

On the Role of Local Associations in Industry Self-governance: A Case Study of the Local Civil Engineering and Urban Planning Association

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Abstract: In the field of industry management in our country, industry associations as non-profit organizations are theoretically grassroots organizations spontaneously formed by industry practitioners. However, as the setters of many industry standards and evaluators of awards, national-level industry associations often attract significant attention due to their dominant position within the industry, while the advantages and disadvantages of local associations in operation are easily overlooked. Taking the local construction industry association as an example, this paper analyzes the role of local associations in industry development and the issues they are prone to, and provides the author's suggestions for improvement.

1. Introduction

In the management of industries in our country, industry associations, as non-profit organizations, are theoretically grassroots organizations formed by industry practitioners. They seem a necessary part of Ostrom's self-governance.^[1] However, as the makers of various industry standards and evaluators of awards, industry associations often play a certain role in industry management and guidance. National-level industry associations typically hold more power and resources, and they are also subject to greater scrutiny^{[2][3][4][5]}. On the other hand, local industry associations often find themselves in a state of being overlooked. This paper takes local associations in the construction industry as an example to analyze the pros and cons of their involvement in industry management.

2. Organization Introduction

The Civil Engineering and Urban Planning Society of City A is a non-profit social organization composed of members from the civil engineering and architecture science and technology sector in City A, as well as related units. It is registered with the Civil Affairs Bureau of City A, and its supervisory unit is the Science and Technology Association of City A. According to the society's constitution, its purpose is to unite and organize workers in civil engineering and architecture science and technology, focusing on economic development, promoting the dissemination of civil engineering science and technology, fostering the growth of professionals, and contributing to urban and rural construction. The main scope of activities of the Civil Engineering and Urban Planning

Society includes organizing academic exchanges related to the discipline, conducting technical promotion and organizing popular science activities, participating in scientific argumentation, achievements, and paper selection commissioned by government authorities, and undertaking various tasks entrusted by government departments and the Science Association.

3. Organizational Structure

The society consists of individual members and institutional members, both of whom have the right to vote and be elected. The highest authority of the society is the General Assembly of Members, which is held once every five years for a term of five years. During each session, the General Assembly elects the Board of Directors and the Board of Supervisors and has the power to amend and formulate the constitution. The Board of Directors serves as the executive body of the society, leading the organization's activities during the recess of the General Assembly and electing and dismissing the Chairman, Vice Chairman, Executive Directors, and Secretary-General. The Board of Directors convenes once a year, and during its recess, most of its responsibilities are carried out by the Executive Committee, which is elected from among the Directors and consists of one-third of the total number of Directors. Simultaneously, the society establishes a Board of Supervisors, whose term aligns with that of the Board of Directors. The Board of Supervisors consists of three supervisors, with one being elected as the chairman by the Board. The head, directors, executive directors, and financial managers are not allowed to concurrently serve as supervisors. The society's funding comes from membership fees, donations, and government subsidies.

4. Organizational Functions

In its practical endeavors, the Civil Engineering and Urban Planning Society undertakes various commissioned tasks from the government, primarily led by the Urban and Rural Construction Bureau of City A. These tasks often involve research projects and contribute to the formulation of a series of local industry standards and regulations. For instance, the society has been actively involved in drafting industry-specific local standards and guidelines, such as the Implementation Guidelines for Green Buildings and the Implementation Standards for Prefabricated Buildings, along with their respective proportions in various types of constructions. Additionally, as a professional association within the industry, the Civil Engineering and Urban Planning Society plays a crucial role in recommending outstanding individuals, enterprises, achievements, and papers for various accolades, including the City A Science and Technology Progress Award, Excellent Scientific Paper Award, and recognition for outstanding young and middle-aged experts, to the relevant awarding authorities.

5. Issues Identified

In the process of dealing with the local Civil Engineering Society, I found several issues with the society as a non-profit social organization:

- 1) The members of the board of directors and the supervisory board are recommended by the director units and then elected by the members in equal numbers, resulting in the leadership of the local design enterprises forming the final composition. The election function of the general meeting of members is basically symbolic. Although the general meeting of members is the highest authority in the constitution, the general meetings held every five years hardly have any practical effect. Ordinary members are effectively deprived of the right to be elected and most of the voting rights.

- 2) There is almost no participation of individual members in various affairs of the society, and

the society has almost completely lost its function of speaking for ordinary practitioners in the industry. The constitution of the society stipulates that individual members have the right to vote, the right to be elected, and the right to vote. However, as shown in the previous point, ordinary members are effectively deprived of the right to be elected and most of the voting rights. The voting rights of the members' congress held every five years are also almost negligible. Therefore, ordinary industry practitioners are not very interested in the society, and there are almost no practitioners who have expressed their demands through the society.

3) Although the constitution of the society stipulates that members of the supervisory board cannot concurrently serve as leaders, directors, executive directors, and financial managers. However, there is a perhaps intentionally left loophole in this provision, that is, the main body of the society is actually the unit member, and the same unit member has multiple representatives in the society. This rule only applies to specific individuals and intentionally or unintentionally does not mention that members of the same unit may not concurrently serve in these positions.

The result is that the chairman, secretary-general, and chairman of the supervisory board are all appointed by the leadership of the same design company, which also serves as the chairman unit member. The registered location of the local Civil Engineering Society of City A is also within this company. Therefore, the internal operation and use of funds of the society are not effectively supervised. The chairman, secretary-general, and chairman of the supervisory board, who should have supervised and balanced each other, come from a common interest group, representing the interests of the same member unit, and other member units largely lose their ability to supervise the society. Most of the government projects undertaken by the society are outsourced to the chairman unit, and the local Civil Engineering Society of City A has largely become a bridge for the chairman unit to undertake government projects that are inconvenient for direct enterprise undertakings (such as drafting industry norms) and to recommend works of the chairman unit for various awards. Also for this reason, although other design companies in the city have joined the society as members, they often lack interest in the activities of the Civil Engineering Society. The society neither effectively coordinates and plans the resources of the local construction industry nor can it be regarded as effectively fulfilling the goal of serving all member units as stated in the constitution of the society.

4) Due to the above reasons, the City Engineering Society cannot fully represent the entire local civil engineering industry, so when providing services to the housing and construction departments, especially consulting services, it cannot accurately and comprehensively express the overall attitude and opinions of the local construction industry. Sometimes it is even biased.

5) The local Civil Engineering and Architecture Society of City A, ostensibly an independent academic non-profit organization affiliated with the Science and Technology Association, is not truly independent in its operations. Despite the broad scope of activities outlined in its charter, nearly all of the society's activities are geared towards servicing the A Housing and Construction Bureau. Research and organizational activities are predominantly commissioned by the Housing and Construction Bureau, with internal documents directly referring to the bureau as the superior supervisory authority. It can be argued that the functioning of the Civil Engineering and Architecture Society relies heavily on the Housing and Construction Bureau. Consequently, when providing various consultations and recommendations to the government, the society often takes the perspective of the Housing and Construction Bureau rather than that of the broader public or the local construction industry. In essence, the society often functions as an endorsement body for the decisions of the Housing and Construction Bureau under the guise of its professional identity, lacking the ability to supervise governmental decisions, especially those of the Housing and Construction Bureau, from a professional standpoint.

6) There is a certain degree of confusion in interfacing with different government departments;

for instance, while formally affiliated with the Science and Technology Association, the society effectively operates under the leadership of the Housing and Construction Department. This can lead to discrepancies in areas such as awards and talent recommendations due to differing standards between the two entities. In the field of urban and rural planning, which I am most familiar with, prior to departmental restructuring, urban and rural planning-related affairs fell under the purview of the Housing and Construction Department. However, during this period, the Civil Engineering and Architecture Society did not establish a dedicated department or committee for urban and rural planning. Subsequently, after being reassigned to the Natural Resources Department, primarily derived from the original Ministry of Land and Resources, efforts to form a new urban and rural planning branch within the Civil Engineering and Architecture Society were initiated to prevent the Natural Resources Department from spearheading the formation of a new urban and rural planning association. Nevertheless, the Civil Engineering and Architecture Society still operates under the leadership of the Housing and Construction Bureau, and internal deliberations regarding whether future urban and rural planning initiatives should adhere to the requirements and opinions of the Natural Resources Department (especially in cases of conflicting opinions with the Housing and Construction Department) remain unresolved.

7) The local Civil Engineering and Architecture Society holds a passive attitude towards social welfare initiatives. In its charter, the society only mentions its scope of services for its members, without any reference to serving the broader society or even non-member professionals in the construction industry. The society has shown minimal proactive involvement in social public welfare projects. Activities such as conducting surveys on historical buildings and providing recommendations for their preservation, or offering consultations on the safety of self-built houses in rural areas, are all examples of public welfare initiatives that the Civil Engineering and Architecture Society could engage in.

However, in reality, the society lacks an official website or any form of promotion. The general public is unlikely to be aware of the existence of this society, and even professionals in the construction industry seldom remember its existence. Perhaps in an effort to avoid spending "unnecessary" funds, the society has, to some extent, chosen to evade taking on more social responsibilities or it is simply not aware of the responsibilities the local Society should hold anyway.

In summary, the current local City Civil Engineering and Urban Planning Society of City A predominantly represents the utilitarian interests of some member companies rather than serving the public welfare. Moreover, it has not effectively filled the void caused by market failure and governmental shortcomings. The original intention behind establishing industry societies is often to facilitate communication and collaboration among government entities, businesses, society, the industry, and the market. However, in reality, social factors are almost entirely absent in the organization and operation of the Civil Engineering and Urban Planning Society. The safeguarding of the interests of ordinary industry practitioners is hindered by the fact that the pathways for individual members to join the board of directors are closed off. Additionally, the role of coordinating industry companies to avoid cutthroat competition is difficult to achieve because its leadership is concentrated within the same company.

A well-functioning non-profit organization must possess a strong sense of public welfare, whether towards society at large or the specific demographic it serves. It should also have a transparent organizational structure and financial management, along with a board of directors that is fair, accountable, and representative of various stakeholders. However, in the case of the Civil Engineering and Urban Planning Society in City A, we see deficiencies in all these aspects, severely hampering its ability to fulfill its social responsibilities.

Of course, the problems existing in the Civil Engineering and Urban Planning Society of City A

are not unique and are prevalent in various social organizations. The core issue lies in the fact that although these organizations are non-profit, their establishment often serves the interests of their founding entities rather than the welfare of the general public. Additionally, there is a significant lack of understanding from both the government and society regarding the role and responsibilities of non-profit organizations. This further exacerbates the situation, as these organizations do not truly emerge from society, fail to engage with society, and consequently, cannot effectively advocate for or serve the needs of the community.

6. Recommendations for Improvement

Based on the aforementioned facts, as an urban planning scholar, I propose several improvements for the Civil Engineering and Urban Planning Society:

1) To bolster the genuine influence of ordinary members within the General Assembly of the society, a reform of its organizational structure is imperative. This reform should aim to prevent the relegation of the General Assembly to a mere symbolic entity, thereby ensuring that the voices of ordinary members carry substantive weight in the decision-making process. While the logistical challenge of convening frequent meetings owing to the potentially large membership base may be daunting, mechanisms must be instituted to empower ordinary members to actively engage in the governance of the society. Efforts should be made to enhance transparency and accountability within the society's governance framework. Ordinary members should be provided with access to comprehensive information regarding the decision-making processes, financial management, and overall functioning of the society. This transparency not only cultivates trust and confidence among members but also empowers them to actively participate in shaping the direction and priorities of the organization.

2) Additionally, mechanisms for meaningful representation of ordinary members within the Board of Directors should be explored. This could involve the allocation of seats specifically designated for ordinary members or the establishment of advisory committees comprising diverse stakeholders from within the membership base. By integrating ordinary members into the highest decision-making body of the society, the organization can harness a broader range of perspectives and insights, thus enriching its governance and enhancing its responsiveness to the needs and aspirations of its constituents.

Reforming the organizational structure of the society to amplify the genuine power of ordinary members in the General Assembly is essential for fostering a culture of inclusivity, transparency, and democratic participation. By empowering ordinary members to propose motions, enhancing transparency and accountability, and facilitating meaningful representation within the Board of Directors, the society can strengthen its democratic credentials and better serve the interests of its membership base. One key aspect of this reform could involve the establishment of clear channels through which ordinary members can propose motions to the Board of Directors. By affording ordinary members the opportunity to table motions and articulate their perspectives, the society can democratize its decision-making processes and foster inclusivity within its governance structures. This could be facilitated through the introduction of online platforms or designated forums where members can submit proposals and engage in constructive dialogue with fellow members and board representatives.

3) Establish positions for individual directors in both the Board of Directors and the Supervisory Board to enhance the protection of individual member rights. This would enable more ordinary members to voice their opinions while also listening to the voices of practitioners outside the society. Only by doing so can the society truly fulfill its function of uniting professionals in the construction industry as stated in its constitution.

4) To enhance fairness and transparency within the organization, it's imperative to establish a more rigorous supervision system. This entails implementing strict regulations that prohibit individuals from holding multiple influential positions simultaneously, such as Chairman of the

Board, Secretary-General, and Chairman of the Supervisory Board, particularly if they belong to the same organization.

The current framework, which primarily focuses on limiting individual occupation, fails to address the substantial influence wielded by members of the same organization who occupy multiple leadership positions. By restricting such overlapping roles, the aim is to reduce the potential for conflicts of interest and the abuse of power within the organization's governance structure.

However, it's essential to recognize that merely prohibiting individuals from holding dual positions may not be sufficient to prevent abuses of power effectively. Therefore, alongside these restrictions, it's crucial to implement additional measures that promote transparency, accountability, and fairness in leadership appointments and decision-making processes. This could involve instituting clear guidelines for the selection and rotation of leadership roles, conducting open and competitive elections, and establishing mechanisms for regular monitoring and evaluation of leadership performance. Moreover, fostering a culture of transparency and openness within the organization, where decisions are made in a clear and accountable manner, is vital for building trust and ensuring effective governance.

In summary, by implementing a more comprehensive supervision system that includes strict prohibitions on dual roles and measures to enhance transparency and accountability, the organization can strengthen its governance practices and better serve the interests of its members and stakeholders.

5) Engaging in academic exchange activities represents a cornerstone of intellectual enrichment and professional development within any scholarly community. The imperative for the society to actively participate in such endeavors stems from its commitment to staying abreast of the latest advancements in both domestic and international academic spheres. By tracking and organizing timely discussions among its members, the society fosters an environment conducive to critical inquiry and knowledge dissemination.

Furthermore, the society's engagement with emerging technologies and issues underscores its proactive approach towards innovation and adaptation. Through localized discussions, members are afforded the opportunity to delve into topics of relevance to their specific contexts, thereby enriching the discourse with nuanced insights and practical applications. This decentralized approach not only ensures the inclusivity of diverse perspectives but also cultivates a sense of ownership and relevance among members towards the society's objectives.

It is essential to emphasize that the society's mandate transcends mere compliance with tasks assigned by housing and construction departments. While such mandates may form part of its operational framework, the society's overarching mission encompasses broader objectives related to professional development, knowledge dissemination, and industry advocacy. By actively engaging in academic exchange activities and addressing emerging issues, the society not only enhances its own intellectual capital but also assumes a leadership role in shaping the trajectory of the construction industry.

6) The society should leverage its professional expertise to proactively identify and address technical or social issues identified by government departments. This involves presenting well-founded suggestions to both societal stakeholders and government authorities. Rather than solely depending on government agencies, the society must also undertake a degree of responsibility in overseeing these departments.

This approach reflects a symbiotic relationship between the society and governmental bodies, where the society acts as a watchdog, ensuring that government actions align with societal needs and values. By actively engaging in issue identification and proposing solutions, the society contributes to the overall welfare of the community.

To achieve this, the society must establish robust channels of communication with government departments, fostering an environment of collaboration and mutual respect. Additionally, it should prioritize staying informed about emerging technical and social challenges, utilizing its collective

expertise to provide informed recommendations.

Moreover, the society should advocate for transparency and accountability within government processes, encouraging openness and dialogue between stakeholders. By assuming a proactive role in monitoring government actions, the society helps to uphold democratic principles and ensure that decisions are made in the best interest of the public.

In essence, this approach empowers the society to not only fulfill its professional duties but also actively engage in civic responsibility, thereby promoting positive societal change and progress.

7) The society should adopt a proactive approach in engaging with social welfare activities, particularly in fulfilling its public education function as outlined in its constitution. This entails providing educational initiatives to the public on various aspects related to civil engineering and architecture, serving as a vital bridge between society and the industry. These educational efforts can encompass topics such as building quality inspection, housing usage and maintenance, and urban planning directions.

By actively engaging in public education, the society facilitates knowledge dissemination and empowers citizens to make informed decisions regarding their built environment. This includes educating individuals on the importance of building quality, safety measures, and sustainable development practices. Moreover, through educational programs, workshops, and seminars, the society can enhance public awareness of architectural heritage preservation, historical building renovation, and the significance of maintaining cultural integrity.

In addition to education, the society should also extend its services to the community. This can involve offering advice and expertise on matters such as assessing the feasibility and appropriateness of old house renovations, providing consultations on self-built houses in rural areas, and offering guidance on the rationality and health considerations of interior and exterior decoration choices.

By actively participating in these social welfare activities, the society demonstrates its commitment to serving the public interest beyond its professional responsibilities. Acting as a conduit between citizens and the industry, the society establishes itself as a valuable resource for individuals seeking guidance and support in matters related to civil engineering and architecture.

To effectively carry out these roles, the society should allocate dedicated resources, including human capital and financial support, to develop and implement comprehensive educational programs and service offerings. Collaborations with academic institutions, government agencies, and other relevant organizations can further enhance the reach and impact of these initiatives.

By taking a proactive role in public education and offering services that benefit society, the Civil Engineering and Urban Planning society can fulfill its constitutional obligations while significantly contributing to the knowledge, well-being, and sustainable development of the community it serves.

7. Conclusion

In conclusion, the Civil Engineering and Urban Planning Society of City A is an industry association with the fundamental aim of promoting the healthy development of the construction industry. However, due to its organizational structure and lack of public and government oversight, it has not effectively fulfilled its responsibilities to serve the industry, practitioners, and the general public.

In Ostrom's "Governing the Commons,"^[1] the author demonstrates the potential for relevant stakeholders to spontaneously organize and address issues. However, the cases discussed mostly involve stakeholders with similar bargaining capital and urgent problems to solve. In the case of the Civil Engineering Society, institutional members possess significantly more resources than individual members, with the advantage of the Chairman of the Board being even more pronounced. Yet, the society has not demonstrated the ability to address the pressing issues faced by its members. Consequently, the high cost and minimal benefits of participating in internal monitoring and bargaining within the society lead most members to passively accept the status quo.^{[6][7][8]} They lack

interest in participating in reforms or even routine affairs of the society. In fact, the majority of practitioners do not desire to join the society.

Local associations wield considerable influence in steering the trajectory of the construction industry, underpinned by several salient aspects. Primarily, they serve as a conduit for collective representation, enabling diverse industry stakeholders to converge and champion their mutual interests.^{[9][10]} This unified voice carries substantial gravitas when engaging with policymakers, regulatory bodies, and other external entities, thereby augmenting the industry's sway and ensuring effective redressal of its concerns.

Moreover, these associations function as catalysts for knowledge dissemination and professional enrichment within the sector. Through a spectrum of forums including seminars, workshops, and symposiums, members are afforded the opportunity to engage in discourse, share insights, and assimilate cutting-edge methodologies. This collaborative milieu not only fosters innovation but also fosters a culture of continuous refinement, thereby fortifying the industry's competitiveness and efficacy.

Furthermore, local associations assume a pivotal role in shaping the contours of industry policies and regulations. By proactively interfacing with governmental agencies, legislative fora, and pertinent stakeholders, these entities furnish invaluable insights and input vis-à-vis proposed regulatory frameworks. This proactive engagement serves to imbue such policies with practicality, efficacy, and congruence with the imperatives of industry growth and evolution.

Indeed, as Rawls posits that "substantive justice is fundamentally a matter of social structure, a fundamental principle of the reasonable distribution of rights and obligations within a society."^[11] The modernization of urban governance in safeguarding spatial justice manifests not only in upholding the diverse value development of urban citizens but also in prioritizing the interests and protections of different spatial groups and strata. Rawls's assertion underscores the inherent link between substantive justice and the intricate fabric of societal organization, emphasizing the pivotal role of equitable distribution of rights and responsibilities. In the context of urban governance, the pursuit of spatial justice embodies a multifaceted endeavor that transcends mere legal frameworks. It encompasses a commitment to nurturing the multifarious development of urban citizens, ensuring that their diverse values and aspirations find acknowledgment and support within the urban landscape. Moreover, this pursuit necessitates a conscientious effort to address the disparate needs and concerns of various spatial demographics, acknowledging the nuanced interplay of interests and power dynamics within different spatial contexts. Thus, the modernization of urban governance represents a concerted effort to foster an inclusive and equitable urban environment, one that not only safeguards the rights and dignities of all citizens but also actively promotes social cohesion and solidarity across diverse spatial dimensions.^[12] The local should act to promote the spatial justice from its professional and social role and duty.

In summation, local associations function as indispensable intermediaries between industry constituents and external agents, conferring manifold advantages such as collective advocacy, knowledge dissemination, and policy articulation. By fostering active participation in these associations, stakeholders can be instrumental in propelling the construction industry forward, both within their immediate locales and on a broader scale. To change this situation, fundamental changes are needed in both the society's true organizational goals and its structure.

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