

---

# Accountability Dialogue Tool

How strong are the accountability structures  
in our civil society organisation?

Version 1.3  
September 2012

In cooperation with

## *CISU'– Accountability Dialogue tool*

This tool has been purposely made to resemble Mango's Health Check on financial management because we think Mango's tool is excellent. We also hope that this tool could supplement the one from Mango and give users of both tools a more comprehensive picture of the status of their organization.

Read more about Mango here: [www.mango.org.uk](http://www.mango.org.uk)

A Civil Society Organisation without proper accountability systems is fragile and open to rumours about mismanagement and abuse of power. Worst of all, it will prevent it from enjoying respect and full legitimacy in the eyes of its stakeholders including those duty bearers whom they intend to engage through advocacy. Further more, sound accountability structures are the most important aspect to prevent and detect corruption.

## **How do we define accountability?**

We understand accountability as:

- The obligation to account for your actions and performance and to answer for them.

But for accountability to be functional:

- It requires someone to hold you accountable. This includes being willing and able to impose sanctions for misconduct or failure.

## **How do we define accountability structures?**

Accountability structures are formal or informal structures, showing who is accountable and who is holding accountable. Very often these structures form a chain of persons or bodies being and holding accountable.

With the willing and able aspect of the definition we have a quite operational understanding of accountability which can guide us in asking questions to test accountability structures in our own organisation. It is of no use e.g. if management produces lot's of reports to the Board if the board members are neither interested in them nor willing to act on them.

## **What can Accountability Dialogue Tool do?**

The Accountability Dialogue Tool can help you assess the status of your organisation's accountability structures. It is designed as a self assessment tool to help you identify areas where the organisation is doing well and others where improvement could be considered.

The Dialogue Tool is a set of statements that suggest practice that is commonly understood as appropriate in relation to accountability and they cover some of the key areas of NGO accountability. For each statement, you need to consider how well your own organisation is in line with the suggested practices. By the end of the tool you will have an indication on how healthy the accountability structures of your organisation are.

You may like to use the Accountability Dialogue Tool again after a year or two, to assess and monitor your progress.

## What can Accountability Dialogue Tool NOT do?

The Accountability Dialogue Tool only provides a general indication of the status of your organisation's accountability structures. It is not an exhaustive list of all aspects of accountability. It is not an audit and it does not describe a standard set of procedures which are relevant in every situation.

## Who is it designed for?

Every organisation is different and accountability structures must reflect this. A 'one size fits all' approach cannot work. But the key aspects of good practice are the same for most organisations most of the time. The tool focuses on those key aspects. They are the foundation stones of good practice.

As basis for the Accountability Dialogue Tool we have used the typical Development NGO / CSO. Normally it has relatively few members (approximately 15-50) and these are normally not the same as the beneficiaries but rather prominent and / or compassionate people who support the vision of the NGO.

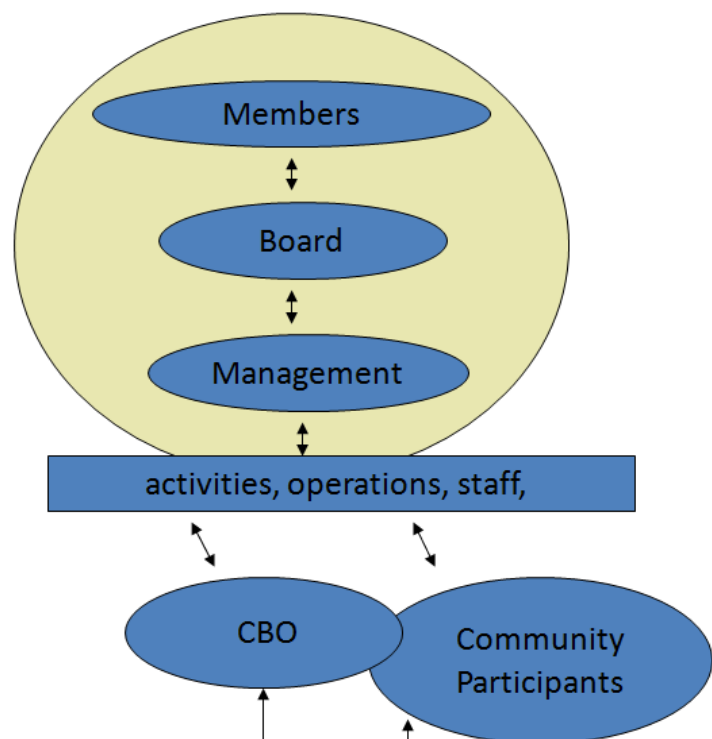
This type of NGO / CSO is shown in the graph next to here.

The different layers show who is accountable and who is holding accountable.

Had the organisation been a Peoples Organisation (a farmers association, a Community Based Organisation, an organisation of Disabled People etc.) Members and Community/participants would have been the same, resulting in favourable accountability structure aspects since members from the outset have a strong interest in holding other levels responsible<sup>1</sup>.

Some organisations do not have members and are comparable to companies, but will most likely be Not-for-profit according to their constitution. In such cases the internal accountability chain stops at Board level.

## The typical NGO or CSO



<sup>1</sup> We are aware that "Peoples Organisations" sometimes do face other challenges related to governance, they might e.g. be "high jacked" by political forces not relevant to the mission of the organisation.

## How to use Accountability Dialogue Tool

The Accountability Dialogue Tool can be used by any member of staff or a trustee. You do not need specialist skills to complete it since it includes explanations of each section.

The most useful way to use this tool is to complete it in a 2-3 hour workshop meeting, with input from representatives from all the different levels dealt with: Members, Board Members, volunteers, The Chief Executive Officer, Senior Managers, and a selection of budget holders, finance staff and field staff (ideally 10-15 people).

Taking each statement of best practice in turn, discuss whether it is true, or is in place, or happens in your organisation. Agree on a score based on what actually happens, not what is supposed to happen. Note that it is difficult to use the tool if not a certain degree of openness and mutual trust exists between the people in the organisation.

The scores available are 5, 4, 1 and 0 only.

Explanation Score	Score
Our practice is totally in accordance in with the statement	5
Close to 5, but not quite there	4
Close to 0, but not that poor	1
This is not in place, or is not true or does not happen	0

Clearly a degree of judgement is required to decide between '4' or '1', and it is not an exact science. If you cannot give yourselves a clear cut 5 or 0, you need to decide which one you are closer to.

***The real value in this exercise is not the score itself so much as the conversations and the details of issues discussed.  
Make good notes and keep a list of action points as they come up.***

Ring the score for each statement. Add up the total for each section and transfer it to page 12 to get a total. Then interpret the score using your own judgement.

## *CISU'– Accountability Dialogue tool*

**Take note that not all organisations have all the different layers and levels either because the organisation is still new and growing or because it is structured in a different way. Try to answer at least the questions that you feel are relevant and allow you to be inspired by the rest.**

Before you start it is a good idea to agree on who represents the different layers in your organisation. You can use the following table to do this initial task.

LAYER	In our organisation
MEMBERS in our organisation - we think of:	De der betaler contingent og de der har fået et medlemskab
BOARD in our organisation - we think of:	Den valgte bestyrelses 7 medlemmer + 2 suppleanter
MANGAMENT in our organisation - we think of:	Bestyrelsen
STAFF in our organisation - we think of:	Projektgrupper og arbejdsgrupper
COMMUNITY/PARTICIPANTS in our organisation - we think of:	Partnere I Lesotho

- 0 -

## *CISU'– Accountability Dialogue tool*

<b>Section 1</b>	<b>Members (sometimes called owners or patrons)</b>
------------------	---

*If your organisation do not have members according to your constitution please continue to the next section.*

The members of an organisation are normally the highest level of the formal accountability structure. They are the “owners” of the organisation. The members define the purpose of the organisation and its direction, they appoint a board to govern it and they hold the board accountable. Committed and active members who are willing and able to hold the Board responsible are obviously needed.

Different types of organisations exist in terms of members. Many are true membership based organisations, others have owners and others still have a group of “patrons”. For this reason this section needs to be used with care. An organisation with committed and active members has a good starting point for strong accountability mechanisms, but other types of organisations may have equally strong accountability structures even without a formal member base.

An important aspect is that an organisation operates according to defined accountability structures, suitable to that specific type of organisation. Normally these accountability structures (or governance structures) are defined in the Statutes of the organisation. Appropriate Statutes are thus a necessary starting point for several of the statements below.

1	Statement of best practice	5	4	1	0
1.1	Our organisation has members with a true interest in our mission and activities	5			
1.2	Community members (target group) are well represented among the members				0
1.3	Members contribute to our organisation, for example through membership fees, voluntary work and advocating or lobbying for the our organisation	5			
1.4	The Statutes of our organisation stipulate an Annual General Meeting (AGM) for members	5			
1.5	AGM's are held in accordance with the Statutes	5			
1.6	AGM's are attended by a reasonable number of members	5			
1.7	Members freely and democratically elect members of the Board as stipulated in the Statutes	5			
1.8	Members appoints an auditor as stipulated in the Statutes	5			
1.9	Members approve the annual accounts as stipulated in the Statutes	5			

## *CISU'– Accountability Dialogue tool*

<b>Section 2</b>	<b>Board (Executive committee, steering group, management group, board of directors)</b>
------------------	--

In a member based organisation, the Board is appointed by the members or other types of “owners” to govern the organisation. The Board is accountable to those members who appointed it. The Board in its turn appoints a chief executive to manage the organisation on a day to day basis.

If your organisation doesn't have members it is interesting to know how the Board is constituted and to whom the Board is accountable and how this works.

A basic principle of good governance is that management and governance are separate. The separation of governance and management involves a division of both duties and personnel. The usual rule is that management runs the organisation from day to day, while the board sets policy, exercises oversight, and strategically guides the organisation.

The Board delegates responsibility to the chief executive and holds him or her accountable. In some occasions prominent persons in society are appointed to the Board. This can often be a strong advantage but in some cases they might have neither the skills nor the interest to adequately govern the organisation. In this situation, no one holds management accountable and the accountability structure fails.

2	Statement of best practice	5	4	1	0
2.1	Our Board understands the organisation's finances and monitors the financial condition regularly		4		
2.2	Our Board meets regularly and spend enough time to discuss all relevant issues	5			
2.3	Minutes are kept at all Board meetings and are securely filed	5			
2.4	Board meetings involve active discussion and informed decision-making	5			
2.5	Members of the staff, including the chief executive, are not voting members of our Board	—	—	—	—
2.6	Rules of procedure for the board exist and include relevant instructions, especially guidelines covering the authority and responsibilities to be delegated to any committees, the responsibilities of the chairperson, the Board members' responsibilities and that the board shall appoint the chief executive		4		
2.7	The board has issued a written job description for our chief executive, outlining expectations and goals.	—	—	—	—
2.8	The Board regularly follows up operational and financial reports	5			
2.9	The Board is highly transparent regarding the organisation towards members and the public.		4		
2.10	The Board assures annual accounts are prepared and audited	5			
2.11	Our board ensures that the organisation's annual accounts are made available to members and other stakeholders	5			
2.12	The amount of payments and allowances to Board members follows written	5			



## *CISU'– Accountability Dialogue tool*

procedures and are openly disclosed.				
--------------------------------------	--	--	--	--

<b>Section 3</b>	<b>Management (Administration, direction, daily leader)</b>
------------------	---

The Chief Executive of an organisation is appointed by the Board. The rest of the management team is usually hired by the Chief Executive. The management, led by the Chief Executive, is responsible for managing the organisation on a daily basis.

As he or she is appointed by the Board, the Chief Executive is accountable to that same Board. While the Chief Executive is an employee, the Board members are normally working on a voluntary basis. This sometimes makes it difficult for the Board to hold the Chief Executive accountable, resulting in accountability ending at management level. The importance in the Board holding the Chief Executive accountable cannot be overstated.

The rest of the management team is accountable to the Chief Executive. Normally the accountability chain continues further in each manager's respective area of responsibility.

3	Statement of best practice	5	4	1	0
3.1	An updated organisation chart describes the actual structure of the organisation and is available to all staff and other stakeholders				
3.2	Responsibilities and authority follows a formal delegation of authority covering the whole organisation				
3.3	There is a job description for each employee				
3.4	The organisation has a financial procedures manual or equivalent, which covers all relevant areas				
3.5	Our management promotes open, inclusive and respectful behaviour within the staff team (e.g. making decisions in a transparent and inclusive way, welcoming divergent views and encouraging collaboration and team-working)				
3.6	Management involves community members (beneficiaries / constituencies) in planning, implementation and evaluation of any activities concerning them				
3.7	Management makes sure that community members (beneficiaries / constituencies) has access to information about what they can expect from our organisation at any time				
3.8	Management promotes openness and transparency towards donors, e.g. by inviting to multi-donor meetings				
3.9	Management actively promotes and participate in networks and other inter-organisational sharing of experience settings at horizontal level.				

## *CISU'– Accountability Dialogue tool*

<b>Section 4</b>	<b>Operational staff (note that staff can also be understood as volunteers)</b>
------------------	---

The operational staffs of the organisation are those who carry out the activities and are not part of the management team. They may be remunerated employees or volunteers. Middle managers, team leaders etc may exist in this category. In these cases, a clear and unbroken accountability chain is essential.

Operational staff is formally accountable to management. They normally do not hold anyone accountable, except for middle managers. An informal accountability towards the target group of the organisation often exist, sometimes called downwards accountability.

Downwards accountability is difficult to pinpoint as the target group very often do not have the ability to hold the representatives of the organisation accountable. But it can be very effective in the right situation. Transparency from the organisation is often a necessary requirement for downward accountability.

4	Statement of best practice	5	4	1	0
4.1	Our staff make accurate and timely financial and narrative reports from activities based on previously made work plans and budgets	5			
4.2	We have clear upward reporting mechanisms in place for staff when met with demands for bribes or similar irregularities	5			
4.3	We have procedures for involving community members (beneficiaries / constituencies) in planning, implementation and evaluation of activities concerning them	5			
4.4	We have a policy of transparency towards the community (beneficiaries/constituencies), which includes informing about what we do and what our target group are entitled to.	5			
4.5	Our staff participate in network meetings with other CSOs and local authorities and they are mandated to speak openly about our activities.	5			

## *CISU'– Accountability Dialogue tool*

Section 5	Community, beneficiaries, target group, participants
-----------	--

Beneficiary communities always include different groups of people facing different issues (e.g. the traditionally low-status, widows, and different ethnic identities). Some community leaders may represent their interests; others may not. NGO staff need to identify representatives who speak for the specific groups of people they aim to help. They also need to design NGO activities to make it easy for busy or low-status people to get involved, and to help them strengthen their influence in local decision making.

Some organisations include by default community members in the structures of the organisation others don't. When beneficiaries at the same time are members of an organisation, good conditions for accountability are in principle in place. When this is not the case, it may be difficult for beneficiaries to hold the organisation accountable. Lack of information and lack of opportunities to impose sanctions are often the biggest obstacles. The beneficiaries do not know what they are entitled to and have no means of holding the organisation accountable.

A high level of transparency and involvement of beneficiaries by the organisation is the best way of enabling downward accountability.

5	Statement of best practice	5	4	1	0
5.1	Community members understand our working principles and have a chance to comment on them	5			
5.2	Community members have a clear idea about what they can expect from us and what not to expect – also in financial terms	5			
5.3	Community members actively participate in prioritising and planning our activities		4		
5.4	Community members have easy access to our management for complaints and suggestions	5			
5.5	Specific ways exist for our target group to hold us accountable				0

## *CISU'– Accountability Dialogue tool*

### **Interpreting your score**

Record your score for each section in this table and analyze and discuss your findings. Again it should be stressed that the real value in this exercise is not the score itself so much as the reflections and the details of issues discussed.

Eventually you might come up with ideas of improvement of your structure, the flow of information or reporting systems. These ideas and any other relevant issues can be noted under comments.

Section	Our score	Our comments
Members (max 45)	40	
Board (max 60)	42	
Management (max 45)	_____	
Operational staff (max 25)	25	
Community, beneficiaries, target group (max 25)	19	
Total (max 200)	126	

Please forward any comments or feedback on this tool to Troels Hovgaard, CISU, [th@cisu.dk](mailto:th@cisu.dk)  
It will be highly appreciated.