

10 business lessons from the World Cup

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Spain's summer of sporting triumphs were predicted to give a much-needed morale boost to a country whose economy and levels of employment boast much less stellar records.

When Spain's national soccer team became world champions for the first time at the World Cup 2010, team captain Iker Casillas acknowledged that their awareness of people back home "going through bad times" had served to strengthen their resolve to win.

In his working paper, "[Business Lessons From the Soccer World Cup](#)," IESE Prof. [Pascual Berrone](#) analyzes the key features of the team's success, and suggests 10 ways in which business owners and managers can likewise raise their own game by learning from this example.

- *Collective pride instead of individual egos.* Soccer, by nature, requires teamwork. While big egos are common, long-term success is built on a strong team ethic. Some teams bank on the ability of one star player. Spain stood out for its feeling, not only that all the players were important, but that no one was indispensable either. Companies should remind themselves that teamwork and group pride are essential for success.
- *Balance between youth and experience.* The Spanish team, with an average age of 26, had just the right mix of talented youth and more experienced players. Teams that rely too much on youth often lack the experience needed to flourish. On the other hand, older teams — such as Italy's 2010 side — are unable to withstand the physical demands of the tournament. For companies, having a balanced team enables constant rejuvenation, the transfer of knowledge from seniors to juniors,

and takes advantage of youthful irreverence and elder wisdom.

- *Solid leadership.* One essential part of Spain's success was its 60-year-old national coach, Vicente del Bosque, who brought discretion, calmness and patience to the role. Firms, like soccer teams, often struggle due to an absence of strong leadership. Perhaps one of the greatest challenges of this century will be finding gifted leaders who are willing to break with the traditional practices of long-tenured executives.
- *Dream big and believe in it.* Coverage of the World Cup consistently reported on the Spanish players' high level of self-belief. Of course, dreaming big does not, by itself, guarantee a big win. What made the difference was that, for the first time ever, Spanish players seemed to think the dream was attainable. The same goes for companies. In order to develop a genuine dream for the company, there must be a shared mission that is bold and big on passion, yet grounded in reality.
- *Internationalization and professionalization.* Spanish teams have traditionally relied on attracting the finest foreign players as a means of reaching the highest levels of competition. This, in turn, forces local players to raise their own game. This virtuous circle of professionalization has had a huge, positive effect on the national team's technical level. Frequently, certain firms — family businesses, in particular — tend to avoid the professionalization process, because they fear change. As a result, they miss out on potential benefits, including enhanced performance and greater longevity.
- *Leverage competition.* Decades of fierce competition between Spain's two biggest clubs, Barcelona F.C. and Real Madrid, have led to higher levels of competitiveness, both at the club and international level. Indeed, Barça and Real Madrid accounted for more than 50 percent of the players in the Spanish squad. It is often forgotten that competition can have positive effects on company performance, leading to more innovation, productivity and growth. As former Pepsi CEO Roger Enrico once said, "If Coca-Cola didn't exist, we'd pray for someone to invent it."
- *Faith in strategy.* Spain's fast-paced, creative style of play meant it could pick other teams apart with relative ease. More importantly, Spain — unlike the other teams in the competition — always kept the same style, regardless of circumstances. Firms, like soccer teams, must accept that good strategies often take time to crystallize. Results don't always come with the first try, and patience is vital in achieving long-term goals.
- *Ability to overcome adversity.* Spain is the first country to lose the opening game and still go on to win the World Cup. This was the result of strong morale, a collegial atmosphere and a profound passion for what they were doing. Disappointing results

- are just as common in business, but you can overcome them, if you have passion.
- *Do not let dependency dictate your future.* After so many decades of World Cup disappointment, the Spanish team could have been forgiven for succumbing to defeatism. But while history matters, past results are not necessarily good predictors of future performance. Business executives need to challenge the belief that path dependency is hard to break, and acknowledge that experiences from the past are not necessarily the best recipes for the future.
 - *Societal support.* A key external factor in the Spanish team's triumph was the strength of the support it received from the general public. This support was based largely on the victory at UEFA Euro 2008, which gave people reason to believe that bigger things were possible. Social acceptance is equally important for companies. When firms conform to social expectations, the broader public grants its acceptance, allowing the company better access to resources, improved exchange conditions with its partners, better ability to innovate, and enhanced corporate image and reputation.

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