Story of "moneyball" essay sample

Sport & Tourism, Baseball



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\nMoneyball is the story of a dynamic change agent who rallied a small group of undervalued professional baseball players and executives to overturn convention and rethink how Major League Baseball ("MLB") was managed and played. In 2002, Billy Beane, General Manager of the Oakland Athletics ("Oakland A's"), faced a critical situation—his baseball team was consistently losing the battle for talent. The best players were being lured to wealthier teams with more lucrative contracts. Constrained by a tight payroll, Beane was forced to find a more creative way to create wins. With the help of economist Peter Brand, Beane pioneered an analytical, sabermetric1 approach to finding the right players and assembling a competitive baseball team. Looking for, in essence, new baseball knowledge, he reexamined everything and created new indicators that could better translate into wins. That's how they found their bargains. These observations often flew in the face of conventional baseball wisdom and the beliefs of many baseball scouts and executives. Many of the players drafted or acquired by the A's had been the victims of an unthinking prejudice rooted in baseball's traditions. With this revolutionary method, the Oakland A's began to exhibit extraordinary results, proving that Beane had been correct in his insistence that change was necessary and forever altering the landscape of professional baseball.\n\nWhen promoting change in the face of systematic resistance, a change champion should conduct a force field analysis in order to identify those factors or pressures that support the status quo, the restraining forces, and those variables that support the desired change, the driving forces. Billy Beane faced a number of Environmental, Organizational,

Situational, Sociopolitical and Psychological factors that served to both help and hinder his change initiative. Environmental Forces: By its very nature, American baseball was a restrainer of change and any move that threatened its tradition faced potentially rigorous opposition from media and fans. The operating budget of each team often depended on the size and demographics of its market, and the Oakland A's was one of the poorest teams in baseball. These economic and market constraints aligned to restrain change, however, because Billy Beane understood that he would never have the resources of the New York Yankees, so he was driven to find inefficiencies in to gain a competitive advantage. These restraining factors motivated him to seek out new knowledge within an established process. During this time period, there were also considerable advances in technological capabilities which could be considered a driver of change.\n\ nBilly Beane and Peter Brand capitalized on these changes employ (the previously unheard of) sabermetrics to evaluating talent and performance. Organizational Forces: The corporate culture of baseball was a restrainer of change in the sense that it dictated that the best scouts find talent by hitting the road to observe speed, batting power, etc. of young players firsthand. The best talent was also thought to possess a more qualitative " star-power". The best MLB scouts had well-developed intuition and experience that allowed them to search for talent largely without accountability to the GM. This structure within baseball's traditional corporate culture prevented scouts from seeking or adopting change. Specifically, Grady Fuson, the A's head scout, became a dangerous resistor of Beane's changes. When Beane fired Fuson, the scout announced his resistance to the entire baseball world

which increased the public's scrutiny on Beane's actions.\n\nDespite vehement objections, Beane moved forward with the players suggested by Brand (Bradford, Justice and Hatteberg). These new players prompted Art Howe, another important organizational manager, to resist Beane's efforts when composing the team's lineup. Howe was a key agent for Beane to implement his new strategy, and it quickly became apparent that their goals were not aligned. Beane responded to Howe's resistance by flexing his own power as GM. He traded Peña and Giambi directly in front of Howe saying, " I could do this all day". Beane demonstrated his authority in a way that Howe might not respect but could understand. Ultimately, this trifecta of traditional corporate culture, "old-school" scouting personnel dynamics and subjective scouting methods formed a major resistor for Beane. The A's players were another organizational constraint to change. In order to combat player resistance, Beane applied a high touch approach to increase their confidence in his methods. He met with each player individually and demonstrated how statistics applied to each player's specific performance and improvement. Beane also rallied senior players to mentor others and thus utilized their collective influence to push his initiatives forward. Finally, the owner's commitment to being a small team with small ambitions was also a restraining force.\n\nTo overcome this restraining force, Beane met with the owner several times attempting to fuel his desire to win a championship. This strategy suffered from a lack of concrete proof and Beane had difficulty convincing the owner that change was not only needed but possible. Situational Forces: There were two critical events and one overarching financial issue that combined to drive change. Beane was frustrated with the

2001 post-season loss to the New York Yankees and this motivated him to seek change. Interestingly, the 2001 season overall was largely successful and therefore acted as a restrainer of change since it did not appear that drastic change was needed to win games. Secondly, the departure of three key players (Damon, Giambi and Isringhausen) acted as another catalyst for change. This event, aggravated by Beane's limited payroll, forced him to seek a new perspective on how he found and managed his team. Sociopolitical Forces: The 2002 MLB fans were passionate and committed stakeholders that restrained change. The average fan was star-focused rather than stat-focused and remembered only the most recent win. This placed tremendous pressure on ball clubs to create stars and wins, with little appetite for experimentation.\n\nBeane's new strategy toward recruitment was subjected to tremendous scrutiny. This kind of intense consumer pressure acted as a restrainer of change because it made most managers strongly risk averse. The power structure of the organization, however, acted as a driver of change. As General Manager, Beane held tremendous authority that allowed him to simply ignore (or roll-over) resisting staff. When Howe resisted Beane's strategy, Beane was able to nullify his rebellion by utilizing his inherent GM power to trade players and thus force Howe to play Beane's desired line-up. Psychological Forces: There were several interesting beliefs, skills, motivations and commitments at work that acted to both drive and restrain change. Beane was portrayed as being incredibly competitive from a young age, which transferred from the field to the back office. Additionally, Beane was divorced and his daughter lived in a different city. This allowed him to fully devote his time to the team, which acted as a driver of change.

Beane's personal history also provided him with a strong belief that the scouts (and previous metrics) could fail spectacularly.\n\nThis drove him to seek new baseball wisdom. At the same time, the beliefs, skills and motivations of the scouting personnel acted as a restrainer of change. MLB scouts were largely older men who were entrenched in the decades-old way of finding talent. These men believed that a baseball player was more than just a set of statistics and this ingrained conviction prevented them from accommodating a new philosophy. When implementing change, Billy Beane showed determination, focus on his new approach, ability to act through different paradigms and took the necessaries risks to make it successful. There are four key lessons to be derived from the Moneyball story and Beane's approach to change. Firstly, do not be afraid of conflict and organizational tension. Change is neither quick nor easy. Beane refused to accept tired solutions from his staff that were based on old paradigms. He accepted the inevitable conflict that ensued when he consistently contradicted the "experts" and didn't accept a temporary and easy "peace" that would have led to no change.\n\nSecondly, consider taking a step back from the problem and look outside of your own organization when searching for creative solutions. Beane stumbled upon a revolutionary strategic model when he believed in and hired a young economics graduate with fresh perspective. Third lesson: It's not about you. Beane was able to set aside his ego, because he so resolutely believed in his new management philosophy. Finally, a leader sometimes needs to make bold and unpopular decisions and reflect the conviction to stick with them. Despite the successful implementation of his new approach and the clear results the team

achieved, there are some steps that Beane could have handled differently to better facilitate the transition to the desired state. Adopting a different paradigm does not necessitate disregarding everything associated with the old paradigm. For example, Beane ignored the recommendations made by his scouts regarding Jeremy Giambi's problematic personality. Intuition and experience are not analytical but they are important and Beane was forced to course correct and trade Giambi.\n\nAdditionally, Beane should have worked harder to build an effective coalition before implementing the change. His efforts to accelerate buy-in were hampered by broad misconceptions. Without a coalition, Beane was unable to control the narrative, and the change progress was slowed due to the misalignment of the General Manager, Manager, Owner and players. Beane also neglected to empower those around him. By maintaining such a silo of control, Beane sowed distrust among key stakeholders. This slowed the change process and strengthened resistance. In conjunction with empowering key stakeholders, Beane should have been more transparent throughout the change process. He allowed Brand to remain relatively mysterious and therefore others had little understanding or trust for him, his authority, and his suggestions.