

**EXERCISE
8.3****Moneyball****LO 8.2, 8.3, 8.5**

The *New York Times* best seller *Moneyball* (Lewis, 2003) is a book about baseball. It describes how Billy Beane, the general manager of the Oakland Athletics, revolutionized Major League Baseball (MLB) by introducing a new approach (sabermetrics) to assessing the value of a player to a team (see Wolfe et al., 2006). The established approach to assessing player talent favored future potential, but sabermetrics focused on past performance. Also, the established approach focused on the statistics of batting average (BA) and earned run average (ERA). The new approach was based on the argument that different statistics such as on-base percentage and slugging percentage (OSP) were better predictors of a player's performance. Beane introduced sabermetrics, but the underlying concept was not his. The writer Bill James had argued (and been ignored) for three decades that research attested to its superiority as a basis for determining a player's true value to a team.

Beane's application of the new approach was successful, and the Oakland Athletics moved close to the top of the league despite being outspent by most of their competitors. As a result, the team had approaches from many interested businesses and sporting bodies, including teams from the NFL and MLB, Fortune 500 companies, and Wall Street firms.

However, other MLB teams continued to show a lack of interest in the new approach, and some were openly hostile to it. Why? The MLB was bound in tradition and characterized by deep respect for convention and precedent. Sabermetrics challenged treasured orthodoxies for two reasons. First, it questioned the value of established predictors of performance. Second, sabermetrics based decisions on statistics, and thus reduced the importance of professional judgement. In other words, sabermetrics sidelined the field managers who had previously enjoyed significant control over talent selection and in-game tactics. Sabermetrics thus threatened the job security of many who had been appointed on the strength of their knowledge of individual characteristics and aspects of the game that were no longer considered to be important.

We can explore how the introduction of sabermetrics affected team management and players in the movie *Moneyball* (2011, director Bennett Miller). Brad Pitt plays Oakland's manager, Billy Beane, who is losing his star players to wealthier clubs. The Athletics' owner Stephen Schott (Bobby Kotick) will not provide more money. How can he build a competitive team with a limited budget? Beane hires an economics graduate, Peter Brand (Jonah Hill). Brand introduces him to James' statistics-based approach to picking talent, looking at the complementary skills of the players in the team as well as focusing on individual capabilities. Using this method, Beane puts together a team of previously unknown players. However, Beane's senior manager Art Howe (Philip Seymour Hoffman) will not allow Beane to use these recruits, and refuses to discuss the matter. The team's talent scouts do not like the new method either. As you watch this movie, consider the following questions:

1. Who is resisting this change and why?
2. What behaviors are used to demonstrate that resistance?
3. What role do emotions play, on both sides of this argument?
4. What tactics and behaviors do Billy Beane and Peter Brand use to overcome resistance to their new approach?
5. What lessons can you take from this experience concerning the nature of resistance and methods for overcoming resistance to change?