

# Organizational design strategy of the chicago park district

[Business](#), [Strategy](#)



It was in spring of 1993 that Chicago's Mayor Richard Daley offered former chief-of-staff Forrest Claypool the job of becoming General Superintendent for a city park that became a powerful organization in the history of Chicago. About 8.6 million people lived within the district, and for the US\$37 billion that was set aside collectively for the budget of state and local parks from the year 1987 until 1993 (Clawson, 1996, p. 1), Mayor Daley empowered an organization that could be regarded as plainly enormous. According to the words of James Clawson (1996) of the University of Virginia,

By 1993, CPD had grown to include 550 parks on 7,400 acres with 259 field house/recreation centers, 191 gymnasiums, 90 indoor and outdoorswimmingpools, 850 baseball and softball diamonds, thousands of game courts and playgrounds, 2 conservatories, 1 internationally known zoo, a major league sports stadium, an underutilized and underperforming concession business, a \$500,000 annual revenue parking operation, and 6 golf courses as well as 31 miles of waterfront recreation facilities with few amenities, and commercial locks on the Chicago River... (p.

1) Chicago Park District (CPD), therefore, had an asset that totaled to about US\$2.3 billion as of 1996 (Clawson, 1996, p. 1). As of 2006 however, it amounts to US\$2.33 billion still, with the total net assets amounting to US\$1.03 billion (Hughes & Kravitz, 2006, p. 20). This paper talks about the revised strategic organizational design initiated by Mayor Daley, which incorporates the concepts of organizational behavior. It shall reflect certain discussions on strategic decisions that were made by the enormous organization.

The overall organizational planning and theory should also be included, with topics centered on the organizational mission, organizational culture and environment, the people systems, organizational structure, revealing organizational behavior and strategic job design. Main Body Organizational mission Elements of strategic job design. Based on the paper written by Oliver Wyman (1998) entitled ‘ Strategic organizational design: an integrated approach,’ he indicated that there are mainly three elements of strategic design, which can be described as the following:

First, it should create benefits of scale by leveraging shared resources, expertise, and support functions. Second... [it should] shape behavior by motivating, enabling, and empowering people to do the necessary work. Third ... [it should] shape the organization’s patterns of information processing. (p. 9) Under these three basic elements, the basic organizational mission is being formed and created (or recreated).

This is very important because it analyzes the basic need of the organization, and what should be done in order to satisfy or answer the basic need. As stated by Wyman (1998), “ In essence, the success of modern organizations relies upon getting the right information to the right people at the right time” (p. 9). In addition to this, Wyman (1998) indicated that “ The key is finding the information processing design that’s best suited to the organization’s information processing needs” (pp. 9-10). CPD’s strategic design.

CPD’s case revealed an organizational mission in the mid-‘ 90s, which became a tremendous step with regards to its movement of following the darker side of bureaucracy—what Clawson (1996) called as “ the dark side of

government and its related bureaucracy, a classic patronage system” (p. 2). This classic patronage system, before the mid-’ 90s, posed problems on registration and other services, on poor advertisements on projects and programs, on being what the Tribune called a ‘ ghost town,’ on increasing property taxes, problems with regards to courtesy, and other problems that could be answered through strong strategic planning and design.

The problems could be divided into three: (1) the human-resource concerns; (2) the facilities concerns; and (3) the financial concerns (Clawson, 1996, p. 8). Its basic mission, therefore, was to improve these three concerns, so that the overall service and condition of the organization would largely improve as well. Matching theory. With this, the theory reflected in the organizational mission can be taken from the Contingency theory, which states that: (1) there is no one best way to organize, and (2) any way of organizing is not equally effective (Organizational behavior taxonomy, 2009, p.

5). As indicated, “ the best way to organize depends on the nature of the environment to which the organization relates” (Organizational behavior taxonomy, 2009, pp. 5-6). Under CPD, the best way to organize depended on the three resources mentioned. These three shapes the basic mission, which in the case of the CPD, is to largely improve the state of services and take away what is known as the classic patronage system. The strategy in the end, modernizes the organization, so that projects and services would improve. Organizational culture and environment Definition.

The term organizational culture reflects a set of definition that pose a variety of meanings and focuses. In 1960, it was defined by Becker and Geer as “ a

set of common understandings around which action is organized ... finding expression in language whose nuances are peculiar to the group” (National Defense University, n. d. , ch. 16). In 1984, Allaire and Firsirotu defined it as “ a system of knowledge, of standards for perceiving, believing, evaluating and acting... that serve to relate human communities to their environmental settings” (National Defense University, n.

d. , ch. 16). Four years later however, Schein defined the term ‘ organizational culture’ as... The deeper level of basic assumptions and beliefs that are: learned responses to the group’s problems of survival in its external environment and its problems of internal integration; are shared by members of an organization; that operate unconsciously; and that define in a basic taken-for-granted fashion in an organization’s view of itself and its environment. (National Defense University, n. d. , ch. 16)

Based on these, it is evident that the term organizational culture and environment is being defined according to the design and structure of the society, transforming it into something that is the effect of all properties associated within the environment. CPD’s culture and environment; its relation to contingency. Going over the organizational culture and environment at CPD in the mid-’ 90s, as based on the article written by Clawson (1996), it can be identified that it revolves around what the author termed as the classic patronage system.

Relating it to the contingency theory, the internal and external cultures at CPD naturally emerges from the social groups inside and outside the environment of the organization. The tribes, communities, and the nations

surrounding it created the design and culture of the environment implicit in the social life, which was why Mayor Daley appointed chief-of-staff Forrest Claypool to be the General Superintendent of this enormous organization.

As its organizational mission and overall organizational planning focused on the condition of the people itself, this cultural design also focused on the people and the community, as well as, the intentional and unintentional social interactions between people of the community. The customs, language, technology, finances, and the abilities formed the outline of the design, which are very important in creating the perfect organizational plan for recreating and improving the park district.

Organizational culture appears to be significant in applying the contingency theory with the light that the internal features of the organization should match those of the environment. Thus, anything that improves the culture of the environment improves the culture of the organization as well. People systems CPD's people systems. For the improvement of the CPD organization in the mid-' 90s, the human-resource concerns should be recovered first and foremost. Situations were such wherein people took up to four days just to register on one of the serviced classes in the organization.

These classes were poorly attended to, since they were never advertised in the media. As Clawson included in his article, " The park programs were secret and basically designed for people who were in the club and who knew about them, but not for the general public who were paying the freight for those programs" (1996, p. 3). On the other hand, it is being indicated that before the mid-' 90s, no one really knew exactly how many the employees of

the CPD were. There were 37 trade unions but more than that no one knew exactly how many.

Another problem was the high level of absenteeism among its employees, reflecting the patronage legacy as one of the most destructive elements in the organization. CPD's strategy concerning the people systems. In order to improve CPD, Claypool collected the renegades that are, according to Claypool, the employees that go around offering services despite the organization's crisis. However, with very limited budget, these renegades had to offer their own hand like, for example, for supervisors to use their own funds in improving their own sector and work out trade deals or cover the cost of certain items.

For the good of their own customers, they had to dedicate a portion of their own, considering the fact that they gather an average of \$35, 000 per year that was relatively high, as compared to the typical employees' \$9. 70 without medical benefits (Clawson, 1996, p. 6). Nevertheless, there were those superb renegades, and soon Claypool was able to reorganize a much more responsible organization that has revolved around the good of the customers. CPD's people systems and its relation to contingency.

Applying the case of the CPD to the contingency theory, it is evident that the general orienting hypothesis of the theory, which states that " organizations whose internal features best match the demands of their environments will achieve the best adaptation" (Scott, 2003, p. 89), can be applied to this section or case. It applies that the rate of change in an external environment

could make an impact on the development of the internal environment in the organization.

As the amount of variance in the external environment duplicates, so does the variance in the internal environment becomes; a higher degree of variance would thus, lead to a more difficult environment and a more difficult organizational mission to attain. The CPD's case, however, reflects such wherein variance consists of those that agree with Claypool and those that do not agree. Yet, the two conflicting sides were enough to hold and initiate a drastic change. Organizational structure Basic structure. The President of the Board of Commissioners holds the topmost rank in the structure of the CPD.

It holds the Liaison to the Board of Commissioners, the Staff Assistant to the Commissioners, and the Board of Commissioners that, in turn, holds the General Superintendent. This General Superintendent & Chief Executive Officer holds the Executive Assistant to General Superintendent plus four chief officers: (1) the Chief Operating Officer under the development sector; (2) the Chief Administrative Officer under the law sector; (3) the Chief Financial Officer under the communications sector; and (4) the Chief of Staff under the human resources sector (Hughes & Kravitz, 2006, p.

13) In turn, the Chief Operating Officer holds the capital construction, facility management, natural resources, park services, planning & development, as well as, security sectors. Secondly, the Chief Administrative Officer holds the legislative affairs, purchasing, and risk management. Thirdly, the Chief



Financial Officer holds the budget, information technology, comptroller, treasury, audit, and the shared financial services sectors.

Lastly, the Chief of Staff holds the regional operations, environment, culture & special events, and the sports & recreation / beaches & pools sectors. The Board of Commissioners is composed of: Maria Saldana as the President; Bob Pickens as the Vice President; with Margaret Burroughs, M. Laird Koldyke, Daniel Matos-Real, Cindy Mitchell, and Rouhy Shalabi (Hughes & Kravitz, 2006, p. 13). CPD and organizational change. In order to improve the organization, Claypool's strategy was to initiate a large organizational change.

Nowadays, change management is used nowadays to include the concept of organizational development in its broadest sense through the use of organizational change. This organizational change is the intentional attempt by management to improve the overall performance of individuals, groups, and the organization as a whole by altering its structure, its behavior, and its technology. Different organizations use a variety of change techniques to accomplish their goals, and research has shown that planned change is more likely to bring about performance improvement than unplanned change.

This is why managers and leaders are likely to adapt these seven steps: (1) forces for change, (2) identifying alternative organizational change techniques, (3) recognizing barriers; (4) resistance to change; (5) overcoming resistance to change; (6) implementing and monitoring the change process; and (7) evaluation and feedback. This is a continuous cycle that, if done explicitly, enhances the scenario for success and development.

This is according to the statement done by Thomas Duening and John Ivancevich (2003) in their book entitled *Managing organizations: principles & guidelines*.

Conclusion The three elements of strategic design—creating benefits of scale, shaping behavior, and shaping the pattern—formed CPD's organizational mission in order to answer the basic need of the organization during the mid-'90s. Claypool and his associates were able to identify the basic need and thus, were able to come up with a design that saved the organization, with the help of the other members that Claypool called the renegades. Their strategic design took away the classic patronage system by initiating teamwork and change.

This can be related to the contingency theory, since it reflects the thought that the best way in handling an organization depends on the internal and external culture and environment of the organization (*Organizational behavior taxonomy*, 2009, pp. 5-6). From here, the three elements of strategic design were used in the organization, in creating a design that answers the basic need through the application of the contingency theory and the belief that the organization could come up with a planned radical change that saved the organization as well as the public.

Indeed, nothing is impossible as far as organizational change is concerned.

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