



Photos: Joseph Fox



MODEL MANAGEMENT

CQI Conference speaker **Mike Forde**, former Director of Football Operations at Chelsea FC, speaks to **Robert Gibson** about selling his message to the business, creating a high-performance environment, and his take on Lean management

The first thing that strikes you when you meet Mike Forde is his directness. When he arrives for this interview, he's immaculately dressed in a sharp suit and cuts straight to the chase: "What's your angle?" His persona comes as no surprise. Mike has spent the past seven years working for the notoriously hard-to-please Russian oligarch and owner of Chelsea Football Club, Roman Abramovich. He knows how to work quickly and effectively to get results. He also leads the "P8 Summit", a collaboration of the finest leaders from the world of sport, including Arsenal manager Arsene Wenger, Team Sky cycling manager Sir David Brailsford, and McLaren Applied Technologies MD Geoff McGrath.

This summer, Mike concluded his spell as Director of Football Operations at Chelsea, where he dealt with all areas of performance and team operations relating to the first team. Player recruitment, sports science, psychology, performance analysis and medical issues all fell under his remit. Taking the lead on performance improvement, he contributed to the most successful era in the club's history, including victory in the Champions League, Europa League, Premier League and three FA Cups. Not bad for someone who's only 38.

But Mike's not entirely hard-nosed – he possesses a charismatic, approachable side, emphasised by his Mancunian accent and impassioned story-telling. Sportingly, Mike poses for photos over a Subbuteo pitch as he shares his experiences with *Quality World*, ahead of his eagerly anticipated appearance at the CQI's Leadership Conference this April.

Taking the lead

"Sometimes business leaders, CEOs or owners, fail to see the contribution of certain people," Mike begins. "Real Madrid thought Claude Makélelé was finished at the age of 30 – but Chelsea proved he wasn't."

Styling himself as a businessman rather than a sports expert, Mike is a pioneer in the rapidly evolving landscape of high-performance techniques in football. At first glance, his career appears to focus on talent management and acquisition, getting the most out of undervalued players such as Makélelé. It's a technique made famous by the 'Moneyball' movement in US baseball which focused on the Oakland Athletics' innovative approach to statistical analysis. However, Mike's experience runs much deeper. He understands the psychology behind strong, effective leadership.

"If a football club is a business, how do you make it more efficient? How do you de-risk it? How do you maximise the talent and create performance and sustainability in that performance?"

"A universal pain that drives all businesses is the search for talent. When I tell you that most football clubs spend 80% of their revenue on 3% of their workforce, you start to really understand the importance of driving high performance and managing talent."

So what's the solution? Mike explains his theory: "Instead of saying, 'are we into Lean management or not?' start with the problem and ask yourself: what is the pain? In football, the pain of the business is there's too much risk

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around such a small population of human capital – capital that’s quite young and diverse in terms of nationality. You can de-risk this by creating the right environment.”

His focus on the business environment is founded in years of experience scrutinising the cultural and physical make-up of football clubs. His education in sports psychology is also evident as he draws the connection with leadership. “It all comes back to human fear and two fundamental drivers: pain and pleasure. Everyone wants to avoid pain and move towards pleasure. In leadership, the pleasure part is about creating inspiration, which poses the question, how do you tap into people’s discretionary effort?”

“Most people don’t understand that your job as a leader is to get the most out of the talent and create an environment for them to flourish. Loyalty is not a guarantee – what you’re trying to achieve is hyperactivity among staff over a period of time.”

Mike worked hard to test this approach in the English Premier League – something no one had tried before. How did he achieve buy-in and take two top-flight sides to record-breaking success?

Lean team

Mike’s rise to the upper echelons of the sports business has been rapid. Born in Manchester in 1975, his journey in performance improvement began with a degree in Sports Science from Liverpool John Moores University, followed by a Master’s in Psychology and Sport from San Diego State University. Back in the UK, he took a job at a management consultancy firm and his first client was Bolton Wanderers Football Club, in 1998, aged just 23. Working alongside one of the country’s most promising managers,

Sam Allardyce, in a forward-thinking organisation, made for the perfect apprenticeship.

“Bolton was a really good example of Lean management because here was a team that, competing against 19 teams in the Premier League, had no transfer budget,” Mike says. “I think Sam Allardyce spent just £11m in the best part of eight years – and £8m of that was on one player, Nicolas Anelka.”

Mike became obsessed with how to create competitive advantage using smart recruitment and, crucially, building an ‘ecosystem’ in which recruits could fulfil their potential.

“In football terms, Lean management works on two fronts. One is about the playing squad – your greatest cost base. You need to make sure you haven’t got too many players playing in all sorts of positions. Instead, you have individual players who can play in multiple positions to ensure the best possible utilisation.

“Then, you utilise that talent further by making sure you have the right ecosystem or performance environment around the players. You achieve this by employing the right support services and experts – from sports science, to medical, psychology, coaching, performance analysis – who are focused on getting the most out of the talent. There is a critical mass of people you can put around the players without having a negative impact on their space. It’s about getting the best people into a very lean team who deliver concise performance objectives for the group of players.

“I identified three pillars: players, management team and environment. The environment is made of physical aspects and cultural aspects. You can replicate the physical environment, but you can’t replicate a culture very easily. So you’ve got to be able to create an ecosystem, a management

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Left to right: Mike worked with Sam Allardyce to get the best out of Bolton striker Nicolas Anelka; Claude Makélelé (right), the unsung hero of the 2006 Chelsea team; and ‘Moneyball’ pioneer Billy Beane, General Manager of the Oakland Athletics.

model, which allows you to go out and reduce the standard deviation.”

Bolton signed cut-price superstars who had lost their way for one reason or another, and sought to reignite their careers. Purchases included former Real Madrid star Fernando Hierro from Al Rayyan in Qatar and out-of-favour Real Madrid midfielder Ivan Campo.

“We signed Youri Djorkaeff, who won the World Cup in France in 1998, a top, top player, but lost his way in Germany and bombed out of the team in January 2002,” Mike recounts. “He wanted to play in the World Cup in six months’ time and at Bolton we had an ecosystem model that allowed us to get the most out of him.

“We looked at what problems a player had, eg physical condition or technical issues. Was it a personality problem, as with El Hadji Diouf? Was it a guy who had done well, lost his way, and could we could reinvent him?”

“That was our Lean management model – we were practising marginal gains even before it became the sexy thing to do.”

To observers, Mike’s strategy seemed high-risk; signing players who were widely viewed as past their best. But he had faith in his model. Mike spent eight successful years at Bolton, but eventually other teams caught on. Inter Milan, AC Milan, Real Madrid and Barcelona realised they had poor talent management and swiftly cut down their 35-man squads – reducing the risk of losing undervalued players to teams like Bolton.

The perfect pitch

Football is an industry steeped in tradition – and its management systems are no different. Clubs based in the UK are particularly stubborn in their ways, from dressing room to boardroom.

Mike quickly learned that in order to “lead from the back” he needed to sell his message. Travelling between Bolton and the US, he witnessed firsthand how leaders of successful franchises gained the backing of the board, including visits to the New England Patriots (NFL team) and San Antonio Spurs (NBA). He has also spent time with the New Zealand All Blacks and in Formula 1.

“At Bolton we had to find a fluid management model that allowed us to win games, but also that, if the wheels fell off, you could de-risk it quickly by selling the players and diluting the squad. So the sales pitch to the owner and chairman, in terms of the strategy and Lean management principles, was to tell them we wouldn’t over-risk ourselves with salaries, big transfers and long-term contracts. Instead, we asked for a support staff that was 40% bigger than anyone else so we could attend to the detail – the medical performance, the sports science, recruitment.

“There was a constant need to communicate upwards and sell the message, which was my job alongside Sam Allardyce. You need to sell results and our results sold the message. We had three or four top-eight finishes and we played in Europe twice, but we didn’t over-leverage that. For example, we didn’t over-risk the business by saying we need to buy a new striker for £15m. Even Nicolas Anelka was a calculated risk.”

Anelka was signed for £8m on a four-year contract but Mike says the club only ever intended him to stay for two years – scoring goals and helping the team, before moving on for a tidy profit. The Frenchman scored 21 goals and was sold two years later for £15m.

While Allardyce took all the plaudits for such shrewd business, those in the industry recognised Mike’s part and it wasn’t long before he joined

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Chelsea, in 2007. A year later, he re-signed Anelka, who went on to become the league's highest goalscorer in the 2008–09 season.

Mike refuses to talk in detail about his experience at Chelsea (“a brilliant organisation” he says), partly due to the fact he's now on gardening leave for a year. But the six years he spent at the club are an indicator of his success.

New goals

So what's next for leaders in performance improvement? Mike considers the question carefully. His conclusion blends strong data analysis, innovation, and communication skills. “Sport is a very emotive business, so passion is very easy to find. What's harder to find is that passion mixed with a sensible business model. The new frontier is all about ‘the Harvard Business School experience’, ie how do you translate this content up the pipeline? For example, Oakland Athletics' Assistant Manager, Paul De Podesta, was great at statistical analysis for them, but without Billy Beane [General Manager], the concept was going nowhere. Billy's got the charisma and the personality to manage the duality of the ‘data insight’ aspect at the same time as selling it to someone who signs the cheques.”

Mike's message is simple: “If you're going to move from a specialist, technical role, into a general management or leadership role, you've got to be able to sell your concepts.”

Today, he runs his own consultancy business, Mike Forde Performance, and is an adviser to Leaders in Performance, a group of professionals who come together and share ideas. His job is to leverage the relationships and make sure that the organisation's work is on message in terms of the



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latest high-performance thinking. “I want to create a way up for the next level of performance experts who aspire to do great things, but are looking for opportunities, inspiration and content.

“After nearly 16 years of full-time work, I've felt a need to regenerate my ideas, so I've spent a lot of time travelling to study different teams, just observing. The sports sector's never been in such a fluid state, where business, education, sport and performance are all coming together.”

And therein lies Mike's parting message – the value of taking a step back, assessing the playing field, before deciding what's next on the path to glory.



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