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## EMPLOYMENT News

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Formula One driver Michael Schumacher needs his team to keep winning - and earning. Picture / Reuters

### Learning the business of sport

01.03.2000 - By Selwyn Parker

"Just do it!" It's not the most elegant slogan in the world but Nike's line comes close to summarising what sports organisations that win can teach businesses that lose.

That's the essential lesson from a long-awaited new book, Peak Performance, on what all these "sports corps" can teach the mainstream world of commerce. And it's a lot.

In the age of entertainment, sports is an industry and has a bigger story to tell. After all, star athletes like Michael Jordan and Steffi Graf earn much more than your average, medium-sized company. Some of them like Greg Norman and Michael Shumacher are industries in their own right.

What fascinates the authors of Peak Performance is that these sports corps operate in a ruthless environment where success and failure are defined in the most unmistakable terms. You win or you lose. No amount of creative accounting can conceal the truth of that terrible moment - the final whistle.

Peter Snell made the same point when he accepted the Sportsman of the Century award last month. He loved his running, he said, because of its objectivity. The winner was the first to hit the tape. End of argument.

Peak Performance has gone behind the scenes of this no-excuses world. Sub-titled "Business lessons from the world's top sports organisations", it's written by the chief executive of Saatchi and Saatchi Kevin Roberts

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Learning the business of

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chief executive of Eastern and Southern North Islands and lecturers at Waikato University's school of management.

sport



## OPINION

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They've done their homework, having opened doors into the Williams F1 team, Team New Zealand, Chicago Bulls, Bayern Munich, the Australian Cricket Board and the New Zealand Rugby Football Union among others.

It's the dream that fires these organisations - the dream of winning. The dream binds people together, inspires them to achieve far more than they ever thought they could. However the dream is a hard taskmaster.

"If you're not passionate about the All Blacks, don't come and work here," explains David Moffett, then chief executive of the NZRFU. (Never mind that he left the job for rugby league but he probably meant it at the time.)

Two of the sportscorps are home-grown - New Zealand Rugby Football Union and Team New Zealand. Three are from across the Tasman, and one of them is German - the Bayern Munich football club. Three are American - Atlanta Braves, Chicago Bulls and San Francisco 49ers - which is fair enough because North America invented the concept of the commercial sports organisation. And only one, Williams Formula One team, is British.

These organisations don't win all the time of course. That would be impossible. But they try to win all the time - and here are a few tips for companies seriously wanting to win:

\* Find the dream. This might be tough if the business manufactures steel bolts or plastic containers rather than F1 cars. Some imagination is obviously required.

\* Hire on passion. "Enthusiasm is often the important criterion," says Team New Zealand's resident boffin, Tom Schnackenberg.

\* Give 'em autonomy. "With good people you let them do their jobs," says the Chicago Bulls' head of marketing and broadcasting. "Give them an overall philosophy. Then you give them the ball and you let them run with it."

\* Cut bureaucracy, at least to the extent that it interferes with execution. Nobody spends much time on red tape or at formal meetings at these companies, and especially at the Atlanta Braves. Most job descriptions are no more than eight or ten lines long and are deliberately vague.

\* Be nice. At Williams everybody is on first-name terms. And while it's not money that motivates this sportscorp's staff, Bulls' owner Jerry Reinsdorf puts niceness in the pay packet. He pays a bonus of 10 per cent on gross salary when the franchise makes a profit.

\* Encourage innovation. Mistakes aren't punished at Williams because, as Patrick Head points out, it's counterproductive in a culture where the goal of victory requires constant inventiveness.

\* Fun improves performance. Team New Zealand apparently has a culture of high-jinks, although it's sometimes hard to see. Williams' mechanics often "lark about" in between designing, making, and despatching brilliant pieces of engineering within 24 hours.

\* Celebrate your heritage, which is a much broader concept than your brand. All these organisations make a point of showcasing former and present employees rather than just the stars but Americans are particularly good at it. For example, the San Francisco 49ers turned a 95 year-old usher into a legend which probably did wonders for staff morale.

\* Give 'em the tools to do the job. Australia's cricketers have full access to the Australian Institute of Sports' facilities as well as every possible back-up, technical and otherwise.

\* Bosses shouldn't try to be messiahs. "We found no evidence to support the idea of a charismatic leader who single-handedly transforms the fortunes of the organisation," the authors write.

Having got behind the scenes of these organisations, even to the extent of sitting in the pits with Williams on race day, the authors have come up with a theory which they call PPO (for peak performance organisation) which merits some attention.

Overall, these sportscorps have a lot to teach conventional business. Take the issue of staff turnover alone - people are busting to get into these organisations, not out. And because they have a pool of hot talent, sportscorps don't have to hire executive search companies. They just promote from within.

But the biggest return, it seems, is that everybody wants to come to work.

Peak Performance by Clive Gilson, Mike Pratt, Kevin Roberts, Ed Weymes, is published by HarperCollins Business and is available in bookshops from Monday, March 6.

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