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Accountability in non-profit governance: A process-based study

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Accountability, process research, nonprofit sport organisations, instrumental accountability, expressive accountability

Abstract

Accountability is a crucial element of governance. Non-profit organisations are typically accountable to multiple stakeholders and often ‘do’ accountability in multiple ways. But what happens when a non-profit organisation is highly dependent on a single source of funding? This paper provides an empirical exploration of this issue. It draws on a longitudinal case study of one non-profit organisation in the UK that is highly dependent on a single funder to examine how accountability is constructed and enacted, with a focus on the board. It critically examines accountability processes through direct observation of board and committee meetings and in-depth interviews with board members. The analysis shows how board members work to construct broader forms of accountability beyond accountability to the funder, but then struggle to enact them. This paper provides in-depth insight into the challenges that non-profit board members face and offers a rare example of observational research on board behaviour.

Introduction

Accountability is a crucial element of governance. Indeed, ever since Berle and Means (1932) identified the separation of ownership and control, much of the prescriptive literature on governance has been concerned with how organisations can be held accountable. Agency theory, which is still predominant in corporate governance research, focuses on how boards of directors should act to monitor the decision-making and performance of executive staff (Fama & Jansen, 1983); and governance reforms, which often follow high-profile corporate failures, typically stress internal and external accountability mechanisms (Roberts, McNulty, & Stiles, 2005).

In non-profit governance, accountability is particularly crucial. This is due to some basic characteristics of non-profit organisations, including multiple organisational objectives, multiple stakeholders and a diversified (i.e. voluntary and professional) workforce (Alexander, Brudney, & Yang, 2010; Coule, 2015). But it is also due to some more recent developments in many countries, including the rise of ‘new public management’, which has led to the introduction of an ‘audit culture’ (Alexander et al., 2010; Guo, 2007; Ospina, Diaz, & O’Sullivan, 2002), and the ‘hollowing out of the state’, which has seen the awarding of public service contracts to non-profit organisations (Ferlie & McGivern, 2013).

These more recent developments have meant that, in the UK and elsewhere, government funding is now a significant source of income for many non-profit organisations. This, in turn, has raised concerns about the independence of the

voluntary sector. For example, in the UK, the Baring Foundation (2014) recently reported that the independence of the voluntary sector was ‘undervalued and under threat’. Such concerns echo those raised in the US in the 1990s, when it was claimed that many non-profit organisations were moving from ‘agents of the community’ to ‘agents of government’ (Smith & Lipsky, 1993, p. 72).

In this context, it is particularly important to understand how non-profit organisations deal with issues of accountability. Recent research has offered detailed typologies of accountability (e.g. Christensen & Ebrahim, 2006; Ebrahim, 2010; Knutsen & Brower, 2010), as well as critical analysis of the theoretical assumptions underpinning different views of accountability (Coule, 2015) and discussion of possible managerial strategies for balancing multiple accountabilities (Knutsen & Brower, 2010). This has provided a solid foundation. However, there is more we need to know.

First, we need to know how non-profit organisations that are almost entirely dependent on a single, public funder deal with accountability. Are they, as Smith and Lipsky (1993) foretold, ‘agents of government’? Second, we need to know what is happening at board level. How do board members, individually and collectively, deal with issues of accountability on a day-to-day basis? Third, we need to better understand the differences between *constructing* and *enacting* accountability. While recent studies have used interviews to gain valuable insight into how organisational members deal with accountability issues, there are always important differences between what people say they do and what they actually do. We need to better understand, through direct observation, how board members construct and enact accountability in ongoing processes of discussion and decision-making.

This article seeks to develop knowledge of these issues through a longitudinal case study of a non-profit sport organisation in the UK that is highly dependent on a single, public funder. In examining this case, the article seeks to contribute to the theory and practice of accountability in non-profit organisations and to demonstrate the importance of adopting a multi-level, process-based perspective on governance (Cornforth, 2012). The article is structured as follows. The next section discusses key issues in accountability research. Following this, we describe and justify our methodological approach. Then, we present our findings, focusing on how board members constructed and enacted (or failed to enact) different types of accountability. We then examine the implications of the study and draw conclusions.

Accountability and governance research

Accountability is often defined simply as the way in which an organisation is held to account for its actions. However, research has shown that it is much more complex than this. Indeed, Dubnick and Yang (2011, p. 179) argue that ‘the promiscuity, multifunctionality, polymorphism, and situatedness of accountability make it one of the most elusive concepts in public administration’. Rather than talking about accountability *per se*, researchers argue that we need to talk about multiple types of accountability (Knutsen & Brower, 2010). In the non-profit governance literature, therefore, a number of authors have offered typologies of accountability. For example, Kearns (1994) identified four types of accountability, based on explicit or implicit performance standards and proactive or reactive organisational responses; and other authors have offered typologies focusing on: relationships with different

stakeholder groups (Ebrahim, 2003); ‘upward’, ‘downward’, or ‘lateral’ accountability (Christensen & Ebrahim, 2006; Edwards & Hulme, 1996); and ‘instrumental’ and ‘expressive’ accountability (Knutsen & Brower, 2010).

Such typologies are useful, because they can help us to understand the nature of the accountability challenges that non-profit organisations face. In particular, as the ‘audit culture’ becomes more deeply embedded (Alexander et al., 2010), it is increasingly important to understand whether, and if so, how, non-profit organisations ‘do’ accountability when they are very highly dependent on public funding. In this context, Christensen and Ebrahim’s (2006) argument that *upward accountability* (to funders, donors and oversight agencies) can often crowd out *downward* and *lateral accountability* (to communities and staff) is particularly relevant. Likewise, Knutsen and Brower’s (2010) argument that *instrumental accountability*, underpinned by principal-agent relationships, mutual benefits, resource dependence and measurable outcomes, can impinge on *expressive accountability*, based on values and beliefs and a sense of shared ownership. Coule (2015) extends such arguments by examining how the underlying assumptions of different theories of governance hold implications for the theory and practice of accountability. Specifically, she identifies how the *unitary logic* that underpins agency and stewardship theory emphasises a systems-control approach that privileges instrumental accountability, whereas the *pluralist logic* that underpins stakeholder and democratic theory emphasises a process-relational approach that allows for forms of expressive accountability. In a very basic sense, then, current research suggests a potential conflict between upward, instrumental accountability and other types of downward and/or expressive accountability.

It is also important to examine the mechanisms through which non-profit organisations enact (or might seek to enact) accountability. For example, Ebrahim (2010) sets out five common accountability mechanisms, namely: reports and disclosure statements; evaluations and performance assessments; industry self-regulation; participation; and adaptive learning. While this serves as a useful summary of common approaches, it looks at these mechanisms from quite a ‘distance’. That is, while the mechanisms imply micro-level interaction, they do not specify clearly how organisational members actually construct and enact accountability in ongoing processes of discussion and decision-making. As Roberts et al. (2005) found, in their research on non-executive directors in FTSE 350 companies, ‘in practice, accountability is realized through a wide range of behaviours – challenging, questioning, probing, discussing, testing, informing, debating and exploring’ (Roberts et al., 2005, p. S12). The key implication here is that if we want to understand how organisations actually ‘do’ accountability, we need to observe and interpret ongoing processes of board discussion and decision-making.

In fact, this is part of a wider methodological debate within governance research, concerning the way in which empirical work is carried out. Governance research has traditionally been somewhat ‘distant’ from its objects of inquiry, relying on quantitative analysis of cross-sectional data (Brennan and Solomon, 2008; Cornforth, 2012; Leblanc and Schwartz, 2007; Roberts et al., 2005). Yet if we understand governance as, at least in part, the decisions of groups of board members, it is surely important to understand how and why board members make those decisions. As Leblanc and Schwartz (2007, p. 843) argue, we need to ‘open up the black box of governance process’. They advocate interviews, observations and documentary

analysis, within an interpretive research paradigm, as potential ways of accessing an ‘insider perspective’ – an approach that some recent studies on non-profit accountability have embraced (e.g. Coule, 2015; Knutsen and Brower, 2010).

We follow this interpretive approach, but seek to build on these studies in three ways. First, given the recent developments within many countries’ non-profit sectors, we seek to understand how organisations that are very highly dependent on a single, public funder ‘do’ accountability. While previous research (e.g. Coule, 2015) has involved organisations that had various levels of dependence on public funding, we deliberately adopt a ‘critical case’ approach (Yin, 2014) by seeking to gain an in-depth understanding of accountability within an organisation that is almost entirely dependent on a single, public funder.

Second, we focus specifically on the board. As the board is the key decision-making entity within a non-profit organisation (Herman and Renz, 2008), it is essential to understand how board members deal with accountability. While Knutsen and Brower (2010) examined mechanisms of accountability, they focused specifically on managers and staff, and while Coule (2015) incorporated more of a focus on the board, she did not report, from longitudinal observation, how board members dealt with accountability issues within board discussions and decision-making processes. We seek to do so through direct observation of board and committee meetings, in order to try to trace how board members ‘do’ accountability over time.

Third, and related, we examine how board members both construct and enact accountability. Previous research on board-level accountability within an interpretive

paradigm has tended to rely on interviews and documentary analysis (Coule, 2015; Roberts et al., 2005). In this study, we observed board and committee meetings directly, over a sustained period, as well as conducting in-depth interviews, in order to understand not only how board members constructed accountability within interviews, but also how they constructed and enacted (or did not enact) accountability within ongoing processes of discussion and decision-making. In so doing, we aim to contribute to the emerging ‘process perspective’ on governance, which, among other things, seeks ‘narrative explanations of how change happens in terms of the central actors involved’ (Cornforth, 2012: 1127).

Methodology

In seeking to address our main research question – how is accountability constructed and enacted within boards of non-profit organisations that are very highly dependent on a single, public funder? – we required a case study organisation that was funded in this way and would provide access to board and committee meetings. At a launch event for a survey of non-profit governance, we met one of the chief executive officers (CEOs) of an organisation that met our ‘funding criteria’ and, following various negotiations, the organisation generously granted us access.

The case

The case is a national governing body of sport (NGB) in England. It was formed in 2000 and acts as the development agency for two sports. It is legally constituted as a company limited by guarantee, with the existing national federations of the two

sports, which had previously governed all aspects of their sports, instituted as the owners (shareholders) of the focal organisation. However, the organisation is *de facto* non-profit: the shareholders do not take any dividends from the focal organisation and any revenue generated is used to meet its sporting objectives. The board of the organisation has 12 members: an independent chair; six federation directors (each federation elects three directors to the board); and five independent directors. In addition, the organisation has two CEOs, who attend the board (technically as non-voting members, but, in practice, as full board members).

The organisation receives funding through Sport England, which is the non-departmental public body that distributes funding from central government and the National Lottery to support community-level sport in England. Every four years, the organisation, along with other NGBs in England, bid to Sport England for *Whole Sport Plan* funding. Bid documents set out: (i) targets the organisation seeks to meet (relating to numbers of participants in the sports, numbers of leagues, teams, coaches, and so on); (ii) how the organisation seeks to meet these targets; and (iii) how much funding the organisation is requesting. The organisation had successfully bid for *Whole Sport Plan* funding in this way since 2005 (see Figure 1) and was very highly dependent on this source of income.

[Figure 1 here]

Data Collection

We sought to understand accountability processes by collecting and interpreting data

from a number of sources (see Table 1).

[Table 1 here]

Each meeting we observed lasted around two hours, except for two longer, six-hour board meetings, so the total length of observation was around 36 hours. We wrote field notes during and immediately after the meetings, seeking to preserve the ‘flow’ of conversation and interaction, and, where possible, we recorded phrases and conversational exchanges verbatim. Interviews ranged from 60 to 115 minutes, with an average length of 80 minutes. We digitally recorded them and then transcribed them in full. We then imported these transcriptions, along with our written-up and annotated field notes and the various board documents we were given, into NVivo.

We collected data in two main phases. During the initial data collection phase, we first read all the organisational documents to develop our understanding of the history of the organisation and then conducted a semi-structured interview with one of the CEOs, in order to deepen our understanding of the organisation and to probe how (she thought) the board and committees operated and how board members constructed and enacted accountability. We then began our observations of board and committee meetings in November 2011 and continued these until February 2013 (see Figure 2).

[Figure 2 here]

After gaining a good (provisional) understanding from our observations of how the board operated and how accountability issues played out, we then, from February

2012 onwards, conducted a further six interviews – with the chair, the other CEO, a federation director, an independent director, a Governance Committee member and a senior staff member – in order to probe how they perceived that they (and others) constructed and enacted accountability. We used a basic interview guide (developed through our reading of the literature on non-profit accountability discussed earlier) and we also used the interviews to ‘test’ and refine our emerging interpretations from our observations. We asked interviewees directly about how they responded to different stakeholder groups (e.g. how did they interpret and seek to meet the expectations of Sport England, the national federations, the wider members, staff, and so on). We also asked them to reflect critically on the conversations held during board meetings and the ways in which they and other board members talked and made decisions. In this sense, we asked both directly and indirectly about accountability.

Together, the interviews and observations worked iteratively to focus our attention on key accountability issues. For example, our early observations from meetings indicated that all board members were constructing a shared sense of (expressive) accountability to ‘the sports’, but, over time, the interviews and observations suggested that different board members were constructing this accountability in subtly divergent ways. As will be discussed below, this mainly involved certain board members constructing ‘the sports’ as the national federations themselves (i.e. the organisations and their official membership) and certain other board members constructing ‘the sports’ in a more diffuse way that centred on the focal organisation’s wider vision and mission. This is reflected in the coding scheme (Figure 3 below), where ‘Constructing accountability to ‘the sports’’ is subdivided into ‘Constructing accountability to vision and mission’ and ‘Constructing accountability to the

federations’.

We then conducted a preliminary data analysis (see details below) and returned to the field in January 2014 to undertake further interviews with the joint CEOs (together), two independent directors and a federation director (these latter three for the first time). The main purpose of these interviews was to ‘try out’ and refine our understanding of accountability processes and to probe further the tensions and contradictions our reading of the data indicated. For example, we had directly observed the development of an organisational vision and mission, but it seemed, to us, that the desire for tangible action around this had ebbed somewhat over time. Our interviewees broadly confirmed this (and our other provisional interpretations), but also provided further detail, which deepened our understanding of the case. After the four interviews in this second phase, we felt confident in the ‘confirmability’ of our findings and, as much as this is ever possible, we felt we had reached ‘data saturation’ around the main research issue.

Data analysis

We initially coded all the data according to a very basic, pre-specified coding scheme, drawing on Cornforth’s (2001) list of typical non-profit board ‘processes’ and ‘functions’ to provide an overall picture of how the board operated. In doing so, we predictably coded a significant amount of data to ‘Ensuring accountability to the organisation's stakeholders’. We then developed a more refined coding scheme, coding material initially to the broad categories of ‘Accountability tensions’, ‘Constructing accountability’ and ‘Enacting accountability’, which provided the basic

outline of our narrative. Then, as we proceeded iteratively through the data collection and analysis, we developed a more refined coding scheme. There is not sufficient space here to explain the entire coding process, but we present a simplified version of the coding scheme in Figure 3.

[Figure 3 here]

As is common in analysis of qualitative data, we also sought to examine the inter-connections within the data. We seek to present these in the following narrative and to capture them, as much as this is possible, in the process model that follows the narrative.

Findings

Dependence on a single, public funder

The organisation was highly dependent on funding from Sport England. Between 2009 and 2013, it received £2.7 million through Whole Sport Plan funding, which accounted for approximately 83% of total income. This high level of dependence clearly shaped the ways in which board members constructed and enacted accountability. For example, in the very first meeting we attended – the Annual General Meeting in November 2011 – the outgoing chair started his final address by declaring, ‘We’re thought of very well by Sport England’. He then identified the next round of Whole Sport Plan funding as ‘the critical issue for the organisation going forward’. The new chair clearly recognised it too. He said, in his interview, reflecting

on the organisation's position, 'It's almost as if we're an agency of Sport England'.

Accountability tensions

This dominant, upward accountability created certain tensions. As one of the CEOs said in her interview, 'we deliver Sport England targets', and this meant that she and other board members felt somewhat constrained in their ability to be accountable to 'the sports':

... you know...the message from Sport England is that you should first think about what would be good for your sport. And then, you know, they should see what parts of that strategy they would fund. ...in truth, we can't operate like that. We first think about what they're willing to fund and, you know,...and obviously, we're not talking about things that are diametrically opposed to what would be good for our sports, but yeah, we would probably do things slightly differently if it was all about what we thought was best for [the sports].

These 'accountability tensions' also played out between the board and staff and within the board itself. For example, the other CEO said in his interview:

There's often a frustration among staff when they would like to be doing something, whether it's coaching in schools, "Our focus can't be youths, it's adults," you know, that kind of thing, or national team support, which we're not funded for at all. And I know our staff are often frustrated that that's not what we're doing. And I think our representative [board] members are often frustrated that that's not what we're doing, whereas our independent [board] members are very kind of clear on the fact that's not what we're paid to do [by Sport England].

So, how did the board deal with these accountability tensions?

Constructing a broader sense of accountability

Many board members, while recognising the organisation's dependence on grant funding, sought to construct a broader sense of accountability. For example, in the November 2011 board meeting, the new chair encouraged all board members to think about 'what *we* want to achieve for our sports' and *then* to think about how 'we can get Sport England on board with what *we* want to achieve'. He drew an analogy between the organisation and a car, which, he said, they (the board) had designed and should continue to design, he (the chair) should drive, and into which Sport England should put the fuel. He made this argument persistently in board meetings. For example, in a board meeting a year later, he said, 'It *has* felt that we're just an agency for Sport England. But ... this is now *our* opportunity...if Sport England want to come and invest in what we're doing, that's what we should be aiming at...It's a different model for me mentally, and I think it's important that people have this different mental model.'

But what was this different 'mental model'? Initially, it seemed there was a general consensus, in which board members and the joint CEOs contrasted the upward, instrumental accountability to Sport England with a broader sense of accountability to 'the sports'. For example, in the November 2011 board meeting, the chair made the point that, 'Ultimately, *all* of this is about what works best for [the sports], not for any one body'. Likewise, one of the independent directors, in the same board meeting, emphasised that all board discussions should be framed by an understanding that

‘sport owns the sport’. This accountability to ‘the sports’ appeared to align with what Knutsen and Brower (2010) describe as expressive accountability to the community – ‘organizations’ self-perception of their community roles, often altruistic and value driven’ (p. 597) and what Christensen and Ebrahim (2006) term ‘downward accountability’ – a sense of ‘felt responsibility’ to clients, members, or the public.

Close observation, however, suggested that this accountability to ‘the sports’ was in fact constructed in different ways by different people. Some – primarily the chair, the other independent directors and the joint CEOs – tended to discuss it in terms of accountability to the organisation’s vision and mission. For example, when discussing how the board should account for its actions in the November 2011 board meeting, one of the independent directors, said, ‘I want to say, “where’s the sport in 2017 or 2020?”’ In a later board meeting (November 2012), the chair discussed a ‘layered’ approach to thinking about the board and its accountability. He talked about a ‘top layer, which is the organisation’s vision and mission’ and ‘another layer beneath that, which is the Whole Sport Plan and the Development and Strategy Committee’. ‘We have to remember,’ he said, ‘that the Whole Sport Plan is not *all* our work’ – an explicit statement that upward, instrumental accountability ought to be balanced with a broader sense of accountability to vision and mission.

Others – primarily the federations’ representative board members – emphasised accountability towards the two federations. One of the federation directors sketched out this basic position in the January 2012 Governance Committee meeting. He explained that many people within the federations ‘see [the organisation] as *their* organisation’. ‘They set up the organisation.’ While he was not stating this as his

personal position, he was nevertheless expressing a strong sense among a few board members of accountability to the federations. In practice, this referred to the way in which the organisation should consult with and/or justify its actions to the federations; and this was a persistent source of conflict within board debate. Indeed, it was discussed (or, sometimes, deliberately skirted around) in nearly every board and committee meeting and in every interview. As one of the federation directors said in the April 2012 Governance Committee meeting, referring to the relationship between the focal organisation and the federations, ‘If you want to get an elephant and blow it up, we can fill the room with it’.

Enacting, or seeking to enact, accountability

So, the process of constructing a broader sense of accountability constituted ongoing ‘work’ that board members did; and, where they constructed it in divergent ways, it also constituted ongoing accountability tension. But how did board members actually *enact* accountability? First, and most obviously, they enacted accountability to Sport England through the *Whole Sport Plan* funding process. Every four years, the organisation would submit a detailed funding bid to Sport England and then monitor and periodically report their outcomes. The board monitored progress through a ‘balanced scorecard’ that they examined at each board meeting. For example, at the November 2011 board meeting, one of the CEOs presented the most recent figures on participation, drawn from the national ‘Active People’ survey. He noted that the figures were ‘downward’. One of the independent directors immediately questioned whether this was ‘a blip, or a trend’; and there followed a detailed, 25-minute discussion about the figures. There was clear recognition from all the board members

that Sport England placed real emphasis on these figures. As one of the independent board members said, ‘It’s the *only* measure!’

The board also enacted accountability to Sport England in other ways that were not immediately related to the *Whole Sport Plan* funding process. For example, in the November 2011 board meeting, the chair asked one of the joint CEOs a series of precise questions about a sum of money left over from a capital project that the CEO had allocated to some sports clubs. The chair said he wanted to ‘demonstrate due process’. ‘If Sport England are looking for an audit trail,’ he said, ‘is there a problem with this being the fifth bullet point on a relatively insignificant looking report?’ The tone of the questioning was not aggressive, but it was certainly robust. There were countless examples like this of the board making decisions in the light of what board members knew, or presumed, that Sport England would sanction.

But what of the broader forms of accountability that board members were working to construct in ongoing board discussions? Here, close observation indicated that board members certainly *sought* to enact these broader forms of accountability. For example, between November 2011 and March 2012, the organisation developed and agreed a vision and mission. This involved initial discussions at the November 2011 board meeting, the establishment of a small working group (comprising the chair, one of the CEOs and one of the independent directors), feedback from board members to this group in the six weeks after the meeting, the development of specific proposals by the working group, discussion of these proposals at the February 2012 board meeting, consultation with staff and eventual agreement at the March 2012 board meeting.

The process of decision-making here, as with other important issues, involved a series of group discussions among all board members and the CEOs, in which they all questioned, challenged, probed and informed one another. There were numerous examples of this, but the discussion at the February 2012 board meeting illustrates it as well as any:

- Independent director 1 poses a series of clear, direct questions about the proposed mission. He talks about ‘drivers of participation’ and gives specific examples from other non-profit sport organisations that he works with.
- Federation director 1 agrees. He worries that people are too internally focused.
- Independent director 2: ‘Actually, maybe not that many people outside the organisation *will* read this.’ He links the vision and mission to the Whole Sport Plan and argues for balance: ‘Although this *is* external, how external is it?’
- CEO 1 stresses the importance of clarity around the main aim. Should it be to increase participation or not?
- A broader discussion takes place, involving the chair, both CEOs and the other directors. They debate a number of relevant issues, including: who the vision/mission is for; what links there are between different aspects (e.g., elite sport performance and general sports participation); and different possible interpretations of the words in the vision and mission.

Once the vision and mission had been decided, the chair then periodically invoked it, in board and committee meetings, as a means of ensuring a broader sense of accountability. For example, in the November 2012 board meeting, one of the CEOs brought up the issue of where the organisation’s priorities should lie. She said, ‘My angst is getting an email saying, “We’re running this coaching clinic, how much can you fund?”’ And this is not part of an overall, coherent strategy around, you know, but

more splintered...’ The chair replied, ‘It comes back to the vision and mission, really, which we’ve drawn broadly enough...It allows us to hold something up to it and see whether it helps us.’ In this sense, the board sought to enact accountability to its vision and mission – a kind of downward and/or lateral form of accountability – through formally developing a shared vision and mission and referencing it in ongoing discussions.

The board also sought to enact accountability to the federations. It did this in two main ways. First, as noted above, each federation had three director positions on the board of the organisation. The original principle of this was to ensure accountability to the federations through direct representation. Second, in a more informal, ongoing way, the chair and other board members regularly sought the ‘federation view’ within board discussions. For example, at the February 2012 board meeting, when one of the joint CEOs was discussing the proposed timeline around the *Whole Sport Plan* funding bid, the chair turned to one of the federation directors and said, ‘What’s the federation perspective on all this?’ The federation director then discussed what ‘his’ federation members thought about the whole funding bid process, including the proposed timeline. This pattern was common in board and committee meetings throughout our observations.

Issues with seeking to enact a broader sense of accountability

So, the board sought to enact, in various ways, the broader forms of accountability it constructed. However, a number of issues hampered, or subverted, these attempts.

First, in relation to vision and mission, while the board members (the chair especially)

periodically invoked vision and mission as an *alternative* to the upward, instrumental accountability to Sport England, our observations showed that the very process of developing and agreeing the vision and mission was closely intertwined with this upward, instrumental accountability. For example, the timetable around developing an organisational vision and mission (outlined above) was explicitly pegged to Sport England's four-year funding cycle. As the independent director who chaired the Development and Strategy Committee told the other board members at the November 2011 board meeting, 'We need this input [on vision and mission] by the next board, because we need it for the *Whole Sport Plan*'. Even more fundamentally, the actual process of decision-making was directly influenced by expectations about what Sport England would support. As just one example, when introducing possible visions and missions at the February 2012 board meeting, the joint CEO based his initial discussion around 'the three Ps – participation, performance and profile'. Both the chair and one of the federation directors immediately asked whether this was language used and understood by Sport England. 'It helps,' the federation director said wryly, 'if your main funder speaks your language.'

The second issue was that not all organisational members were involved in the discussions around vision and mission, or happy about their outcome. One of the staff members said: 'It was a kind of *fait accompli* really, because the board had decided pretty much this is our mission and vision. It was communicated to staff [and the] staff [were] kind of like, "Why is that our mission and vision?" You know, "Why should our organisation be just about what Sport England wants?"' In this sense, the process of developing an organisational vision and mission, which was conceptualised as a means of enacting a broader sense of accountability, was perceived, at least by

some staff members, as reinforcing the very upward, instrumental accountability it was intended to balance. Third, it was apparent from later board and committee meetings that board members and staff were not completely clear on what the vision and mission actually were. For example, at the start of the May 2012 board meeting, the chair pointed out that he had put the vision and mission on the wall of the boardroom, but said, chuckling, ‘Even I couldn’t remember it the other day’. While this is no doubt common in many organisations, it raises a clear issue about how accountability to organisational vision and mission can really function as a counter-weight to upward, instrumental accountability to a principal funder.

The fourth, more practical, but arguably more significant, issue was that the board had not embedded its vision and mission into ongoing board practices – in particular, into the formal process through which it assessed performance. The key evidence for this was that vision and mission had not been incorporated into the ‘balanced scorecard’. One of the independent directors discussed this in his interview; he said: ‘I feel that [the vision and mission] was done, moved on and it doesn't feel like it's discussed again, like we did that. And then, well...are we very focused on working towards that vision in everything that we do? I don't think necessarily we are’.

There were also a number of issues with the board’s attempts to enact accountability to the federations. First, in regard to electing federation directors, a number of board members felt that many within the federations lacked the time, experience and/or commitment to act as a director. For example, at the January 2012 Governance Committee meeting, when mentioning that one of federations still had two of their three director positions vacant, one of the CEOs said, ‘As I’ve said before, the issue is

can we get people with appropriate skills?’ There followed a brief discussion about the persistent lack of suitable candidates from the federations. The chair of the committee joked (but seriously), ‘Usually, it’s the person out of the room at the time that gets voted in’. The CEO picked this up in her interview. She said:

I think quite often, [the federation directors] have no sense of the commitment that’s being asked of them. And when they do, it’s...it’s massive overkill from what they expected in a sense, because they already have their six to eight board meetings a year as part of the federation.

Second, many board members felt the common practice of seeking the ‘federation view’ in board and committee meetings created a serious conflict of interest. As one of the independent directors said in her interview, ‘It’s a bugbear of mine...there’s tends to be an awful lot of sitting in a board meeting, going, “What does [the federation] think?” I’m like, “*Guys*, you’re not *here* as a director for [the federation], you’re *here* as a director for [the focal organisation].”’ This issue emerged repeatedly in interviews. For example, one of the CEOs said:

I think there are points where it’s not clear to people who sit on the board as representative members which hat they should be wearing, whether their first concern should be their sport or whether they’re there for the good of [the organisation]. I mean, we can say right now in this room you guys need to be concerned with [the organisation], but that’s not...it’s not something people can necessarily easily do.

This constituted another significant accountability tension that the board collectively struggled to deal with. Fundamentally, the norm of seeking the ‘federation view’ in meetings reinforced the tension between the broader constructions of accountability

discussed earlier, i.e. to the *focal organisation's* vision and mission, on the one hand, and to the *federations*, on the other. And while the chair, the other independent directors and the CEOs generally constructed accountability in the first way, they nevertheless found it difficult to avoid the well-entrenched practice of seeking the 'federation view' in meetings, subverting their own attempts to enact the broader sense of accountability (to vision and mission) they constructed. The federation directors themselves noted this contradiction. As one said in his interview, 'Sometimes, it feels like people talk about the independents and the [federation] reps, rather than just talk about board members. So there's a sort of divide...it's not on purpose, you know what I mean? But people refer to us as that.'

Summary of the case

So, as the narrative explains, a number of inter-related processes concerning accountability occurred during our period of research. First, the very high level of financial dependence on one main funder meant that the board had to spend a great deal of time enacting upward, instrumental accountability to the funder. This triggered certain accountability tensions within the organisation. In order to try to manage these tensions, board members, led by the chair, sought to construct a broader sense of lateral and downward accountability. While it seemed initially that all board members were constructing a similar form of accountability to 'the sports', closer observation suggested that different groups of board members were constructing this in subtly divergent ways. This, in turn, created further accountability tensions. The board also sought to enact these more expressive forms of accountability, alongside the upward, instrumental accountability they clearly enacted to the main funder. However, there

were a number of issues that hampered, or subverted, their attempts to do so.

Fundamentally, this left the board continually constructing, but struggling to enact, a broader sense of accountability.

Theoretical implications

The findings discussed above have a number of theoretical implications. First, they provide empirical support for theoretical accounts that stress multiple types of accountability (e.g., Christensen & Ebrahim, 2006; Ebrahim, 2003; Edwards & Hulme, 1996; Kearns, 1994; Knutsen & Brower, 2010). Board members in the case study organisation clearly enacted upward accountability to the main funder instrumentally, through writing and submitting funding bid documents, monitoring and reporting progress, and so on. However, they also constructed and sought to enact other types of more expressive downward and lateral accountability.

Second, the findings show how processes of constructing accountability can differ subtly and, moreover, how people can ‘use’ different constructions of accountability. As discussed, board members all made regular appeals to ‘the sports’, which at first glance appeared to be expressions of what Knutsen and Brower (2010) term ‘expressive accountability to the community’. However, close analysis revealed that some board members used such appeals to emphasise accountability to the federations – something much closer to what Knutsen and Brower (2010) term ‘expressive accountability to patrons’, who ‘can be part of the community, but...are more narrowly specified and direct beneficiaries of the organization’s services and activities’ (p. 600). On the other hand, others used such appeals to emphasise the

accountability the focal organisation ought to enact towards its wider vision and mission – something closer to what Knutsen and Brower (2010) term ‘expressive accountability to organisational mission’ (p. 599). In sum, then, while these particular findings lend basic support to Knutsen and Brower’s (2010) typology of expressive accountability – to (i) the community, (ii) organisational mission and (iii) patrons – they suggest that, in practice, the second and third types are more specific ‘forms’ of the first.

The third main implication concerns the challenges involved in enacting expressive accountability. Previous research has noted that it can be difficult to enact expressive, or downward, accountability when an organisation has a dominant funder that imposes strong performance metrics (Christensen & Ebrahim, 2006; Knutsen & Brower, 2010). Our findings extend this discussion by identifying the specific issues board members face and examining how they seek to negotiate them. Two issues are particularly noteworthy here. First, when board members sought to develop a vision and mission for the organisation that could act as a counter-weight to the narrow, upward accountability they enacted to the main funder, they actually framed their discussions by reference to what they knew, or presumed, the main funder would sanction. Current research suggests that non-profit organisations primarily enact upward accountability through ‘tools’ such as disclosure statements, reports and performance assessments and that ‘processes’ (e.g. participation and adaptive learning), where they occur, tend to underpin downward and/or lateral accountability (Ebrahim, 2010). While our study supported this, the findings also indicate that board members can enact upward accountability in a more intangible, processual way by ‘involving the funder’ as a kind of ‘absent-but-crucial’ participant in board

discussions and decision-making processes by anticipating what the funder would want or allow. Second, when board members sought to enact downward accountability by regularly asking for the ‘federation view’ from federation directors, they exacerbated the tension between the different forms of downward and lateral accountability that different groups of board members constructed.

The fourth main implication concerns the multi-theoretical nature of non-profit governance. In examining how board members constructed and sought to enact accountability, our analysis focused on the micro-processes of interaction within board meetings. This revealed that accountability was constructed and enacted through: (i) board members questioning and challenging the CEOs; (ii) board members (especially the independents) supporting and advising the CEOs; and (iii) board members and the CEOs collectively discussing issues and exchanging expert opinions. The first of these micro-processes reflects an agency conception of accountability, whereas the second and third reflect a stewardship conception. As the narrative above showed, while there was some evidence of the first, the second and third were much more common. This is interesting, because it illustrates the multi-level nature of accountability processes. As noted, the main way in which the organisation enacted accountability was upward to the main funder – an agency conception of accountability, with a ‘funder-as-principal-and-organisation-as-agent’ relationship. But this did not necessarily entail a ‘board-as-principal-and-management-as-agent’ relationship. Instead, as noted, the board performed a predominantly stewardship role. This indicates not only that accountability is a *multi-level* phenomenon, but also that understanding accountability (and governance more broadly) requires a *multi-theoretical* perspective (c.f. Cornforth, 2012). In this regard,

it is also interesting to consider the way in which key funding bodies are themselves accountable – most often, to governments – and how this, in turn, affects processes of accountability. Such a discussion was beyond the scope of this article, but Houlihan and Green (2009), for example, provide an interesting analysis of the way Sport England has to demonstrate accountability to the Government and how this shapes networks of relationships within the UK non-profit sport sector.

Methodological implications

The research also has a number of important methodological implications. First, quite simply, it illustrates the importance of directly observing micro-processes of interaction (i.e. questioning, supporting, advising, discussing, and so on), as this allows for a better understanding of how accountability is actually constructed and enacted in ongoing board behaviour. Second, it demonstrates how important it is to pay close attention to ‘governance talk’. The in-depth, interpretive approach, based on repeated observation *over time*, allowed us to tease apart the different meanings that board members attached to identical rhetorical appeals. While typologies provide useful frameworks for thinking about accountability, they, by their very nature, de-emphasise the ambiguity inherent in ongoing processes of social construction. Close observation of board behaviour sensitises us to that ambiguity and allows us to understand how that ambiguity can shape how and why organisations enact (or do not enact) accountability to certain groups.

Third, and related, the research demonstrated the importance of exploring the differences between what people say and what they do. In our study, this relates to the

discernible differences between how people construct and enact various types of accountability and, even more specifically, between what people say they do to enact accountability and what they do (or do not do) in practice. Previous interpretive studies examining accountability (e.g. Coule, 2015; Roberts et al., 2005) have often drawn heavily on interview data. While they have provided valuable insight, some of the authors themselves have acknowledged ‘the partial and interested nature of the rationalizations offered by directors of their experiences and conduct within boards’ (Roberts et al., 2005: S20). While we strongly support the methodological calls for more in-depth interviews with board members, we also call for observational approaches that allow a deep insight into board behaviour and the opportunity to triangulate, or ‘crystallise’ (Richardson, 1994) research findings.

The fourth and final methodological implication is broader and encompasses each of those above. It is that we need to adopt a more ‘processual’ approach to research on non-profit governance. Governance is, first and foremost, a set of dynamic processes. This means: (i) that governance needs to be *conceptualised* from a process perspective; and (ii) that it needs to be *empirically examined* through processual analysis. ‘Process research’ is becoming much more common in a number of sub-fields within organisation studies, such as strategy, leadership and organisational change (c.f. Langley, 2009; Pettigrew, 1997), but it is still rare in governance. We argue that governance researchers need to embrace the philosophical insights and methodological tools of process research and apply them, where relevant, to their own objects of inquiry. It is time to get closer to the action.

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Table 1. Data sources

Observations	Interviews	Documents
(14 full meetings)	(11 interviews)	(39 key documents)
2 Annual General Meetings	Joint CEO (separate)	7 Board agendas (November 2011 – November 2012)
6 Board Meetings	Chair	7 Sets of board minutes
4 Governance Committee Meetings	3 Independent directors 2 Federation directors	(November 2011 – November 2012)
1 Finance Committee Meeting	Committee member Senior staff member	10 Sets of committee minutes (November 2011 – November 2012)
1 Development and Strategy Committee Meeting	Joint CEOs (together)	4 Committee reports 7 Annual accounts (2008 – 2014) 2 Whole Sport Plans (2009-13 and 2013-17) 2 Balanced Scorecards

Figure 1. Timeline of the organisation and periods of research

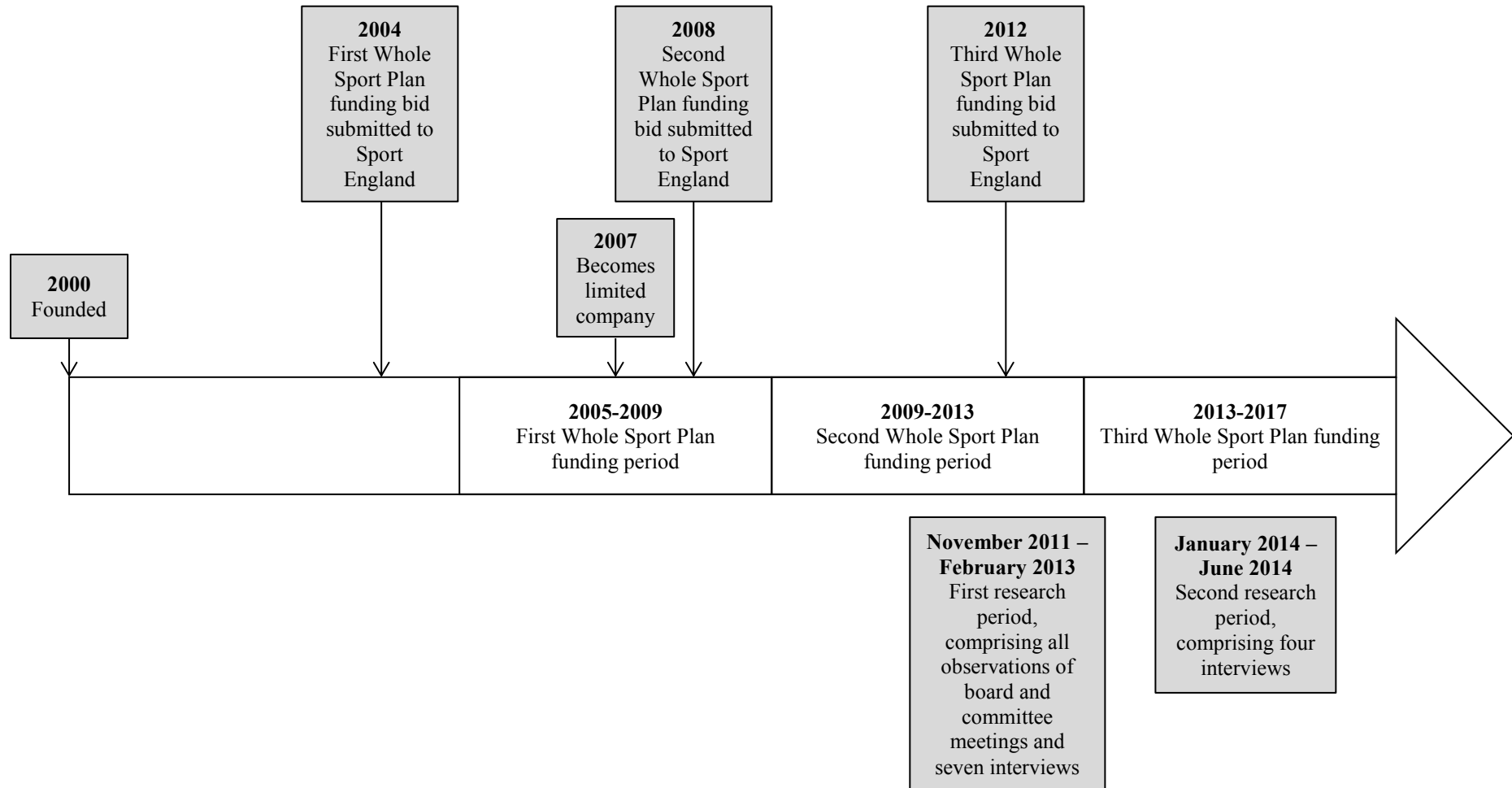


Figure 2. Timeline of the observations

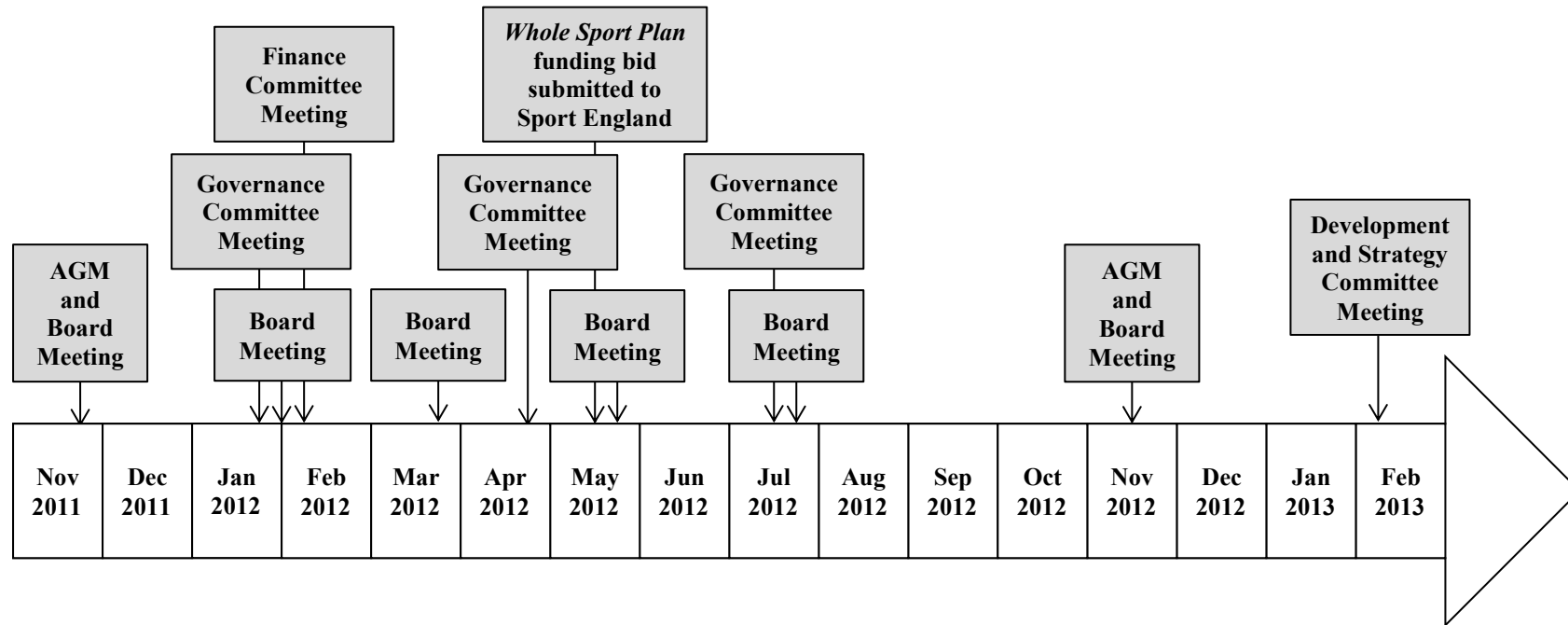


Figure 3. Coding scheme

