

Leadership as Layup?

Everything you need to know about management you can learn on the court

By THADDEUS HERRICK

DURHAM, N.C.—Last October, Tim Jeffries, chief operating officer of a small Scottsdale, Ariz., firm that develops and markets mobile accessories, found himself in an unlikely place in search of management tips: Cameron Indoor Stadium, home of Duke University's men's basketball team.

On the hardwood floor, Duke coach Mike Krzyzewski ran a fast-paced, high-spirited practice, alternately running drills and taking his players aside for eye-to-eye

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talks. In the stands, a group of 150 executives watched intently, invited there by Mr. Krzyzewski himself as part of the third annual Coach K & Fuqua School of Business Conference on Leadership. Mr. Jeffries, 42, was impressed not only by how hard Mr. Krzyzewski worked to convey his game plan, but also how hard he seemed to be working to build trust, which Mr. Jeffries sees as a key to success.

"I see my job within the scope of a team," he says.

When it comes to using sports as models for business, basketball is all the rage. Whereas football, to some, recalls the heyday of American manufacturing, with the coach calling every play and the

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HOLDING COURT Mr. Krzyzewski at his leadership conference with event organizers

players serving as interchangeable parts, basketball seems more attuned to the pace of business today: fast, fluid and requiring flexibility. Players must make decisions on the court rather than wait for orders from the sidelines. In both business and basketball, adherents say, the question is how to manage in a way that employees make smart decisions, work together and ultimately succeed.

Leadership Dreams

Increasingly, basketball coaches are claiming to have an answer. Georgia Tech's College of Management last year teamed up with the university's men's basketball coach, Paul Hewitt, to host the inaugural Paul Hewitt Teamwork Summit; for \$425 a head, 250 people attended last October's one-day event, which featured a keynote speaker and panelists discussing teamwork and performance in sports and how they relate to business. Meanwhile, Dean Smith, former men's basketball coach at the University of North Carolina,

co-wrote "The Carolina Way: Leadership Lessons from a Life In Coaching," with Gerald Bell, a leadership expert at UNC's Kenan Flagler Business School. That text follows in the tradition of books by Phil Jackson, former coach of the Chicago Bulls and Los Angeles Lakers, among others.

Mr. Krzyzewski, though, is at the head of the pack. Two years ago, after the success of his best-selling book, "Leading With the Heart," which distills his views on basketball and management, Duke and its Fuqua School of Business created the Fuqua/Coach K Center of Leadership and Ethics, with Mr. Krzyzewski as executive-in-residence. The center develops courses, supports research, endows professors and conducts conferences all about leadership and ethics.

Executives will gather once more at Duke this fall for its annual leadership conference, again featuring a men's basketball team practice with Mr. Krzyzewski, who will stop from time to time to explain his techniques. The center charges

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about \$1,500 plus hotel and travel to attend the conference, which draws some 200 participants.

"I look at my job as a leadership challenge," says the 58-year-old Mr. Krzyzewski, "whether it's a business team, a family team or a church team."

For years business schools looked at the study of leadership as too soft to teach, preferring to focus instead on the harder, number-crunching courses. But in recent years, especially amid the meltdowns of companies such as Enron Corp., leadership curricula have gained currency.

"It's become increasingly clear that leadership affects institutions, and that people can be led to a more successful performance," says Douglas T. Breeden, dean of the Fuqua School.

Record of Success

For Dean Breeden, Mr. Krzyzewski is a case in point. Coach K has led Duke to three national championships in 25 years, including back-to-back titles in 1991 and 1992, as well as 10 Final Four appearances. He has the most wins among active basketball coaches in National Collegiate Athletic Association tournament play, ranks second in all-time NCAA tournament victories with 64 and has been named national coach of the year 12 times. During his tenure, Duke has held the country's No. 1 rank for 78 weeks. Outside Cameron Stadium, a cozy 65-year-old fieldhouse, a sign reads "Krzyzewskiville." Inside, large letters on the floor proclaim "Coach K Court."

The university declines to discuss Mr. Krzyzewski's current salary, but he received about \$875,000 for the year ended June 2003, according to forms Duke filed with the IRS.

"Since I was a kid, I tried to get people to play together," says Mr. Krzyzewski, who grew up in a poor, Polish neighborhood in Chicago, the son of an elevator operator and a cleaning woman. "I've always tried to get a team to play as one."

Mr. Krzyzewski builds his theory of leadership around the fist, with the five fingers representing communication, trust, collective responsibility, caring and pride. Individually, each is important, he says. Together, they are unbeatable. In Mr. Krzyzewski's eyes, five less talented players who come together as a team can beat five more talented players who don't. "The fist is a great metaphor," he says.

Though he is a graduate of the United States Military Academy at West Point, N.Y., where he returned to coach basketball from 1975 to 1980, Mr. Krzyzewski advocates a surprisingly unregimented approach to management, one that also belies his buttoned-down, scowling court-side image. He resists hiring "yes" men, doesn't enforce hard and fast rules, and in practice does not use a whistle—doing so would put a distance between him and his players, he says. "Almost everything in leadership comes back to relationships," he writes in his book.

Learning to Delegate

To be sure, Mr. Krzyzewski is fallible. His team fell apart during the 1994-1995 season when, exhausted and ailing from a herniated disk, he was hospitalized for several months. "My business got away from me," he says. But that ordeal opened his eyes to the need for leaders to delegate more responsibility. "The program's infrastructure was not as strong as it needed to be," he says. Now, he employs three former players as assistant coaches to help sustain the program and fill the role of mentor for young players, especially as the National Basketball Association drafts the ranks of upperclassmen who used to play such a role.

Mr. Krzyzewski resists the notion that basketball is better than other sports as a model for business. But he argues that the scale of the game lends itself to the study of leadership more than other sports because teams are made up of only about a dozen players, making their relationships with the coach and each other more transparent.

Some management experts say, however, that basketball rather than football or baseball better represents today's business world. "In football, if a player is injured, you replace him," but you stick with the same game plan, says Sim B. Sitkin, associate professor of management at the Fuqua School. "In basketball, if a player gets hurt, you change the whole system," he says, meaning that game plans are accommodated for whatever mix of players is on the court.

Mr. Jeffries, whose company, Mobility Electronics Inc., develops and markets electrical adapters and chargers, agrees. "We start with set plays," he says, referring to the company's business strategies for the beginning of each quarter. "But we

have to adjust depending on what happens."

Such a fluid structure rests heavily on teamwork, which is where leadership comes in, says Robert Keidel, visiting associate professor of management at Drexel University's LeBow College of Business and author of "Playing Ball in Business: Management Lessons from Team Sports."

Multiple Models

Dr. Keidel argues that successful managers must draw from football, baseball and basketball for leadership—alternatively making top-down decisions as in football, delegating authority as in baseball and collaborating as in basketball. Basketball, he says, places the biggest premium on cooperation between player and coach. It's also increasingly relevant as a model for management, Dr. Keidel says, because business is becoming more flexible and collaborative, too.

The celebrity that comes with being a star college basketball player and the strains that can put on managing a small team also help validate the trend of using basketball as management guide, says Stephen A. Greyser, professor of business administration at Harvard Business School. This is a particular challenge for Mr. Krzyzewski, with the winning tradition of his teams and the national spotlight trained on his program; the Duke men's basketball team has played before a national TV audience more than 20 times this season.

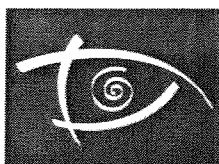
Dean Breeden sees Duke's ties to Mr. Krzyzewski as a unique asset that can help vault Fuqua to the very top of the nation's business schools. "Management needs to be different from old-style General Motors," he says.

Accepting Failure

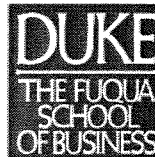
For his part, Mr. Jeffries took the message to heart. When he returned to Arizona after last fall's leadership conference at Duke he called a meeting with his seven-member leadership team.

"I told them I trusted them to do their jobs well," he says. "And I told them to take risks that will result in greater success, but also failures from time to time."

Not incidentally, Mr. Jeffries says, Mobility Electronics went on to report record revenue of \$20.6 million for the fourth quarter, as well as the first quarterly profit in its history. ■



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