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Prospects of Sociological and Institutional Analysis of Professional Associations in Russia

Abstract

The paper focuses on the analysis of professional/occupational groups that are depended more than others on the support of the state for their prosperity. We consider approaches to the definition of the methods of this support, principles and models of interaction of the state and professional/occupational groups in the processes of professionalization. A significant influence of historical and social context requires not only sociological but also institutional approach for the analysis as well as appropriate institutional concepts. Institutional isomorphism approach and an institutional matrices theory are applied in the paper to investigate interaction between the state and professional groups, with conditions and prospects of their interconnections. Empirical data about professional associations in Russian engineering sphere is presented.

Keywords: professional associations, professionalization, institutional matrices theory, X-theory, Y-theory, X-matrix, Y-matrix

Introduction

This paper addresses a research problem of the diversity of models of professionalization and discusses inclusion of institutional analysis utilized in economics¹. Our assumption is that interdisciplinary approach might enrich our ways of explaining variations in the interrelation between the processes of professionalization and the state. In recent years, economists-institutionalists have been increasingly including sociology of professions approach into their theoretical approaches (analysis framework). It might also be helpful to utilize institutional approaches in sociology of professions. First, we will briefly demonstrate how institutional mechanisms of interactions with the state (identified here as professional associations) are problematized in the sociology of professions. We will then turn our attention to the justification of approaches in institutionalism in interpreting the differences of the interrelation between professionalization and the state in various institutional environments.

We will focus, in more detail, on the concept of institutional matrices of one of the co-authors - Svetlana Kirdina. This will allow us to take a closer look at the functions of professional associations on the basis of preliminary analysis of the professional associations pilot project in

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Russia². These are professional associations in the field of science and engineering, where interactions with government are particularly strong. We analyzed websites of these associations, as well as interviews with their leaders.

Our main hypothesis is based on the application of institutional perspective to evaluating the differences in interrelation of professionalization and the state in different institutional environments. Professional associations are examined as models of institutional mechanisms of professionalization. Professional associations occupy "intermediate" position between the hierarchies (government agencies) and the market. However, we can assume that the functions that are performed by the professional associations may, to some degree, vary in different institutional environments. First, the institutional mechanisms of their structure and organization may be more "market oriented" (from the bottom, financed by the participants, etc.) or more hierarchical (established with support of the state, with use of its resources). Their classification as a particular type is determined by the historical role of the state in its control over professionalism, which is being actively discussed in the framework of the Anglo-Saxon and continental approaches. Secondly, the very content of the functions of professional associations may vary - mostly serving the interests of either market subjects (economic actors-professionals), or serving government structures.

The research question lies in identifying opportunities and limitations of analysis of the relationship between professional associations, as institutional mechanisms of professionalization, and government structures, depending on the influence of different institutional environments.

Professional associations in Russia: analysis methodology

Let us turn to the analysis of the functions of professional associations. Their variations in different socio-historical conditions are of most importance to us. There was a large number of approaches and studies conducted in this direction. We will only point out the main ones, which are most relevant to the subject of today's presentation.

- In our interpretation of professionalization, we emphasize achieving and maintaining a *professional status* by a certain group through demarcation and institutionalization of professional

² A research project "Development of professional associations in Russia" (head - A.A. Moskovskaya) conducted with support of the National Research University Higher School of Economics (HSE) Foundation for Development of Applied Search and the HSE "Career World" project (head – Ph. T. Prokopov). See: [Moskovskaya A., Oberemko O., Silaeva V., Popova I. Nazarova I., 2013].

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practices that are recognized and accepted but not controlled from the outside. Characterization of the *interactions between professional associations and the state* are the most important part of this process.

- Professional associations - are the key institutional mechanisms of professionalism as means of control in employment arrangement and labor market position of knowledge-based occupational groups that provide expert services. They are based on such institutions as licensing, training, collective decision-making, autonomy, code of ethics, etc. [Abbot, 1988; Larson, 1977] that are encompassed into the process of *professionalization*.

- The main point of interaction with the state is related to the legal basis of the status of a professional group.

Specificity of solving these issues is determined by the socio-historical context, differences between the institutions that govern this process, and especially the role of the state. This context was examined in studies of evolution of professional groups in achieving the status of the profession [Caplow, 1954, Hughes, 1958; Wilenski, 1964]. Depending on the socio-historical context, we can single out two main directions of professionalization and the role of professional associations in these directions. They are: “the way from bottom up” – from activities of a professional group - to efforts toward legitimize their status; and “the way from the top down”, where the state plays an active interventionist role in the initiation and administration of professions.

A defined, specific set of functions carried out by professional associations, in accordance with their primary objective and goal, varies not only from society to society, but also depending on the changes in current conditions. Traditional objectives of professional associations are related to the professional development of professionals-practitioners, interactions with the government regarding guaranties and means of social protection from non-professionals and professional control, achieving the objective of improving the status of a professional group and protection from competition, maintaining professional culture, self-regulation and code of professional ethics [Popova, 2013 (b)].

These objectives transform and become more complex in a changing environment. These are the directions of modification of professional control [Evetts, 2011], limiting professional type of conduct due to market orientation [Noordgraaf, 2011], regulation of professional activities on the basis of EU-oriented basic standards and the formation of European professions [Oligatti, 2008]. The role of the European Union in administering, training and licensing of professionals in Europe

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is leading to the emergence of new forms of so-called Euro-professionalization, where government agencies play the major role [Neal, Morgan, 2000].

Starting from the 1990s, in Russia, a large variety of professional associations has been growing rapidly. While researching this emerging institution, it is important to understand how it functions, embeds itself in other social institutions, and interacts with the state. The specificity of this institution can be researched based on the impact of institutional environment, which is formed historically.

Institutional approach and the institutional matrices theory

Institutional isomorphism approach is the first methodological precondition of our research. This approach explains the mechanisms of the spread of applying new institutions in existing institutional environment, as well as the rules and mechanisms of their adaptation-

P. DiMaggio and W. Powell [DiMaggio, Powell, 1983] introduced an institutional isomorphism approach for the sociology of organizations in 1983. Now this approach spreads widely as a productive analytical framework. "Institutional isomorphism" describes the process of forced adaptation of the borrowed institutions to the institutional environment in which they are introduced as a result of activities of social actors. "Organizational structure, which used to arise from the rules of efficiency in the marketplace, now arise from the institutional constraints imposed by the state and the professions. The efforts to achieve rationality with uncertainty and constraint lead to homogeneity of structure (institutional isomorphism)" . Isomorphism is a "constraining process that forces one unit in a population to resemble other units that face the same set of environmental conditions" [Hawley, 1968, p. 28].

In accordance with DiMaggio and Powell there are three mechanisms of institutional isomorphic change: Coercive Isomorphism, Mimetic Processes, Normative Pressures. Coercive Isomorphism is connected with a pressure from other organizations in which they are dependent upon and by cultural expectations from society. Some are governmental mandates, some are derived from contract law, financial reporting requirements. Co-authors stress that organizations are increasingly homogeneous within given domains and increasingly organized around rituals of conformity to wider institutions. Mimetic Processes are provoked by uncertainty that encourages imitation. Organizational models can be diffused through employee migration or by consulting firms. Normative Pressures mean pressures brought about by professions. One mode the legitimization inherent in the licensing and crediting of educational achievement. The other is the

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inter-organizational networks that span organizations. Norms developed during education are entered into organizations. Inter-hiring between existing industrial firms also encourages isomorphism. People from the same educational backgrounds will approach problems in much the same way. Socialization on the job reinforces these conformities. Institutional isomorphism approach helps us to explain mechanism of institutions' adaptation in different institutional environment.

We also applied an institutional matrices theory (IMT), or X- and Y-theory [Kirdina, 2001, 2004, 2012, 2013] to investigate interrelation between professionalization and the state in different institutional environments. In IMT a society is seen as a social system, within the main 'coordinates' being *economy*, *politics* and *ideology*. These value spheres are strongly interrelated morphologically as parts or sides or components of one complete whole. Each sphere like economy, politics, and ideology is regulated or guided by a corresponding set of basic institutions. These economic, political and ideological institutions comprise the "institutional matrix" of human society. Historical observations and empirical research as well as mathematical modelling and a broad philosophical approach provide a ground for hypothesis by Kirdina about two particular types of institutional matrices named as —an X-matrix and an Y-matrix. These matrices differ by sets of institutions forming them.

So, the X-matrix is formed by the following basic institutions: in the economic sphere these are *redistributive economy institutions* (Karl Polanyi introduced this term). Redistribution means that the center mediates and regulates the overall movement of goods and services, as well as the rights for their production and use (this is different from 'Central Planning' of old Soviet system, but in some ways similar); in the political sphere *institutions are of unitary-centralized political order*; in the ideological sphere a *communitarian ideology* dominates. It is expressed in the idea of priority of collective, public values over individual ones.

Different basic institutions are connected with the Y-matrix structure: in the economic sphere these are *institutions of a market economy* (often neo-liberally regulated); in the political sphere they correspond to *institutions of federative political order* (where power is held outside of the center); and *the individualistic ideology* dominates. It proclaims a subordinated character of collective values to individual ones. These are *ideal types* that are never realized in their total form; there is always a combination of both matrices in each society or nation.

Main hypothesis of IMT is that an institutional structure of each society can be presented as a combination of these two basic institutional matrices. In some societies the X-matrix institutions

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dominate, while the Y-institutions help them (it is true for Russia, China and most Asian and Latin American countries). At the same time in other societies the Y-matrix institutions are predominating, whereas the X-matrix institutions are complementary and additional, as, for example, in most countries of Europe, the USA, Canada and the like.

So the main task of social and economic policy in each country is to support the optimal combination of predominant and complementary institutions. For example, the economic policy has to find the best proportion between market and redistributive institutions as well as forms of their modernization.

There is an explanation hypothesis why X- or Y-matrix institutions dominate in different countries. The material and technological environment is considered as the key factor. The environment can be a *communal* indivisible system, where removal of some elements can lead to disintegration of the whole system, - or it can be *non-communal* with possibilities of its technological division. In a communal environment the institutions of X-matrix are dominant whereas Y-matrix institutions are complementary. In a non-communal environment it is *vice versa*.

Institution of professional associations in Russia: case-study

It is of particular interest, to review the application of the theory of institutional matrices in explaining the specifics of certain functions of professional associations in key sectors of the economy. The following aspects are being tested:

- *In Russia the X-matrix institutions (Redistributive centralized economy, Top-down political order and Communitarian ideology) are predominant, whereas the Y-matrix institutions (Market economy, Bottom-up political order and Individualistic ideology) are complementary and additional.*

- *What are the specific functions of professional associations in Russia within such institutional environment?*

In our study, we attempted to evaluate professional associations in the field of science and engineering in the following aspects:

- 1) Professional groups reviewed, are segmented in accordance with industry. We focus our attention on those segments of the scientific and engineering professions, which are considered "key" to the economy (related to the fields of natural sciences, high-tech, transportation, etc.). They have always been under government control and closely interacted with the state.

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2) Professional associations in the field of engineering are the oldest in Russia. At the same time, there was a lot of new professional association emerging. Function of these professional associations are quite specific.

At the initial stage, we analyzed the data of a number of professional associations published on their web-sites [Popova, 2013 (a)]. Defining an organization as a professional association is based largely on an analysis of executable functions. During the process of analyzing the materials of the websites, these functions were defined and their content was filled with more concrete, “live” indicators (see table 1).

Table1: Functions, competency, and types of activities of professional association.

| Function | Competency, types of activities of professional association |
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| <i>Lobbying for the interests of professional group/professional activity (legislative activities in cooperation with state authorities of different levels)</i> | <p>Participation in the development of federal laws, regulations of the Russian Federation, subjects of the Russian Federation, bodies of local self-government connected to the professional activities;</p> <p>Participation in the development of socio-economic programs and investment projects on a national scale;</p> <p>Organization of independent public examination of laws, bills, programs, etc.;</p> <p>Legal protection of the interests of professional groups, communities (eg, challenging in court: law acts, decisions, and (or) the action (or inaction) of public authorities of various levels, violating the legitimate rights and interests of representatives of professional groups);</p> <p>Participation in the work of the committees, responsible for placement of orders, tenders, conducting competitions, examinations and inspections (in regard to production activities);</p> <p>Participation of the representatives of association in the work of public authorities of various levels (inclusion into the committees of government agencies, etc.);</p> <p>Participation of government representatives in the work of a professional association;</p> <p>Requesting and receiving information from government agencies of various levels;</p> <p>Preparation of materials and proposals for public authorities in the sphere of professional activity.</p> |

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| <p><i>Professional development</i></p> | <p>Participation in the organization and conducting of further education, retraining courses;</p> <p>Conducting specialized seminars, technical training of the specialists;</p> <p>Participation in the certification, accreditation of employees;</p> <p>Participation in professional competitions among students at universities;</p> <p>Participation in professional competitions among working professionals;</p> <p>Development of ethical standards (norms, laws);</p> <p>Participation in organizing postgraduate studies in professional sphere.</p> <p>Development of ethical standards (norms, laws);</p> <p>Participation in organizing postgraduate studies in professional sphere.</p> |
| <p><i>Quality control and licensing of organizations / experts and specialists</i></p> | <p>Participation in the development and revisions of regulatory, as well as guidance documents (building codes, standards, rulebooks, requirements, guidebooks, etc.) in the professional field;</p> <p>Development of standards (rules, requirements) for access to those particular types of jobs, which have an impact on safety and security;</p> <p>Participation in the creation of a public system of standardization, metrology and product certification;</p> <p>Consulting on the application of rules, standards, etc.;</p> <p>Development of reference materials, methodological guidelines for professional standards, etc.;</p> <p>Development of a system of disciplinary actions for non-compliance with standards, rules and control regulations;</p> <p>Application of disciplinary action for non-compliance with standards and regulations;</p> <p>Reviewing complaints against members of the professional community;</p> <p>Conducting research in the professional sphere (issues of their financing, contracts, etc.);</p> <p>Supporting and promoting innovation activities among members of professional community, as well as the use of new developments in the professional activities;</p> <p>Assistance in obtaining research and development patents;</p> <p>Spreading the best practices in the professional field.</p> |

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| <p><i>Information and integration of the professional community</i></p> | <p>Updating the website and mailing of the information for the professional activities (laws, regulations, regulatory documents, etc., the data on organizations, etc.);</p> <p>Accommodation of information exchange forums between professionals - blogs, forums, classified ads, etc. on the website;</p> <p>Releasing printed materials aimed at informing the professional community of new developments and trends;</p> <p>Organizing competitions, exhibits, conferences, meetings, seminars and other events in the area of professional activity</p> |
| <p><i>The development of international cooperation in professional activities</i></p> | <p>Membership in international professional associations;</p> <p>Participation in conferences abroad, organized by international professional associations;</p> <p>Cooperation with international professional organizations;</p> <p>Establishment of temporary international creative teams aimed at conducting research and promotional work on contractual basis.</p> |

The second stage involves analysis of the activities of associations, based on interviews with their leadership. Preliminary analysis of a number of cases demonstrated that in reality, there is a number of particular characteristics behind the execution of these general functions. Their analysis led us to the following conclusions regarding professional associations as the mechanisms of institutional change.

1. The association of public research centers was established during the early 1990s after the "exit" of the state from the field of applied science. It encompassed the so-called "sectoral" research institutes in the fields of natural sciences, high technology, manufacturing, etc. At that time, in order to support and rescue them from total collapse, a status of the State Science Center was established. Professional Association was created in order to set up a verification procedure of the status of these organizations (research institutes), as well as to insure the protection of their interests and legislative activities, etc. This is an important mediator, centralizing negotiating function for a wide variety of such organizations and government bodies that fund their work. Methods of formation of this institution can be defined as normative pressures on the part of legitimizing authorities and, partly, coercive isomorphism. From the point of view of IM-theory it can serve as an example of institutionalization of the process of centralization under new conditions, following the destruction of the old state hierarchy. Moreover, this role of a professional association as a link, which supplies

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central authorities with information for justification of their budget funding, was initiated by these very scientific and engineering organizations.

- *The goal of association – survival of sectoral research institutes and organizations;*
- *The government's task - national security;*
- *Common goals - to ensure sound budgetary funding of applied research activities in the country.*

2. Professional associations in the field of automotive transportation (3 associations) – became an answer, on the one hand, to the challenges of globalization and increased competition in the automotive industry, on the other hand, to the collapse of the framework of automotive industry in the country. Thus, the Association of Automotive Engineers was established on the basis of a State Research Institute, back in the late Soviet period on the initiative of the government, but it also on the appeal of the International Association. Its main role is defined as the information platform for automotive companies and engineers. In modern conditions, the association assumed a role of an intermediary between government agencies, large enterprises and the market. This is an example of transferring and modifications of standards and normative samples of the old centralized structures. This association can be regarded as an answer to institutional uncertainty under the influence of mimetic processes, as well as coercive isomorphism. It also plays a centralizing informational and legislative role in the industry.

- *The task of automotive companies - increased competitiveness with global manufacturers, industry's survival, as well as organizing and managing its work;*
- *The government's task – insuring that activities correspond with the interests of society, integration into international structures, as well as support of national transportation infrastructure;*
- *Common objectives and functions of professional associations - negotiations and legislation of standards and regulations, establishing connections with international professional associations.*

Thus, we can determine that the relationship between the state and professionalization in various institutional environments manifests differently. Certain types of institutions are prevalent, which is reflected in variations of the sets of functions of professional associations. In this particular case, Russia is characterized by a combination of basic and extra, additional institutions, where X-institutes of centralized redistributive economy are predominant. Accordingly, scientific and engineering professional associations in these key areas of the economy (that we are examining)

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appear in a rather paradoxical way. On the one hand, they are meant to function as complementary institutions of Y-matrix (and in many ways they fulfill these objectives), but on the other hand, they perform many of the functions that correspond with the X-matrix institutions. They are often created and managed from the "top" by the government structures, as well as filling the "vacant" niche in the hierarchical structures of the government, which are more characteristic of redistributive economy, connecting the lower links (companies, research and educational institutions) with the control center (government).

Conclusion.

The main conclusions can be briefly summarized as follows:

- Institutional approach can be useful to study the professional associations as institutional intermediaries from the viewpoint of the conditions of their formation and functioning;
- Application of the institutional matrices theory shows a different role of professional associations in countries, where X- or Y institutions dominate;
 - Evaluating the role of professional associations, we should note their limitations and capabilities in various institutional environments, as well as interrelation with the complexes of institutes. This will help to better assess their function and evaluate the prospects of development;
- Institutional isomorphism approach serves a proper explanation why the professional associations institution borrowed from the European and North American market institutional environment changes its function in Russian mostly redistributive institutional structure. In the Russian context the professional association institutions fill the "vacant" niche in the hierarchical structures of the governance and helps to strengthen the links between companies, research and educational institutions, on the one side, and the control center (government), on the other side.

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