## Types, Tensions, and Driving Forces of NGO Participation in Community Governance—A Case of Yulin East Road Community in Chengdu

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**Abstract:** Yulin Street is a characteristic sample of Chengdu's cityscape and culture display, as well as an example of an old community revitalized by transformation in response to the times. This article summarizes the driving force and tension of the development of social organizations in Yulin through the field research of the Yulin East Road community. At present, there are three main types of NGOs in these two communities: grassroots organizations cultivated by the community, external organizations with a specific area, and social enterprises led by neighborhood committees. This paper provides a detailed description of the meaning and roles of the organization types through three cases.

**Keywords:** Non-Profit Organizations, Community Governance, Public Governance, Social Organizations, Social Enterprise

#### 1. Background

The city of Chengdu in Sichuan Province is civilized nationwide for its inclusive culture and thriving ecology of nonprofit organizations. As of 2019, there are 12,564,000 social organizations in Chengdu, ranking second among sub-provincial cities in China and accounting for 27% of the province.<sup>[1]</sup>

Yulin Street is divided into several neighborhoods, of which the Yulin East Road neighborhood is considered a typical case of NGO participation in community governance. As the communities are densely populated with many old compounds, with the influx of migrant workers and the aging population, community governance has been characterized by confusing mechanisms and a lack of funding. During the two-week fieldwork, the author interviewed social organization operators, Yulin community renovation planners, elderly residents, and community managers to obtain a basic picture of Yulin's community NGOs.

#### 2. The construction of the public: social organization

## 2.1. Driving Forces for the development of social organizations in Yulin

Social organizations in the community play an important role in contemporary society, and as an important force for social development, they promote the participation, cooperation, and co-construction of community residents. There are multiple driving forces and tensions together shape the development trajectory and characteristics of social organizations in Yulin.

(a)Dual impetus of natural disasters and international NGOs. In 2008, the Wenchuan earthquake triggered concern and support from both domestic and international communities, and many domestic and international humanitarian relief NGOs flocked to Sichuan to provide relief. Since then, NGO concepts and working methods have gradually taken root in Chengdu. Post-disaster reconstruction requires longer-term strategic planning and resources than temporary relief, so local NGOs have gained more space for participation and opportunities for cooperation. Some international NGOs have also helped Sichuan NGOs to improve their professional capacity and management skills through financial and technical support.

(b)The driving force of government departments' supportive policies and special funds. In recent years, the state has issued the Charity Law and the Regulations on the Registration and Administration of Private Non-Enterprise Units, which stipulate the market access conditions for NGOs. For local

NGOs in Chengdu, the most important policy is the Opinions on the Establishment of a System for Government Purchase of Social Organizations' Services issued by the Chengdu Municipal People's Government in 2009, which has brought sufficient start-up funds to local NGOs. According to statistics, government subsidies account for about 80%-90% of all NGO funding sources<sup>[2]</sup>. In additional, government departments in Chengdu City have made organizational changes and set up the Community Governance Committees (CGC). CGC screens special funds for NGO assistance, and realizes the sustainability and superiority of NGO service projects in the community through a project-based review.

(c)The driving force from the community leadership team. Community leadership is a power player within the community and has an important influence on social organizations. The study conducted by Liu concluded that the administrative approach to community governance counterintuitively drives NGO embeddedness in communities, with street leaders being key facilitators. <sup>[3]</sup>On the one hand, community leadership can provide social organizations with resources such as venues, equipment, and personnel to help them carry out their activities and services. On the other hand, the community leadership team can also guide and regulate the behavior of social organizations by formulating rules and regulations, supervision and management, and evaluation and assessment. The Yulin East Road community is a good example of the importance of leaders. Leaders in the community have a professional social work background, so they always ensure the professionalism of local NGO practices and empathize to provide appropriate support to NGOs in the community.

#### 2.2. Tentions for the development of NGO in Yulin

- (a) The first group is the tension between the short-term requirement of "quantity" and the long-term requirement of deepening "quality". In the process of project implementation, social organizations are often faced with the trade-off between spreading quantity and cultivating quality. Growing in quantity can increase the coverage and influence to meet the short-term requirements of the funders. At the same time, improving quality benefits the effectiveness and sustainability of the program, which meets the long-term needs of the social organization itself or the beneficiaries. Thus, finding a balance between the two is a major challenge for social organizations.
- (b)Secondly, there is a certain tension between the high manpower expenditures of human services and the strict limitations on its costs. In the field of human services, social organizations often need to invest a large amount of human resources to implement their programs. However, the manpower cost of social organizations is limited due to several reasons, such as the budgetary constraints of government funds, the competitive pressure of market funds, and the instability of public welfare funds. How to provide high-quality public services with limited manpower costs is a major challenge for social organizations.
- (c)Thirdly, a tension between rights and responsibilities. Within the community, social organizations are both enjoyers of community resources and sharers of community work. NGOs can obtain various supports and concessions from the community leadership, such as venues, equipment and personnel. As a pay back, organizations have to share extra work for the community leadership team, such as participating in community activities, assisting in community management and undertaking evaluation.

From the above analysis we can conclude NGOs in the Chengdu were affected by multiple driving forces and tensions during their development. External events, policy support, financial investment, and support from the community leadership team have driven the growth and development of social organizations. However, tensions such as quantity versus quality, manpower expenditure versus cost constraints, and community support versus work sharing have also created constraints in the development of social organizations. An in-depth analysis of these driving forces and tensions will help social organizations better achieve their missions and make positive contributions to sustainable community development. Using the four sets of driving forces and three sets of tensions as the analytical framework, this chapter will combine specific cases and data to explore in depth the problems and countermeasures in the development process of social organizations in the community, to provide useful references and inspirations for social organizations and related parties.

## 3. Developing History of NGOs in Yulin East Road Community

The Yulin East Road community has eight NGOs running daily programs. The community has been assessed as "social organization participatory" among the communities in Sichuan Province in 2020,

indicating that NGO participation in community governance is a unique approach for the site. The main outcomes of the community's work in recent years can be categorized into three stages.

The goal of first stage is to fully mobilize residents to participate in community governance. The community started community building in 2014. when the community built the city's first community title fund, the community charitable fund. This fund was under governmental qualifications allowing the community to carry out public fundraising.

The second phase focuses on improving satisfaction with property management work. In 2019, the community first carried out the Happy Property Program in Chengdu. Currently, property service satisfaction and payment rate is over 90%. It is worth noting that the property company is still the original property services company, but the process has changed this contractual relationship.

The third stage aim to renew public space in the community. Between 2017 to 2018, the community first proposed the community planning system in Chengdu city, and fixed it as a system at a later stage, that is, the work planning of each space should be done both with a professional design team, and also with a full understanding of residents' needs, and with the participation of the residents in the construction together. In 2018, four universities, the local Sichuan University, Southwest Minzu University, and Japanese and British universities, then together in this place and community residents to do a community renewal program. The idea came in 2018 and became a reality in 2022 after teachers and students from several schools and community leaders met to put together the program for residents to compare and contrast.

## 4. NGO types in Yulin East Road Community

The types of NGOs in the Yulin East Road community can be divided into four types, which are:

- (a) Grassroots organizations cultivated by the community. These social organizations have been nurtured and developed by the community itself and have strong professionalism and service capacity, such as Better Tomorrow and Heart Sailing. They are mainly engaged in community education, child development, and other areas.
- (b) External organizations with a specific service area. Those organizations were brought in from outside with a high degree of specialization and innovation, such as Lichuan and Eden, which work mainly in the areas of mental disorders and chronic diseases.
- (c)Social enterprises led by neighborhood committees. The only such organization in the community is Good Neighbors, which brings economic efficiency to neiborhood through engaging in house rental and B&B Operations.
- (d) Community self-governing communities and organizations. These are residents' self-organizations formed by community residents on their initiative or nurtured by social work agencies, with strong autonomy and participation, and are mainly engaged in organizing services for the elderly, cultural activities, mutual aid and mutual learning, and other areas. Since such organizations do not have a legal personality, they are not the focus of this paper.

# 4.1. Heart Sailing Social Work Center and Better Tomorrow - professional social work service organizations nurtured by the community

The Chengdu Heart Sailing Social Work Center(HSSWC) offers a wide range of services, focusing on faith-based governance, also known as residential community governance. Its scope of operation includes providing social work professional services for community groups and promoting the development of volunteer services; collaborating in community construction and development and the cultivation and development of community social organizations. Due to their high professionalism, strong ability, and many services, the income of center is relatively diverse. Among them, there are funds provided by the community and funds from the programs of the Social Governance Committee, as well as some special funds at the district and municipal levels and fees paid by the residents. Although they are nurtured and developed by the community, they are not limited to a particular community, but serve the community at large, giving full play to their professionalism and service capacity.

The Better Tomorrow focuses on child development, and its main scope of operation includes organizing its members to carry out youth social work services, psychological counseling, rights and

interests, and behavioral correction. Since their programs are mainly related to youth social work services, they pay particular attention to continuity, often in a series and for a longer period. In their children's services, the power of youth volunteers is fully utilized and more young people are engaged in social work services.

Most of the professional social work service organizations, represented by the upper two are nurtured from the community. From the perspective of the driving force, the community leadership team plays a crucial role. First of all, more than 60 percent of the staff in the community leadership team have a social work background and a more professional perspective on social work knowledge. Accordingly, they are better able to control the healthy ecology of organizations in the community. In terms of resources, they also provide certain financial security and professional guidance for this kind of professional social work organizations. At the same time, due to the rich professional knowledge of the community leadership team, they can provide social work service organizations with cutting-edge ideas and professional social work perspectives as references.

## 4.2. Lichuan Social Work Service Center - External organizations with a specific service area

Lichuan Social Work Service Center(Lichuan) is a social work organization specializing in community rehabilitation services for mental disorders. It has carried out project cooperation in Yulin East Road Community for many years, providing professional, detailed and humanized services for patients with mental disorders and their families in the community. Lichuan's work in the Yulin East Road community is characterized by the following three aspects: refinement of professional services, differentiation of agency responsibilities, and standardization of project processes.

Refined professional services. Lichuan has a team of professional social workers, psychological counselors, doctors, and nurses, backed by a team of professionals such as Mr. Chen Huiquan from Chengdu University of Information Engineering, who provide a full range of services to patients with mental disorders in the community, including: regular home visits, assessment, guidance, accompanying to medical appointments, medication management, psychological support, family education, vocational training, job placement, social activities, and so on. Lichuan has also established a mutual-help group with voluntary participation by patients and their families, which regularly organizes various thematic activities, such as health talks, parent-child games, and outdoor sports, to enhance the confidence and sense of belonging of patients and their families.

Differentiation of agency responsibilities. The Yulin East Road community guides different social work agencies to have their responsible programs not intersect with each other, and to form a single board as a whole. Lichuan, as a specialized agency in the field of mental disorders, is mainly responsible for the services in this field without involving other fields, such as education, children and the elderly. This avoids wasteful duplication of resources and confusion of service recipients. At the same time, Lichuan also maintains good communication and collaboration with other social work agencies, such as mutual referrals or joint activities when needed, to jointly promote the development of social organizations in the community.

Standardization of the project process. The project process of the Yulin East Road community's introduction of social work organizations is divided into two levels: project landing and project application. Project landing is carried out at the community level, where the community uses community guarantee funds to purchase social work services and assist in resource linkage. The project application is carried out at the city or district level, and the community will recommend upward the level of declaration based on the services provided by the social work organization. This ensures the quality and effectiveness of the projects and also gives social work organizations certain incentives and support.

## 4.3. Good Neighbor - social enterprises led by neighborhood committees.

In 2018, a new policy encourages communities to invest in the creation of social enterprises to promote community autonomy and innovation, as well as to solve difficult-to-engage community problems through a market-based approach. Under this background, the Yulin East Road community established the Good Neighnor Resident Service Limited Liability Company.

As a wholly-owned and wholly-funded social enterprise of the Community Resident Committee, Good Neighbor aims to solve community problems that are difficult for market players to tackle through commercialized approaches. It was initiated to provide services to the community in the form

of a social enterprise under the framework of the market to create a better living environment for the residents of the community and to promote the sustainable development of the community.

The organization's workflow is a closely coordinated process that covers the key aspects of problem identification, program design, project implementation and benefit distribution. In terms of problem identification, it maintains close communication with community committees, residents, and other social organizations to understand the various problems and needs that exist within the community. These problems may involve poor property management in old neighborhoods, lack of cultural activities, and low participation of young people. By gaining an in-depth understanding of the actual situation within the community, Mutilin Family can better grasp the nature and urgency of the problems.

In the process of program design, the organization develops feasible programs and budgets based on issues and needs. These options may include taking the lead in organizing residents to set up a property company to improve community management, building a cultural tourism station to promote cultural exchange, and creating a shared space to provide community services. Good neignbor consults and communicates with relevant parties to ensure the feasibility and effectiveness of the program.

In the course of project implementation, Good Neighbor raises the necessary funds and links various resources through fundraising and coordination, for example, by working with market-oriented operation teams and community residents to implement, supervise and manage the project. After the project has been implemented and achieved certain results, the organization share the proceeds with the market-oriented operation team and community residents according to the agreed percentage. At the same time, Good Neighbor incorporate a certain percentage of the remaining proceeds into the community fund, which will be used to support other community development and governance projects. This distribution model realizes the effective combination of community governance and economic benefits.

Good Neighbor's operation has achieved a series of remarkable results in community governance in the Yulin area, the first and foremost being the improvement in the level of property management in the area. MUFJ has taken the lead in intervening in the property management of the older neighborhoods, improving the living environment and dramatically increasing the quality of life and satisfaction of the residents. In addition, the presence of social enterprises has enriched the cultural atmosphere of the community, created a community brand and broadened the sources of community funds. The organization has prepared a cultural and tourism station to enhance the diversity and richness of cultural activities, strengthened communication and cohesion among residents in the community, and created a source of income for the community through a market-oriented approach, which not only increases the community's fund reserve, but also provides important support and guarantee for other public services and public welfare projects. It is worth mentioning that young people's participation in the community has also increased significantly in the process. The young and fashionable community atmosphere attracts more young people into the community, enhances their sense of identity and participation in the community, and provides young people with more opportunities for communication, learning, and entrepreneurship.

As a social enterprise, Good Neighbor has successfully solved community problems that are difficult for market players to reach, while providing financial support for community development and governance. Through a workflow of identifying problems, designing programs, implementing projects, and distributing revenues, it has achieved effective solutions to community problems, while at the same time achieving notable results in a variety of areas, including improved property management, enriched cultural activities, increased youth participation, and increased sources of community income. The successful practice of the Good Neighbor provides useful insights into the role and development path of social organizations in community governance.

### 5. Conclusion

The Yulin East Road community is an important national model for NGO participation in community governance. However, the success of NGOs in this community is due to several special factors. On the one hand, Chengdu has the most NGO-friendly policy environment and financial support in the country, and on the other hand, the strategic planning of community leaders with great professionalism has resulted in the positive interaction of multiple actors in the community. This paper analyzes in detail three important types of organizations in this community, to provide detachable reference ideas for practice. In the participation of NGOs in community governance, localities should

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analyze the specific problems of the community and cultivate or introduce different types of NGOs.

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