

# DELIVERING ON THE PLAN



In the final chapter of his CEO Playbook, *SportsPro* senior contributor Matt Rogan looks at how leaders in sport can turn a great strategic plan into a sustainably successful business.

By Matt Rogan



**ABOVE:** New Zealand's fabled All Blacks are the epitome of shared purpose and the power of collective identity

# SHARING THE LOAD: BUILDING COLLECTIVE OWNERSHIP

**B**uilding great strategy plans can be really beguiling work, particularly when you are passionate about the industry you work in. As we saw in my last article, 'The World in 2022', there is a lot to get your head around in an industry moving so fast. At some point, however, it's time to put away the flipcharts and start executing.

Trouble is, there are plenty more good business plans on paper than there are great businesses in practice. So what makes the difference between those who successfully make the leap to action, and those who flounder?

In my view there are three key drivers of success. Firstly, you need the shiny new business strategy to be owned and acted on by your whole organisation – not just the top team. Secondly, the business needs

to be consistently and actively managed against the plan. Finally, as leaders of our organisations, we need to be able not only to withstand the pressure, ambiguity and level of challenge that this involves, but, wherever possible, thrive on it.

This three-part article studies each of these areas in turn. 'Sharing the load' looks at how to build collective accountability for the delivery of the plan across the organisation. The second, 'No surprises', looks at how to build 24/7 performance management into the DNA of your business. The final part, 'The loneliness of the long-distance leader', looks at how leaders can manage themselves through the tough times when (as I know from personal experience) it can sometimes feel as if there is nowhere to turn.

**"The best leaders are letting their people in on the challenges and encouraging them to think of solutions, to adapt how they work and solve the problems of being off track."**

I never cease to be amazed by the number of bright, articulate and senior individuals who I have interviewed for roles who can only guess at what the strategy for their current employers might be. To me, that makes no sense at all. Why on earth would you hire hundreds of talented people to play for you, and not share the team tactics with them?

In chapter two of this series, titled 'Being Brave in a New World', I shared how Limelight Sports Group went through its

own strategic review process, a journey which has progressed further with its September 2020 acquisition of mass participation events company Virgin Sport. This strategic review is also a process that Sport Industry Awards Agency of the Year Two Circles – a business I co-founded - has recently completed.

"We have recently redefined our mission to 'Rewire Sport'," explains Dale Kirsop, Two Circles' commercial operations director.

"It was an evolution from our previous vision, 'Change the Game for Sports Marketing', giving heightened purpose to the fundamental belief we have that direct relationships are crucial to the very existence of rights holders in the future.

"We went through loads and loads of iterations of this, but we knew we wanted a mission statement that was easy to interpret, not abstract, and one that gives clarity and purpose to both our team and clients alike."



ABOVE:

Two Circles' strategy development involves significant consultation and co-creation; employees are invited to vote on company policies by placing sweets in labelled bottles



## SHOOTING FOR THE STARS

The fundamental shift which has occurred in the last decade or so is that employees do not just accept a strategy handed down by the senior ranks of an organisation. Rather, they expect to be consulted on the direction of travel. Kirsop explains how the management team at Two Circles manage this challenge, enabling freedom within a framework.

"As management, we steer the agency by setting out an ambition of the size and scale of agency we see ourselves becoming, the forces that we see shaping the industry, alongside – most importantly – what we'd like Two Circles to feel like as a place to work through all this, a 'once-in-a-lifetime business,'" he says. "Then it was over to the team to quite literally decide what we'll do to get there."

Two Circles took meaningful time out of client work to shape the direction. "We consulted and co-created widely, meaningfully and often," continues Kirsop. "Four full, all-agency team days were devoted to it, including one where if you tot up all the miles we walked together in small groups to discuss where we want to take our agency, it turned out we collectively strolled from London to New York!"

"Later on, the team voted on the potential elements of our strategy, from elements of our proposition, to new systems, processes and policies, the kinds of organisations we wanted to work with, and locations where we should have a presence. Those that received the highest number of votes were written into our plan. Those that didn't score highly were excluded. Simple as that. It has meant that the strategy is genuinely designed by our team."

Greg Searle is an Olympic rowing gold medallist who now works as a leadership development consultant for corporate boards across Europe, including the likes of Nestle Cereal Partners, Coca-Cola and Honda, among many others. He says: "The most effective organisations I work with provide regular reminders to their people of why they exist and what the organisation is looking to achieve. The best teams are proud of what they do for their customers and how they make the world a better place to work in, eat in, shop in, live in. The best leaders communicate their enthusiasm and belief in their business in everything they do. It's not just what they say but it's what they do that engages their teams and their customers alike."

Searle's view is shared by Richard Hughes, the sales and marketing director at EDF Energy, the utilities business that employs over 13,000 people worldwide and handles 5.7 million customer accounts. Reflecting on the trickiest areas of creating a sense of ownership across a strategic plan of the scale of EDF, he says: "Our biggest challenge is finding common ground amongst such a diverse range of business types and cultures. The worlds of, say, nuclear engineering and customer experience can, on the face of it, seem poles apart. In general we find less distance between geography than we do between typology. There can be some element of generational divide playing through here too, with our engineering teams typically being made up of older and longer-serving colleagues than newer retail disciplines."

Hughes also picks up on Searle's focus on 'making the world a better place' as key to driving engagement across the business. This is an approach that EDF adopts, too, focusing its whole organisation on achieving net zero carbon impact.

"We have found that people working for EDF, no matter which country or field they work in, how old they are or how long they've been with the company, we share a common purpose – helping achieve net zero – a strong source of pride, of motivation, and our strategic north star," he expands. "With science-based targets making the path and necessary actions to get to net zero increasingly clear, even in a time of global uncertainty due to the Covid crisis, this provides the backbone to all of our business unit strategies, investments and plans."

Ultimately, this boils down to having leaders with the courage to co-create and implement a 'strategic north star' that comes down to more than shareholder value.

As I shared in my last article, 'The World in 2022', this broader purpose is going to be fundamental to the future of organisations in sport. Balancing trophies and financial return alone will no longer wash. As Sally Bolton, the chief executive of the All England Club, told the audience at SportsPro Live in September: "Organisations are going to be held to account by the impact they have on society, not just on the products and services that they deliver."

Rather than being a time-consuming diversion to the role of an already busy CEO, focusing on purpose is actually the enabler to creating cohesion and engagement among a team around a future strategy.

## COMING DOWN TO EARTH

Of course, it's all very well to combine ideas and gather contributions from the whole organisation, but that's only the beginning of the job. Leaders need to be able to engage their teams in delivering the plan, not only co-creating it. This can be easier said than done. After all, I'm pretty engaged when my wife asks me what colour I think we should paint the living room, but, to be honest, slightly less so when it comes to doing the actual painting.

While a CEO is ultimately accountable for the delivery of a plan, they can't deliver it alone. So how do you keep your entire organisation focused on the direction of travel, beyond the ivory tower thinking and into actually getting things done?

I'm fortunate to have taken time outside a career in sport to run a management consultancy focusing on leadership development. We were able to tap into a lot of that learning when setting up Two Circles. One particular lesson was around the need to making our mission and strategy come alive daily across our organisation.

We focused on regular communication of progress against our mission – our own strategic north star – and the specific targets we set ourselves to be sure we were on track to achieving it.

Rather than lose this discipline as the business has grown, this focus has increased. As Kirsop explains: "When the business plan is set, the commitments that

sit underneath, the ones the team voted on, are set into the balanced scorecards we use to plan the business. Every team and region has one, as well as a global scorecard at a group level, with the name of the person who is responsible for delivering the commitment against each. That drives collective accountability for our goals."

Leadership teams of great businesses – sporting or otherwise – are able to generate significant commitment to their plans from across the organisation. They do this by tapping into the intrinsic motivations of team members. The 'business strategy' is not a Powerpoint plan that gets revisited quarterly by the management team, but a constant and fluid process owned by the business.

**"The best teams are proud of what they do for their customers and how they make the world a better place."**

BELOW:

Former Olympic rower Greg Searle believes the best leaders "communicate their enthusiasm and belief in their business in everything they do"





**ABOVE:** EDF Energy's diverse business has been unified around its net zero target and is driven by hard customer metrics

# NO SURPRISES: MANAGING PERFORMANCE 24/7

No matter how brilliant a plan is, or how committed an entire business may be to delivering on it, 2020 will live as a permanent reminder for many industries of the need for stronger foundations. It took many sporting leaders back into the fundamental mechanics of their business, and the levers that really make a difference.

So of all the areas of sports businesses that leaders could be keeping an active eye on, which ones are the priority? I would argue that there are four key components where you need to seek real time, hard data to keep on top of your business. If you are performance managing these four, you won't be going far wrong.

<p><b>CASH:</b> Can you project sufficient cash flow to thrive rather than merely survive?</p>	<p><b>CUSTOMER:</b> How do customers feel about the business today, and in what direction is that trending?</p>	<p><b>TEAM:</b> How engaged and productive are your employees today, and can you foresee any threats to that?</p>	<p><b>INNOVATION:</b> What will your business look like tomorrow, and how are your efforts progressing to capitalise on that future?</p>
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As I'll explain, these four areas are very closely interlinked, and they all (yes all) come back to the quality of your data and processes.

## FROM CUSTOMERS TO CASH FLOW

Great cash flow management is not the sexiest part of business, but it is one of the most important. After all, businesses don't go bust because they're not profitable, but because they've run out of cash.

Revenue projections are, of course, pivotal in managing these projections accurately. However, they're not the whole story, unless they're underpinned by hard evidence of customer intention.

I've sat in far too many sales meetings where the likelihood of winning a piece of work was discussed in great detail but based purely on perception of how the sales team believed a potential customer felt about our proposal. I often felt that the ascribed likelihood of a piece of work to be won in our funnel was more driven out of the prevailing mood in the room (or the quality of the biscuits) rather than real life.

In a recent report by strategy consultants BCG titled 'Leading in the New Reality', the consultants interviewed various CEOs of international corporate businesses. One key theme they identified as having been driven by the pandemic was the conscious movement towards far closer management against short term, evidence-based metrics. One interviewed CEO is reported as saying that tracking of high-frequency consumer data is used to "tell us what the curves will probably look like to help us manage expenses and change as a result". This is a fundamental point: great businesses drive their revenue forecasts, and so cash flow projections and spending plans, out of hard customer data, rather than intuition or biscuit quality.

Richard Hughes of EDF Energy explains how his team manages these signals in the

utilities industry. This starts, of course, with making decisions around what to track.

"Firstly," he says, "we find it key to look at both our own customers and compare ourselves to the customers of our competitors. Looking at consumers in general creates strong biases due to market share that hide true performance and can lead to complacency. Secondly, we know that much of our experience is fact perceived. Most people only spend a few minutes per year dealing with, or even thinking about, their energy supplier, but everyone has an opinion about them, good or bad.

"However, we always start with true, hard, tangible performance metrics. Are we demonstrably delivering a great service - fast, efficient, and with minimal failure? Excellent functional performance is a hygiene factor. Easy to say, but hard to do - and very, very hard to sustain at a competitive cost to serve our customers.

"Thirdly, on the foundation of excellent delivery, we measure and manage the experience and, to some degree, the perception of our service. The irony is that the best service from an energy company can be when you never have to speak with them! Nevertheless, it is important to let people know their account is all up to date, that there isn't anything that needs action, that we are here if they need us, and, with permission, to suggest ways they can reduce their bills, save CO2, etc. To do this, we measure net promoter score at an overall level, plus ease of experience on a journey level, plus agent feedback at a transaction and customer level."

At an aggregate and individual level, EDF is able to manage this data to derive real

intelligence around the likely trajectory of future revenue. As Hughes says: "As we start to move beyond the 'hype cycle' of big data, we're getting to the point now where we're seeing some real nuance to how we can predict and manage customer losses - although this is still, to some degree, based on a point-in-time, single customer view and propensities, rather than live events and triggers. For us the prospect of smart meter data every 30 minutes takes this to a whole new level."

For a business like EDF Energy, cash flow can only be accurately projected by tracking in real time the ways in which customers are behaving. The same disciplines are necessary now to track any direct-to-consumer sell in sport - whether that be ticketing, retail, membership and over-the-top (OTT) subscriptions. Instilling that discipline and rigour into your business is the means to managing performance before it manages you. However, there is also plenty of learning from EDF's journey for those who have a purer B2B focus.

As Hughes says: 'There is still huge mileage in doing the basics brilliantly. Great onboarding sets the tone for the whole relationship, minimising failure and complaints, taking ownership and first-time resolution when things do go wrong, being there for other moments of truth - moving home, etc - all make a tangible and trackable difference.'

Perhaps understandably in a growth era, sport has been very focused on acquisition - rights deals, new sponsors and so on. In a bear market, retention becomes the watchword, with real-time data fuelling every commercial move.



**ABOVE:** Highly skilled EIS team members are able to help coaches and athletes use data intelligently to optimise their performance

## THE SCIENCE AND ART OF CUSTOMER MANAGEMENT

It is tempting to suggest that this type of empirical approach to projecting revenue, costs and, ultimately, cash is laudable, but very soulless. I lose track of the number of creative and comms agency heads who in the early days of Two Circles claimed we were ripping the creativity, emotion and just great ideas out of sport. In truth, however, a constant data stream proves the value of brand and the criticality of joining up a left and right brain approach.

"Ironically," says Hughes of EDF's learning in this space, "there have been a couple of big 'left-ish' brain developments out there that give us some greater confidence in the importance of right brain power, creativity and ultimately brand.

"Firstly, some of the observable success of behavioural economics, nudges, human-centred design and design-thinking show us that empathy, creativity, tone of voice, humour, and ultimately, we believe, our net zero purpose are key differentiating factors.

"Secondly, and linked to this, we have seen much greater empirical evidence from digital comparison site sales in our industry and insurance that enable us to quantify the value, in price terms, of well-known and well-liked brands above unknown ones. They also tell us the value of service, sourcing and other offer features, like real-world conjoint analysis. In general, the world of advertising and brand has raised its game in terms of proof and ROI. This makes the leap of faith that is undoubtedly still required slightly less daunting."

Even in an organisation of EDF's size and complexity, then, there is still room for empathy, creativity and brand in driving cash flow. In fact, the data demands it.

This level of left brain rigour is not just limited to the back office of sport, however. For example, it has latterly been used to great effect by the English Institute of Sport (EIS), the largest provider of world-class science, medicine, technology and engineering services to Britain's Olympic and Paralympic sports. Full disclosure: I am a non-executive director at the EIS. As well as working with the national governing bodies' World Class Programmes in Olympic and Paralympic sports, the EIS also assists individual elite athletes through medal support plans. In that way, their purpose is to provide a suite of B2B (governing bodies) and B2C (athletes) services.

Just like EDF, active performance management is fundamental in the race for success. This is particularly true in the provision of real time health and performance insight to inform continuity of athlete training and competition performance. Craig Ranson, director of athlete health and performance data at the EIS, explains: "We identify potential health problems both for each sport as a collective, and then for each medal potential athlete. At both levels we then devise plans to optimise athlete availability for preparation and performance.

"Our bespoke medical records and health surveillance system provides the platform for this. Whilst a secure and medically robust medical records system, it also has built in health surveillance dashboards that

allow practitioners embedded in the sport to use live data to identify injury and illness patterns. Our athlete health consultants and individual sports' practitioners can also obtain detailed information on injury and illness types, rates and likely risk factors. All of this information enables us to help the whole sport progress.

"At an individual athlete level, the system also has a daily athlete workload and wellbeing system – the AER [Availability, Effort, Recovery] App that features instant, automatic analysis of the daily athlete reported data and provides alerts for when responses are outside an athlete's normal envelope – for example, workload, sleep pattern, soreness and/or psychological stress.

"This consolidated information allows our athlete health consultants to ensure a focus is maintained on threats to availability and performance at an athlete, sport and whole system level. The data is the prompt, but ultimately it's in the richness of the dialogue between our health consultants, sports, coaches and individual athletes where we really affect positive change."

In this way, the use of real time data is hard-wired into an athlete's training regime. Athletes are engaged in the creation of their training plan, with progress against it reviewed and training adjusted in real time through a human set of performance conversations.

While this is a performance sport example, the balance is very similar at EDF and Two Circles. Data supports decisions, but dialogue makes them.

## BALANCING THE FOCUS

It's not surprising that sports organisations, in particular rights holders, have tended to divert their focus externally. After all, they represent some of the biggest brands in entertainment with the engagement and column inches to match, but often with very small internal teams to deliver on the promise. However, as these businesses get more complex – for example, with the functional revenue lines blurring – internal cohesion and communication becomes increasingly key.

Two Circles manages this complexity through a 'balanced scorecard' framework; a popular corporate tool which integrates financial measures with other objectives and KPIs related to customers, internal business processes, and the current and future capacity of the business. It's 'balanced' in so far as it tracks external and internal, current and future performance holistically, rather than becoming overly focused on next quarter's numbers.

This is not a new innovation reflecting Two Circles' fast growth since inception – in fact, we built the first scorecard on the first day of trading more than nine years ago. Kirsop explains how they use it to keep everyone moving in the same direction.

"Whenever we update on company performance, either at a management team, project lead or all-agency level, it's always – and I mean always – delivered through the lens of these scorecards," he says. "The frequency with which we return to them, and rate our progress against each commitment, means that nothing gets forgotten. It's amazing how they do force a balanced view of agency performance. You'll sometimes find that we're flying externally, but need to focus some time internally; or that we're dealing with our urgent current tasks, and not thinking about innovating for the future enough.

"Our reporting against commitments makes this clear as day and helps drive balance and subtle course correction. It



**BELOW:** Despite lockdown measures, M&C Saatchi client Coca-Cola was able to get star talent to the homes of fans



**ABOVE:** M&C Saatchi worked with actor Idris Elba and Heineken to open the 2020 Uefa Champions League final with a live-streamed party powered by Defected Records

ensures you lift your head above the trench. Navigating our business through the balance scorecard also helps me to eliminate my own personal biases, which often skew towards our team and our external activity, and remind me that those commitments to delivering new processes and policies that support our growth are just as important too."

In truth, Kirsop's natural skew towards the people agenda has not been a weakness – it's a fundamental reason why the business has sustained the growth it has. Since inception, 102 graduates have been trained as digitally native, data-driven sports consultants, and in 2019 alone the company held 541 hours of internal training across 350 sessions.

Ultimately, it has needed a plethora of great people to deliver on the promise the business has held since 2011 – as evidenced by an average of 42 per cent revenue growth per annum since inception – and navigate the complex decisions this has brought with it. This has been built on an uncompromising approach to talent, an approach much more similar to that of a corporate business than those in the sports industry.

Rob Clarke has seen both corporate and sporting sides of this fence as the former head of HR at London 2012, an advisor to the International Olympic Committee (IOC) and remuneration board member of World Athletics. Prior to these positions, he held senior HR roles at blue chip businesses MFI, Carlsberg and Safeway.

"What is common in great corporate businesses," he says, "is their relentless focus on attracting and retaining talent, especially at leadership levels. HR sits at the top table because of the significant value that can create."

The temptation might be to assume that this level of talent focus and process rips the

agility and pace out of sport relative to other industries. However, in truth, sport is not really as fast-paced as it might like to believe. Clarke believes there is an urgent need for sports businesses to meet the moment and increase their ability to work at a faster pace.

"In the corporate world, market competition and changing consumer behaviour drives constant need for innovation and change to deliver shareholder returns," he notes. "As a result, there is a much faster pace than in the sports sector, especially in those sectors where technology is driving and enabling change."

This doesn't necessarily mean that sport needs to lose its room for right brain, passionate leaders. Steve Martin, the global chief executive of M&C Saatchi Sport and Entertainment, agrees with Clarke. "I have a great fear of future talent being lost behind technology and a lack of being able to communicate strongly in person," he says. "Human connection is so vital to success or we will create a team of future robots who can't talk to clients and add persuasion to their skill set.

"I think the most overlooked value and trait – which is also hard to measure – is flair. The ability to communicate with your team, to inspire them with not only a clear approach but also through the magic of ideas. Another area which is often overlooked is being really nice to work with. Clients hugely value this, too, and the next generation of talent should be strong in mind, but also make sure they are approachable and are very collaborative. Success has many mothers and fathers in this game."

It does indeed, although it certainly helps if you've inherited both left and right brain skills from them.

## THE DEEP PROCESS OF INNOVATION

It probably sounds counterintuitive to suggest that a remorseless focus on process can give more time for people, or that data and process can unlock innovation. However, in fact the most sustainably innovative of organisations have good shares of all of these components.

As Steve Blank and Pete Newell, a retired army colonel who ran the US Army's Rapid Equipping Force, wrote in Harvard Business Review in 2019: 'Done right, innovation requires a rigorous process. It starts by generating ideas, but the hard work is in prioritising, categorising, gathering data, testing and refactoring.' In a nutshell, classic performance management.

Matt Parker is director of performance innovation at the EIS, responsible for the innovation which Team GB puts into winning medals at each Olympic and Paralympic Games. He explains the process which his team goes through to embed the discipline of innovation.

"Innovation is critical for performance aspirations to be realised within high performance sport," he says. "There are three important aspects to the way we achieve this. Firstly, we work on a best practice innovation cycle - i.e. we only innovate once best practice has been established and we only innovate again if the last innovation is being or has been adopted into best practice. This is done as part of a joined up performance planning process.

"Secondly, the innovation process is phased over the course of a four-year cycle - i.e. the appropriate time for exploration. Thirdly, we are clear about what we're aiming for and the constraints we are designing within. This gives us confidence in the impact of a successful outcome and manages risks, whilst giving freedom to design our way through the uncertainties of innovation.

"Just like with Apollo 13, linear project management too early in the innovation process will stifle it and threaten the impact of the solutions."

The deep left-brain rational logic of this process is often less challenging to manage than the culture that is required around work of this type. As Parker says: "The three things that are consistently present are vision, courage and resilience. Consistently good innovators or innovative environments have all three qualities.

"Firstly, the innovation process is never easy, you need to be able to see the opportunity early, have the courage to pursue it through uncertainty, doubt and resistance. Secondly, you need personal and professional resilience to persist when it's easier not to. Thirdly, and most importantly, you need a compelling reason for change.

"It's unsurprising that the pace and scale of innovation is often driven by crisis. It's much more difficult to innovate when there isn't a deeply emotive need to embrace change. In sport, continuing to innovate when you are consistently winning is significantly more difficult than when you are losing."

One good example of this in action was in the lead up to London 2012, says Parker.

"The number one concern for the athletes was quality of sleep in the Olympic village," he continues. "Simply ensuring the provision of good beds was not enough to reduce the uncertainty. We designed a bed in a bag that was bespoke for the size, weight and sleeping position of the athlete. It contained hypoallergenic anti-infection bedding, blackout blinds, and air filters that doubled as white noise generators. The bags had straps to allow them to be carried on backs and they unzipped and unfolded directly on to any existing mattress or bed base. The athletes slept on these at home, they went to the holding camp and they travelled into the Olympic village with them, ensuring consistent and quality sleep for the eight weeks leading up to competition.

"I like this example for two reasons. Firstly, it demonstrates a response to listening to athletes' concerns and responding and investing in the uncertainty alone, rather than trying to determine if the

beds in the village would be sufficient. Secondly, it seems like such a simple and straightforward thing to do - but we were the only team in the world to turn up to the Olympics with our own beds. We have a very strong track record of not just thinking it, but getting it done. That's at the heart of effective innovation."

Innovation has continued during this Olympic cycle, pushing on from Team GB's successes in Rio and PyeongChang. For example, the EIS and Mint Diagnostics have recently developed a new, first-of-its-kind technology - Hormonix - that will provide clear, rapid and accurate information on hormone levels through a saliva sample. Regular and easy-to-access data on hormones has enormous potential to unlock a wide variety of opportunities to progress female health, performance and wellbeing - not just for athletes but society as a whole.

As Parker says: "The Hormonix technology allows us to continue supporting athlete health and performance remotely, away from centralised locations and in the athlete's own environment - responding to the way technology and healthcare is heading."

If this doesn't sound like the kind of approach to innovation you need in your organisation, I'd challenge you to really think hard about that. I think I've met 50-odd startups in the last five years who are great at evangelising about what the future holds for their disruptive, innovative organisations, but haven't a clue how they're going to get there.

Looking back to those organisations I met, the ones who have really pushed on might not have had the best ideas at that point, but were undoubtedly the best run - simple as that. George Pyne of Bruin Sports Capital summed that up at SportsPro Live, saying: "Given the choice between a good strategy or a good management team, I always choose the management team. A good management team can change a bad strategy." Or, to repeat Parker's words: "Not just thinking it, but getting it done."



**RIGHT:** Innovations such as Hormonix technology, developed by EIS and Mint Diagnostics, are critical to Team GB's success



# OPENING UP: THE LONELINESS OF A LONG DISTANCE LEADER



**ABOVE:** Liv Garfield OBE, chief executive of Severn Trent and Veuve Clicquot Businesswoman of the Year 2018

By this point in the journey, you'll hopefully have realised that writing a great business plan is actually the easy bit. Delivering on the business plan is fraught with complexities and tensions. It requires hard data, emotional intelligence and a remorseless focus on cash flow, coupled with the ability to give innovation room to breathe. Often all before 11am on Monday morning.

I stared at that to-do list as both chief executive and executive chairman at Two Circles. I was very lucky to have a great friend as co-founder in Gareth Balch, and my wife Claire as chief financial officer. And nevertheless I still found it a very lonely rollercoaster ride, since ultimately the buck stops at the top.

Part of the challenge, of course, is the pressure. As a recent Boston Consulting Group (BCG) report on leadership during the pandemic succinctly put it: 'History is filled with stories of leaders who rise to the challenge of a crisis and those who crumble under its weight.'

So what makes the difference between those who are able to deliver, and those who are not? Often I have found it to be about vulnerability and recognising weaknesses - but that doesn't play out in the way you might expect. This is underlined by Olympic gold medalist and leadership expert Greg Searle, whose view is that "the best leaders are ready to show vulnerability and invite support. They are ready to pull their teams and outside coaches close and look for the support and challenge they need."

Liv Garfield OBE is chief executive of UK-based FTSE 100 business Severn Trent, and was winner of the Veuve Clicquot Businesswoman of the Year Awards in 2018. She explained in a recent interview for Heidrick & Struggles: "As a CEO, you can't be everywhere, and you need to listen hard and carefully to what the business is telling you. Therefore, you need more leaders with empathy, people who combine really good analytical and strategic capability with really good listening skills."

While it's not possible to shed the personal accountability at the level of the overall business, it's certainly feasible to share the challenge. As Searle suggests: "When things go off track leaders need to keep their people involved in finding the solution and the way forward. During these Covid times it seems to me that organisations have been surprised which individuals have really stepped up and found ways to get the organisation through. This could be done whilst working from home, or within the constraints of the office, but the best leaders are letting their people in on the challenges and encouraging them to think of solutions, to adapt how they work and solve the problems of being off track."

As Sally Bolton, the All England Club chief executive, explained at SportsPro Live, leadership involves "being candid about not having all the answers but that as a team we can work it out. That's a challenge for an organisation like ours that is used to dealing with such a high level of certainty."

## A YEAR UNLIKE ANY OTHER

While sport's leaders have traditionally not shown, or not needed to show, vulnerability in their certain worlds, things changed beyond all measure in 2020. M&C Saatchi's Steve Martin sheds some light on his experiences leading across seven global offices.

"The game changed completely for my role in March," he reflects. "We have a great culture, a client list to die for and terrific momentum, all underpinned by such strong teams. The impact of Covid was extraordinary, though, as clients just put everything on hold and, as such, revenue stopped coming into the business very quickly. But we hadn't lost a client and my job was to quickly recognise that and then make equally quick calls to cut some costs to manage that revenue hit. Because we made those calls very early, we have come out the other side in good shape, with really core teams ready to build again."

He adds: "Regular and open dialogue with a global team has been critical. Zoom has helped that hugely as we can all talk together very quickly and normally to share the challenges we were all under and help find solutions through best practice across the group of offices. I am also a great believer in putting your arm round individual managers in each market and talking to them about keeping the belief and confidence that has

made the agency a success.

"Reaching out to key clients was also a big part of that and making sure they knew we were there for them as we recognised they were all hugely under pressure, too. My take on it was, 'how we behave now as an agency will stand to us after this Covid crisis is all over', and I think we saw amazing support from key clients who have remained terrifically loyal to us. We will never forget that and our teams want to work for them even more as a result."

Andrew Messick, the chief executive of endurance triathlon company Ironman, recounts a number of the same themes. "This has been quite a year for us, between the pandemic, company sale and other challenges," he says. "From a leadership perspective, we have all had to flex new muscles. Mental health has become a much bigger thing to worry about – both for your team and for yourself. I have worried about the state of our people more this year than the last decade combined."

As Messick points out, the undefined length of the pandemic also makes things more challenging. He appropriately describes this as "trying to find the correct packing strategy in a race of indeterminate length". Leading through uncertainty is perhaps the most challenging of all and, as

he freely admits, "not knowing when it is going to be over is hard on everyone".

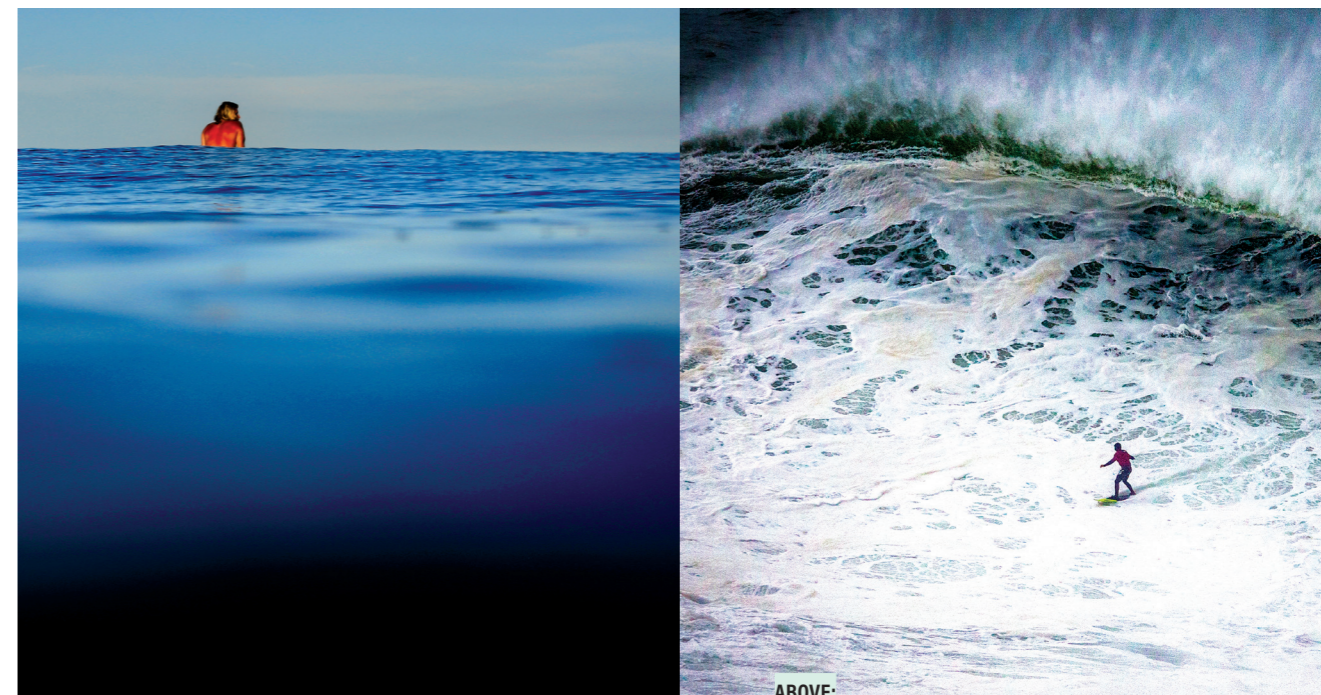
Of course, this is where the rubber hits the road for a CEO, because ultimately the buck stops there. "It's not always been easy to know how to plot a path when all your options are terrible," smiles Messick. "In the words of Jack Aubry [a naval character in Patrick O'Brian's novels during the Napoleonic Wars] 'always pick the lesser of the two weevils!'"

Joking aside, I worked with Andrew at the National Basketball Association (NBA) 20 years or so ago, and his ability to compartmentalise and solve problems creatively was phenomenal. This pragmatic mindset is also described by Wanjia Greuel, chief executive of Swiss soccer champions BSC Young Boys and a member of the executive board of the European Club Association (ECA).

"During the lockdown period, we had to become more decisive in the way in which we worked," he recalls. "Speed had a huge value. With the benefit of hindsight, we didn't always make perfect decisions, but we did a really good job of making quick calls based on the best information we had to hand at the time. On a personal level, I enjoyed that – it probably suited my own preference for proactivity."

RIGHT:

Andrew Messick, chief executive of Ironman



ABOVE:

Former World Surf League chief executive Sophie Goldschmidt recognises the importance of flexing leadership style to suit specific conditions simultaneously

## LEADERSHIP FLEX

Of course, leaning in to support your team in this way is not straightforward, and in itself requires resilience, not least because the pressure to focus externally is also unrelenting. As Severn Trent's Liv Garfield reflects: "I've learned through difficult periods as a CEO that resilience is everything. I believe the ability to quickly recover from setbacks, rally for longer, and remain positive is a key differentiator for many top CEOs. I've also learned to leverage tough times to build followership. In times of crisis, the role of the CEO isn't to be a spokesperson; it's to lean in and help with the critical tasks that need to be done. You can absolutely come out of this period stronger."

I'm lucky to know Liv. Just like Messick, her ability to compartmentalise and take a big picture view of challenges while simultaneously being able to support her teams in the detail taught me a lot.

Martin, too, echoes Garfield's thoughts, reflecting on how his own role has changed and the benefits this has brought. "I have never been more hands on in the businesses we have here," he says. "I was 'in the weeds' of the agency, as they say,

supporting the key managers in each office and their staff to keep their nerve, their belief and their fight to manage what was a crisis like we have never really faced in the 16 years of me running the agency. My view – as well as others, thank goodness – was that we have not become a bad agency overnight!"

He continues: "In a strange way it has made me much closer to the businesses and the managers in each market and has truly gelled the agency globally. I instigated global calls with the teams. I think that meant teams didn't feel isolated in their own markets but felt part of something bigger to hit this headwind full on."

Having held a number of leadership positions in various sports organisations, including England's Rugby Football Union (RFU), Sophie Goldschmidt recently stepped down as chief executive of the World Surf League (WSL). Retaining a role as an advisor to the WSL as well as advising several other companies in sport, tech, and health and wellness, she has seen first-hand the importance of being able to adapt her leadership style depending on context.

"I've had to flex my leadership style a fair bit as each organisation I have worked for has been at a different stage with unique challenges and opportunities," she explains. "Having said that, I think many of my core leadership characteristics and, to a certain extent, my personality traits have remained consistent and I think it's really important to stay authentic to who you are."

Of course, geography has a role to play here, too. "I think, in general, the US has a bit more of a 24/7/365 mindset, where business never stops and there's a constant drive for progress. I also think in many instances European-based organisations can be more risk averse, which can be good and bad. There are, of course, exceptions, but I think often organisations in the US are more focused on professional development, especially around communication and culture in general.

"In the future, I think the pace of change will continue to increase, hence being adaptable, flexible, creative and open-minded will be vital for CEOs going forward. Additionally, attracting the right talent to stay ahead will only become even more important. We know so much is about the people you surround yourself with."

**"I think the pace of change will continue to increase, hence being adaptable, flexible, creative and open-minded will be vital for CEOs."**



ABOVE:  
BSC Young Boys chief executive Wanja Greuel

## WHAT THE FUTURE HOLDS

Simon Cummins is managing partner of executive search firm Odgers Berndtson's sports gaming and media practice, which, on average, places one CEO or chair per month into the sports industry, plus significantly more across other sectors. He emphasises that a CEO's role in the trenches will not be able to last forever.

"CEOs in the future will be more focused on hiring the right people as they will empower

them more and trust them to get the job done without the need to micro-manage," he predicts. "There will be fewer KPIs and target setting for individuals and more focus on team productivity, collaboration and innovation."

This is certainly a transition that Greuel intends to continue with his leadership team at BSC Young Boys. "From my perspective," he says, "I will be pushing responsibility down my organisation, encouraging my

team members to take responsibility, and not be afraid of risk in the decisions they make." Within this, Cummins sees the need for CEOs to focus on gelling a top team and organisation, rather than focusing on individually managing a set of disparate individuals. "There still needs to be a clear approach to performance management but it will be more team rather than individual focused," he says.

Inspiring a team while empowering them to lead on the detail is far trickier than it sounds, however. "Leading in the eye of the storm of a crisis is surprisingly easier as everyone pulls together and are generally more willing to go the extra mile in order to survive and ultimately thrive," says Cummins. "Maintaining this team spirit when we return to the new norm will be the real challenge."

While this is undoubtedly true, managing through Covid has also created a broader appreciation among ambitious leaders of what some organisations are actually capable of. As Messick says: "Through this pandemic period we achieved something that a year ago we might have felt could not be done: operating a company completely remotely. That causes us to think, where else are we self-limiting? Anything is possible!"

Greuel also identifies this shift in thinking within his own organisation. "Many companies have reputations built over decades, but the risk is that makes them slow," he says. "And the slower they are, then at some point the faster they will go down. As a club, we made some massive decisions as an organisation in a matter of hours. There was no time for revisiting decisions at a later date. I want that to become more normal for us. If we can make decisions in an hour, why go back to two weeks? Just because you are unsure about a decision, postponing the decision often can't remove your uncertainty. When you look at a number of industries, pace of decision making is just so key."

This proactive, action-orientated approach will also play through to the broader roles that all of our organisations will be expected to play in society at large. Less chat and more action, essentially.

Goldschmidt sees this as increasingly fundamental to the role of a CEO. "I think being credibly and authentically purpose-led will continue to become more of a priority," she says. "The ability to react to all sorts of environmental and social issues in a timely and appropriate way is going to be expected."

Under Greuel's leadership, BSC Young Boys are a very strong example of a values-led club, with the key principles permeating through the entire organisation. "It's all about credibility, at the end of the day, and the values you hold," he says. "We spend a lot of time looking into that – at the character of the players, our employees and so on. It has made a big difference. Our credibility with our fans comes from consistently demonstrating those values day-in and day-out."

Ultimately this approach drives loyalty. When selling a capped number of 16,500 season tickets in advance of the new Swiss Super League season, the team offered fans a 20 per cent discount in recognition of the unique circumstances. Nevertheless, 11,000 fans chose to purchase at full price regardless of the discount offer.

For Greuel specifically, his intention to model a social contribution stretches beyond work into his life outside the club. In this area, too, his actions speak volumes. "I sat down with my friends and we talked about how our skills could complement each other," he explains. "Using my skills for sport is a good thing to do, but I thought I could apply those skills to lead people and sell ideas elsewhere, too. So together we created Charity Circle, a charity which, by the turn of the year, will have built its second nursery school in Senegal. It is really important to me that I am consistent in my values set inside and outside my work. My friends and I are happy to be making a difference, even if it's just a small one."

## WHERE TO START?

So there we have it – the CEO Playbook 2021. From 'Brilliant Basics' to buy yourself breathing room, to rebuilding your organisation with purpose at its core.

Of course, the answer does not solely lie in this Playbook. Your organisation is unique, and you will need your own tactics. Nevertheless, I hope that the stories that I have told have helped you to look at a problem in a different way, or at least realise that you are not alone.

It is hugely complex and challenging to get back 'in the weeds', as Martin describes it, while simultaneously rebuilding for a materially different future where, in Messick's words, 'anything is possible' – especially so when you are expected not only to deliver one thriving organisation, but also contribute to the recovery of a coughing and spluttering world.

While the CEOs I mentor are all finding it the most challenging period of their careers, many of them are finding it can also be the most intrinsically rewarding. After all, how often in your career do you have the opportunity to reshape something from the ground up?

Good luck. 🍀



ABOVE:  
Greuel on the ground in Senegal with his non-profit Charity Circle, which is working to build nursery schools in the African country

**"Our credibility with our fans comes from consistently demonstrating our values day-in and day-out."**

**About the author:** Matt Rogan has spent his career creating and scaling businesses in the sports and entertainment arena. Having co-founded Two Circles and led the business as chief executive and executive chairman for eight years, he now advises a number of businesses inside and outside sport as a non-executive director. He also supports a small number of chief executives in a mentoring capacity. Matt joined the SportsPro team as a senior contributor in 2020 and will be publishing his second book in 2021. Find out more at [www.mattrogansport.com](http://www.mattrogansport.com).