will investigate the interrelationship of accounting, governance and accountability in NGOs in the UK and Africa. Avina (1993), Smillie (1995), Edwards and Hulme (1995) and Tandon (1995) amongst others have all noted the importance of accountability and governance in NGOs. There has also been a great deal of interest in governance and accountability in private and public sectors over the last ten years. Much of this interest has come from the accounting and finance practitioner and academic communities. This has resulted in extensive research into the contribution accounting, in its broadest sense, can make towards enhancing governance and accountability. However, relatively little empirical research has been carried out in this area in NGOs.

The overall aims and objectives of the research are:

- to acquire empirical knowledge of accounting, governance and accountability in non governmental organisations
- to begin to develop a theoretical understanding of these phenomena
- to develop practical improvements to governance and accountability through enhanced accounting systems and governance structures.

### **Key research questions and methods**

Accountability and governance are contentious concepts and Sinclair (1995) referred to the 'chameleon of accountability.... A cherished concept, sought after but elusive'. In the light of this confusion the approach of the proposed research is to discover the views of NGO participants on accounting, governance and accountability rather than impose any particular definition or framework. Hence the research will be concerned with developing an understanding of the way people communicate, talk about, act upon, perceive and understand these issues in the context of their everyday life in organisations. To achieve this, the research is undertaken using an interpretive approach in general and grounded theory (Parker and Roffey, 1997) in particular. Amongst other advantages this approach is particularly helpful where theoretical understanding as well as empirical knowledge is sought. The approach taken in this study is to set broad research questions and to adopt a broad theoretical framework based on Bourdieu's work.

### **Relation to the programme**

This research contributes to the main objectives of the Non-Governmental Public Action Programme. The use of case studies will ensure the provision of empirical

knowledge and the grounded theory methodology ensures that the data collected will be used to develop a theory of accounting, governance and accountability in NGOs. The project also assists the organisations under research in terms of knowledge and practice. The project falls under Strand A of the Programme. It directly addresses several of the Programme's theoretical questions such as how useful are existing theories of accountability to NGOs and how do NGOs reflect values; as well as developing new theory. Similarly it is directly concerned with the empirical question of how does an NGO manage its accountability to the complex range of stakeholders over time. Finally the project is concerned with developing potential applications for practice.

### **Relevance of the research to user groups**

The research will be of interest to the academic and practitioner communities in the areas of management, accounting and policy and development studies. The nature of accountability embraces all NGO stakeholders, including managers, funders, beneficiaries and regulators.

Presentations of findings will be made to each organisation as part of the research process. It is hoped these will form the basis of a workshop in accounting, governance and accountability for NGOs in general, after the project has been completed.

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March 2005