



Rose Bowl Institute

in partnership with the

Aspen Institute Sports and Society Program

Coaches and CEO Dialogue on the Meaning of Competition

A Summary of the Rose Table Dialogue

Rose Bowl, Pasadena, CA

March 21, 2023

Charlie Firestone

President, Rose Bowl Institute

and

Tom Farrey

Executive Director, Aspen Institute Sports and Society Program

Competition is core to the American idea. It's what the United States is known for, a capitalist country and sports superpower whose people hold in highest regard the value of winning. But what is winning? What role does competition play in moving our society forward in the 21st century? Sports and business are both based on the understanding that through hard-fought competition the best will win out. But we've also seen the hazards of unfettered competition – in movies like “Rollerball” and business case studies like Enron and FTX. What does fair competition look like today and how can we promote behavior and models that benefit society?

Rose Table Dialogue. To address these questions, the **Rose Bowl Institute**, in partnership with the **Aspen Institute Sports and Society Program**, convened a Rose Table Dialogue on March 21, 2023, entitled “The Meaning of Competition” among a diverse group of 17 head coaches and business leaders. The Dialogue consisted of a roundtable discussion among participants over a morning session. Its aim was to encourage exchange of insights among the participants. We have appended the list of participants as Appendix A to this summary.

Disclaimer. This summary is a personal interpretation of the Dialogue written by the moderators. It does not identify individual participants with any particular statement, and the report has not been reviewed ahead of time by the participants. Therefore, every participant may not agree with every assertion in this summary.

The Nature of Competition. The Dialogue began with participants discussing the essential elements of competition and whether they differ between the two domains of sports and business. From initial comments it was clear that the goal is not competition in and of itself, but that competition is a means to other goals, namely, success at the organizational, team or individual levels.

People can define success in different ways. Some looked at sports as a classroom to build character.¹ (And to that end, many businesspeople find those who have participated in sports as desirable hires.²) So participants distinguished between youth and high school sports on the one hand, where coaches want to win but are also teaching life lessons, and business on the other, where profit and other corporate outcomes are the goal.

Nevertheless, some businesses today are more oriented to advancing the interests of their various stakeholders, including well-being of employees, shareholders, and their communities. A number of participants, then, defined the elements of competition as providing opportunities in either domain, sports or business, to develop character, their own “God-given talents,” individual responsibility, respect for others, and making others better at what they do.

With that in mind, it becomes clear that “winning” is not always the most important outcome of competition. Yes, everyone wants to win, and that is good, fun, and understandable. What is success beyond winning?

There is a significant difference in looking at the long game versus short game. Winner-take-all formats of competition can be motivating – think of the excitement generated by sports tournaments that produce one winner. Winner-take-all formats in business situations can be rewarding as well, but work best when other stakeholders benefit as well and more opportunities to compete are created. That is, you gain what you can from the competition and live for another opportunity. Less desirable are results that focus only on the short term, the single game in sports or business that burns bridges and harms long-term outcomes.

Much of the difference between sports and business competition goes to the rules of engagement. Rules in sports are clear and fairly applied. In business they are not always so. Of course, the outer bounds are clear – e.g., antitrust and fraud – but often businesses have leeway to innovate, set parameters, develop their own ecosystems. In sports, as one participant observed, competition is best fostered by providing a chance for any participant to test themselves within a construct of clear rules and results.

Business of Sports. As several participants were in professional sports, a fair amount of attention turned to the business of sports. Of course, professional teams are also businesses, so conducting a successful business in this environment is the goal. And winning on the field, court, ice or in other venues promotes success of the company.

¹ As one participant expressed it: “at the high school level and the junior high level ... we see competition as a classroom to build character, as a classroom to develop relationships with adults, with peers, to be able to teach them how to be committed to a community and a school and a team, to be able to overcome the fear of failure, to learn how to win, learn how to lose, and then all the tangible things that we think that businesses want in their employees, from tenacity to work ethic to teamwork, to discipline, to character, all those things that we believe we can teach inside this sport.”

² From a CEO participant: “from a sports and competition standpoint, we often talk about winning and losing. But when I think about hiring talent, one of the most important questions I ask about is overcoming adversity. And if you're a good sportsman, you learn to overcome adversity and you have a story to tell about. I got knocked on my heels, I got up, I did it again.”

At the same time, one participant noted that even in U.S. professional sports, the winner does not take all. “The worst teams don't actually get demoted,” he said. “We don't have promotion and relegation in this country (like in soccer leagues around the world). You're in the NFL, you might be the worst team in the league. And what's the consequence? You get the top draft pick. So there's this redistribution, there's this constant effort within pro sports who use the draft or salary caps or luxury taxes to try and create a competitive environment in which every team can compete year after year. So how much of the success of the NFL, for instance, has to do with this fact? So many of these close, exciting games we see now are a result of the NFL being very intentional about creating a competitive environment that allows any team, any fan base, to hope each year that they can actually get better.

“Now, compare that to, for instance, March Madness, which is a slightly different structure. In college sports, the resources are not as evenly distributed. And that's one of the exciting things about March Madness, when a 16 seed beats the number one seed and it's, oh my gosh, how did they do that? And so we as Americans respond to two different types of competition in different ways.”

Participants expressed concerns about the commercialization of sports at the youth level. Clinics, travel and club teams bring significant fees and profits to entrepreneurs, who sell their services to parents (who can afford them) by promoting the chase for NCAA athletic scholarships and preferential admission to selective universities.

Participants also noted the challenges to building team culture presented by two new features in college sports brought on by anti-trust challenges to the NCAA's economic model: Introduction of the transfer portal allowing players to more easily move to other teams, and the ability of players now to receive endorsements, otherwise known as name, image and likeness (NIL) payments. NIL compensation is driven in part by an athlete's social media following, which promotes both the individual athlete and their team.

Participants underscored the importance of finding ways to create a team-first ethos.³

The Value of Values. Team culture is also influenced by the values that the leaders of the teams articulate— and that is true in both sports and business. As one CEO put it, “we constantly have to remind our team on a monthly and weekly basis about our core values.” How that is done varies greatly from team to team, business to business. But without setting a culture with clear and understandable values, it is hard for players or employees to understand how to succeed within the organization.

As part of the advance readings, the group focused on Jack Welch's famous formula for setting a culture of competition within General Electric starting in the 1980s. In annual evaluations, employees deemed in the top 20% would receive encouragement and

³ As one participant stated, “If you don't give credit and show everybody in the organization how they helped make that happen, your organization's going to fall because it's one person. And I think that's what you see in our society a lot is they want to either praise somebody for doing a great job or praise somebody for doing a bad job when it's probably neither. It's probably the organization in both accounts either had holes in it or it was well run. And I think that is a parallel with sports for sure.”

bonuses. And, no matter how well or poorly the company did, he fired the bottom 10%. The question: Does that model, one that structurally always produced “losers” even when some of those employees were productive, bring out the best in employees?

Participants commented on the changing nature of employer-employee relationships today. In business, it has become harder to fire people. And in both business and sports, the employee and player have greater agency today than ever before. After the Covid-19 pandemic, some employees have stronger opinions of their own worth or where they want to work. And coaches know that the clearest way to win is to acquire the right talent for their team. So, the highly recruited athlete has more power than in the past.

In sports, coaches routinely cut players who they believe are the least likely to help a team win games. At the same time, the coaches at the Rose Table said that winning games was only one of their objectives. They said their aim is to bring out the best in each individual while creating a culture of teamwork where the individual assumes a responsibility to the team – that the organization is bigger than any individual. As one successful coach observed, “once I started focusing on culture, we started winning.”

Coaches said the definition of success includes personal improvement by each person on the team. They described competition as a means to that more important end. One participant described Michael Cooper’s coaching philosophy: each day the former Los Angeles Sparks coach asked each player, “what are you doing today to get better?” Another participant, a successful coach who primarily worked with high school youth, said he never cut any players, so he could help them develop their personal character.

Recommendations. To address what messages the group wants to convey from this Dialogue, we focused on three questions:

- How to build a society that appreciates the value of competition?
- How to build a society that knows *how* to compete? What skills are needed?
- How to build a society that respects the rules of competition?

Members of the group made the following suggestions:

1. **Promote access to competition.** Americans believe in the value of a level playing field, of providing an equal opportunity to test oneself and their ideas against others. That’s why we have anti-trust laws in business. So, starting with youth sports, create programs and competition structures that make room for all who want to develop as athletes and people through sports. Reject models that deny access to children who lack the funds or other advantages that allow them to play and learn all that can be acquired through competition. Recognize the difference between the concepts of competition and exclusion.
2. **Respect the advantages of being a teammate.** More and more, businesses organize activities in teams. It is important to be a respectful teammate as well as a respectful competitor. As one CEO said he’d like his gravestone to read, “great teammate, brutal opponent.” Still, some businesses will need to create structures and incentives for employee collaboration.

3. **Train coaches to be effective teachers.** Coaches have a tremendous impact on the lives of the young people in their care. Yet, most of them are winging it with no formal training in psychology or evidence-based models for building competitive excellence. According to one former coach, only 57 of the 5,300 universities in the United States offer an undergraduate degree in coaching. Fewer still offer master's or doctorate degrees. Strategies need to be developed to grow access to coaching education, mentorships, clinics and learning platforms.
4. **Educate parents on the true value of competition.** Sports parents believe they are looking out for their kids but can be a negative force either in pressuring them to the point of burnout or just by hovering too much over them. Too often, it's parents who are competing – for social status, college admission advantages for their child, etc. Help them understand that what their child needs is to own and learn from the experience, both the wins and losses.
5. **Enforce the rules.** This recommendation seems obvious, yet still bears repeating. It's key to building a society that respects the rule of law. Health and safety should be prioritized in the development of rules, especially in youth sports.
6. **Measure success in terms of your goal(s), which is not necessarily winning.** Of course, everyone wants to win a competition. However, success for each participant in the sport or business has to be defined specifically. To get there, one needs to measure the characteristics that will bring “success.”
7. **Encourage models of “co-opetition.”** Learn from the success of the professional sports leagues, which work together to grow the market for their products. In the business and sports sectors, identify opportunities for shared growth and prosperity across organizations and teams, while still rewarding those that work the hardest and smartest in pursuit of victory.⁴ As co-convenor Tom Farrey noted, “structure drives culture. We cannot change what we do unless we change the structure in which competition is organized, created, governed, incentivized or otherwise.... Can we measure culture in a different kind of way?”

In the end, competition is ingrained in the American character. But to what end? The Dialogue examined various ways that competition contributes to more important goals, whether for the organization or the individual. Participants shared experiences and approaches to achieving success at all levels. Most importantly, they sought to have the differing forms of competition advance the broader society. The quest for new or better structures, incentives, and values will no doubt be a continuing battle.

⁴ As one participant described the situation: “I think sports is often seen as winner-take-all. But business can also be this co-opetition where you're raising the bar for all, and all succeed because actually you grow the pie. You don't have to take all the pie yourself. You have to be a part of growing the pie and taking your ... share of that pie. So that it's not necessarily winning at all costs. It's actually making the ecosystem a winning ecosystem for all.