

TOWARDS STRONGER ACCOUNTABILITY: GOVERNANCE DIMENSIONS IN WESTERN BALKAN NGOS

Shqipdona Hashani Siqani¹, Arbana Sahiti Ramushi²

Abstract. This study explores how the key governance dimensions of transparency, legitimacy and effectiveness influence the level and quality of accountability within non-governmental organisations (NGOs) operating across the Western Balkans. The research focuses on the internal governance mechanisms that determine how NGOs maintain ethical conduct, operational credibility and public trust in a region characterised by institutional transitions and donor dependency. By examining how these dimensions interact, the study aims to provide a deeper understanding of the governance structures that strengthen accountability and contribute to more responsible organisational performance. This study aims to identify the governance factor with the greatest impact on accountability and to explain the interrelationships among the three factors. To this end, a structured analytical framework combining quantitative and qualitative methods was employed. A variety of statistical techniques were employed in the analysis, including descriptive statistics, correlation, ANOVA, linear and logistic regression, mediation and cluster analyses. This comprehensive methodological approach enabled an in-depth examination of the direct and indirect effects between governance dimensions and accountability, ensuring empirical robustness and analytical clarity. The results confirm that legitimacy and effectiveness are the most influential determinants of accountability, while transparency has a significant, albeit mostly indirect, impact. Regression analyses indicate that higher levels of organisational effectiveness and legitimacy are strongly associated with greater accountability. Transparency enhances these dimensions and indirectly reinforces accountability. Further mediation analysis demonstrates that transparency influences accountability positively through its impact on legitimacy and effectiveness. Cluster analysis revealed different patterns of governance maturity, showing that NGOs with stronger internal governance systems consistently achieve higher accountability outcomes. In conclusion, accountability in NGOs is a multidimensional and dynamic concept influenced by interconnected governance mechanisms. Strengthening legitimacy through ethical practices, improving effectiveness through measurable results and embedding transparency as an integral management principle are all key to sustaining credibility and public trust. These findings provide valuable insights for NGO leaders, policymakers and donors who wish to improve the quality of governance and ensure that non-profit organisations in the Western Balkans are more transparent, legitimate and effective.

Keywords: NGOs, accountability, transparency, legitimacy, effectiveness.

JEL Classification: L31, M41, M42, H83

1. Introduction

Non-governmental organisations (NGOs) have emerged as powerful and indispensable actors in shaping modern societies. By delivering essential services, advancing human rights and promoting democratic governance, NGOs operate at the intersection of public interest and institutional voids. Their agility, grassroots engagement and advocacy capacity enable them to address issues that are often beyond the remit of traditional government structures. Consequently, NGOs have gained significant influence in national

and international policymaking and local development initiatives.

This expanded role has been shown to engender heightened scrutiny and an escalating demand for accountability (Agyemang, O'Dwyer, & Unerman, 2019). In an environment characterised by limited resources and complex stakeholder expectations, NGOs are expected not only to act ethically and within legal frameworks, but also to demonstrate full transparency in decision-making and measurable effectiveness in achieving their goals (Agyemang,

¹ University of Prishtina, Republic of Kosovo

E-mail: shqipdona.hashani@uni-pr.edu

ORCID: <https://orcid.org/0000-0001-9807-0469>

² University of Prishtina, Republic of Kosovo (*corresponding author*)

E-mail: arbana.sahiti@uni-pr.edu

ORCID: <https://orcid.org/0000-0002-9669-5913>



This is an Open Access article, distributed under the terms of the Creative Commons Attribution CC BY 4.0

O'Dwyer, Unerman, & Awumbila, 2017). In this context, the concept of accountability encompasses more than mere legal compliance, but rather extends to a broader responsibility towards various stakeholders, including donors, beneficiaries, partners, and the general public. In recent years, there has been an increasing focus on accountability in the context of natural crises (Perkiss, & Moerman, 2020).

The concept of NGO accountability is influenced by the diverse definitions of NGOs and the nature of their activities. These factors, in turn, impact the conceptualisation and practical application of accountability (Kaba, 2021).

Accountability is intrinsically linked to credibility, self-assessment and transparency. These are all essential for enhancing the performance and achievements of NGOs, as well as for upholding the principles of good governance. This is because they have a significant influence on public trust (Kuruppu & Lodhia, 2020; Ang & Wickramasinghe, 2023).

In order to comprehend and evaluate accountability, it is imperative to scrutinise the internal governance mechanisms that govern NGO operations. Three dimensions are of particular significance: transparency, which ensures access to accurate, timely, and relevant information regarding decisions and operations; legitimacy, which refers to the organisation's moral and legal standing, public trust, and alignment with community values; and effectiveness, which measures the extent to which an organisation accomplishes its objectives and sustains long-term impact. It is important to note that these dimensions do not function independently; rather, they influence one another and collectively form the backbone of robust organisational governance (Yasmin, & Ghafran, 2021; Howell, & Fisher-Shang, 2019; Mabillard, & Zumofen, 2018).

In practice, the enhancement of these dimensions has been shown to have a significant impact on the capacity of NGOs to fulfil their mission, secure long-term funding, and maintain public trust (Girei, 2023). A transparent NGO fosters collaboration and external oversight; a legitimate one aligns with community needs and values; and an effective one delivers visible and measurable change. The combination of these elements has been demonstrated to enhance internal management, positively impact public perception, and facilitate the establishment of long-term partnerships.

These issues are especially critical in the context of the Western Balkans, a region characterised by political transitions, economic uncertainty, and a legacy of conflict (Fagan, 2015). In this environment, NGOs have played a vital role in rebuilding social cohesion, advocating for marginalised groups, and promoting institutional reform. However, NGOs in the Western Balkans also face specific challenges, including donor dependency, restrictive legal frameworks and political pressures. This study explores the influence

of transparency, legitimacy, and effectiveness on NGO accountability across the Western Balkans. By doing so, it provides practical recommendations for strengthening governance structures to ensure that NGOs can remain credible, impactful and resilient in a rapidly evolving environment.

2. Literature Review

Non-governmental organisations (NGOs) are playing an increasingly central role in economic and social development, providing basic services, protecting human rights and representing marginalised groups (Banks, Hulme, & Edwards, 2015). By operating in areas where states are weak or absent, NGOs help to fill social gaps and improve community well-being. In these contexts, they often provide essential services that would typically be the responsibility of the public sector (Dees, 2008). NGOs also provide direct services, contribute to legal and policy formulation, and engage in gathering evidence and providing input to various institutions and organisations (Garciandia, 2023). They serve as the grassroots voice of civil society, advocating for its concerns to local and international government bodies. The primary functions commonly associated with NGOs include the provision of welfare services, the offering of educational initiatives, and the engagement in advocacy for public policy (Brown, & Moore, 2001). NGOs pursue a wide range of objectives and employ diverse approaches to influence social goals such as poverty reduction, community development, sustainability, and health and social care (Tilt, 2007). Non-governmental organisations (NGOs) are tasked with the responsibility of demonstrating efficiency in the utilisation of resources, accountability, and transparency in pursuit of their mission. The elevation of accountability to donors, target demographics and the community necessitates adherence to legal and regulatory obligations, coupled with the adoption of best practices in accountability.

In the context of the expanding influence of the NGO sector, the issue of NGO accountability has emerged as a significant area of concern (Chene, 2009). Accountability is defined as the responsibility to justify decisions and actions, involving the transfer of authority from one party (the principal) to another (the agent) to act on their behalf (Barton, 2006).

Accountability is one of the most widely discussed topics in NGO literature. It encompasses the moral and legal obligation to be accountable for actions and decisions taken (Edwards & Hulme, 1996). NGOs are accountable to donors, direct beneficiaries, staff and the communities in which they operate. This accountability involves articulating goals and objectives or attaining specified performance standards, alongside transparent decision-making processes, relationships

and truthful reporting on resource utilisation and outcomes achieved. It functions as an evaluative framework, thereby enabling oversight authorities to assess the adequacy of results, supported by tangible mechanisms for holding responsible parties accountable for performance (Edwards, & Hulme, 1996). Nevertheless, in order to ensure accountability and transparency, it is incumbent upon NGOs to develop standards and practices that are indispensable for safeguarding the trust of the public and donors (Ebrahim, 2019). Furthermore, it is evident that perceptions and practices concerning accountability not only establish the primary beneficiaries of an NGO's obligations but also exert a significant influence on NGO conduct, thereby modifying the organisation's reliance on donors. Consequently, accountability is not merely an outcome of a connection but rather a fundamental component of that connection (Abou Assi, & Trent, 2015). Accountability can be defined as "the duty to provide an account (by no means necessarily a financial account) or reckoning of those actions for which one is held responsible. The challenges surrounding accountability encompass difficulties in formal financial reporting, auditing, and disclosures, primarily targeting regulatory bodies. Moreover, these challenges are inextricably linked to the overarching mission or social purpose of NGOs (Cordery, et al., 2019; Kemp, & Morgan, 2019; McDonnell, & Rutherford, 2019; Denedo et al., 2019; Goncharenko, 2019; Yates et al., 2019). It has been observed that donors exert a direct influence on NGOs by controlling vital resources, thus prompting the adoption of more effective accounting and accountability measures (Uddin, & Belal, 2019). Ebrahim (2019) emphasises that there are two forms of accountability: upward accountability towards donors and international partners, and downward accountability towards beneficiaries and the local community. The concept of internal accountability pertains to responsibility held within a group, while external accountability refers to responsibility held in relation to external parties. The term "vertical accountability" is used to denote forms of accountability that are hierarchical in nature. In contrast, the term 'horizontal accountability' is used to denote forms of accountability that are non-hierarchical in nature. Furthermore, the distinction is made between objective accountability, which is defined as a formal requirement to account commensurate with assigned responsibilities, and subjective accountability, which is voluntary and reflects the moral character and personal standards of administrators.

Accountability can be defined in various ways, such as through transparency, responsiveness, ethical conduct, legitimacy and regulation. These concepts apply to a range of entities, including governments, communities, corporations, NGOs and other

organisations. Together, they provide a comprehensive understanding and assessment of accountability in different contexts.

Transparency has been identified as a significant tool for the enhancement of accountability and the establishment of a relationship of trust between NGOs and external actors (Prakash, & Gugerty, 2010). NGOs that disseminate information regarding their activities, finances, and outcomes are more likely to enhance their reputation and secure continuous financial backing (Burger, & Owens, 2010). Conversely, an absence of transparency can give rise to perceptions of corruption or misuse of funds (Benjamin, 2013).

The legitimacy of NGOs is a pivotal factor in determining their influence and sustainability. The concept under discussion pertains to the manner in which societal actors and donors regard NGOs as legitimate and trustworthy entities that serve as effective advocates for community interests (Brown, & Jagadananda, 2007). According to Gugerty (2009), legitimacy may be derived from a variety of sources, including compliance with legal frameworks, adherence to ethical standards, tangible achievements on the ground, and the endorsement of the local community. The concept of legitimacy in the context of NGOs is multifaceted, involving a combination of self-regulation and a fundamental level of legal oversight. This approach is increasingly recognised as the most effective method of ensuring accountability, particularly in view of the intricate nature of such organisations. The effectiveness of NGOs is defined as the ability to achieve the intended objectives and impact with the resources available. The effectiveness of such measures is influenced by a number of factors, including organisational capacity, staff qualifications, financial management, and the monitoring of measurable results (Banks, Hulme, & Edwards, 2015). As Benjamin (2013) emphasises, outcome measurement and periodic reporting are pivotal instruments for enhancing effectiveness and demonstrating the added value of NGOs. The performance of NGOs is defined by the effectiveness and efficiency of their activities, programs, and services in achieving their intended goals and generating a positive impact on the communities they serve. This encompasses both the quality and quantity of services provided, as well as the overall outcomes and results achieved by the organisation (Jordan, 2005).

Recent studies have emphasised the expanding role of digitalisation in NGO operations. Garmaise and Katz (2022) posit that the adoption of novel technologies has the potential to enhance transparency and community engagement. However, this process is not without its challenges, which include a paucity of technological infrastructure, inadequate digital capacity among staff members, and data security risks. Cordery et al. (2023) posit that an examination of

the extant accounting literature pertaining to NGO performance, governance, and accountability within the framework of digital transformation has revealed that, in the context of emerging economies, the realisation of technology's transformative potential poses even greater challenges due to power imbalances among NGOs, donors, and beneficiaries. These challenges are more pronounced in developing countries and regions with limited resources.

The context of the Western Balkans poses unique challenges for NGOs due to its history of conflict, political transition and issues surrounding democratic governance. According to Fagan (2015), NGOs in this region frequently encounter a lack of managerial capacity, heavy reliance on international funding and a political climate that is occasionally hostile towards civil society. Strengthening accountability mechanisms and establishing clear standards for transparency and legitimacy is therefore essential. Overall, the literature clearly emphasises that accountability, transparency, legitimacy and effectiveness are interdependent and form the foundation on which NGOs can function sustainably and successfully. NGOs can only maintain the trust of donors and communities, and ensure long-term impact, by improving these aspects (Banks, Hulme, & Edwards, 2015).

3. Methodology

The primary objective of the analysis is to explore the extent to which these governance dimensions influence accountability levels within NGOs and how they interact, both directly and indirectly. Data were collected from 150 NGO employees via a structured questionnaire using a five-point Likert scale (ranging from 1 = very poor to 5 = very good). Complementary qualitative insights were also gathered to support the interpretation of the quantitative findings and to ensure contextual understanding.

A wide range of statistical methods was employed, including descriptive statistics, Pearson's correlation coefficient, linear and logistic regression, analysis of variance (ANOVA), mediation analysis and cluster analysis. This methodological framework evaluates the direct influence of governance variables on accountability and reveals the structural mechanisms underlying these relationships. Ultimately, it provides a robust, evidence-based foundation for improving internal governance practices and strengthening accountability in the non-profit sector. The following sections present these analyses in greater detail.

The analysis began with a Variance Inflation Factor (VIF) analysis, which confirmed that multicollinearity was not a concern among the independent variables. All VIF values fall well below the critical threshold of 5, indicating that transparency, legitimacy, and

effectiveness do not exhibit problematic overlap. Specifically, the VIF values were 1.25 for transparency, 1.55 for legitimacy, and 1.51 for effectiveness, indicating that the independent variables do not significantly overlap. These results support the statistical validity

of the regression analysis and indicate that each governance dimension independently contributes to explaining accountability. This statistical independence enables all three variables to be reliably included in the same regression model without distorting their individual effects.

The analysis proceeded with an analysis of variance (ANOVA) test, which was used to examine whether there were statistically significant differences in accountability means in relation to the dimensions of transparency, legitimacy, and effectiveness. This analysis enabled the identification of the impact of each of these independent variables on the perceived level of accountability, thereby providing a more nuanced understanding of the relationships between governance and responsibility within NGOs in the Western Balkans.

Table 1
ANOVA – The relationship between dependent and independent variables

Source	Sum of squares	df	F	p-value
Transparency	0.644	1	6.787	0.010
Legitimacy	0.970	1	10.233	0.002
Effectiveness	6.715	1	70.819	0.000
Residual	3.845	146		

Source: compiled and interpreted by the authors

The results of the analysis of variance (ANOVA) demonstrate that all three independent variables: The findings of this study demonstrate that transparency, legitimacy, and effectiveness have a statistically significant impact on the linear regression model predicting accountability. The most significant predictor was identified as effectiveness ($F = 70.819$, $p < 0.001$), followed by legitimacy ($F = 10.233$, $p = 0.002$) and transparency ($F = 6.787$, $p = 0.010$). The model was estimated using the full dataset, with no missing data, and with 146 residual degrees of freedom. The R value of 0.728 indicates a strong overall linear relationship, and the model explains 53% of the variance in Accountability ($R^2 = 0.530$; Adjusted $R^2 = 0.520$), validating the relevance of the selected predictors.

The analysis proceeded with the implementation of linear and logistic regression in order to examine the impact of transparency, legitimacy, and effectiveness on the perceived level of accountability in non-governmental organisations. The linear regression model was utilised to ascertain the relationship and

explanatory power of the independent variables on accountability as a continuous variable. In contrast, the logistic regression model appraised the likelihood of high accountability levels based on governance factors. The findings of both models indicated that transparency, legitimacy, and effectiveness are strong and statistically significant predictors of accountability, thereby emphasising their essential role in the management and credibility of NGOs in the Western Balkans.

Table 2
Linear regression – The relationship between dependent and independent variables

Variable	B	Std. error	Beta	t-value	p-value
Constant	-1.473	0.512	-	-2.875	0.005
Transparency	0.262	0.100	0.165	2.605	0.010
Legitimacy	0.309	0.097	0.226	3.199	0.002
Effectiveness	0.725	0.086	0.587	8.415	0.000

Source: compiled and interpreted by the authors

The findings of the linear regression analysis indicate that all three predictors: The statistical significance of Transparency, Legitimacy, and Effectiveness on Accountability ($p < 0.05$) confirms the validity of their inclusion in the model. The analysis indicates that effectiveness is the strongest predictor, with a standardized Beta of 0.587 and an unstandardized B coefficient of 0.725. This finding suggests that greater operational performance strongly enhances accountability. The findings indicate that legitimacy exerts a substantial and positive influence (Beta = 0.226), while transparency demonstrates a less pronounced yet nevertheless significant contribution (Beta = 0.165). The findings emphasise the differentiated roles each factor plays in shaping accountability among NGOs.

The results of the logistic regression analysis indicate that the likelihood of an NGO demonstrating high accountability (i.e., a mean score \geq mean) is significantly influenced by the independent variables. The most robust and statistically significant predictor is effectiveness ($B = 4.370$, $p < 0.001$), followed by legitimacy ($B = 3.236$, $p = 0.002$). These two factors contribute significantly to enhanced accountability. Conversely, the analysis of transparency yielded a marginal effect ($p = 0.064$), suggesting a potential influence that merits further investigation. The model as a whole corroborates the significance of internal performance and legitimacy in predicting accountability levels.

The subsequent stage of the analysis entailed conducting a correlation to evaluate the strength and direction of the relationships between the key variables of transparency, legitimacy, effectiveness, and accountability. The present analysis revealed strong and statistically significant correlations between the governance dimensions and the level of organisational accountability. The findings of the present study indicate that heightened transparency, legitimacy, and effectiveness are closely associated with increased accountability in NGOs operating within the Western Balkans.

The Pearson correlation analysis reveals distinct relationships between the study variables. The present study demonstrates a strong and positive correlation between accountability and both effectiveness ($r = 0.66$) and legitimacy ($r = 0.55$), thus indicating their close association. However, the correlation between transparency and accountability ($r = 0.10$) is found to be negligible, thereby indicating a limited direct influence. A notable negative correlation exists between transparency and effectiveness ($r = -0.20$), which may warrant further examination in the context of organisational dynamics.

Table 3
Logistic regression – The relationship between dependent and independent variables

Variable	Coef.	Std. error	z-value	p-value	95% CI Lower	Upper
Constant	-38.537	8.054	-4.785	0.000	-54.323	-22.750
Transparency	2.232	1.205	1.852	0.064	-0.130	4.593
Legitimacy	3.236	1.036	3.122	0.002	1.205	5.267
Effectiveness	4.370	0.979	4.462	0.000	2.450	6.289

Source: compiled and interpreted by the authors

Table 4
Correlation – The relationship between dependent and independent variables

	Accountability	Transparency	Legitimacy	Effectiveness
Accountability	1.000	0.106	0.548	0.662
Transparency	0.106	1.000	0.256	-0.199
Legitimacy	0.548	0.256	1.000	0.477
Effectiveness	0.662	-0.199	0.477	1.000

Source: compiled and interpreted by the authors

In addition, to further refine the analysis and enhance the comprehension of the mechanisms through which governance dimensions influence accountability, a mediation analysis was conducted in accordance with the classical approach developed by Baron and Kenny. This approach involves a sequence of regression steps designed to test for indirect effects between variables. The analysis facilitated the identification of the mediating role that, for instance, effectiveness may play between transparency and accountability.

Furthermore, a cluster analysis was performed in order to group NGOs based on similarities in their perceptions of transparency, legitimacy, effectiveness, and accountability. This enabled the classification of organisations into homogeneous groups and provided a more nuanced view of organisational behaviour patterns related to governance and responsibility, revealing distinct typologies of organisational approaches within the Western Balkans region.

In the mediation effects analysis, the process was initiated by testing the total effect of transparency on accountability, in order to evaluate whether a direct relationship exists between these two variables. The subsequent analysis examined whether transparency influences the mediating variables of legitimacy and effectiveness, confirming whether they can serve as linking mechanisms in this relationship. In the subsequent stage of the investigation, the impact of legitimacy and effectiveness on accountability was evaluated, whilst simultaneously controlling for the direct effect of transparency. Finally, the study evaluated the hypothesis that the presence of the mediators would reduce the direct influence of transparency on accountability, indicating the existence of either a partial or full mediation effect.

Table 5
Mediation effects analysis – The relationship between dependent and independent variables

Model	Coefficients	p-value
Transparency → Accountability (total effect)	0.168	0.196
Transparency → Legitimacy	0.296	0.002
Transparency → Effectiveness	-0.255	0.015
Transparency → Accountability (with mediators)	0.262	0.010
Legitimacy → Accountability	0.309	0.002
Effectiveness → Accountability	0.725	0.000

Source: compiled and interpreted by the authors

The results of this procedure reveal a notable mediation effect. Although transparency did not initially demonstrate a statistically significant direct impact on accountability ($p = 0.196$), it had a significant influence on both legitimacy ($p = 0.002$) and effectiveness ($p = 0.015$). In turn, these mediators exerted a strong

effect on accountability, and when they were included in the model, transparency's effect became statistically significant ($p = 0.010$). This confirms the indirect influence of transparency on accountability, which operates through key internal mechanisms such as organisational performance and legitimacy.

Table 6

Cluster analysis – The relationship between dependent and independent variables

Cluster	Transparency	Legitimacy	Effectiveness	Accountability
0	4.44	4.11	3.37	3.39
1	4.12	4.22	4.03	3.87
2	4.14	3.49	3.47	3.18

Source: compiled and interpreted by the authors

The cluster analysis identified three distinct organisational profiles based on levels of transparency, legitimacy, and effectiveness. Cluster 1 was the strongest group, exhibiting the highest levels of effectiveness (4.03) and accountability (3.87). Cluster 0 demonstrated the highest transparency (4.44), but showed relatively lower effectiveness. By contrast, Cluster 2 was the weakest group, with the lowest levels of legitimacy, effectiveness, and accountability (3.18). These findings emphasise the diversity among NGOs and imply that internal organisational performance is pivotal in determining accountability outcomes.

4. Results and Discussion

Non-Governmental Organizations (NGOs) in the Western Balkans have evolved steadily since the early 1990s, progressing through distinct phases shaped by the region's shifting political, social and economic conditions. During this period, NGOs expanded rapidly in response to post-conflict reconstruction, humanitarian crises and the need for democratisation. Their institutional strengthening was heavily supported by international donors, whose financial backing and strategic priorities played a pivotal role in shaping the landscape of civil society. Although donors promote unified standards of transparency and accountability, they adjust their specific requirements to the national legal, administrative and political contexts of each country. Consequently, NGOs must operate under dual accountability structures, meeting both national regulatory obligations and donor-specific expectations.

This study takes a methodological approach that reflects the multifaceted nature of the environment, based on primary quantitative and qualitative data. To examine the relationship between organisational governance and accountability in NGOs, an integrated statistical model was developed. This model focuses on three key dimensions of internal governance: transparency, legitimacy and effectiveness. These are

treated as independent variables, with accountability as the dependent variable.

The statistical analysis confirms that effectiveness and legitimacy are the most significant predictors of accountability in NGOs, as shown consistently across ANOVA, linear and logistic regression models. Although transparency had a weaker direct effect, its indirect influence through legitimacy and effectiveness was validated via mediation analysis. The mediating effect of legitimacy and effectiveness in this relationship further illustrates the interconnectedness of these dimensions and the need for a holistic governance approach. The correlation results reinforced the strength of these relationships, with effectiveness showing the strongest association with accountability. Notably, the statistical evidence affirms that accountability is driven by the convergence of multiple, mutually reinforcing governance factors, rather than by one-dimensional inputs. Consequently, linear and logistic regression, as well as mediation analyses, consistently demonstrated that effectiveness and legitimacy influence perception and performance, while transparency acts as a structural enabler. This triadic interaction shows that the quality of internal processes is just as important as external reporting. Thus, accountability becomes a reflection of internal strength and an indication of external trustworthiness.

The application of cluster analysis revealed distinct organisational profiles, with high-performance groups demonstrating higher levels of accountability. The data-driven evidence indicates that internal governance variables interact in complex ways, emphasising the necessity for integrated approaches to accountability.

5. Conclusions

The present study offers a multidimensional understanding of accountability within non-governmental organisations (NGOs) in the Western Balkans, shedding light on the internal governance dynamics that shape their credibility and long-term effectiveness. NGOs in the region are increasingly expected to uphold the highest standards of responsibility, transparency, and impact, as evidenced by their positioning at the forefront of democratic transformation, social service delivery, and civic engagement. Consequently, accountability is not merely a technical requirement, but rather a strategic imperative that defines the integrity, sustainability, and public trustworthiness of an organisation.

The findings from this research demonstrate unequivocally that legitimacy and effectiveness are the most decisive factors influencing the level of accountability. Organisations that exhibit a strong connection to their mission, operate with ethical consistency, and demonstrate capacity in achieving results are far more likely to be perceived as accountable by both donors and beneficiaries. Transparency, although less dominant in its direct influence, plays a foundational role by reinforcing both legitimacy and operational strength, thus confirming its critical function as a conduit for trust and information flow.

In regions such as the Western Balkans, where NGOs operate within diverse political, legal, and donor frameworks, adaptability, strategic planning, and ethical alignment become key factors in maintaining relevance and effectiveness.

In order to move forward, NGOs must comply with external donor requirements and internalise accountability as a core value embedded in their daily operations. Building lasting public trust requires strengthening legitimacy through legal alignment, ethical practices, and stakeholder inclusion. At the same time, enhancing effectiveness through clear objectives, data-informed decision-making and impact evaluation ensures that organisational missions are realised meaningfully. Transparency must become a practice that supports internal reflection, promotes informed engagement, and facilitates learning, rather than just being an obligation.

It is therefore vital for NGOs to strengthen and integrate the three dimensions of transparency, legitimacy and effectiveness if they are to improve their ability to navigate complex environments, respond effectively to community needs and build lasting partnerships with donors and institutions. This study serves to reinforce the notion that accountability is not a static entity, but rather an evolving process, contingent on the presence of robust governance frameworks, ethical leadership, and a steadfast commitment to achieving meaningful outcomes. As NGOs in the Western Balkans continue to develop, their capacity to align these principles will influence not only their organisational success but also their contribution to the establishment of more democratic, inclusive, and accountable societies.

Conflict of Interest: The authors declare no conflict of interest.

Ethical Approval: This study does not involve any human or animal participants directly.

References:

Abou Assi, K., & Trent, D. (2015). *NGO Accountability from an NGO Perspective: Their Perceptions, Strategies, and Practices (Program on Governance and Local Development Working Paper No. 4)*. The Program on Governance and Local Development.

Agyemang, G., O'Dwyer, B., & Uneman, J. (2019). NGO accountability: retrospective and prospective academic contributions. *Accounting, Auditing & Accountability Journal*, 32(8), 2353–2366.

Agyemang, G., O'Dwyer, B., Uneman, J., & Awumbila, M. (2017). Seeking “conversations for accountability”: Mediating the impact of non-governmental organization (NGO) upward accountability processes. *Accounting, Auditing and Accountability Journal*, 30(5), 982–1007.

Ang, N., & Wickramasinghe, D. (2023). Problematizing downward accountability: The role of internal stakeholders in NGOs. *Accounting, Auditing & Accountability Journal*, 36(7), 1864–1890.

Banks, N., Hulme, D., & Edwards, M. (2015). NGOs, states, and donors revisited: Still too close for comfort? *World Development*, 66, 707–718.

Barton, A. (2006). Public sector accountability and commercial-in-confidence outsourcing contracts. *Accounting, Auditing & Accountability Journal*.

Benjamin, L. M. (2013). The potential of outcome measurement for strengthening nonprofits' accountability to beneficiaries. *Nonprofit and Voluntary Sector Quarterly*, 42(6), 1224–1244.

Brown, D.L. & Moore, M.H. (2001). Accountability, Strategy and International Nongovernmental Organizations. *Nonprofit and Voluntary Sector Quarterly*, 30(No.3.), 569–587.

Brown, L. D., & Jagadananda, D. (2007). *Civil society legitimacy and accountability: Issues and challenges*. Hauser Center Working Paper No. 32.

Burger, R., & Owens, T. (2010). Promoting transparency in the NGO sector: Examining the availability and reliability of self-reported data. *World Development*, 38(9), 1263–1277.

C.J. Cordery et al. (2023). NGOs' performance, governance, and accountability in the era of digital transformation. *The British Accounting Review*, 55(5), 1–11.

Chene, M. (2009). *Developing a code of conduct for*. Retrieved from <http://www.u4.no/publications/developing-a-code-of-conduct-for-ngos/>

Cordery, C. J. et al. (2019). International practices, beliefs and values in not-for-profit financial reporting. *Accounting Forum*, 43(1), 16–41.

Dees, M. (2008). The accountability objective of external reporting by public sector organizations. *Paper presented to the 9th biennial CIGAR workshop Tilburg*.

Denedo et al. (2019). Ecological damage, human rights and oil: Local advocacy NGOs dialogic action and alternative accounting practices. *Accounting Forum*(43(1)), 85–112.

Ebrahim, A. (2019). *Measuring social change: Performance and accountability in a complex world*. Stanford University Press.

Edwards, M. & D.Hulme. (1996). "Too Close For Comfort? The impact of Official Aid on Nongovernmental Organizations" in *World Development*. 24.

Edwards, M., & Hulme, D. . (1996). NGO performance and accountability: Introduction and overview. 3–16.

Fagan, A. (2015). *Civil society in the Western Balkans: From mobilization to sustainability?* European Union Institute for Security Studies Report.

Garciandia, R. (2023). Accountability of NGOs: The Potential of Business and Human Rights Frameworks for NGO Due Diligence. *King's Law Journal*(34:3), 524–545. doi:10.1080/09615768.2023.2283235

Garmaise, M. J., & Katz, L. (2022). NGOs in the digital age: Opportunities and challenges for accountability. *Nonprofit Management & Leadership*, 33(1), 45–60.

Girei, E. (2023). Managerialisation, accountability and everyday resistance in the NGO sector: Whose interests matter? . *Critical Perspectives on Accounting*, 92, 102418.

Goncharenko, G. (2019). The accountability of advocacy NGOs: Insights from the online community of practice. *Accounting Forum*(43(1)), 135–160.

Gugerty, M. K. (2009). Signaling virtue: Voluntary accountability programs among nonprofit organizations. *Policy Sciences*, 42(3), 243–273.

Howell, J., & Fisher-Shang, C. (2019). NGOs, accountability and authoritarianism: Legitimacy and performance in China. *Third World Quarterly*, 40(1), 18–36.

Jordan, L. (2005). Mechanisms for NGO Accountability. (G. P. Institute, Ed.)

Kaba, A. (2021). NGO accountability: A conceptual review across the engaged disciplines. *Nonprofit and Voluntary Sector Quarterly*, 50(3), 572–595.

Kemp, J. H., & Morgan, G. G. (2019). Incidence and perceptions of “qualified” accounts filed by small charities. *Accounting Forum*(43(1)), 62–84.

Kuruppu, S., & Lodhia, S. (2020). Sustainability accountability of public sector organizations: A case study from Fiji. *Pacific Accounting Review*, 32(1), 103–123.

Mabillard, V., & Zumofen, R. (2018). The complex relationship between transparency and accountability: A synthesis and contribution to existing frameworks. *Public Policy and Administration*, 33(2), 189–206.

McDonnell, D., & Rutherford, A. C. (2019). Promoting charity accountability: Understanding disclosure of serious incidents. *Accounting Forum*(43(1)), 42–61.

Perkiss, S. & Moerman, L. . (2020). Hurricane Katrina: Exploring justice and fairness as a sociology of common good(s). *Critical Perspectives on Accounting*, 102175, 67–68.

Prakash, A., & Gugerty, M. K. (2010). Trust but verify? Voluntary regulation programs in the nonprofit sector. *Regulation & Governance*, 4, 22–47.

Tilt, C. (2007). NGOs: ISSUES OF ACCOUNTABILITY. *SCHOOL OF COMMERCE RESEARCH PAPER SERIES: 05–7*.

Uddin, M. M., & Belal, A. R. (2019). Donors' influence strategies and beneficiary accountability: An NGO case study. *Accounting Forum*. (43(1)), 113–134.

Yasmin, S., & Ghafran, C. (2021). Accountability and legitimacy of non-profit organisations: Challenging the current status quo and identifying avenues for future research. *Accounting Forum*, 45(1), 78–103.

Yates et al. (2019). The internal accountability dynamic of UK service clubs: Towards (more) intelligent accountability? *Accounting Forum*, (43(1)), 161–192.

Received on: 21th of October, 2025

Accepted on: 28th of November, 2025

Published on: 26th of January, 2026