

The Values of Non-governmental Organization Accountability

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Abstract: This article tries to explore the values which exist in the accountability of non-governmental organizations (NGO) by using interpretive paradigm in ethnomethodology approach. Profit organizations are insisted to have accountability in their operation. Moreover, they must obey many standards provided by the board in their reporting. Nevertheless, accountability is insisted not only in the profit organizations, but also in non-profit organizations or NGO because there are stakeholders who are involved in NGO, such as the chairman, operational staffs, donators and society. Accountability in NGO becomes a serious thing because the donators do not get any direct advantage or impact from the activity of NGO while there is no obligation to practice the accountability for NGO in Indonesia. The results of this study show that there are some values in the accountability of NGO, namely responsibility to the environment according to the vision and mission of NGO and doing all activities as the service to God, trust and grassroots movement in the program execution of NGO. NGO still has the accountability with such values although it is not like the one in profit organizations.

Key words: Non-profit organizations • Stakeholders • Ethnomethodology

INTRODUCTION

There are many NGOs in Indonesia because of many social issues in society such as environmental destruction, corruption, human rights violations and so on. The society feels that such issues are not touched by the government, so some people make NGO to accommodate their aspiration related to a social issue. They make NGO to fulfill their vision and mission related to the issue. NGO is one of public sector organizations. Public sector organization has experienced the reformation in itself, including the activities related to accounting which is important for the continuation of the operation of that organization. The reformation is motivated by the need to increase the accountability [1].

Accountability is the activity of individuals or organizations to be responsible of their actions through giving reason or explanation about why they do such actions [2]. Accountability is insisted not only in the profit organizations, but also in non-governmental organizations (NGO). The issue about NGO accountability appeared in Indonesia since the issue of good governance was discussed many times in governmental

institution and profit-oriented organization. Accountability has been spoken and understood by many people in Indonesia as an important thing in an organization.

There is a close relationship between accountability and responsibility, but they are different. Responsibility is related to the authority given by other party whereas accountability concerns about the way to explain the responsibility or the authority [3]. The main point of accountability is a duty to explain the responsibility to the other party who has given the trust about it.

The donators of NGO are not the same as the stakeholders who get the direct result or impact from the activity of NGO as shown in Figure 1. Moreover, the donators generally do not do the effective control for the usage of the money they have donated because they donate the resources without any will to get something in return [4]. Nevertheless, NGO as one of public sector organizations has a main purpose to create a balance in the responsibility of its finance or budget through the service to the stakeholders or many parties who have interest in it according to its vision and mission [5].



Fig. 1: The Accountability Relationship between NGO, Donators and Stakeholders
Source: the reflexivity of the researcher

In fact, there is not enough reporting of NGO activity to the stakeholders; even manipulation happens through creating fictitious data because there is not enough control from the main office to the branch offices [6]. A study using grounded research method was conducted by Goddard and Assad [7] in NGOs in Tanzania and the result was the phenomenon of regulator mechanism happened because accounting became a reporting mechanism only as a legitimacy to the donors, not to the stakeholders and the financial report did neither show the entire organization activities nor become a factor used by the organization in taking any decision. Moreover, there is not enough information to the society about the activity of NGO [8].

NGO accountability is provided only to the donors according to Fikri and Isnaini [9]. It refers to the weak NGO accountability [10, 11]. Moreover, there is a thought that accountability actually can be a strategy for NGO to get donation continually from the donors. The donors will feel that the resources they give to a NGO are used well by the NGO to fulfill the vision and mission if the NGO has the accountability, so they will continually donate the NGO.

This research tries to discuss the values of NGO accountability and deeply understand it. The objective of this study is to completely reveal the accountability of NGO. This research is expected to contribute to public sector accounting, in which research is seldom conducted. Moreover, the accountability of NGO in Indonesia has been set by the accounting standard board, but the implementation is not obligated. This research is expected to have a contribution to the consideration of policy maker in Indonesia about the NGO accountability so that the arrangement can be done soon for making a better condition of NGO accountability.

MATERIAL AND METHODS

This study tries to deeply understand NGO accountability according to the point of view of the informants entangled in the NGO. It can be done through interpretive paradigm of qualitative research as the term ‘to understand and explain’ said by Burrell and Morgan [12] as follows.

“The interpretive paradigm embraces a wide range of philosophical and sociological thought which shares the common characteristic of attempting to understand and explain the social world primarily from the point of view of the actors directly involved in the social process.”

Ethnomethodology approach is used as the research design because the researcher can get a deep understanding of NGO accountability by paying attention to what the members do and talk about in their daily life in the organization. Ethnomethodology analyzes everyday activities as the members’ methods to make those activities visibly-rational and reportable for practical purposes [13]. The researcher is entangled directly in the daily life of the members in the organization to see how they act to one another and hear their conversation.

This study is conducted in *Protection of Forest and Fauna (PROFAUNA)*, an international independent NGO which works in protecting forest and wildlife. The accountability can be studied deeply to get the whole meaning and comprehensive understanding of NGO accountability since PROFAUNA has many stakeholders, besides the donors, in doing its activities. Moreover, this NGO has operated consistently in protecting forest and wildlife for more than twenty years in many cities in Indonesia. It means that the accountability concept has been built deeply in the organization and can be researched or understood comprehensively using the interpretive paradigm in ethnomethodology approach.

The data collection in this study is done through participatory observation in the main branch of PROFAUNA, in-depth interview with the founder, chairman, operational staffs and donors about the accountability and documentation. The data analysis is done according to the interactive model in qualitative research [14]. Referring to this model, three levels of analysis are done continually, repetitively and concurrently with the data collection. Such thing can be done in a qualitative research. The three levels of analysis are data reduction, data display and conclusion drawing or verification.

Indexicality and reflexivity become key points in the research whose design is ethnomethodology approach to get a comprehensive understanding of the internal dimension of behavior of the members. Indexicality means that each of the utterances will constitute a word and refer to a certain person, time and place, including a name said by the members may have a meaning which is different from the interpretation of other people [15]. It can be understood only if the researcher is entangled in the daily life of the members of the organization. Reflexivity means the mutual two ways relationship between the researcher and object observed who are in the same context [16]. It can be done after the researcher apply indexicality because reflexivity insists the researcher to understand the context or setting of an occurrence [17]. The meaning of a word spoken by actors to describe their interaction in a kind of situation must be connected with its context. The right and complete understanding of the words, gestures and actions becomes an important thing in the qualitative research process to get the comprehensive meaning of NGO accountability with the values in it.

RESULT AND DISCUSSION

Indonesia is one of the countries in the world which have the highest riches of wildlife. Moreover, Indonesia also becomes the only habitat of some animals in the world. Those kinds of animals are so important because if in Indonesia they vanish away, they vanish away also in the world. Many kinds of wildlife in Indonesia will vanish away if there is no conservation and their habitat is destructed or diminished. Deforestation happens very fast in Indonesia. It becomes a serious problem because forest is the main habitat of wildlife. Such condition gets worse because wildlife crime happens in many places. Wildlife is traded by many people in various ways without awareness that what they do can bring the death of the wildlife as well as become the violation to the law.

The focus of PROFAUNA is the issues about fighting against wildlife trade, protecting forest, fighting against wildlife exploitation, making rangers for protecting forest and preventing wildlife hunt and supporting the local community. PROFAUNA is an independent institution using a membership system. The members are called supporters. They may give their donation to support PROFAUNA or directly do the activity for protecting wildlife and forest. The main office of PROFAUNA is located Malang, East Java and the branch office is in Borneo. In due to there are about five hundred

thousand supporters from various cities in Indonesia and other countries, PROFAUNA has some representatives in some regions to arrange the supporters' activities there.

Some results are found in this research. First, the activities to conserve wildlife and forest are done because of awareness that God has given so many resources in the environment which must be cared. Men on earth live by using the resources, so they must be responsible by doing something for protecting the environment. This responsibility to environment can be described as paying the tax. The citizens pay the tax because the government has provided the public facility for their life. Likewise, human must do something to return the thing which has been taken from the environment for living on earth. It is considered as a duty or obligation in human's life. All men have a responsibility to conserve the environment and become campaigners to make other people aware about that and educate them. This is a principle of PROFAUNA, namely the accountability to the environment.

Moreover, the accountability to the environment is committed as a service to God. It means that all conservation activities, including campaign and education to students at school about a special issue of wildlife or forest, investigation of wildlife crime, as well as advocating and supporting local community to conserve the forest near their houses, are done without relying on the availability of money or hoping anything in return. Such thing happens because of self-awareness about the values within every conservation activity. The accountability to the environment is considered as an obligation because God has provided many things in the environment for human's life.

Second, accounting practices are done by the staffs in PROFAUNA for reporting cash receipt and expenditure to the treasure although they do not have any adequate knowledge in accounting. Each staff feels responsible to give the report about the resources they have used for conducting the organization program. The obligation to provide cash reporting for operational activities is stated clearly in the standard operation procedure. The bills must be attached in the reporting, except in some cases whose bills cannot be derived from the transaction, for example in buying the grass or fruits from the farmer for the food of the wildlife. Accountability here considers the trust factor. Nevertheless, PROFAUNA still does the control in spending the money for doing its programs and activities.

A meeting is conducted every week for evaluating the activities which have been done and discussing the plan of the next week activity. Monthly report is also

made by staffs to report their works for one month. Evaluation is done also in the annual meeting to know the failure and success of the programs for one year. The representatives also come for the annual meeting to discuss the plan of activities or programs for the next year. The failure or bad experiences in the past is corrected in that meeting for betterment in the next program. Different places will bring different issues although the main point is the same, namely protecting forest and wildlife. Coordination and communication become very important things here.

Third, the report to the donators about the usage of the cash they have given to PROFAUNA will be made only if they ask for it. Such condition happens because the donators give the resources to PROFAUNA not to get any report or publication about their donation. They trust their money to be used by PROFAUNA for doing its program. The main donators of PROFAUNA are the supporters. They donate their money for the programs of PROFAUNA without hoping anything in return; even they willingly work together to do everything needed for a program. The supporters also give the things PROFAUNA needs, not only money, for conducting its program. This is the value in a grass-root organization. The people in society work together for reaching their own vision and mission.

The donators suppose that the accountability about the success of conducting a program is more important than the financial report or the publication about their donation to public. They donate because they concern with the success of the program of PROFAUNA according to the vision and mission to protect wildlife and forest. The financial report was audited only once in the lifetime of PROFAUNA because there was a donator giving money for a program asked PROFAUNA to provide the audited financial report. The audit report said that all things about the finance ran well in PROFAUNA. The financial report was published in the website of PROFAUNA, but then the donation stopped after the program was finished. Therefore, PROFAUNA does no longer publish the financial report in the website.

Accountability is also provided by the representative to the head quarter, but the representative sees it as the effort to provide the credibility, not to the head quarter, but to the supporters. The credibility here also relates to the success of the program which is conducted according to their vision and mission as the supporters of PROFAUNA. It happens not only in the head quarter, but in the branch office and representative. As a result,

PROFAUNA routinely publish its activities through the website as a kind of its accountability to the supporters and society. The website contains the announcement about the next activity as the invitation to the supporters to join it, the report of activities which have been held and articles to educate or make the readers aware of many issues in protecting forest and wildlife.

The result of this paper can become a contribution to public sector accounting. The stakeholders of NGO may get the implication and significance of this research, especially the chairman, operational staffs, donators, society and government. The chairman and operational staffs must think about the accountability concept not only when other parties demand it. Related to the usage of resources in everyday administrative operation or performing special action, the donators should have a consideration to be aware of the usage of the resources they have entrusted to NGO in performing the vision and mission to the society.

CONCLUSION

The accountability to the environment is considered as an obligation because of a thought that God has provided many things in the environment for human's life. Accountability becomes an important thing for PROFAUNA in the daily activities done by the head-quarter and branch office. It can be concluded that NGO has the accountability in itself because of an awareness to have responsibility although there is no clear obligation for NGO to provide accountability in Indonesia. There is an effort to explain the usage of the resources which NGO has received from other party, but exception may happen in various conditions because the trust factor is considered. Accountability is provided only to the donators who ask for it because they suppose that the publication about the successful activities in protecting forest and wildlife is more important than the financial report.

The limitation of this research is that the researcher does not bring the discussion about accountability standard of NGO that has been issued by some institutions in Indonesia. Moreover, many NGOs do not know about how they should have accountability in their organization and some other NGOs perform the accountability only by the request of the stakeholders, not from their awareness to make all things accountable. The research related to the presence of the accountability standard will contribute more to the comprehensive understanding about NGO accountability, not only in Indonesia but in other countries also.

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