

A Dual Collaborative Governance based on SFIC Model: a Case Study of the Chinese Film and Television Industry

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Abstract. The Chinese film and television industry is witnessing the changing relationships of its governance between government and other stakeholders. Understanding the stakeholders and their interactions is critical to an improvement in the performance of collaborative governance regimes. This paper proposes an institutional framework which emphasizes the important role of industry associations as an aid to the government in terms of improving media governance performance. Based on the SFIC collaborative model, we develop a model for a better media governance in the Chinese film and television industry with a design of the five dimensions: starting conditions, catalytic leadership, system design, synergistic process and synergistic effect. By analyzing the governance patterns in the Chinese film and television industry, this paper provides valuable insights into the regulations on Chinese media industries.

Keywords: collaborative governance; SFIC collaborative model; film and television industry governance.

1. Introduction

In 1993, when the Chinese film and television industry took on an institutional change, this is marked as the beginning of the industrial development phase[6]. The national regulations of the media industry have gradually shifted from institutional administrative management to collaborative governance. The Chinese film and television industry has been governed by strict market regulations since its inception. However, over the recent years, government regulators have been gradually increasing the television industry's institutional openness with relaxed restrictions on market access, allowing for a wider and more diverse participation of social capital from home and abroad to facilitate the development of the Chinese media industry, and the expansion of the socialized areas.

The deregulation of China's film and television industry is demonstrated in two aspects: (1) the censorship of Chinese film and television industry began to decentralization [2][4]. The tradition governance is centered around the national administration of press, publication, radio, film and television, as well as the central government through the mechanism of multiple layers of administration bureaus [3]. Governmental force controls content through censorship by governmental departments and self-censorship by media. Then censorship system was adopted at both the central government and local levels of government management going down from the provincial level, to the municipal level, and to prefectural level [4]. A large number of capital owners are motivated to invest in the media industry and produce media content for profits. However, new challenges and concerns come along with it. Some films and TV series express feelings of stress, anxiety, and negativity, which may have negative impacts on people's mental health [3]. Moreover, children exposed to violent media content are more likely to behave in a way they learned from movies and TV shows, hence endangering their lives [3]; (2) The government has relaxed regulations on market entry and took part in the competitions among the international media market. Traditionally, the ownership of media agencies is mainly the Communist Party of China (i.e. CPC) or the central government. However, capital force, as impetus from the 'free market,' started to be one of the players in Chinese media after the 'opening up policy'" in the late 1970s and early 1980s[5]. A large number of Hollywood movies and Korean dramas have been introduced to the Chinese domestic media market. On the one hand, local companies began to actively fight for a higher proportion of market share

under the competition market mechanism; on the other hand, an increasing number of viewers started to paying for watching foreign films and lost interests in domestic films, leading to an extremely rapid shrinkage of the domestic media market. The loosened governance of the Chinese government in the film and television industry causes market failure, such as income inequality, tax evasion, fake audience data.

The governance of the film and television industry is extremely important to a country's economy development. The film and television industry business is an important aspect of social systems. Therefore, in order to increase governance efficiency, it is critical to understand the challenges this industry faces such as limited governance subject, backward governance technique, and unsound governance mechanism in the traditional governance patterns [6].

2. SFIC collaborative models

2.1 The fundamentals of SFIC collaborative models

The theory of collaborative governance was developed by applying the theoretical perspective of synergism to the field of public management [1]. It was originally developed in the context of improving the overall effectiveness of government. The term 'synergism' was first introduced by Alden H. Harken as a science of orderly, self-organizing collective behavior governed by universal laws [1]. Ding-ham Powell defines collaborative governance in a broad sense, including central government, local government, enterprises, social organizations and the public [1]. The SFIC model, a weighted model developed by Ansell Chris and Alison Gash, is one of the fundamental analytical models of collaborative governance [1]. This model includes four dimensions: starting conditions, facilitate leadership, institutional design and collaborative process.

2.2 A dual governance SFIC model for the Chinese media industry

Based on the general SFIC model, we applied this model to the Chinese film and television industry. starting conditions, catalytic leadership, system design, synergistic process, and synergy effects are the five primary elements that influence the success of synergy. Each element has multiple sub-variables. This dual governance SFIC model was designed as an analytical framework for the synergistic governance of government-industry associations based on the study theme and content of the article. It was also tailored to the special peculiarities of the film and television sector. The framework of our model is shown in Figure 1.

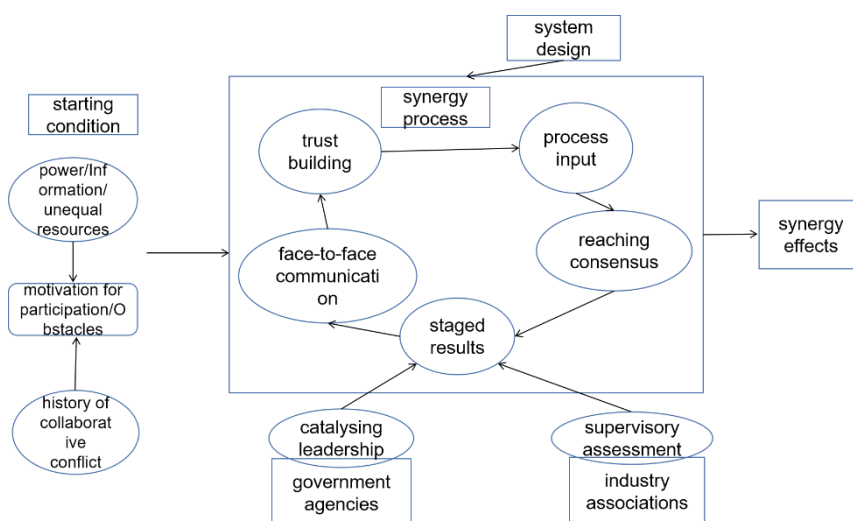


Figure 1. The dual governance SFIC model

Next, we discuss the five components of our SFIC model in the context of the Chinese film and television industry.

(1) Starting conditions: lack of sufficient synergistic of governance subjects

The media system in China is a relatively closed system. The current governing bodies of Chinese film and television industry include the government and other stakeholders (i.e. industry associations, enterprises and individuals). However, in the actual governance process, the government plays a leading role and other actors play a limited role. The reasons for this are: (1) the lack of standardized management in Chinese film and television industry over the years, leaving a large number of institutions and practitioners in the gray zone of government supervision; (2) the ecological governance of film and television involves the linkage between multiple subjects at the same time, and the coordination mechanism of relevant government authorities is not robust; (3) the lack of role of industry associations, which cannot completely fulfill their responsibilities of industry services and supervision; (4) the lack of effective self-regulatory mechanisms for a large number of individualized film and television companies and teams, resulting in the less efficient cooperation with government governance.

(2) Catalytic leadership: lack of effective for promoting catalysis

Under the impacts of corona-virus pandemic, the entire film and television industry, including industry practitioners and various film and television organizations, is in a downturn. Small and medium-sized enterprises (SMEs) are often referred to as the backbone of the national economy, since they provide a major source for jobs and economic growth. However, the productivity of SMEs severely declined during the coronavirus pandemic when a large number of projects were forced to suspend and the large scale of resultant unemployment led to great economic loss. Many small and medium-sized film and television companies are struggling to survive. However, the government was incapable of adopting effective policies to stimulate the market and help enterprises to overcome this crisis. Additionally, many Chinese media and entertainment companies are seeking to maximize sales and profitability. However, most of their work is too uncompetitive to stand out from 'the crowd of films and TV shows'. The reasons behind that are not only because such companies hardly invest into the development of employees' professional skills, but also because some companies plagiarize content for misperceived short-term gains rather than create good quality of original work. Also, the government fails to provide industry practitioners with sufficient incentives for more original media content and hence an increase in their competitiveness. As such, the government's catalytic role is insufficient.

(3) System design: lack of timeliness to fit market needs

The governance of the Chinese film and television industry is plagued with a lack of inclusiveness in the design system, a lack of transparency in the process, and a lack of clarity in the foundational rules. The current overly fragmented and fine-grained system of censorship services has led to censorship deviating from the reality of the industry and demand. Internet technology changes the way people watch films and televisions. Chinese audiences who were accustomed to watching free TV shows on their phones and tablets before are now paying for VIP packages to watch popular Korean dramas online. Many companies embrace this shift and seek new ways to develop more products suitable for online distribution such as *Go Princess Go*. Its strange aesthetic and unexpected plot twists have greatly attracted some viewers. However, this show was harshly criticized by its cliched plots and cheap costumes and was removed for its unhealthy contents and low production quality. It is due to the lack of Chinese government's censorship policies back in 2016, this show raised an Internet frenzy at one time. Therefore, if policy designers are unable to interact with the market so as to understand the latest industry trends, its policies could not well match the market demand.

(4) Supervisory assessment: lack of sufficient cooperation among governance subjects

Government agencies and industry associations are both governance subjects of film and television production. But the long-term monolithic governance structure weakens the governance status of industry associations, affecting the source of resources for industry associations and the fairness of associations in resource allocation. Moreover, there are information barriers and authentication between government agencies and industry associations, lack of communication platforms and

opportunities, and no inter-subject trust mechanism. Industry associations are organizations that support companies and employers of a particular type of industry and protect their rights, but in practice there is very limited engagement of industry associations in the governance process.

(5) Synergy effects: lack of effective assessment for governance performance

The traditional media governance concept is unilateral governance, with top-down monolithic. The governance of the domestic film and television industry does not focus on the effects of governance, which is not a scientific evaluation of governance performance. Governance performance assessment is essential when more subjects are engaged in the governance process. Governance performance assessment is designed to measure the progress and impacts of policies, institutions, and the roles of various actors in ensuring sustainability. If we cannot scientifically assess the effectiveness of the governance performance, we cannot implement effective monitoring and feedback, nor can we have confidence in the development of the industry.

3. Establishing a path for the dual governance SFIC model

The dual governance SFIC model above suggests that government agencies and industry associations should achieve vertical and horizontal coordination and cooperation. They should break through the barriers between hierarchies and departments vertically, and achieve synergy and cooperation among multiple subjects horizontally. The government maintains the order of the market by using administrative, legal, and economic means. Industry associations guide enterprise autonomy, industry self-regulation and self-management in the entire operation of the industry. This governance SFIC model purpose is to facilitate a healthier development of the film and television industry and the cultural needs of the public. We can build a new dual governance model from the following four aspects.

(1) Building an incentive mechanism for the dual collaborative governance of government-industry associations

'Incentive mechanism' is that the main incentive systems use a variety of incentive means interact with the incentive object in structure style, and the relationship and the evolution in the organization system. Incentive mechanism is the connection means change the lofty ideals into concrete reality including the spirit, salary incentive. It is important to introduce various rewards adopted to promote self-regulation by establishing incentive mechanisms with other regulation. For example, the long-standing tax evasion in the domestic film and television industry is solve. When government formulated a self-correction mechanism (i.e. paying back taxes can be exempted from liability), a large number of domestic entrepreneurs consciously pay back taxes. Industry associations should introduce relevant policies to encourage outstanding actors to participate in theme films and non-box-office art films at low pay.

(2) Developing a catalytic mechanism for dual collaborative governance of government-industry associations

In regards to regulation, Governmental Force dominates regulation, industry associations forces influence it when government officials make decisions. Therefore, the government take actions to facilitate cooperation between industry and countries: by granting tax preference, legislative, and judicial law, allowing a limited free market in which media content and producers can compete against one another. In a limited free market, media companies gain profit because of good performance and lose profit or even go bankrupt when their performance is bad. Industry associations at the same time organize cultural exchange sessions for promoting business and cultural contact between countries. For example, the Korean TV series - Descendants of the Sun is a record-breaking romantic comedy broadcast on the Korean TV channel KBS2. Exclusive rights to stream the show in China are owned by iQiyi. This is a great cooperation case.

(3) Constructing a collaborative mechanism for dual collaborative governance of government-industry associations

Good cooperation is the foundation of collaborative governance. The government breaks the information barriers between departments with the help of advanced technologies, especially big data, to realize information sharing between departments. The government should provide a platform for all parties to exchange and communicate. This platform establishes coordinated risk prevention mechanisms and improves the information network of film and television governance, by establishing information-sharing mechanisms. Additionally, industry associations establish a linkage docking mechanism. In the policy formulation stage under the linkage docking mechanism, subjects negotiate and dialogue. The goals of this cooperation are as follows: (1) to understand the market needs; (2) to determine whether policy intervention is justified; (3) to provide policy options; (4) to determine a course of action to address the problem or opportunity. This process is rarely linear.

(4) Constructing an evaluation mechanism for dual collaborative governance of government-industry association

The government-industry associations mode should develop a novel method for assessment and mechanism study of governance. A scientific governance assessment mechanism not only promotes the improvement of governance efficiency but also the legitimacy of the governance process. The scientific assessment framework should be a diagnostic and prescriptive performance assessment tool with an outcome to produce an adaptive and integrative system with equity, inclusiveness, transparency, accountability, and flexibility in problem-solving and resilience. Building a reasonable monitoring and evaluation mechanism is an important step to realizing the synergistic and benign development of film and television governance subjects. The domestic governance assessment model depends on experience rather than being assessed quantitatively. The assessment of governance performance requires a scientific performance assessment model, and failure to scientifically assess the effectiveness of governance in the film and television industry will neither benefit the next governance policy nor give confidence in the industry's development. For example, the government-industry association develops a scientific evaluation system for the copyright value of film and TV dramas. It is necessary to establish industry data standards for avoiding faking data

4. Conclusion

The main contribution of this paper is to establish a dual government-industry association-based collaborative governance model. The key point of this paper is to emphasize the critical role of the industry associations in governance, which is a bridge between the government and the film and television market, and the practices of some SMEs can be corrected through the industry association, or even achieve industry self-regulation. Compared to traditional governance models, we also recognize that the multiple collaborative governance models allow for more timely regulations, more self-discipline, and diversification. Collaborative governance has become a dominant trend in the Chinese media industry, affecting the methods of production. Other stakeholders have started to realize the positive impact that collaborative governance can have on the industry, not merely as a theory but also as a useful method in the governance process. This is a new era for the film and television industry; we need to utilize technological progress to solve the problems caused by the failure in the film and television market. More importantly, we need to explore ways to correct deviations from existing governance thinking. The concept of autonomy prompts enterprises to examine themselves and strengthen self-discipline from their perspective. Moreover, the synergy concept reminds us of strengthening the 'double insurance' for the development of the film and television industry. A good business environment and governance ecology are related to the development of creation, production, investment, consumption, and other aspects of a film and television industry chain, and are also related to the future of a national economy. There is still a long way to go to solve the problems existing in the film and television market. Therefore, this paper presents to the government, and industry associations and provides suggestions to practitioners to build a collaborative governance model. The wider collaboration of government and other stakeholders is critical to the growth and sustainability

of Chinese film and TV competitiveness. Finally, This paper is just initial research aimed at establishing a framework for analyzing the Chinese media governance system.

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