ISTR
INTERNATIONAL SOCIETY FOR THIRD-SECTOR RESEARCH

Voluntas (2014) 25:772–796
DOI 10.1007/s11266-013-9362-9

ORIGINAL PAPER

Resource-Based Accountability: A Case Study on Multiple Accountability Relations in an Economic Development Nonprofit

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Published online: 26 March 2013

Abstract In economic development nonprofits, the disparity between the nonprofit's, its donor's and the poor's expectations concerning poverty alleviation has been identified as the main reason for ineffective aid delivery. The study at hand contributes to this discussion by following this question: *How do the nonprofit, its donors, the supported SMEs, and the poor refer to the nonprofit's mission of poverty alleviation when negotiating accountability*? To answer this question, the study follows the literature on accountability and resource dependency and presents results of an empirical case study on multiple accountability relations between a donor, a development aid nonprofit, its supported SMEs, and the poor living in the environment of the supported SMEs. The results show a pattern we call "resource-based accountability." This pattern is constituted by the observation that most of the stakeholders tried to meet the expectations of the resource owners with respect to the resource owner's understanding of successful poverty alleviation. Finally, the paper introduces a hypothesis for further studies.

Résumé Une des raisons principales du manque d'efficacité dans la livraison d'aide des organisations à but non lucratif dans le domaine du développement économique, semble provenir des divergences de conception entre organisations, donateurs et pauvres en matière de réduction de la pauvreté. La présente étude

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contribue à cette discussion en posant la question suivante: comment les organisations à but non lucratif, leurs donateurs, les PME et les pauvres se réfèrent-ils à la mission de réduction de la pauvreté lorsqu'il s'agit de négocier les questions de responsabilité ? Pour répondre à cette question, notre étude suit la voie ouverte par la littérature sur la responsabilité et la dépendance des ressources et présente les résultats d'une étude de cas empirique des relations multiples ayant trait à la responsabilité entre un donateur, une organisation à but non lucratif dans le domaine de l'aide au développement, les PME qu'elle soutient, et les pauvres qui vivent dans la zone d'action des PME soutenues. Les résultats révèlent un motif que nous appelons la « responsabilité fondée sur les ressources » . Ce motif émerge de cette observation que la plupart des participants essayent de satisfaire les attentes de ceux qui détiennent les ressources, suivant en cela la conception que les détenteurs de ressources se font du succès en matière de réduction de la pauvreté. Pour finir, l'article introduit des hypothèses qui pourront servir de base à de futures études.

Zusammenfassung Bei Nonprofit-Organisationen für wirtschaftliche Entwicklung sind die unterschiedlichen Erwartungen der Nonprofit-Organisationen, ihrer Spender und der Armen zum Abbau der Armut als ein Hauptgrund für eine uneffektive Hilfeleistung identifiziert worden. Die vorliegende Studie trägt zu dieser Diskussion bei und geht auf die folgende Frage ein: Wie sehen die Nonprofit-Organisation, ihre Spender, die von ihr unterstützten kleinen und mittleren Unternehmen und Arme die Mission der Nonprofit-Organisation zum Abbau der Armut, wenn über Rechenschaftspflichten verhandelt wird? Zur Beantwortung dieser Frage lehnt sich die Studie an die Literatur zu den Themen Rechenschaftspflicht und Ressourcenabhängigkeit und präsentiert die Ergebnisse einer empirischen Fallstudie zu mehreren Rechenschaftsbeziehungen zwischen einem Spender, einer Nonprofit-Organisation für Entwicklungshilfe, den von ihr unterstützten kleinen und mittleren Unternehmen und den Armen, die im Wirkungskreis dieser unterstützten Unternehmen leben. Die Ergebnisse zeigen ein Schema, das wir als „auf Ressourcen basierende Rechenschaftspflicht"bezeichnen. Dieses Schema begründet sich dadurch, dass bei einer Mehrheit der Stakeholder beobachtet wurde, wie sie versuchten, den Erwartungen der Ressourceninhaber gemäß deren Verständnis eines erfolgreichen Abbaus der Armut zu entsprechen. Abschließend wird in dem Beitrag eine Hypothese für weitere Studien vorgestellt.

Resumen En las organizaciones de desarrollo económico sin ánimo de lucro (EDNs, del inglés Economic development nonprofits), la disparidad entre las expectativas de las organizaciones sin ánimo de lucro, de sus donantes y de los pobres en relación con el alivio de la pobreza ha sido identificada como una de las principales razones para la entrega inefectiva de ayuda. El estudio en cuestión contribuye a este debate en base a la pregunta: ¿Cómo las organizaciones sin ánimo de lucro, sus donantes las PYMES apoyadas y los pobres hacen referencia a la misión de alivio de la pobreza por parte de las organizaciones sin ánimo de lucro cuando se negocia la responsabilidad? Para responder a esta pregunta, el estudio se basa en el material publicado sobre responsabilidad y dependencia de recursos y presenta los resultados de un estudio de caso empírico sobre múltiples relaciones de responsabilidad entre un donante, una organización de ayuda al desarrollo sin ánimo de lucro, sus PYMES apoyadas y los pobres que viven en el entorno de las PYMES apoyadas. Los resultados muestran un patrón que denominamos "responsabilidad basada en los recursos". Este patrón está constituido por la observación de que la mayoría de las partes interesadas trataron de satisfacer las expectativas del propietario de los recursos con respecto a la comprensión que éste tenía del alivio satisfactorio de la pobreza. Finalmente, el presente documento introduce hipótesis para estudios adicionales.

Keywords Nonprofit · Accountability · Development aid

In light of the UN summit on the millennium development goals (2010), much has been written about a lack of effectiveness in development aid in achieving these goals. A general debate over which strategies fight poverty most effectively has unfolded (Banerjee and Duflo 2011) and, in particular, the question of whether economic growth results in a reduction of poverty has seen lengthy discussions (Deaton 2001; Dollar and Kraay 2002; Landingin 2007; Mehanna 2004; Ravallion 2001; Senauer 2002). Sachs for instance argues that bilateral aid remains "largely unaccountable," therefore inefficient (Sachs 2010). He appeals for multi-donor approaches. In contrast, Easterly sees a major concern in aid as such and promotes private business as the engine of "growth out of poverty" (Easterly 2010). In spite of the strong positions of scholars like Sachs and Easterly, the role of aid programs promoting trade for the alleviation of poverty remains unclear.

As aid delivery is a vast field (see Atack 1999 on diversity of development nonprofits), this article concentrates on service organizations, "acting as intermediaries in providing services to […] entire populations" (Vakil 1997, p. 2063). It aims at capturing how the service organizations' promise of aid delivery is perceived in the different accountability relations.

Among the category of development nonprofits, Economic Development Nonprofits (EDNs) apply the "aid-for-trade" approach (Hayashikawa 2009). They specialize in providing trade-promotion services to clients from developing countries (Balser and McClusky 2005; Ospina et al. 2002). As a rule, their clients are small and medium size enterprises or social entrepreneurs who benefit directly from the nonprofit's services (Edwards and Hulme 1996; Najam 1996). Despite their clients, the EDN's mission focuses on "the poor" as their main beneficiaries, which expresses the belief that "economic growth is the most powerful tool to reduce poverty" (Hayashikawa 2009, p. 13). This arises from the insight that "entrepreneurship is considered to be an important mechanism for economic development through employment, innovation and welfare effects" (Naudé 2010). In short, EDNs (a) provide services to clients and (b) due to the services provided, the clients are more economically sound and EDNs assume they have greater economic potential to alleviate poverty in their area. However, existing studies investigating the effectiveness of EDNs in reducing poverty question this assumption (Autio 2008).

In recent years, more studies on a nonprofit's accountability and mission achievement have analyzed the context of development aid (Ebrahim 2001, 2003b;

O'Dywer and Unerman 2007; Véron et al. 2006). The high interest in accountability of development nonprofits is a result of the sizeable funds provided to them by governments and citizens to fight poverty (Edwards 2002; Lindenberg and Bryant 2001; O'Dwyer and Unerman 2010) and the increasing questioning of their performance (Fowler 1996, 2000; Lewis and Madon 2004; Malhotra 2000). EDNs themselves find it difficult to show the results of their activities (Fowler 1996). Hence, some researchers (Ebrahim 2003b, 2005; Kilby 2006; O'Dwyer and Unerman 2010) have recently claimed that research on accountability for EDNs should take priority.

The paper at hand seeks to contribute to the literature on accountability and resource dependency of EDNs. First, it provides empirical insight from an embedded comparative case study on three clients of a European EDN. Departing from the idea that nonprofits act at the interface between donors and beneficiaries (Agyeman et al. 2009), our research takes into account the challenges EDNs face in handling multiple accountability relations (Najam 1996). Second, Brown and Moore (2001) highlight that nonprofits promise different results to donors, clients, and beneficiaries (Brown and Moore 2001, p. 572). These promises are negotiated with different purposes. As proposed by the resource dependency theory in the relationship with the donor, negotiations are dominated by the organization's interest in soliciting funds (Kreutzer 2009; Miller-Millesen 2003). The study on the European EDN shows the link between the need to get resources and the interpretation of the nonprofits' mission. In the EDN's relationship with clients, service delivery is at the center, and in the relationship with beneficiaries, the nonprofit's social mission promise comes to the fore. In line with this observation, O'Dwyer and Unerman (2010) and Porter (2003) identify disparity between donor and beneficiary expectations concerning poverty alleviation as the main reason for poor aid delivery. We intend to add to this literature by following this research question: *How do the EDN, its donors, the supported SMEs, and the poor refer to the EDN's mission of poverty alleviation when negotiating accountability*?

We first analyze the state of the research on EDNs with respect to accountability for effectiveness and resource dependency. Building on this, we present the case setting, the method used for data collection and analysis, and subsequently disclose our results. Finally, we elaborate on our findings, from which we will discuss shortcomings and draw conclusions on theory, practice, and further research.

Accountability for Effectiveness and Resource Dependency in Development Nonprofits

The discussion of accountability and its influence on aid effectiveness in development nonprofits has not yet drawn many researchers' attention. Among the few studies that exist, Porter (2003) takes up the question of how the flow of accountability information is organized in development work and what implications it has for "design[ing] better targeted poverty alleviation programs" (Porter 2003, p. 132). In her study, she analyzed the flow of ideas and information between the nonprofit's staff in developing countries and the staff in developed countries. She finds the information channels dominated by the headquarters in developed countries and identifies a northern meta-language that hampers local ideas and voices being heard (see also Townsend et al. 2002). According to Porter, accountability practices emphasize quick results measured in quantitative terms and lead nonprofit staff to avoid time-consuming evaluation to select the partners and clients they team up with. She concludes that operational practices of development NPOs tend to exclude listening and participation and hence do not allow for downward accountability to clients and beneficiaries.

Similar to Porter, Unerman and O'Dwyer (2010) propose that effective aid delivery would need to include listening to the priorities and needs at the beneficiary and client level. However, their studies' findings suggest many obstacles to downward accountability. First, it is difficult for nonprofits in the developed world to get access to the local communities in developing countries. The intermediaries (local NGOs or clients) do not seem to be representative of the poor. Second, nonprofits are reluctant to let the beneficiaries' input guide strategic decision making. Third, the scholars found a perception in western nonprofits that downward accountability is not needed and that beneficiaries would not be interested in getting involved. Unerman and O'Dwyer draw the conclusion that public funding agencies need to demand strategic commitment of nonprofits to downward accountability. To prevent the commitment from being rhetorical only, they claim that "more detailed guidance" regarding the donor's downward accountability requirements is needed. Albeit these suggestions enhance the debate on downward accountability and effectiveness, their study is still based on interviews with staff from nonprofits based in developed countries. We still lack the perspective of beneficiaries in developing countries on downward accountability.

Although the presented studies above express the need to engage beneficiaries in accountability routines, there is not much insight into how such practices of beneficiary involvement do or could work in practice. As a matter of fact, it seems to be particularly difficult for nonprofits to engage with beneficiaries, and researchers showed much evidence that upward accountability to donors dominates nonprofits' accountability efforts (Christensen and Ebrahim 2006; Edwards and Hulme 1996; Kilby 2006; Young 2002). The reasons identified are twofold: On the one hand, this dominance is rooted in the power relations between nonprofits and their donors (Ebrahim 2002; Edwards and Hulme 1996). On the other hand, upward accountability is structured by pre-defined tools characterized by a distinct and tangible nature and is easy to replicate (Ebrahim 2003a). Donors demand clearly structured annual reports and financial statements that often suffice to show accountability. Downward accountability, in contrast, depends on "felt responsibility" (Christensen and Ebrahim 2006: 207) toward beneficiaries, and its mechanisms are less structured and rather broad, multifaceted processes to implement than tools to apply (Howard-Grabman 2000; Kilby 2006).

EDN's accountability to clients and beneficiaries in development work involves another hurdle: Beneficiaries in developing countries are far away from the headquarters in developed countries, leading nonprofit managers to formulate project goals and outlines from their own institutional perspective (Hauge 2002). Dialogs with the poor would involve considerable investment in the collection of qualitative data, which poses a resource problem to many EDNs (O'Dwyer and Unerman 2010). Also, the governance structures of EDNs are not designed to engage in detailed dialog with beneficiaries, which was perceived to overstretch the organization (O'Dwyer and Unerman 2010). What is more, beneficiaries' and clients' evaluations of aid efficiency are highly context specific and based on personal interpretation, making it hard to generalize (Lindenberg and Bryant 2001). Because of beneficiaries' and clients' emphasis on qualitative interpretations, nonprofit managers argue that beneficiaries may not recognize the long-term consequences of aid programs and therefore would not provide valid interpretations of the effectiveness of aid delivery.

In addition to this internal management reasoning to engage less with beneficiaries and clients, Kilby (2006) and Lister (2000) link the lack of implementation of downward accountability more directly to donors discouraging downward accountability or remaining indifferent to it, hence influencing the nonprofit not to invest in their relationship with the poor. In line with these research results, some researchers such as Young (2002) have pointed out that upward accountability hampers the mission focus of nonprofits. The donor's accountability demands seem to distract nonprofits from their mission, focusing them on measurable facts that must not be in the mission's focus.

The resource dependency theory introduces another observation for donors' influence on nonprofits. This theory suggests that nonprofits will respond to and become dependent on those organizations that control resources which are both critical to its operations and over which it has limited control. Scholars observed that the board of directors have to insure responsiveness to resource-based pressure, e.g., to serve as ambassadors, advocates, and community representatives, and to link the organization to critical constituent groups, to ultimately increase the flow of critical resources (Kreutzer 2009; Miller-Millesen 2003). Funding structures affect not only the role of boards but also the organization size, the number of board members, the administrative complexity, the use of volunteers, and the racial diversity of boards, staff, and volunteers (Stone and Hager 2001).

Accountability challenges in development aid are among the most complex in the nonprofit sector (Ebrahim 2003b; Najam 1996). One reason for not achieving the desired results in development cooperation seems to be "maladministration, caused by a lack of accountability of aid agencies to the people whom they are supposed to serve" (Sorens 2009, p. 88). Unerman and O'Dwyer (2010) claim that "accountability mechanisms can help improve the effectiveness of aid deployment" (Unerman and O'Dwyer 2010, p. 480). Yet, research on how such accountability mechanisms in nonprofits are applied is still weak.

To conclude, the resource dependency theory provides the first explanations of a nonprofit's challenges in upward and downward accountability with regard to phenomena like the board of directors, governance, and funding. However, the resource dependency perspective has not yet been used to study EDNs, which is partially also true for the accountability literature. Like Ospina et al. (2002) noticed in 2002, there is a lack of empirical studies with respect to the dynamic of upward and downward accountability in general and its relation to aid delivery and how nonprofits are able to balance the different pulls of upward and downward in particular. As a consequence, we provide a comprehensive empirical study on multiple accountabilities. We follow the call of Ospina et al. (2002, p. 27) for "empirically establishing the links between accountability and performance" by analyzing how the EDN, its donors, the supported SMEs, and the beneficiaries argue to support the EDN's mission of poverty alleviation. We elucidate several stakeholder perspectives and explore whether the EDN under study responds to questions regarding mission achievement applying an either up- or downward-dominated rhetoric.

Method

The Case

We have chosen the European economic development organization Eurodevelop (a pseudonym, in the following EuDev) as our case. It has been subject to seven evaluations of its impact within only 4 years. We therefore assume that the organization was confronted with multiple accountability expectations during the period of 2006–2009. The organization thus provides a powerful example of nonprofit accountability (Siggelkow 2007) that helps us to understand the dynamics present (Eisenhardt 1989). Furthermore, as researchers, we did not have the task of evaluating the work of EuDev, but to develop a social impact assessment tool that includes quantitative data and cases for EuDev.

EuDev is mainly financed by a European government agency. It implements trade-promotion programs that help SMEs from developing and transition countries to gain access to the European Market. It provides access to trade fairs and train the SMEs in management issues. By strengthening the SMEs, EuDev facilitates the creation of new jobs, thereby developing income sources for the poor. Correspondingly, EuDev's mission is to reduce poverty by supporting SMEs that have a positive impact on the poor. EuDev acts as a service provider to the management of the supported SMEs, thereby reaching out to the ultimate beneficiaries, the supported company's employees and their families. Thus, EuDev is embedded in multiple accountability relations: upward to its funders and downward to SMEs (clients) and the poor (beneficiaries). This enables us to look at the potentially conflicting accountabilities to donors on the one hand and to SMEs and the poor on the other hand, a situation that leaves the staff to cope with the different accountability pulls.

Data Gathering

In order to shed light on the multiple accountabilities in which EuDev operates, in-depth narrative interviews were our main means of data collection. In all interviews, we focused on the interview partner's past experiences with all stakeholders involved. We asked for examples of how the other stakeholders impacted the interview partner's decision making with respect to support (in the case of the public agency, the nonprofit, and the SME) or with respect to their daily lives (in the case of the poor). We were also interested in how the interview partner was involved in the relationships with other stakeholders. In all interviews, we refrained from using the expression "poverty reduction." Instead, we asked how the stakeholders recognized that the partnership was a success. We used the broad term of success as a construct to reveal accountability references to the mission of poverty alleviation. We left it up to the interview partner when and how he or she used the expression "poverty reduction."

We collected data on five levels: First, we conducted in-depth narrative interviews with EuDev's staff members as well as the executive director. In addition, we collected documents that were related to their accountability efforts (annual reports and evaluations). Second, we interviewed project managers at the government agency, EuDev's donor, who are involved with EuDev. At the donor level, we collected success stories delivered by EuDev as well as memoranda of understanding for specific projects. Third, in our capacity as observers in a strategy meeting in which staff from EuDev and the government agency discussed criteria for measuring impact on poverty alleviation, we were able to examine the relationship more closely. In addition, we conducted post-focus groups after the initial interviews with both EuDev and the donor, reflecting on the interview analysis.

After having gathered data on EuDev's context in the developed country, we chose to look at three projects the organization supports in developing countries. In doing so, we follow Yin in using embedded cases (Yin 1998). The three embedded cases were selected by EuDev and the research team according to four criteria: (1) the SME had to be active in a poverty context, (2) had to be embedded in an international supply chain, (3) had to be led by a top management team with at least 40 employees, and (4) had to be supported by EuDev in its 3-year program. Applying these criteria, we chose to visit three SMEs, two coffee cooperatives in

Table 1 Embedded cases

Embedded in poverty context (as judged by EuDev)	Supply chain	Management and employees	Supported by EuDev
Coffee cooperative Pamar			
Yes	International	2 top managers 15 employees 90 members	3-year program
Coffee cooperative Flora			
Yes	International	5 top manager 30 employees 200 members	3-year program
Welding company Rava			
Yes	International	3 top managers 60 employees	3-year program

Peru and a welding company in Macedonia, that had a maximum of commonalities, being aware that—due to the research field of international development cooperation—the cases will naturally differ in cultural and institutional contexts (Table 1).

Having chosen our embedded cases, as a fourth level, we analyzed EuDev's relationship to its clients, the SMEs in developing countries. Data were collected in summer 2009 (Peru) and October 2009 (Macedonia) through 26 narrative interviews and three focus groups in Peru and 13 narrative interviews in Macedonia with the management of the supported companies and people knowledgeable about the local Peruvian and Macedonian contexts. Finally, as a fifth layer of our analysis, we interviewed EuDev's beneficiaries, the workers and families of the SMEs that we visited. In Peru, we interviewed 21 beneficiaries, in Macedonia 25. All interviews were fully transcribed and observations documented by copious field notes. Table 2 shows all levels of data collection.

Data Analysis

For the analysis of our data, we followed a content analysis process (Neuendorf 2002) combined with invivo coding (Strauss 1987) in order to illuminate how nonprofit staff, donor, clients, and beneficiaries referred to the mission of poverty alleviation in accountability negotiations.

In order to create a codebook for our data analysis, two researchers separately read through the interview transcripts and field notes. To capture accountability negotiations, we identified arguments nonprofit managers, donor agency members, SME managers, and workers and families used when assessing the perceived effectiveness of the partnership (Morrison and Salipante 2007). Within these arguments, we sought to identify references to poverty alleviation. Initially, the most obvious references were derived from EuDev's mission statement: "support developing and transition countries in their endeavors to reduce poverty" and "supporting sustainable growth of small and medium sized enterprises." Using the two codes "reduce poverty" and "sustainable growth of SME" as our starting point, we developed a more subtle grid of invivo codes for all five levels of data collected: In the interview transcripts and field notes, we tracked the way the different actors interpreted the two categories "reduce poverty" and "sustainable growth of SME." The text passages we identified as containing an interpretation of effectiveness relating to either "reduce poverty" or "sustainable growth of SME" were paraphrased into invivo codes.

To reach high intercoder reliability (Neuendorf 2002), the two researchers compared each others' experiences in interpreting three randomly chosen interviews. They checked their own results (which text passages were identified and how they were paraphrased) against the results of the other, discussing potential ambiguities. Only when a common understanding was reached did the two researchers continue to code the rest of the texts. Table 3 gives an overview of the coding process and the resulting invivo codes.

In order to capture the multiple accountabilities, we also sought to identify which actor in the accountability line was addressed when an argument containing a reference to poverty alleviation was put forward. Grouping the paraphrases by

Table 2 Data set

Focus of analysis	Step	Research activity	No. of texts
NPO	1	Pre-focus group	
		First insights into EuDev's accountability challenges	
		Data collection (texts produced during the workshops)	2
		Identifying interview partners	
	2	Interviews with project managers and CEO	
		Two researchers	9
		Narrative, in-depth interview style	
	3	Collection of documents	
		Annual reports from 1998 to 2008	20
		Evaluation reports	7
	4	Post-focus groups (mirroring the interview analysis)	1
Donor	1	Interviews with donor's project managers	
		Two researchers	
		Narrative, in-depth interview style	7
	2	Collection of documents	
		Memorandum of understanding	
		Success stories delivered by EuDev	13
NPO donor	1	Observation of strategy meeting between EuDev and donor	1
	2	Post-focus groups on relationship and case studies	7
NPO clients (SMEs)	1	Interviews with local EuDev representative in developing country	
		Peru case A & B: 2 people	
		Macedonia case: 1 person	3
	2	Interviews with knowledgeable of the local context concerning poverty alleviation impacts	
		Peru case A & B: 7 people	
		Macedonia case: 8 people	15
	3	Interviews with management of companies	
		Peru case A: 7 people	20
		Peru case B: 10 people	
		Macedonia: 3 people	
	4	Focus groups (mirroring the interview analysis and data collection)	3
		Peru: 2 focus groups	
		Macedonia: 1 focus group	
NPO beneficiaries (worker, family)	1	Interviews with workers and families of companies	
		Peru case A: 12 people	
		Peru case B: 9 people	46
		Macedonia: 25 people	
Sum interviews			100
Sum focus groups			14
Sum documents			40

Table 3 Coding process

Level	Unit of analysis	Coding process	Codes
Starting point	EuDev's social mission	Deriving references from mission statement	Reduce poverty Supporting sustainable growth of small and medium-sized enterprises
Level 1	Negotiation of impact on poverty alleviation within EuDev	Breaking down phrases "reduce poverty" and "sustainable growth of SME" following the interpretation of these abstract categories by interviewees	"Reduce poverty" Better living conditions of the SME managers and workers Aim at long value chains in the country More jobs, reducing unemployment When we leave the country, self-sustaining structures need to be there "Sustainable growth of SMEs" SMEs can independently continue their exporting Improvement of working conditions More exports, growing volume of sales Not support companies who are already able to export on their own
Level 2	Negotiation of EuDev's impact on poverty alleviation within donor agency	Breaking down phrases "reduce poverty" and "sustainable growth of SME" following the interpretation of these abstract categories by interviewees	"Reduce poverty" Macroeconomic influence on poverty alleviation Accelerate exports and reach prosperity Identify the bottleneck for economic development, create more income "Sustainable growth of SMEs" More companies at fairs in Europe Entrepreneurship creates solutions for society Creating business-friendly environments Institutional sustainability
Level 3	Interaction of EuDev and donor agency	See level one and two	See level one and two

Table 3 continued

Level	Unit of analysis	Coding process	Codes
Level 4	Negotiation of EuDev's contribution to SME at client's level	Breaking down the nonprofits' and donors' interpretations of "reduce poverty" and "sustainable growth of SME" category, following the success criteria at SME manager level	"Reduce poverty" More income Living conditions of managers improved: building houses, buying cars and motorcycles Employing jobless and from black market Establishing infrastructure for workers: access to health care and insurance, providing changing rooms, showers, and toilets "Sustainable growth of SMEs" Improved reputation of the company Jobs created (company, supplier) Ability to export, growth of sales volume Better infrastructure (buildings, machines)
Level 5	Negotiation of SME's impact on poverty alleviation at beneficiaries' level	Breaking down the SME managers' interpretations of "reduce poverty" and "sustainable growth of SME" category, following the success criteria at workers and family level	"Reduce poverty" Social support/stability: access to credits, transparency in companies' decision making, community building Personal freedom Change of living conditions: Regular salary, better income Personal development: education, possibility for training "Sustainable growth of SMEs" Pride: working for respected company Motivation to serve international clients

taking into account who was addressed, we illuminate characteristics of arguments referring to poverty alleviation and examine routines people draw upon to relay information. From the analysis, five argumentation strategies that refer to poverty alleviation emerge.

Results of the Case: References to Poverty Alleviation

Argumentation of Employees Working for the Donor Agency

To illustrate the poverty-reducing impact of trade promotion for SMEs, the head of the specific donor department tells the following story: “In the north of Mozambique, out of 50,000 people only seven were officially employed until a local business man decided to invest. He bought an old cashew nuts production site and started to grow cashew nuts again. He created 300 direct jobs and 5,000 families act as suppliers. Due to the support we offered he now exports high quality cashew products. This is a very clear contribution to poverty reduction. In the town small grocery stores opened, teachers came back and an airfield was constructed. You need leading small businesses to support such regional development.” His story captures all aspects of EuDev’s mission statement and strongly connects poverty alleviation with sustainable growth of small and medium-sized enterprises. Hence, when addressing expectations regarding aid delivery by EuDev, the donor emphasizes effects on companies and countries: “We are happy if EuDev has good results on a project level. This would mean that we have more companies from developing countries at fairs in Europe,” a project manager explains. Another notes, “We are happy with macroeconomic effects on poverty alleviation. Supporting a company has an impact on the development of the country.” In the same vein, the donor assumes that EuDev has had an impact as he asserts, “We have to ask what would happen if the companies supported by EuDev had no access to the European Market?”

When the donor agencies’ project managers discuss among themselves if it is worthwhile to support EuDev, they reflect on its position in their chain of aid programs: “EuDev is only the peak of the iceberg. They work with the best companies in transition countries,” a project manager explains. In terms of impact on development, project managers ask a crucial question: “Is there a bottleneck that influences export potential much earlier in the value chain that EuDev does not address?” EuDev thus has to answer to the expectation that it will generate a maximum impact: “They need to show to taxpayers and us what they do with the money they receive. Could they have more impact with the same funds?”

Since the donor agencies’ own impact depends on the impact of the programs they finance, project managers at the donor agency reflect on their contribution to poverty alleviation as well. For them, the poor are an abstract category related to when discussing statistics. “Statistics show that the poor work in the agricultural sector. If we help them introduce bio-certification, they will get 60 % more for their product when they export,” a project manager states, explaining his approach. Another adds, “We have indexes of poverty. All this is very complex and very exciting.”

To conclude, the donor focuses on macroeconomic effects on poverty alleviation by reasoning that business is good for development. They have an interest in EuDev accounting for effectiveness because EuDev’s performance will influence their own legitimacy.

Argumentation of Nonprofit's Members

The SMEs supported by EuDev are those most often addressed by the nonprofit managers when discussing their mission-related success. For these SMEs, they create better working conditions and a better business environment. "It is great fun to see a company produce in a modern production site after being supported by us," a project manager explains. Also, through the company's success, jobs are created: "We have a company that started with eight people. Now they have 55 employees." References are made to better working conditions: "The company was able to set up a proper workspace with clean facilities and changing rooms for men and women," a nonprofit manager asserts. Telling these personal success stories is important for EuDev managers: "If a company has success, I can see this with my own eyes."

However, the workers and families of these companies are not mentioned in their accounts. Stories of successful projects mostly involve arguments such as growing exports, the number of jobs created, and the learning process of the company, without referring to the implications this has in terms of poverty alleviation: "A successful project is one that has an impact on the company. The project has no other goal than enhancing exports, creating jobs and finding partnerships for the companies we support," a project manager concludes. Therefore, when presenting EuDev to the companies in developing countries, project managers emphasize "things that are of interest for these people, how we help develop the company, their export strategy. The overall goal of poverty alleviation is presented but does not play a big role." Hence, most references to the nonprofits' social mission concern sustainable growth of SMEs.

Explicit references to reducing poverty are much more abstract than the success stories told in reference to the SMEs. A project manager of EuDev explains, "We contribute to the alleviation of poverty by helping to accelerate the sales and creating jobs." The link between economic growth and poverty reduction is described as a belief: "If we economically believe that export promotion will enhance prosperity in a country, I think this will also lead to poverty reduction." EuDev managers have no personalized success stories to tell when it comes to poverty alleviation. Instead, they address an abstract group, "the poor." "Poor people are always part of the game because they supply the elements that are important to arrive at the export product. We must aim at long value chains in the country," asserts a project manager. Thus, the dominant line of argument used by EuDev managers comes to the fore: "To reach the ultimate goal of poverty alleviation the market dictates the projects. I can have the best product but if there is no demand in Europe, I cannot sell it and hence cannot reach the goal," a EuDev manager states as he summarizes the logic.

With respect to its donor, EuDev shows selective success stories on company growth. A project manager says, "For our donor it is fine if we can say: 300 more jobs, 27 million sales volume generated." EuDev's strategy with regard to the donor is to satisfy its expectations: "We do our work in a way that is appreciated by them," asserts a project manager. EuDev's CEO interprets the nonprofit's work as serving as a PR tool for the donor: "If we are successful, our donor can gain higher visibility through us. It is a nice PR tool," she says. Talking about poverty alleviation is seen by project managers as "donor language," the CEO explains.

The same reasoning is used when EuDev addresses taxpayers in its accountability efforts: "The message of poverty alleviation needs to address the taxpayers, not the SMEs in developing countries," a project manager concludes. Addressing the taxpayers, EuDev interprets its mission as a political mandate: "Our political mandate requires legitimating how we spend the money," the CEO asserts.

To conclude, EuDev's reasoning when referring to poverty alleviation can be summarized according to the following pattern: better conditions for doing business, exporting, more jobs and prosperity in the country, and hence poverty alleviation as an abstract goal. Poverty alleviation is used to rhetorically legitimize the nonprofit's activities to donors. But, the references to poverty rest on abstract terms and success stories since the immediate clients rarely have anything to do with poverty: "The companies we work with are all out of poverty already. But in some sectors we reach the poor better than in others," the CEO states, summarizing EuDev's reasoning. She explains the difficulty of accounting for impact: "At the moment we have concrete goals regarding SME-support, but we do not know what we will achieve as a consequence of these goals. Achieving results does not necessarily mean that we have an impact on poverty alleviation."

Argumentation of SME's Members and the "Poor"

Pamar

When talking about the most tangible benefit of EuDev, a manager of the cooperative Pamar explains: "We can pay more to our members." Also, because of external visibility, the reputation of the cooperation increased: "We have visitors who want to learn about the process of our cooperative. Pamar is a role model for organizational setups," a manager asserts. Good management practices that others want to learn about are put forward by managers of Pamar as a reason for their success: "Pamar is much more transparent than other cooperatives. We give technical support to our producers, which makes us different from others." In discussing good management practices, poverty alleviation is not referred to explicitly. Rather, issues of their transparency and democratic decision making lead to a good working climate. The importance of transparency in decision making also comes up in negotiations with EuDev. Managers of Pamar argue that EuDev "gives with open hands (to many different enterprises)." They conclude, "Criteria should be developed for deserving their support (for poverty alleviation). There should be a complete analysis of the organization EuDev supports."

Besides showing good management practices, which represent an argument addressing EuDev managers, improvements for the communities in which the producers are embedded are a priority for managers at Pamar. One of them explains, "We develop a better quality of life. We work for the infrastructure of the cooperative." It is important to the managers to live in the same area as the producers: "We want people to invest in community building. Many other cooperatives have their office in the main town, but we are with our members."

They thus know the needs of the local people: “The request to build the hospital came from our members; the local municipality was not strong enough to build the hospital, so we stepped in,” a manager stated, explaining the cooperative’s success in developing better living conditions for its workers. Analyzing the needs of the producer families, the management of Pamar acts. “The level of education is low so we built a school,” one of them says.

At the level of the beneficiaries, the impact of the cooperative is referred to as building a community of people who work and live together, at the same time paying attention to the environment and good living conditions. The producers note that “European consumers know how to value the product if they see how we live and produce coffee in the region.” Being part of a cooperative that is supported and hence has the opportunity to export improved the living conditions of the families. “This year we received a better price. I want to increase my family’s quality of life. I will buy a motorcycle because the distance from my house to the production area is far. I will invest in a new sort of plantation,” a producer explains. In addition to higher prices, the producers value the social support by Pamar: “In the cooperative I can get credits. If I manage my budget well, I can have enough for the family and for paying back the credit.” Furthermore, education is seen as having an impact as well: “Pamar changed my lifestyle: we consume products from the region and learn not to destroy the environment and learn how to use local products,” a producer asserts. Thus, members of the cooperative are empowered to discuss what they can change themselves in order to make a better living.

In conclusion, when discussing the impact of the cooperative, EuDev is referred to as the partner who made many improvements possible. However, in respect to EuDev, the predominant references are customers, market access, and visibility, hence the criteria expected by EuDev. Independent from EuDev, the management’s dominant argumentation pattern is different: Good management practices are linked to caring about the community, resulting in a better quality of life. Poverty alleviation is discussed as better living conditions for cooperative members. This has an impact. Beneficiaries at Pamar value that the quality of life has improved due to their membership in Pamar and its management caring for the community.

Flora

For managers of Flora, it is important to show that the cooperative already has a long successful history: “We are the only cooperative that has survived since 1966,” a manager of Flora proudly notes. “Since 1995, 80 % of what we have received as extra price for fair trade was invested in agricultural training and a production plant,” they state, indicating their investment strategy. This development has taken place without EuDev supporting them. Hence, in contrast to the case of Pamar, the management of Flora does not mention that exporting and generating more were possible due to EuDev’s support. Instead, they relate to EuDev as one of several European donors who require reports on transparency, impact, and educational projects. Poverty reduction is referred to fulfill the donors’ demands: “International donors support us because we do the follow-up reports according to their specifications. We reach the indicators. The cooperative presents new educational projects every 4 years; every year we present our results—the donors expect good communication and reports," a manager of Flora notes, explaining the reporting routine that relates to effectiveness of aid delivery.

As a consequence, the predominant arguments raised when discussing success at Flora relate to education and training for producers as well as the opportunity to receive microcredits: "The producers need credits to survive in the months when they cannot sell coffee; if members have health problems, they can receive credit. The decision on whether to grant the credit is made by the general assembly," are some of the statements that the management uses to explain how they improve producers' living conditions.

The producers paint another picture of Flora: "The cooperative has a good reputation - but the living conditions of the members are very bad," a producer explains. Another notes, "The management's image is okay but the relationship with their members is not. Socially we have been abandoned." A big issue in the cooperative is considered to be the replacement of the general assembly with a council of representatives. "This is a strong change, because we do not know anymore what has been decided. They do not tell us anymore how much is exported and how much they get per kilo coffee," a producer reports. Furthermore, "people from the cooperative's administration took money for themselves. But members who complain are kicked out," the situation is described. In line with these negative impacts, producers claim that the cooperative is manipulating the audits when referring to how the cooperative shows impact on poverty alleviation to donors: "When (…) auditors come, the management sends them to farmers who are prepared to give good answers," a producer explains (This also happened to the researchers. They overcame the manipulation by selecting interviewed producers independently from the cooperative management).

Despite these accounts, producers explain that they profit from better prices since they sell their coffee as bio- and fair trade-certified product. This allows them to develop a midterm plantation strategy. Also, producers "recognize that the management has supported us with road maintenance during harvest time. If it rains and we had no support from the cooperative for drying our coffee we would loose a big amount of our production," they state, acknowledging the help of the cooperative's management.

In conclusion, Flora's managers refer to improved living conditions of the producers who live in impoverished conditions. With regard to EuDev as their donor, they present social projects to highlight why they deserve to be supported. When talking about the impact of the cooperative on poverty alleviation, beneficiaries at Flora complain that they do not participate in Flora's economic success. EuDev is referred to as the agency that is manipulated by the cooperative.

Rava

In Rava, the partnership with EuDev is perceived as purely economic assistance. "EuDev supports us only because they think we can be successful. Our readiness for export is the essential part for them," the CEO of the company explains. EuDev was presented to them with regard to what the partnership could do for the company's development.

The company's culture and its abilities are the predominant topics that the management relates to when talking about how—with EuDev—they became even more successful: "We are a serious company with good quality and forward thinking. There are not many companies thinking like we do," the CEO of Rava notes as he illustrates the qualities of his company in the context of Macedonia. He explains that his company would have been mature enough to independently sell internationally: "It would have been possible to export on our own, but it is better if someone supports you with money," he asserts. Growing fast in the past few years, the company was able to create jobs: "People in the municipality come to us and ask us for jobs. Relatives and neighbors of workers also come and ask. We make a database with these contacts and we contact them when we need them," a manager says in explanation of the recruiting policy. At Rava, managers are proud of good working conditions: "We have a positive company culture and good relations to our workers."

When workers at Rava talk about improvements in their quality of life, they refer to more stability due to regularly paid and higher salaries than they would receive in other companies. "For me Rava is one of the best companies in Macedonia. Many others do not pay a regular salary," a worker says. A wife of a worker adds, "In my husband's former job in a big company he was not paid regularly. We are feeling safer now that we know that the salary comes every month." The workers describe the company as a responsible and caring institution. Good management practices such as paid overtime, freedom of speech, and recognition of workers' achievements are highly valued. Workers explain that managers at Rava help them achieve higher standards of living: "When I started to build my own house, I asked the owner of Rava if he could help me with a loan. I received all the money that I needed and I was already able to pay him back," a worker says. In that sense, life becoming more comfortable is a topic among workers. The sustainable growth of Rava in combination with good management practices is mentioned as the means to achieving a better living standard. EuDev's support did not make a difference in the eyes of the workers.

In conclusion, Rava's main point of reference when arguing their impact on poverty alleviation is the company. Because the relationship to EuDev has been built on economic matters, poverty reduction is never referred to. However, the creation of jobs and training are used to exemplify the company's contribution to society.

Accountability Patterns: Following the Resource

The case shows that apart from the poor, all stakeholders were in the role of the resource owner: the donor, the nonprofit, and the SMEs. All stakeholders but the donor tried to meet the expectations of the resource owners with respect to the resource owner's understanding of successful poverty alleviation. Their goal was to gain the resource. It was less to inform about their impacts on poverty alleviation. This conclusion is rooted in three observations: First, in the relation between EuDev and its donor, EuDev emphasizes the importance of achieving growth of SMEs, using links to poverty alleviation as rhetorical vocabulary that reflects "donor language." With respect to the poor, both the donor and EuDev use an abstract description by talking about "poor countries" or "the poor" without clear explanations. EuDev's donor is only asking EuDev to prove its impact by the quantity of supported SMEs and does not hold EuDev accountable for measurable impact on poverty.

Second, managers at EuDev demand from SMEs the numbers and stories that show their support helped the SMEs to grow and export. EuDev is not holding the SMEs accountable for measurable impact on poverty. The poor are only mentioned in arguments concluding that the poor will benefit from the business support through the creation of jobs and prosperity in the country. The SMEs' accountability arguments mainly refer to gaining access to EuDev and its support by reporting the information expected by EuDev. When the SMEs account for support received from EuDev, they generally report on growth indicators.

Third, meeting EuDev's reporting expectation as a reason for references to poverty alleviation is represented in an extreme form in the case of Flora. With Flora, EuDev supports a company that uses references to poverty alleviation solely to acquire EuDev's support. In that case, the poor are exploited. The poor members of the cooperative report that the cooperative was abandoned by the management in order to be able to better influence selected producers for their own purposes. Since the management of Flora recognized the pressure weighing on EuDev to report success on mission achievement, they delivered the necessary data by organizing meetings between EuDev's managers or external evaluating staff and briefed producers. EuDev benefits from Flora's strategy by having reports of an economically and apparently socially successful company in its project portfolio. Since beneficiaries can exercise no voice with regard to EuDev, they are used as a "social success story." Listening to beneficiaries would have revealed the repressive practices implemented by the management in order to arrive at the social success cases. We assume that because of Flora's well-developed reports, neither EuDev nor other involved nonprofits critically examined these reports.

Besides the "resource supply strategy," we observed another pattern of gaining poverty alleviation success stories: In the case of Rava, EuDev supports an already established business. The choice of Rava reflects EuDev's need to find SMEs to be able to report on the donor's key performance indicators (KPI) like number of supported businesses and growth in employees of these businesses, which from the donor's point of view are indicators for success with regard to poverty alleviation. In that sense, the donor does not directly discourage the implementation of downward accountability (Kilby 2006; Lister 2000), but at the same time the KPI set by the donor strongly directs the nonprofits' focus away from the beneficiaries and toward the partnering resources of clients. In conclusion, we can only assume that a lack of questions regarding the impact on poverty alleviation from the donor results in no effort to invest in the relationship with the beneficiaries. The practice of selecting SMEs is then led by the market-oriented KPIs. This leads to EuDev strengthening the economic success argument in negotiations with SMEs. SMEs who are included in the program are only provided with information regarding the service and product transaction, necessarily excluding the goal to alleviate poverty. Since poverty alleviation is not mentioned as a goal of the cooperation between EuDev and Rava, accountability negotiations do not reveal that Rava is not embedded in a poverty environment.

That the support of Pamar shows direct poverty alleviation impact seems to be more a coincidence than a result of EuDev's planned action. Pamar's managers and members reflected on their impact on the local community and on poverty alleviation. Because they see EuDev investing in other companies, which they consider do not support poverty alleviation, they call for social accounting standards. They seek more transparency in EuDev's selection of companies that really contribute to local poverty alleviation.

In sum, as an overall pattern, most stakeholders, the donor, EuDev, the SMEs—despite Pamar—and the poor act in a way to gain resources. As presented in the preceding observations, accountability is less about reporting local impact on poverty alleviation, but about reporting to meet the expectations of the one who decides on giving or not giving resources. Capturing the multiple accountability relations in Fig. 1 helps visualizing the flow of information relevant to satisfy multiple accountabilities (Lindenberg and Bryant 2001).

Theoretical Contribution: Resource-Based Accountability Versus Impact-Based Accountability

We reconstructed one overall observable type of reference to the nonprofit's mission within accountability negotiations: we call this type "resource-based accountability." Resource-based accountability extends the resource dependency theory and specifies upward accountability in two ways: First, it focuses on gaining resources, not on upward stakeholders and their expectations in general like studied in the

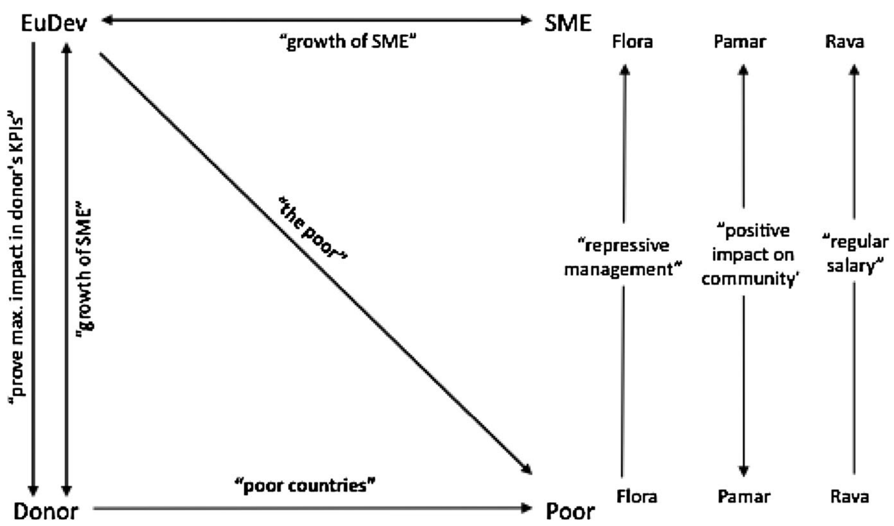

Fig. 1 Multiple accountability dynamic in EuDev

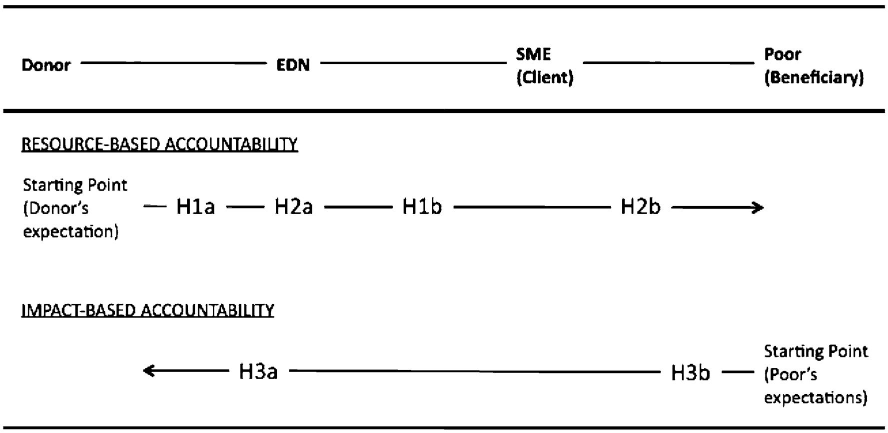

Fig. 2 Resource-based accountability vs. impact-based accountability

literature (Christensen and Ebrahim 2006; Edwards and Hulme 1996; Kilby 2006; Young 2002). Second, in resource-based accountability, upward accountability dominates downward accountability, which prohibits effectiveness of aid delivery based on the beneficiaries' expectation. This is in line with previous studies on nonprofits' resource dependency. Our study extends those studies as their main focus lies on governance and organizational aspects in those nonprofits (Kreutzer 2009; Miller-Millesen 2003; Stone and Hager 2001). We integrate the perspective of the key stakeholders and stakeholders of stakeholders. In "resource-based accountability" resource dependency is not only true for EDNs but also for all other actors involved, namely SMEs and the poor.

With the following six hypothesis, we describe resource-based accountability in more detail and differentiate it from impact-based accountability (Fig. 2).

Our results confirm that development nonprofit staff is reluctant to include local knowledge in the decision-making process (O'Dwyer and Unerman 2010), but we cannot conclude that access to local communities is the main reason that prohibits local knowledge to be included. Our observation summarized by the expression "resource-based accountability" uncovers that the commitment linked to the results promised to donors and beneficiaries differs. Confirming Brown and Moore (2001), the social mission promise is related to the beneficiaries. This promise, however, is made without committing to it in negotiations with beneficiaries and clients. We therefore confirm Ebrahim's (2003) conclusion that downward accountability is based on felt responsibility—which in our case did not play a major role. As the main reason for downward accountability being neglected, O'Dwyer and Unerman's (2010) research results suggest that nonprofits find it difficult to get access to the local communities. In our study, we cannot confirm this difficulty as a reason for inhibited downward accountability. The intermediaries between EuDev and the poor, the SMEs, work closely with the poor and, in the case of Pamar and Rava, have very good relations with the local communities. Instead, our observations suggest that donors simply do not demand for more concrete information and follow the assumption that what is good for the SME is good for the poor. This leads to the first hypothesis:

H1a The less donors demand for concrete information about the beneficiaries, the stronger EDNs meet the donor's expectation on poverty alleviation.

H1b The stronger EDNs meet the donor's expectation on poverty alleviation, the stronger clients (supported SMEs) meet the need of EDNs for information on poverty alleviation to be accountable toward donors.

O'Dwyer and Unerman (2010) suggest that the lack of the donor's demand for concrete information about the beneficiaries is driven by the fact that dialogs with beneficiaries are too resource intensive. Our own research process shows that gathering data at the beneficiary level is time consuming. However, less in-depth interviews and some standardized questionnaires could be a solution to the problem, which has not been considered by the nonprofit under study. We therefore support Kilby (2006) in his conclusion that exercising downward accountability is largely a matter of the nonprofit's worldview. In the nonprofit we looked at, KPI-based measuring of results that satisfy the donor is more important than listening to the poor and enhances a tendency toward measuring quick results [see also Porter (2003), Kilby (2006), Lister (2000) and Young (2002)]. Because satisfying accountability expectations is tailored to gaining resources, like the resource dependency theory proposes (Miller-Millesen 2003), those who provide the decisive resources (donors) are listened to, whereas expectations of holders of intangible resources (clients and beneficiaries) are less important. Hence, our research results also support Ebrahim's (2003a) suggestion that criteria in upward accountability are more tangible and therefore easy to report. This confirms Porter's (2003) conclusion that NPOs' operational practices exclude listening to beneficiaries. The problem seems to be that without the pressure from donors linking their support to beneficiary inclusion, the additional effort in collecting qualitative data and being able to interpret the beneficiaries' accounts is not attractive to nonprofits (Howard-Grabman 2000; Lindenberg and Bryant 2001) (see also O'Dwyer and Unerman (2010) demand of criteria to report on beneficiaries).

H2a The more money EDNs receive from foreign donors not familiar with the beneficiaries, the more they try to meet donor's expectations without gathering data at the beneficiary's level.

H2b The more EDNs try to meet donor's expectations, the less effective their aid delivery.

Looking at the accounts of the poor, our results differ from Ospina et al.'s (2002) observations. In their study, Ospina and her colleagues focused on Identity-Based Non-Profits (IBNP), which are rooted in and organized for their communities, defined in reference to the shared identity of community members. The strong social embeddedness of Identity-Based Non-Profits with its local communities characterizes their relationship to their accountability environment. Nonprofits strongly embedded with the communities of their beneficiaries are challenged by a pull of those communities for multiple accountability negotiation (Ospina et al. 2002). In contradiction to this, EDNs have as a rule very weak ties to the poor communities. This is why the pull from the poor for accountability negotiation is missing. Agyeman et al. (2009) as well as O'Dwyer and Unerman (2010) support this observation. They argue that dialogs with the poor result in better effectiveness of aid delivery, hence allowing local knowledge to become the starting point of resource allocation. We thus agree with O'Dwyer and Unerman (2010), Porter (2003), and Kilby (2006) in their suggestion that better aid programs result from listing to the beneficiaries needs. This leads to the last two hypothesis:

H3a The stronger EDNs are accountable to their beneficiaries (poor), the stronger donors use local knowledge as the starting point of resource allocation.

H3b The stronger donors use local knowledge as the starting point of resource, the more effective their aid delivery.

Concluding Remarks

This paper provides an empirical study aimed at furthering the understanding of how different expectations toward the mission of poverty alleviation are negotiated in an EDN and how this relates to the effectiveness of aid delivery. The results of our research are limited. We only conducted an embedded case study with only three cases. The hypotheses deduced from the empirical data have to be tested according to their applicability to other EDNs. We compared companies active in different cultural contexts and in different branches, which might lead to exclusion of economic, cultural, and organizational factors that influence the results. Also, with respect to the interest in downward accountability enhancing the effectiveness of aid delivery, we can only deduct from our analysis that better tailored aid programs could have been designed when listening to the beneficiaries. Similar to the studies of O'Dwyer and Unerman (2010) as well as Kilby (2006), we did not observe aid programs being designed based on information gathered from beneficiaries and clients. Further research thus needs to identify a case in which an EDN designs aid programs based on the valuations of beneficiaries or in which the donor demands inclusion of beneficiaries in the multiple accountabilities of the nonprofit. This may give further insight as to how to avoid resource-based accountability and strengthening impact-based accountability.

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