

## THE TEAM COMES FIRST

## MORE THAN THE SUM OF ITS PARTS



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Spain's victory in the football World Cup last summer, after decades of under-achievement, offers important lessons that can be applied to business leaders and entrepreneurs regarding how they interact with customers and employees.

While it has triumphed in individual sports such as tennis, golf and cycling, Spain has long ranked among the world's under-achievers in team sports. All that changed, however, with the national football team's triumph first in Euro 2008 and then last summer when it won the World Cup for the first time in South Africa. The elements that made up this victory contain lessons that can be applied to business leaders, entrepreneurs, family business owners and managers regarding how they interact with customers and employees.

Football is a team sport and a key factor in Spain's triumph was that the team was more than the sum of its parts. It was not that there were no stars in the squad but, unlike many other teams in the competition, the team didn't rely excessively on the talents of any one player. Spain stood out for its team spirit and the feeling that, while all the players were important, none was indispensable. Companies, as collective entities, should bear in mind that teamwork and collective pride, rather than isolated pieces of individual virtuosity, are essential for success.

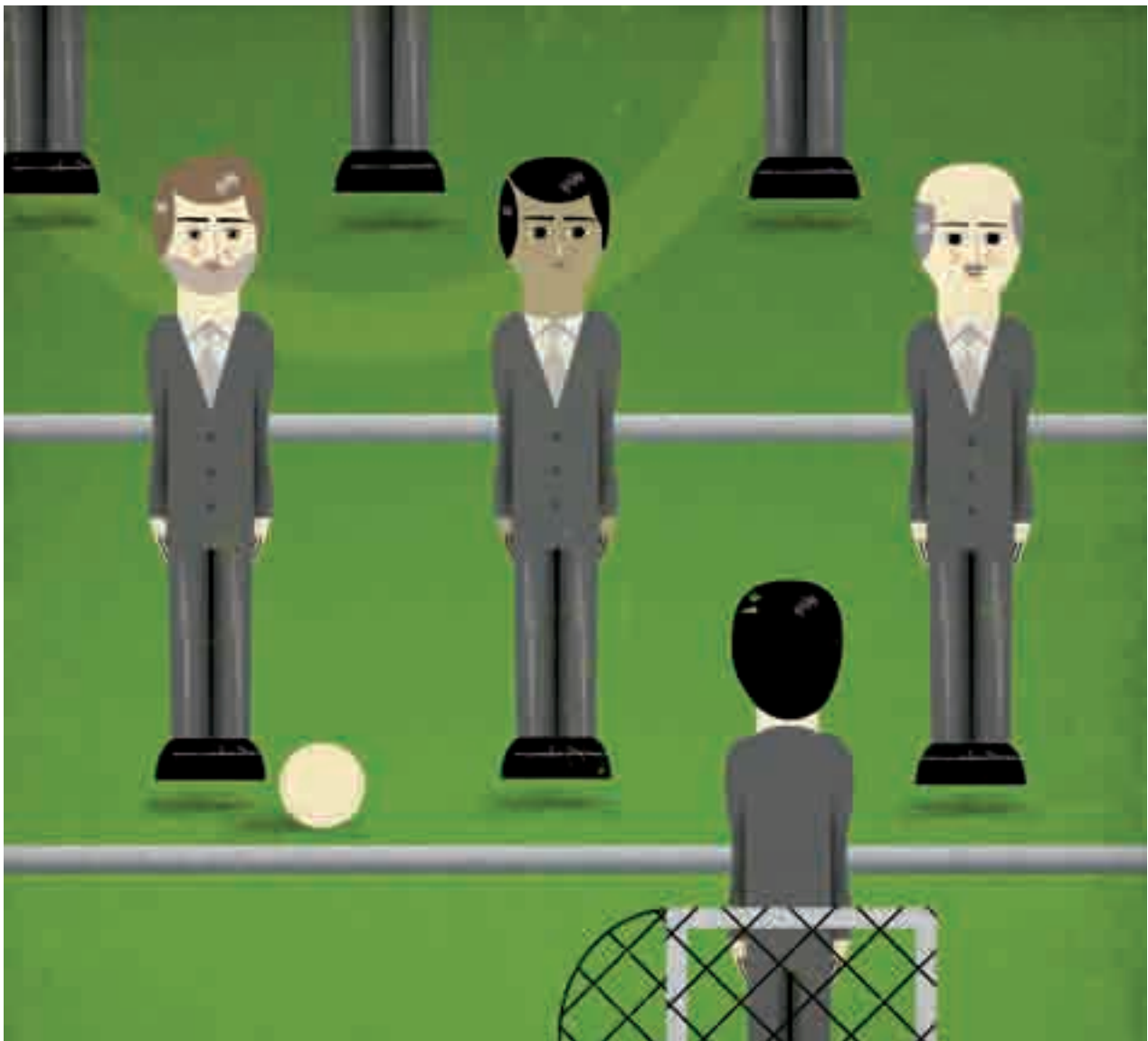
## YOUTH AND EXPERIENCE

- The Spanish team also had the
- right mix between young talent

and more experienced players. Having a balanced team allows for: a) the rejuvenation of the team as time goes by; b) the transfer of knowledge from seniors to juniors, and c) a team where the irreverence of youth is tempered by the wisdom of age. In this regard the national team coach **Vicente del Bosque**, who at 58 was old enough to be father to any one of the players, emerged as a great leader. In sharp contrast to the often temperamental, arrogant and cocky style of other coaches, **Del Bosque** has brought discretion, calm and patience to the role. He is the archetypal "quiet man," able to keep his cool in even the most stressful situations. A conciliatory nature and a measured approach, combined with the experience acquired during his four successful years coaching Real Madrid, have been instrumental in maintaining the unity and performance level of the team. Firms often struggle due to the lack of strong leadership that combines technical expertise with motivational abilities. Perhaps the greatest challenge this century will be to find leaders who innovatively break with past practices perpetuated by long-tenured executives.

## LIVE THE DREAM

- Success in Euro 2008 allowed
- the players to dream big and shake off the long legacy of failure. They went into the competition believing they could win, that the dream was within reach. The same goes for companies. Corporate "dreams" are often encapsulated in



the corporate vision. Unfortunately, many firms simply put their visions together with their mission statements and a bunch of fancy values on their websites in a way that is often vague and meaningless. For a company to develop a vision that is of any value, it has to be both inspirational and achievable. And it has to be shared by all the people within the organization. Corporate “dreams” can help employees see the big picture and, more importantly, fuel their own dreams of professional and personal success.

The professionalization of the Spanish football league has developed as a virtuous circle that reinforces itself. This professionaliza-

tion process has had a positive effect on the technical level of the national team. Certain firms, such as family businesses, frequently tend to avoid the professionalization process because it entails significant changes and therefore risks. But through such a process, family businesses can not only enhance performance, capitalize on unforeseen opportunities and strengthen their future prospects, but also secure their longevity.

#### **POSITIVE COMPETITION**

● As a direct result of the intense rivalry between the two clubs, more than 50 percent of the players in the Spanish squad were drawn from Real Madrid and FC Barcelona.

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SUCCESS.”

This runs contrary to the conventional wisdom that intense rivalry can have deleterious consequences, especially if one is on the losing side. A business owner, given the choice between competition and enjoying a monopoly will invariably choose the latter. But competition can lead to more innovation and accelerated productivity growth. Would Apple be the world's most valuable technology company without Microsoft and other big players to keep it on its toes? Would Coca-Cola be the same company had Pepsi not existed? Probably not. Competition needs to be demystified and accepted as an integral part of doing business. Company owners and executives should embrace competition, leveraging the positive aspects instead of complaining about it.

#### KEEP THE FAITH

● Another striking feature of  
● Spain's progress at the World Cup was the way they kept faith with their playing style, even after they lost their first match against Switzerland. They use a playing style that has been dubbed “tika-taka” that consists of a continuous process of attack through short passes and perpetual motion. It requires a high level of technique, anticipation and, above all, teamwork. Much of this derives from the influence of Dutch football on FC Barcelona over the past 30 years. So it was ironic that in the final, Holland clearly felt they couldn't outplay Spain at their own game, abandoned their traditional style and lost. Spain stuck to what they do best and won.

Firms often face the temptation to change strategy if results do not appear right away, particularly in those situations where incentives are designed to foster more immediate results. However, good strategies often take time to crystallize. The long-term nature of strategic thinking requires a good deal of patience and persistence. In business we often talk about the long haul and yet overlook the vital role that patience plays in coping with long-term goals.

Disappointing results are common in business but you can only overcome them if you have a passion for what you do, and it is often passion that drives an entrepreneur's vision. In an interview with *Fortune* magazine **Steve Jobs**, CEO of Apple, commented that “if you don't have a passion, you'll give up... there are many moments that are filled with despair and agony, when you have to fire people and cancel things and deal with difficult situations. That's when you find out who you are and what your values are.”

Given its long history of underachievement, path dependency would have led a statistician to say that Spain's chances of winning the tournament were “close to zero.” Executives need to challenge the idea that path dependency is hard to break. In the same way, they need to realize that past experience is not necessarily a good recipe for the future.

An external factor in Spain's triumph was the encouragement the team received from the Spanish public. The nation overcame its customary fatalism and supported the team under the upbeat slogan “yes, we can.” This form of social acceptance is also called legitimacy and is of paramount importance, although it is often overlooked. Legitimacy refers to the degree to which an organization's actions are accepted as appropriate and useful by different stakeholders. When stakeholders lose confidence in the firm's performance, legitimacy may be withdrawn as the stakeholders refuse to provide their share of reciprocal benefits (e.g. customers stop buying products, shareholders sell stock, employees withhold loyalty and best efforts, governments withdraw subsidies or impose fines).

Equally, when a firm conforms to social expectations, the broader public grants it acceptance and this has several benefits for organizations, including better access to resources, improved exchange conditions with partners, a greater ability to innovate and an enhanced corporate image and reputation.