



# Exploring Innovative Structures and Mechanisms in Urban Grassroots Governance: A Network Governance Perspective

## -- Exemplified by the "Five Chiefs System" Grassroots Governance Model in Chongqing, China

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### ABSTRACT

This paper examines the "Five Chiefs System" as a grassroots governance model in Chongqing, China, exploring innovative mechanisms in urban grassroots governance from a networked governance perspective. Through a literature review, this study summarizes existing research on innovation in urban grassroots governance, highlighting approaches in technological governance, process re-engineering, and structural research. Building on theories of governance and networked governance, and using the "Five Chiefs System" in Chongqing as a case study, the paper reveals discrepancies between the system and its operational goals as well as the principles of co-governance in practice. Consequently, an analysis of the adaptability of the "Five Chiefs System" and networked governance leads to the exploration of innovative structures and mechanisms for the networked governance of the "Five Chiefs System." This involves developing a decentralized network structure with diverse entities and establishing mechanisms for integration, trust, coordination, and maintenance within networked governance.

### KEYWORDS

Networked Governance; Urban Grassroots Governance; Structures and Mechanisms; The "Five Chiefs System".

## 1. INTRODUCTION

As urbanization rapidly advances, cities grow in size, population continues to rise, and urban challenges become more pronounced. Imbalanced and inadequate urban development, escalating complexity in urban management, and rising living standards for residents all demand higher standards in urban management, particularly in grassroots governance. Innovative practices in Chinese urban grassroots governance include grid management as a policy tool and various local innovations, such as Chongqing's "Five Chiefs System". Various innovative urban grassroots governance practices have achieved certain results, but as these efforts deepen, they have also encountered successive practical dilemmas. For instance, the deepening of grid management practices has led to dilemmas including value orientation bias, tool selection bias, limited participation, lack of humanistic care, and technological governance paradoxes. Initially appearing to be effective, urban grassroots governance models have revealed hidden flaws as practices have progressed.

Therefore, when analyzing an innovation in urban grassroots governance, one should begin with the fundamental concept of "governance" and develop the operational logic of the specific innovative



model for urban grassroots governance, focusing on its inherent structure and mechanisms. Compared to traditional governance theory, network governance theory offers greater clarity and practicality for constructing the structures and mechanisms of urban grassroots governance models. Consequently, grounded in network governance theory and using Chongqing's "Five Chiefs System" as a case study, this paper constructs the structures and mechanisms of the "Five Chiefs System" network governance, addresses any practical deviations of the "Five Chiefs System," and offers insights for optimizing innovations in urban grassroots governance.

## 2. LITERATURE REVIEW

Concerning the research on urban grassroots governance, the extant literature has outlined pathways including technological governance, process re-engineering, and structural approaches. Technological governance represents a rational form of modernization, focusing on "clear" governance to integrate society into a digital recording system for precise management. Notably, "intelligent" urban management represents the developmental trend and future objective of urban technological governance. At the theoretical level, Wu Xibo examines the concept of smart cities encompassing urban management methods, infrastructure development, IoT technology, and industrial growth [1]; Liu Lun dissects and develops the theoretical essence and structural framework of intelligent urban management [2]. On the practical level, Sun Xuan investigates the development of smart city spatial infrastructure from the viewpoint of digital collaboration [3]; Chen Shuisheng and Lu Mi examine how technology enables refined governance of mega cities from a holistic standpoint [4]. The technological governance approach promotes scientific design and precise execution, steering government management towards legalization and standardization, yet it only scratches the surface of management tools without addressing the fundamental distribution and operation of power resources, thereby bestowing legitimacy upon governmental actions [5].

Process re-engineering emphasizes the adoption of innovative management forms and technologies to enhance departmental coordination and resource integration, mitigating departmental fragmentation and fragmented responsibilities [6]. Many scholars consider process-driven approaches to be a key method for advancing refined governance in megacities. Teng Minmin argues that enhancing the top-level design of refined governance in megacities should begin with optimizing governance processes and mechanisms [7]. The process re-engineering approach appears to encompass the entire process, cycle, and space formally, yet in reality, some responsibilities remain unfulfilled, with issues persisting of responsibility shuffling and gaps in accountability.

At the macro level, Song Gang, from the perspective of complexity science, constructs a three-dimensional structure of urban management encompassing practical, logical, and knowledge dimensions. Within this framework, he analyzes the integrated law enforcement and oversight in urban management [8]. At the micro level, Sun Baiying posits that the government's urban governance structure is reflected in the design of internal governance structures and procedural frameworks within various departments handling urban management, as well as in the external relationships and incentive systems such as performance evaluations formed by other governmental bodies, stakeholders, and citizens [9]. Furthermore, in the context of urban grassroots governance, structural research approaches emphasize clarifying the actors within the governance space, their positions, resources, and habitus (informed by institutions) from a structural perspective. This involves weaving a network of relationships among grassroots governance entities, with a focus on delineating the power and responsibility dynamics within the urban grassroots governance system.

Compared to the tools and technological approaches of technical governance and process re-engineering, the structural research approach to urban grassroots governance emphasizes the fundamental, essential, and structural characteristics, aiming to clarify its inherent structural logic. Overall, the shift from urban management to urban governance is an inevitable trend in urban development, with refined grassroots governance emerging as a key value in the evolution of urban

management. From a governance perspective, the structural essence of urban management is examined starting with the micro-structure. In this framework, diverse participants occupy their specific positions, and their interactions establish connections between nodes, thereby forming a relatively macro-level urban management structural network and complex management and interaction mechanisms.

Compared to traditional governance theory, network governance theory offers a more explicit organizational framework and a more actionable developmental pathway for interactions among diverse actors involved in public management. This provides strategic insights for fostering multi-stakeholder participation in urban grassroots governance, thereby invigorating urban governance dynamics. Current research on the application of network governance theory in urban public management primarily concentrates on meso-level topics, such as the management of specific public affairs like community service provision, environmental pollution control, management of social extremist incidents, resolution of social conflicts, and provision of social assistance [10-16]. However, it lacks a comprehensive approach to develop a framework and operational mechanisms for an urban grassroots network governance system. Additionally, beyond technical governance, process re-engineering, and structural urban management approaches, the integrated enforcement of urban management and its systemic reforms have also become focal points of study. Numerous scholars have examined the systemic reforms, current developments, issues, and strategies of integrated urban management law enforcement, establishing a comprehensive research framework for this field [17-19].

### **3. THEORETICAL BASIS: FROM GOVERNANCE THEORY TO NETWORK GOVERNANCE THEORY**

#### **3.1. Governance Theory**

In the late 1990s, in response to market and government failures, critiques emerged on government reshaping and new public management theories. Governance theory, building on the critiques and foundations of these earlier theories, has emerged as a new model of public management. The governance model underscores the need for active participation in public management, not only by the government but also by other social actors, drawing on a broader range of forces, including the government, to address public affairs. In "Our Global Partnership," published in 1995, the Global Governance Commission defined governance as follows: governance is the sum of various methods by which the public and private sectors, along with individuals and institutions, manage their shared affairs. It is a process of reconciling conflicting or diverse interests and undertaking sustained joint action.

Although governance theory provides new insights into addressing government failures in public management, its effective application remains constrained by various limitations and faces numerous challenges. First, there is a lack of a concrete framework to guide the participation of diverse entities; second, there are no clear operational guidelines for integrating multiple forces to facilitate social management and provide public services; and third, there is a lack of consensus among scholars regarding the interpretation of governance theory [20]. In this context, the introduction of network governance theory offers hope for overcoming the practical dilemmas of governance theory.

#### **3.2. Network Governance Theory**

Network governance, also known as networked governance, represents a novel governance model that involves collaboration among public and private sectors, non-profits, and for-profit organizations to provide public services. Compared to traditional public management models, network governance models have introduced numerous changes, particularly in the role of government. The government's

role as a manager has diminished, transitioning into that of a resource coordinator; the hierarchical management structure has become flatter with multi-sector participation, shifting from straightforward vertical control to intricate horizontal collaborative interactions.

Network governance appears to offer a new public management model aimed at enhancing its vitality and efficiency. However, effective network governance necessitates four conditions: diverse governance entities, varied governance techniques, and well-defined governance objectives. Network governance is public demand-driven, focuses on enhancing the quality and efficiency of public services, and prioritizes the advancement of public interest.

## **4. FROM THE "STREET CHIEF SYSTEM" TO THE "FIVE CHIEFS SYSTEM": INNOVATIVE DEVELOPMENT IN URBAN GRASSROOTS GOVERNANCE IN CHONGQING**

### **4.1. Case Overview**

#### **4.1.1. Innovation Diffusion: From the "Street Chief System" to the "Five Chiefs System"**

Chongqing's urban grassroots governance innovation with the "Five Chiefs System" has undergone an innovation diffusion process from the "Street Chief System" to the "Five Chiefs System" and then to the "Five Chiefs System + Grid", characterized by increasingly diversified participation, more complex governance structures, expanded governance scopes, and enhanced technological means.

The "Five Chiefs System" originated from the "Street Chief System", first introduced in Rongchang District of Chongqing in 2016, aiming to enhance the level of meticulous urban management. The district has a chief for the entire district, with sub-district chiefs overseeing two sub-districts each, and section chiefs for each sub-district within the urban area. They are responsible for local affairs according to territorial management principles. Additionally, the sub-chief office was established to outline the responsibilities and rights of various departments and to evaluate the management of the "Street Chief System" by different units. Drawing on the achievements in grassroots governance innovation from the "Street Chief System" in Rongchang District, Yuzhong District adopted the innovative concepts and management strategies from the "Street Chief System", pioneering the "Five Chiefs System". This system divides the city by designating resident buildings and shops along the streets as nodes, and streets, roads, and alleys as lines, appointing building, shop, street, road, and lane managers to oversee various aspects such as environmental sanitation, urban order, municipal facilities, and landscaping.

Based on the successful practices in Rongchang and Yuzhong Districts, Jiulongpo District established a pilot project in Yangjiaping Sub-district to explore the implementation of a grid management model known as the "Five Chiefs System". After dividing the entire sub-district into 135 four-tier networks and creating a smart grid map for urban management, the district appointed managers for each sub-district, road, and lane, thus refining the management area and gradually forming a working model of "Five Chiefs System + Grid". The "Five Chiefs System + Grid" urban management model has yielded positive outcomes in Yangjiaping Sub-district. To fully engage the public, businesses, and individual entrepreneurs in urban management and enhance the level of management and services, Jiulongpo District has decided to widely implement the "Five Chiefs System + Grid" model. Building on the innovative practices across various districts, the Chongqing Urban Management Bureau issued a plan for 2020 to promote the "Three Guarantees in front of the door" and the "Five Chiefs System", aiming to expand these initiatives citywide and extensively develop demonstration road projects [21].

#### **4.1.2. Innovation Content**

(1) Organizational Structure: "Point-Line" Interaction and Governance Network

The "Five Chiefs" - including street chief, road chief, lane chief, building managers, and store managers - are distributed across various "point-line" areas such as main roads, alleyways, buildings, and stores, participating in grassroots governance. Their governance activities collectively form a three-dimensional and multidimensional governance network across geographical spaces. In this system, the street leader is appointed by district-level chief, the road leader by sub-district team members, the lane leader by community heads and workers, the building manager by resident representatives, and the store manager by store operators or heads of enterprises and institutions. This hierarchy spans four levels, from street chief to building managers and store managers, with each upper level overseeing and inspecting the work of the subsequent level, while the lower levels report to their superiors. Additionally, each "leader" has specialized responsibilities. The street leader, including the chief, deputy chief, and other street chief, oversees, assists, and implements comprehensive urban management deployments and requirements across the entire district, coordinating solutions to prominent urban management challenges within their designated areas. Adhering to territorial management principles, lane chief, building managers, and store managers are responsible for executing urban management tasks such as landscaping, environmental hygiene, municipal facilities maintenance, and urban appearance order within their respective jurisdictions, fulfilling the "Three Guarantees in front of the Door" responsibilities. The road leader, meanwhile, oversees the comprehensive urban management of designated road sections, leading the coordination and supervision of lane chief, building managers, and store managers' duties.

To facilitate the implementation of the "Five Chiefs System" and provide a physical platform for resource integration, problem negotiation, and resolution, both district-level and sub-district/township-level "Five Chiefs System" offices have been established. The district-level office is headed by a supervising leader from the District Urban Management Bureau, who oversees and inspects the progress of tasks related to the "Five Chiefs System" across the district, organizes assessments, and establishes the management system, evaluation methods, and incentive mechanisms for the system. On the other hand, the sub-district/township-level office is led by the head of the urban management department within the respective administrative unit. This office is responsible for establishing archives for model sub-districts, model roads, and the "Five Chiefs," maintaining relevant registration and statistical records, collecting feedback, reporting issues, and overseeing the daily management tasks such as the selection, training, evaluation, and recognition of lane leaders and building leaders [22].

## (2) Working Mechanism: Whole-Process Management and Periodic Actions

The "Five Chiefs System" comprises eight working mechanisms. Firstly, the "Street Office" mechanism, which involves implementing comprehensive urban management through "Street Offices" across the entire district. Quantitative indicators are established for the frequency of "Street Office" activities conducted by the chiefs of streets, roads, lanes, and buildings. Secondly, the rapid response mechanism, aimed at establishing a full-cycle problem management framework encompassing discovery, analysis, disposal, and feedback. Thirdly, the high-level coordination mechanism, which involves establishing a hierarchical feedback and resolution system for addressing critical and challenging issues. Fourthly, the regular working meeting mechanism, designed to facilitate regular collection, analysis, deployment, coordination, and resolution of issues related to urban comprehensive management through the establishment of the "Five Chiefs System" working meetings. Fifthly, the responsibility disclosure mechanism, which involves setting up "Road Chief Notice Boards" to indicate the information and primary responsibilities of road chiefs. Sixthly, the information reporting mechanism, which entails establishing weekly and monthly reporting systems for the "Five Chiefs System" to regularly update on the progress of "Street Office" activities and the resolution of pressing issues. Seventhly, demonstration projects, such as initiating demonstration street projects under the "Five Chiefs System" and the "Three Responsibilities at the Doorstep" initiative. Lastly, the regular notification mechanism, where the district-level and sub-district-level "Five Chiefs System" offices regularly report on the implementation of work in each sub-district,

overseeing, inspecting, evaluating, and notifying the progress of road, lane, and building chiefs within their respective jurisdictions.

The effective operation of the full-cycle management of issues within the rapid response mechanism hinges upon a more meticulous "three-ledger" working mechanism. Specifically, the "three-ledger" mechanism implemented in Jiulongpo District comprises the "basic ledger," the "work ledger," and the "problem ledger." The "basic ledger" outlines the responsible parties and their scopes, while the "work ledger" documents work progress, the implementation of system construction, and records of "on-the-spot" office work. The "problem ledger" captures issues identified during inspections, reporting statuses, and the handling and feedback of these issues [23]. These three ledgers are constantly updated and accessible for review, serving as a recorder for the "Five Chiefs System". When the "five chiefs" and grid personnel encounter issues, they promptly address minor matters like resident disputes and escalate unresolved major issues to higher authorities, ensuring that "everything is traceable and controllable at all times," thereby enhancing fine urban management.

## **5. ESTABLISHING THE NETWORK GOVERNANCE MECHANISM OF THE "FIVE CHIEFS SYSTEM"**

### **5.1. Deviations in the Practice of the "Five Chiefs System"**

#### **5.1.1. Divergence between Organizational Structure and Operational Objectives**

The "Five Chiefs System," a grassroots governance model in Chongqing, was initially designed with the objective of encouraging social organizations and citizens to actively participate in urban management, thereby fostering a diversified, collaborative, and shared approach to urban governance. In its actual organizational structure, representatives of the public can serve as building chiefs and shop chiefs, while representatives from enterprises and institutions are also included within the scope of shop chiefs. This arrangement, compared to the single administrative entity in the "Street Chief System," has broadened the scope of urban management participants to a certain extent. However, the work plan for the "Five Chiefs System" failed to incorporate social organizations into the discussion. Consequently, social organizations have not been integrated into the structure of the system, nor have they found a suitable role within this urban management framework. Moreover, the inclusion of building and shop chiefs is limited by identity constraints, resulting in a relatively narrow scope of public participation. This limits the ability of citizens to engage in autonomous, extensive, and democratic urban management activities. Therefore, the design concept and operational objective of the "Five Chiefs System" to facilitate the participation of social organizations and citizens in urban management is not fully reflected in its organizational structure, leading to a divergence between the two. Naturally, this deviation poses challenges in achieving the desired governance outcomes.

#### **5.1.2. Divergence between Authority Reliance and Collaborative Governance Principles**

The "Five Chiefs System" relies heavily on a vertical hierarchical structure, with the scope of management authority and responsibilities narrowing down from the top to the bottom. The higher level possesses the authority to oversee, supervise, and evaluate the lower level, while the lower level is obligated to report and receive guidance from the higher level. This underscores the system's strong dependency on administrative authority, which contradicts its purported vision of fostering a "collaborative governance" urban management model. According to governance theory, governance entails the process of interaction among multiple stakeholders, resolving conflicts and harmonizing interests, and taking concerted actions. It embodies a more "egalitarian" collaboration among diverse entities, a "voluntary" process aimed at achieving common public interests, and a joint effort based on cooperation. However, the operational logic of the "Five Chiefs System" exhibits a path dependency that relies excessively on administrative authority to regulate and sustain its operations, effectively stifling the initiative and enthusiasm of social actors. Despite its claim of promoting

"collaborative governance," the "Five Chiefs System" remains entrenched in an authority-reliant mindset, necessitating further refinement and enhancement in its governance structure and operational mechanisms.

## **5.2. Establishment of the Network Governance Structure and Mechanism of the "Five Chiefs System"**

### **5.2.1. Establishing a Diversified and De-administratized Network Structure**

One of the defining characteristics of network governance lies in its multi-faceted collaboration, with the participation of diverse stakeholders being a crucial aspect of the innovative development of urban grassroots governance. The inclusion of building managers and shopkeepers in the "Five Chiefs System" broadens the avenues for public participation in urban grassroots governance by incorporating segments of the populace into its organizational structure. However, the institutional aspiration of the "Five Chiefs System" to "guide social organizations and citizens in participating in urban management" remains to be further realized within its framework. From a network governance perspective, it is imperative to integrate more social and market actors into the networked structure of urban grassroots governance, effectively embedding additional social organizations and enterprises within this framework. In terms of the "Five Chiefs System," its practical modalities must be expanded to include targeted models such as "Five Chiefs System + specific social organizations" or "Five Chiefs System + specific enterprises," tailored to meet evolving real-world needs. For instance, the development of a "Five Chiefs System + volunteer service team" model can harness the supplementary strength of volunteers, who alongside the "five leaders," can jointly engage in conflict mediation and maintaining urban order in densely populated and diverse neighborhoods. Similarly, the "Five Chiefs System + specific enterprises" model fosters collaboration with business organizations to jointly conduct inspections and maintenance of municipal infrastructure. The involvement of social organizations and enterprises in the "Five Chiefs System" represents one approach to embedding social and market actors within the grassroots governance structure. Their participation is not a rigid insertion into a vertical hierarchy but rather a horizontal expansion of the "Five Chiefs System's" collaborative network, with these actors serving as equal and interactive partners.

The "Five Chiefs System" primarily represents a city management approach dominated by administrative authority. To facilitate the shift from urban management to urban governance, it is imperative to reform the mandatory administrative approach. The chiefs of streets, roads, and alleys occupy positions within the administrative hierarchy and are subject to administrative authority, whereas building chiefs and shopkeepers hail from the general populace, constituting social entities. The rigid integration of building chiefs and shopkeepers into the vertical hierarchy of the "Five Chiefs System," coupled with strict reporting and evaluation requirements, may dampen public enthusiasm for participating in these roles. Instead, emphasizing the social subject attributes of building chiefs and shopkeepers and adopting a collaborative and mutually beneficial approach, rather than one of authoritative coercion, can help mitigate the administrative dominance of the "Five Chiefs System" over these individuals. By extracting building chiefs and shopkeepers from the vertical hierarchy of the system and embedding them within social networks, their relationship with administrative entities can evolve from one of control and guidance to one of communication and interaction.

### **5.2.2. Establishing a "Five Chiefs System" Network Governance Mechanism**

The achievement of effective network governance necessitates a comprehensive set of mechanisms to facilitate its implementation. The fundamental components of this mechanism primarily encompass the following aspects: Firstly, adjusting and integrating the mechanisms pertaining to the allocation of power, resources, information, and organizational structures among the participating entities within the "Five Chiefs System" governance network; Secondly, fostering a trust mechanism that encourages mutual trust and collaboration among these participants to achieve public interests; Thirdly,

establishing a coordination mechanism that harmonizes relationships and atmospheres among the participants and resolves conflicts of interest; Lastly, maintaining a mechanism that ensures the balance and stability of the "Five Chiefs System" governance network, ensuring consistent actions among all participants.

### (1) Integration Mechanism

The focus of urban management has shifted towards the grassroots level, granting them greater authority and resources than ever before. Consequently, the integration of diverse elements, including power and resources, has emerged as a pivotal issue in grassroots governance. The "Five Chiefs System" of network governance encompasses the allocation, sharing, and integration of power and resources. Notably, the integration of power serves as a prerequisite for resource integration, while resource integration, in turn, acts as a driving force for power integration, jointly facilitating the consolidation of the network organizational structure. Decentralization and delegation represent the primary avenues for power integration within this framework. Decentralization primarily refers to the administrative delegation of authority among street, road, and lane leaders, as well as between the sub-district and town "Five Chiefs System" offices and the district-level office. Delegation, on the other hand, involves the transfer of certain governance functions to citizens, social organizations, and enterprises, leveraging performance management or contract systems to establish linkages between these market and social entities and the government in the realm of public administration. Furthermore, resource integration aims to leverage the strengths of society and the market, harnessing social and market capital to deliver social services. Within the context of the "Five Chiefs System" network governance, market and social entities, guided by contract systems and performance management, play a pivotal role in urban grassroots governance, including the construction and maintenance of urban infrastructure, the preservation of urban aesthetics and the environment, and the mediation of conflicts and disputes.

### (2) Trust Mechanism

The trust mechanism serves to mitigate the complexity of network governance and minimize friction among participating entities. This mechanism comprises institutional trust and non-institutional trust. Institutional trust forms the foundation for safeguarding the interests of network governance subjects, while non-institutional trust fosters a shared value system embodying a "public spirit" among governance subjects. In the context of the "Five Chiefs System" for network governance, it is imperative to further cultivate non-institutional trust, building upon the establishment of comprehensive institutional norms and the full development of institutional trust. As an informal institutional arrangement, non-institutional trust exhibits greater flexibility in network governance, leveraging social capital to facilitate consensus even in situations where institutional means may falter. Given the diverse backgrounds of participants, particularly when citizen groups are involved as key stakeholders in urban grassroots affairs governance, non-institutional trust grounded in social capital becomes paramount. On this basis, cooperation among multiple subjects can flow more smoothly.

### (3) Coordination Mechanism

Effective network governance is founded upon effective coordination among participating entities, with consensus arising from mutual coordination serving as the prerequisite for its effectiveness. Given the diverse nature of the participating entities in network governance, their interests are inevitably multifaceted, leading to disparities, conflicts, and contradictions among them. The role of the coordination mechanism extends beyond the mere formulation of governance objectives, encompassing its timely "correction" function throughout the governance process. This involves thoroughly understanding and harmonizing the interests of all participating entities to achieve balanced resource allocation, seamless information transmission, and reduced network governance costs, including those associated with trial and error and transactions. Within the "Five Chiefs System" of network governance, the coordination mechanism comprises both vertical and horizontal components. The vertical coordination mechanism relies on the hierarchical structure ranging from

the street-level leader to the building-level and lane-level leaders within this system. Conversely, the horizontal coordination mechanism is anchored in the horizontal collaborative network formed by the government, society, and market entities. Embedded within the vertical hierarchy of the "Five Chiefs System," the vertical coordination mechanism operates more smoothly through the facilitation of district and township-level "Five Chiefs System" offices. The horizontal coordination mechanism, on the other hand, manifests in the interactions among the government, society, and market entities. To this end, the establishment of a dedicated "network cooperation" office is necessary, tasked with coordinating horizontal interactions among multiple entities, incentivizing social and market participants, overseeing contract signing, and resolving conflicts and disputes.

#### (4) Maintenance Mechanism

The effective operation of network governance necessitates the reinforcement of a robust maintenance mechanism. Ensuring the seamless functioning of the "Five Chiefs System" in network governance requires a multifaceted approach encompassing information sharing, assessment, supervision, and incentives. Firstly, a comprehensive information sharing mechanism must be established to facilitate vertical and horizontal information flows, ensuring that all participating entities are immersed in a cohesive "information flow" and thereby minimizing governance costs. Secondly, a standardized assessment mechanism is essential, focusing on the vertical evaluation of officials from street-level to lane-level, constituting an internal assessment within the administrative system and facilitating performance evaluation. Thirdly, a standardized supervision mechanism is vital, encompassing both vertical supervision of officials and horizontal supervision of contract execution by market entities and duty fulfillment by social entities. Notably, the supervision of the latter two is less stringent compared to that within the administrative system, as, in the initial stages of multi-stakeholder participation in network governance, the focus is on actively engaging social and market entities. As the system matures, supervision standards may be appropriately tightened, and these entities may be included in the assessment framework. Lastly, an effective incentive mechanism must be established, comprising both vertical and horizontal components. The vertical incentive mechanism is embedded within the hierarchical structure of the "Five Chiefs System" to motivate officials, while the horizontal incentive mechanism is integrated into the horizontal governance network to encourage the participation of social and market players.

## 6. CONCLUSION

Optimizing urban grassroots governance and enhancing the quality of cities constitute a fundamental aspect of modernizing the national governance system and its capabilities. Drawing upon the "Five Chiefs System" grassroots governance model in Chongqing as a case study, this paper delves into the innovative structures and mechanisms of urban grassroots governance from a network governance perspective. Upon analyzing governance theory and network governance theory, the paper identifies a certain deviation between the practical implementation of the "Five Chiefs System" and its operational objectives, as well as the concept of collaborative governance. Consequently, this paper explores the innovative structures and mechanisms of network governance within the "Five Chiefs System" by examining its adaptability. This involves the creation of a diversified and de-administratized network structure, along with the establishment of integration, trust, coordination, and maintenance mechanisms within network governance. Guided by the theory of network governance, this paper aims to provide a comprehensive framework for governance structures and mechanisms from a network governance perspective. This framework is achieved through the analysis of Chongqing's innovative "Five Chiefs System" case and the construction of its corresponding network governance structures and mechanisms. This framework integrates the theoretical foundations of governance and network governance with practical innovation cases. While it presents a theoretical framework, its effectiveness in practice remains to be further investigated and validated.

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