Voluntary Retrenchment of Park and Recreation Services: Opportunities and Problems

John L. Crompton

ABSTRACT: The paper discusses the opportunities and problems associated with voluntarily implementing a formal procedure aimed at retrenching or terminating relatively unproductive services. Four major benefits are likely to emerge from retrenchment: (1) resources can be redirected to the most important offerings; (2) managerial overload is alleviated; (3) new services have a greater probability of being successful; and (4) the agency is in a stronger position to face the future.

Despite these virtues, obsolete services often demonstrate a remarkable ability to survive. The major sources of resistance are discussed since some understanding of these barriers is essential if strategies to surmount them are to be developed. Four internal sources of resistance which frequently encourage retrenchment inaction are: sense of personal failure, unawareness of a service’s status, staff opposition, and inadequate cost savings. Three types of resistance which may emanate from sources external to the agency are: clientele opposition, legal constraints, and political expediency.

KEYWORDS: retrenchment, resistance to change, clientele opposition, recreation services, parks.

THE AUTHOR: John Crompton is an associate professor of Recreation and Parks at Texas A&M University. He has written numerous articles in the recreation and marketing literature and is co-author of a textbook, Financing, Managing and Marketing Recreation and Park Resources.

Until the middle 1970s, most park and recreation managers performed in a climate characterized by growing financial resources. Delivery strategies frequently were based upon assumptions of perpetually increasing resources and expenditures. However, today many park and recreation managers must accept an opposite responsibility—that of determining which services should be retrenched or terminated.

Departments have been forced to confront the retrenchment issue because they have had access to fewer resources. Although agencies receive less funds, they still are pressured to substantially broaden their range of services. For example, many communities are requiring their park and recreation departments to take over a much wider range of social programs. These may include food programs for children and senior citizens, general counseling services, leisure counseling, and delinquency and drug abuse programs. These circumstances have made it necessary to reduce the quantity or quality of some existing services and to terminate others.
The increased attention to retrenchment may be a positive outcome of the financial cutbacks if it causes managers to recognize the benefits which may accrue from initiating a voluntary retrenchment policy. Creating new programs has traditionally been viewed as a positive response to change, while the deletion of existing programs is frequently perceived as a depressing negative task associated with failure. Historically, the range of services offered has tended to mushroom, unless a definitive management effort was made at pruning.

This paper discusses the substantial benefits which are likely to accrue when a department voluntarily implements a formal procedure aimed at retrenching or terminating relatively unproductive services. It goes on to identify the primary barriers which inhibit retrenchment and make it difficult to implement in park and recreation departments. Recognition of these barriers is an essential first step to surmounting them and implementing a retrenchment procedure.

**Advantages of a Formal Retrenchment Procedure**

Four major benefits are likely when a recreation and parks department voluntarily implements a formal procedure aimed at reducing or terminating relatively unproductive services: resources can be redirected to the most important offerings; managerial overload can be alleviated; new services are more likely to have a greater probability of being successful; and the agency is in a stronger position to face the future. Each of these is discussed in the following paragraphs.

**Retrenchment Enables More Resources To Be Concentrated on the Most Important Offerings**

A department’s success ultimately depends not upon persons within the organization, but more upon the client groups it serves and the political representatives who reflect the satisfaction or dissatisfaction of those client groups than persons within the organization. Concentration of resources on a relatively small number of services aimed at specified client groups is often required to achieve clientele satisfaction.

No other principle of effectiveness is violated as constantly today as the basic principle of concentration. Governments try to do a little of everything. The problem with the motto “Let’s do a little bit of everything” is that enormous staffs are built up, and yet do not concentrate enough effort in any one area. (Drucker 1964:12).

This observation was made twenty years ago, but it is still an appropriate description of many governmental agencies today.

In order to enhance a department’s overall effectiveness, resources allocated to low priority services should sometimes be diverted to higher priority services. This approach may be resisted since there is often a feeling that if
an offering is retrenched, total benefits delivered will be reduced. This thinking equates quantity of services with total consumer benefits. If reduction in quantity leads to an increase in the quality of other services, this may lead to a net increase in total consumer benefits. In the field of education, a study analyzing the impact of declining school district enrollments concluded that the declining districts seemed to have a higher quality of education than those which were expanding. Presumably the decline in enrollments enabled the schools to allocate greater resources, and concentrate their efforts on fewer students. This appeared to yield improved results. It has been suggested that declining enrollments may become an opportunity for improving the quality of education (Boulding 1975).

Failure to concentrate resources frequently leads to priority services receiving fewer resources than they need. Underutilization often occurs because not enough is spent to deliver a service properly. The result is a relatively poor response from the targeted clientele. Relatively small extra increments of resources used to upgrade an offering may lead to substantial improvement in clientele response.

The Pareto Principle, sometimes termed, "the 20/80 law," explains why concentrating resource allocations upon high priority services is so important to effective service delivery. This principle indicates that a small proportion of a department's services are likely to account for a large proportion of the overall satisfaction and clientele served. Interpreted literally, the "law" states that 20 percent of departmental offerings are likely to account for 80 percent of the total clientele satisfaction which its programs generate. However, the ratio should be viewed as an approximation; it is the principle rather than the precision of the ratio that is important. The Principle suggests that it may be possible to withdraw resources from many services without having much adverse effect on total clientele satisfaction.

**Retrenchment Alleviates Managerial Overload**

Since the major cost to most public agencies is personnel, time is the major resource to be allocated. It has been observed that "as the (number of offerings) increase numerically, the range of management problems seems to grow geometrically." (Kotler 1965:107) Adding service responsibilities without terminating others causes managers to feel overwhelmed: "It's like someone just handed me a bucket and told me to go bail out the Mississippi River."

The continued addition of new services with no concomitant increase in staff is likely to spread a department's managerial resources too thin. Some services with undeveloped potential are likely to be ignored, problems with mature offerings may go undetected, and new programs may fail to receive the close attention that they require. Assigning a little of a manager's time to a wide range of services means that he is not able to commit a great deal of time to anything.
The principle of assigning the highest caliber people to the highest priority services in the agency and not overloading them, is of fundamental importance. In an effort to upgrade the services, the temptation to diffuse the best managerial resources across all programs or, even worse, to assign such resources to marginal offerings should be resisted. Retrenchment of marginal services permits the reallocation of management time. The managerial effort required to sustain weak programs frequently is disproportionate to the benefits that those programs yield.

Retrenchment Improves the Success Rate of New Services

Additional resources often are not available for developing new programs. Hence, if new programs are to emerge, resources have to be taken from existing programs. Planned, purposeful retrenchment of relatively unproductive services is a necessary requisite for the successful introduction of new ones. Abandonment is an opportunity. It is the key to innovation because it frees necessary resources (Drucker 1964).

The question frequently arises: “Did we give the new program a reasonable chance to succeed?” Often the answer depends on whether or not a department has a functioning retrenchment procedure. A new offering is unlikely to receive a “fair chance” in circumstances where services that should be deleted are retained.

New efforts over the last 20 years have produced fewer and fewer results. The new programs may well have been necessary and even well-planned, but their execution had to be entrusted to whoever was available rather than to the many experienced people stuck administering unproductive and obsolete programs. (Drucker 1977:12).

Retrenchment Strengthens an Agency’s Future

Recreation and park services have a life cycle (Crompton 1979). They pass through a series of stages: introduction, take-off, maturity, saturation, and decline. The life cycle concept recognizes that no service can be expected to deliver high levels of satisfaction to a targeted clientele forever. Demand for a particular service will decrease over time as lifestyles and interests change. Termination or retrenchment is not exceptional, rather it is inevitable.

Every “right” product sooner or later becomes the “wrong” product. (Drucker 1981). Most programs age and eventually become obsolete. Therefore procedures to retrench or terminate services are essential. If weak services are permitted to continue they weaken a department’s foothold on the future by reducing its ability to adapt to a changing environment. By freeing resources through retrenchment, a department is better able to avail itself of opportunities and is more likely to initiate an active search for replacement services. This will ensure that the department does not have a lopsided range of programs which is long on “yesterday’s bread winners” and short on
"tomorrow's bread winners." (Drucker 1963). Retrenchment creates "space" out of which recycled resources become available for new uses. Without retrenchment, all resources would become committed to services that were established with reference to the problems of a prior time period (Biller 1976).

Unless steps are taken to generate new resources for new needs, typically by some systematic "taxation" of old resources, there is a major risk that no innovation can be tolerated, a very risky strategy if needs are in fact changing. (Biller 1980:606)

**Barriers To Retrenchment**

The previous section suggested that substantial benefits accrue from retrenchment. However, few recreation and park departments have implemented any formal retrenchment procedures. Obsolete services often demonstrate a remarkable ability to survive. It has been suggested that "Certain things are inherently difficult for government and one of these is the elimination of services. It cannot really abandon anything. The moment government undertakes anything, it becomes entrenched and permanent." (Drucker 1969:226) This is an overly-pessimistic view, but it draws attention to the need for a focused effort to overcome the inherent tendency for services to be delivered forever.

The preferred approach to implementing retrenchment is to appoint a committee to be responsible for this function in every division of the department. It is essential that accountability be built into the process, otherwise procrastination is likely to prevail and serious efforts toward retrenchment are unlikely. Each division should be required to report to the agency director every four months, detailing the results of its retrenchment efforts.

In this section of the paper the major sources of resistance to retrenchment are discussed. Some understanding of these barriers is essential if strategies to surmount them are to be developed. Barriers may emerge from the active resistance or passive failings of personnel within the agency, or from external sources beyond the control of agency personnel.

**Internal Personnel Barriers**

Four internal sources of resistance which frequently encourage retrenchment inaction are: sense of personal failure, unawareness of a service's status, staff opposition, and inadequate cost savings.

*Sense of Personal Failure*

A sense of guilt or personal failure sometimes permeates retrenchment discussions. Managers have been conditioned to equate growth with success, and contraction with failure. They are often reluctant to admit the need for a service has declined because of a concern that a service's demise will be interpreted as a personal failure on their part.
Managers sometimes become committed to particular services and refuse to accept that "their" programs are no longer needed, no longer produce results, or no longer represent the best use of resources. In such cases, sentiment may become a powerful influence in the decision-making process and lead to the retention of weak programs. It has been noted that "putting (programs) to death—or letting them die—is a drab business, and often engenders much of the sadness of a final parting with old and tried friends." (Alexander 1964:1) This reluctance is intensified if managers have over-promised in their initial efforts to secure support for a program.

If a sense of failure is induced by close personal association with a service, then managers have every incentive to defer recognition, or to rationalize the retention of failing services (Biller 1976). In an effort to alleviate any sense of failure, their response to a service's decline may be to substantially increase the resources allocated to it.

When a new manager reviews services under his or her jurisdiction, the result is frequently retrenchment or termination of existing programs. The new manager is more objective and less likely to be personally committed to existing programs. Indeed he or she may have some positive incentive to de-emphasize past programs which are associated with immediate predecessors.

Unawareness of a Service's Status

One result of the common failing to implement program evaluation is that managers may be unaware that a service is ailing. The data necessary to make informed evaluation decisions about retrenchment may include:

costs of offering the service both now and in past time periods,
numbers and profiles of clientele served in the agency's program both now and in past time periods,
numbers and profiles of clientele of similar services offered by other suppliers in the community both now and in past time periods,
a measure of the level of satisfaction which the clientele receives from the service, and,
a projection of the likelihood of other suppliers in the community expanding or decreasing the services they provide.

Staff Opposition

A major difficulty facing agencies that seek to reduce services is the range of entrenched vested interests which must be confronted from within the agency. Most internal opposition is likely to be motivated by concern for self-preservation.

The issue of how, where, and when cuts are to be made is directly important to all members of the organization. Much of the time, most of the issues confronting an organization are of low salience to most of its members. Whatever decision is made, they will be hardly affected. Thus, they do not become involved. Not so for retrenchment. Everyone is threatened; so the decisions to be made are of immediate, personal interest to everyone. (Behn 1980a)
There is no doubt that some resistance to retrenchment will occur when individuals' livelihoods are affected adversely or their social standings within a department are threatened. If a particular service is dropped, and not replaced by another, it may mean a loss of jobs, reductions in status, loss of prestige, or loss of influence. If a replacement service is to be offered, some people may still resist the change because they know or fear that they will not be able to develop the new skills and behaviors it requires.

If the total number or extent of services offered is to be reduced, there are likely to be fewer promotions and rewards available to motivate and retain successful and loyal managers. Hence, the quality of management responsible for the delivery of the remaining services may suffer. The most talented personnel are likely to be the first to leave a department when they perceive fewer promotional opportunities and reduced resources to be available.

The natural reaction of those adversely affected by retrenchment is to try to influence the decision process in their favor. That is, to press for continuance of the service. Internal resistance is facilitated by the nature of the typical department's organizational structure. Most departments are organized as bureaucracies, designed for continuity and permanency. Their inherent inertia makes change difficult to implement. A retrenchment decision frequently has to be orchestrated through so many levels of authority that it is unlikely that consensus and accompanying commitment to the decision can be obtained from all involved individuals.

Costs of Retrenchment

Intuitively, it seems obvious that reducing or terminating services or facilities will lead to resource savings. That is the point of such actions. However, savings may not be as substantial as anticipated and may be realized only in the long term. It has been estimated that the most any community can expect to save by closing a school, is half of what it cost to operate the school when full (Gumpert 1977).

In the short term, there are likely to be substantial financial and political costs. If retrenchment involves reductions in the work force through layoffs, then labor agreements requiring high severance pay for discharged employees may be substantial. Additional costs may be incurred in transferring and retraining personnel, transferring equipment, and closing facilities. Thus, in the short term it is possible that the costs of continuing to operate a service may be less than the costs of terminating it.

Unfortunately, some managers are tempted to be concerned exclusively with short term costs and benefits and reject retrenchment actions which offer only long term benefits. This temptation is often encouraged because the people who appointed them must stand for re-election every two or four years, or because they expect to move into a new position after a short period of time. This is evident in the following example.
A series of National Park Service superintendents ignored the problems created by the agency's beach erosion-control program at the Cape Hatteras National Seashore. In part, they may well have been motivated by the (unconscious) recognition that the inevitable turmoil resulting from any termination attempt would reflect badly upon their managerial competence. Yet, since they would be superintendents of the park for only two or three years, the benefits of eliminating the expensive and, many argued, harmful program would appear only during the terms of their successors. (Behn 1980b)

**External Barriers**

Three types of resistance which may emanate from sources external to the agency are: clientele opposition, legal constraints, and political expediency.

**Clientele Opposition**

Every beneficiary of a government program immediately becomes a constituent. Ironically, the more successful and satisfying a service has been, the more clientele opposition its retrenchment is likely to arouse. A department's constituent groups have the potential for effective political action to bring pressure upon decision-makers to reverse termination or reduction decisions. The problem has been expressed by a United States Congressman in the following terms.

"The average spending bill we voted on in the last Congress cost about $50 million. The average beneficiary got between $500 and $700. There are 100 million taxpayers, so the average taxpayer paid 50 cents. You don't need a lot of economics to understand that somebody getting $700 is willing to do a lot more than somebody who is paying 50 cents. So, every time you vote on every issue, all the people who want the program are looking over your right shoulder and nobody's looking over your left shoulder." (Gramm 1980).

Elsewhere this Congressman described citizen reaction to his proposal to cut funding for 72 federal programs in an effort to balance the federal governmental budget.

"In response to our proposal, I received literally hundreds of letters from people as diverse as governors and junk dealers. With very few exceptions, the writer always agreed with the goal of balancing the budget, agreed that hundreds of federal programs could and should be cut and commended me for my efforts. But in virtually every letter, the writer said that I was making one tragic mistake which revealed both my ignorance and my prejudice; proposing to cut a program that provided some benefit to the writer." (Gramm 1981)

Impacted client groups are able to base their arguments on particular benefits which will be foregone by identified users. In contrast, those in favor of retrenchment are often able to base their case only on the less convincing grounds of general benefits, which will accrue to others when the resources are re-allocated.

**Legal Constraints**

Two types of legal constraints have to be considered. The first is the legislative authority required to terminate a program. In most cases the issue
of rescinding authorization is not addressed because a legislative body simply ceases to appropriate funds for a service that it wants to terminate.

The second constraint is civil service procedures which may be involved if the intent is to layoff or regrade personnel. These procedures are typically cumbersome and timeconsuming. The key to successfully terminating personnel using civil service procedures is the conscientious use of existing evaluation devices for employee performance.

Most evaluation systems become pro forma and must be continually revised and promoted to ensure use by line managers. Evaluations become increasingly important as courts provide added protection of employment rights, and pressures to reduce the size of government continue to mount. The highest priority must be given to this area by anyone facing meaningful retrenchment. The most productive concentration of effort is at the end of the probationary period. Statistics show that this period is not being adequately utilized to evaluate employees. Few employment rights are vested during the initial probationary period and removal is relatively easy (Wilburn and Worman 1980).

Political Expediency

The prevailing attitude among elected officials toward sunk costs often inhibits retrenchment. In the private sector sunk costs are ignored because, although the decision that committed them may now be regrettable, it is too late to do anything about it. Thus, they are not considered in retrenchment decisions. The long term viability of the enterprise is likely to be more important to a decision maker’s reputation than any specific project decision, making it more palatable to terminate offerings in which a substantial investment has been made.

In contrast, elected officials and managers of recreation and park departments frequently seek to justify sunk costs. Sunk costs represent a commitment which has to be justified to salvage a reputation. There is reluctance to admit to mistakes because such perceived mistakes offer leverage to political opponents.

Taking no retrenchment action is a tempting political expedient, for it avoids confrontation and alienation. Thus, prudent politicians have tended to shy away from retrenchment decisions. However, this is changing. Citizen reluctance to sanction new government financing has served as leverage to encourage elected representatives to actively retrench obsolete services.

Concluding Comments

It may be argued that the inability of recreation and park managers to voluntarily retrench a service is their most common failing. “It alone guarantees non-performance and within a fairly short time” (Drucker 1980). It is easy not to implement retrenchment, because that will not be controversial. Nobody is likely to be upset until resources are taken away from a service; so it is understandable that retrenchment is an action which many administrators seek to avoid. Although weak programs place a disproportionate burden on a department’s resources, it is often rationalized that their popularity will
rise again, or that their retrenchment will be too disruptive. However, in spite of the widespread reluctance to recognize it, the viability of a leisure service agency’s mix of programs is as much a feature of paring, as it is of proliferating new programs.

Instead of recognizing termination as a positive strategy, the past response was often to throw more resources at an ailing program. This automatic unthinking response emerged from the defensive attitude of a program’s advocates, rather than from rational diagnosis of its status and problems.

The greatest self-delusion is the belief that the outlook for a (program) improves the more resources one pours into it. Few popular maxims are as wide of the mark as, If at first you don’t succeed, try, try, try again. If at first you don’t succeed, try once more—and then try something else, is more realistic. Success in repetitive attempts becomes less rather than more probable with each repetition. (Drucker 1980).

Such self-delusion should no longer be tolerated in recreation and park departments. Managers should be required to terminate some offerings, to retrench the service level of others, and to confront trade-offs between new demands and old programs.

Realization that the retrenching of obsolete services is a very positive management strategy, is a starting point to implementation. When such a mechanism is implemented, the initial reaction from sources, both within and external to a department, is to resist it. This paper has described the benefits which can accrue and the motivations of those likely to oppose retrenchment. An understanding of these factors is essential for effectively countering the opposition, and successfully implementing voluntary retrenchment.

References


