



McBride
Consulting LLC

Business, Baseball, and Overcoming the Defensive Shift

November 2021

Background

Businesses today face a myriad of obstacles (no matter their industry) and the challenges to growth are numerous. This is especially true for smaller firms. Today's pace and scale of operations make it hard for these firms to gain traction in the marketplace, especially when competing against larger ones. But it's not impossible and there are plenty of places we can find examples where competition in business parallels competition in other endeavors. Sports is one such area where larger and smaller organizations compete against each other. In American professional baseball, for example, not all teams are created equal, yet they compete on the same playing field all season long. Since Major League Baseball recently completed its 2021 season and the Atlanta Braves were crowned World Series Champions, the offseason is the perfect time to reflect on how the "Great American Pastime" offers us lessons for adapting and overcoming unusual challenges.

Baseball teams, like businesses, have different payrolls, lineups, and organizational strengths. Players at the height of their careers and capabilities often command high dollar salaries. Combine enough of these high-performing players together and teams that can pay larger salaries often have a competitive advantage. But that doesn't mean they are unbeatable. Smaller teams also bring their own competitive advantages to the game and show us how to level the playing field. While the cross-over lessons we can learn from baseball are numerous, here we will focus on one, the Defensive Shift.

History of the Defensive Shift

Traditionally, baseball has been played with two infielders on the left side of second base and two infielders on the right side. In the past, a field player may have taken a few steps in either direction depending on the situation or the batter, but for decades players generally stayed in their traditionally assigned areas. In recent years, however, things have changed dramatically, and teams are playing “out of position” more and more to gain an advantage on defense. In short, the Defensive Shift has taken over Major League Baseball. But the idea of defensive players positioning themselves more than a few steps one-way or the other depending on the hitter wasn’t unheard of. In fact, the Defensive Shift can be traced back to the 1920’s and slugger Cy Williams. Williams was a powerful left-handed hitter and opposing managers would push their outfielders to right field to combat his opposite field hitting tendencies.

After Cy Williams though, the tactic disappeared until 1941 when the first Defensive Shift was employed against another player with the last name of Williams. During the 1941 season, 22-year-old Ted Williams was such a dominant left-handed hitter that White Sox manager Jimmy Dykes decided to place his Shortstop on the other side of 2nd Base just to try and get the hot-hitting Ted Williams out. Placing three infielders on one side of the infield didn’t work quite as intended though and Williams proceeded to hit 4-for-10 in the series against the White Sox. That’s a pretty good batting average as Williams showed there are ways to beat the Defensive Shift. Ted Williams, along with other lefty sluggers, would continue to see the tactic periodically throughout their careers, but over the coming decades the tactic was, for the most part, considered a quirk.

Not until the advent of advanced analytics in the 2010’s though did the Defensive Shift take on a life of its own. Joe Maddon, then manager of the Tampa Bay Rays, is known for being an outside-the-box manager and one step ahead of the competition. This was critically important for a team like Tampa Bay to be competitive due to their smaller payroll size. In fact, during the 2011 season the Rays had the 2nd smallest payroll in Major League Baseball. How were the Rays then supposed to be successful against much larger organizations such as the New York Yankees, Philadelphia Phillies, and Boston Red Sox? These clubs, after all, had payrolls four to five times the size of the Rays. The answer was the Defensive Shift. The smaller and less talented Rays started using advanced scouting (a form of business intelligence) to position their players more advantageously on the field against each opposing batter. This started turning batted balls that normally would

have been hits into outs. The strategy worked beautifully and helped the Rays not only win 91 games that year, but also the American League Wild Card game.

Baseball = Business

Being on the leading edge of analytics and strategy helped the Tampa Bay Rays reach multiple playoff berths, as well as a World Series appearance in 2020, all while having one of the smaller payrolls in baseball. But what happens when the goliaths catch on and start using the same strategy to gain that advantage for themselves? How does a team like Tampa Bay continue to evolve and stay competitive? In a word: adaption. It has been said that one form of flattery is copying what has been working for someone else. Today in business, like sports, it's easier than ever to know what your competitors are up to. Technology has made the sharing of information, business intelligence, and marketplace analysis more accessible and faster than ever.

While smaller firms may reach into the archives of history to employ different tactics that negate a larger competitor's advantage, it doesn't take long for those tactics to be copied once they get noticed. Now larger firms can employ the same tactics that helped the smaller ones achieve success, only those larger firms can bring more money, more manpower, and advanced analysis and skillsets with them. The same is true in baseball. The tactic once employed by smaller market teams is now no longer a novelty or a quirk. When larger payroll teams then take away that advantage, what are the smaller ones to do? How do they regain an advantage?

The short answer is they play to their strengths. While smaller firms may not have the obvious resources of the big ones, they do have an advantage: They are more agile. Too often large organizations become cumbersome and wieldy in their decision-making. Small firms don't have that problem and the outsized impact of individual contributors also plays a greater role in adapting and conquering the challenges they face. Every player on a small team can overcome the Defensive Shift if they are willing to learn new skills and the same is true in business. When everyone does their part to adapt, the collective ability to overcome obstacles grows over time. This is the starting point where smaller teams and smaller firms can reshape the playing field once again. So how do these small organizations successfully adapt and leverage their strengths? It comes down to 3 P's: Predict, Prepare, and Practice.

Baseball's Three P's

Predict. By seeing the field differently and being able to move more quickly, small firms negate the advantages of their larger competitors. But small firms, like small teams, also need to be better at knowing what's coming next. In baseball, the more hitters can predict the next pitch, the better able they are to safely hit where they want. In Major League Baseball, the batter has just under half a second to analyze the type of pitch being

thrown, decide whether to swing or not, and then actually swing if they do. That's an incredibly short amount of time. In business, small firms have more than half a second to react, but if they are going to beat bigger firms at their own game, they don't have much more than that comparatively.



To be successful, small firms must constantly use what they know of the marketplace, their competitors, and their client's needs to predict the challenges that lie ahead. Then they need to adapt themselves and their strategies to take advantage of opportunities in areas where larger firms aren't looking. Market analysis is one such way of doing just that. Far too often in the day-to-day operations of smaller firms, not enough time is spent looking at the broader marketplace and their standing in it. Strategy evaluation and realignment is another area firms can adapt themselves to be competitive. Like marketplace analysis, this too often doesn't get enough attention when daily operations are all-encompassing. Yet doing both are critical to predicting gaps in larger competitors' business and overcoming their resource advantages.

Prepare. When a batter needs to work on hitting to overcome a Defensive Shift, he starts by preparing himself for the task at hand. A good hitter will learn the tendencies of opposing pitchers. What are their strengths, weaknesses, and habits? Do they have a favorite pitch? Which ones are they most likely to throw in certain situations? For the hitter themselves, they'll want to know which pitches they are hitting well now and which ones should they work on hitting better? A hitter who wants to be more well-rounded will work to learn why they are likely to hit in certain directions and what they can do to overcome that. Lastly, a good hitter will prepare himself mentally. Hitting a baseball coming at you from 60 feet 6 inches

away that is travelling at 90 miles an hour takes skill and concentration. It also takes real preparation to be able to make a split-second decision whether to swing or not.

In business, small firms need to prepare themselves to meet the challenges of their competitors every day. They need to evaluate and analyze what they can do to make their firms better. What are their strengths and weaknesses? How can they make themselves more of an asset to their clients? There is no second chance to take advantage of an opportunity you weren't ready for. By understanding their industry's playing field and learning as much as they can about their competitors' capabilities, small firms make the most efficient use of their planning resources as they focus their decision-making on the most impactful areas. Big firms can expend lots of capital and resources, but small firms that prioritize and prepare themselves for the future are much better positioned to hit to the opposite field.

Practice. Lastly, good players are constantly working on their craft to deliver results and they practice repeatedly to help the team win. To overcome the Defensive Shift, players must become more well-rounded and capable of diversifying the location of their hits. To do that, they often tinker with their stance, their swing, and their timing. The same is true in business. We've noted that when a firm is small it's more agile and flexible. But a smaller firm with fewer resources risks not prioritizing the development of skills that help it stand out from competitors. The more often small firms practice what they do well while also developing new and targeted capabilities, the more they will serve their clients with effective, timely strategies and a fresh perspective that sets them apart. Sometimes that fresh perspective even means looking into the archives of history to deliver an updated approach in the application of old strategies, such as the Defensive Shift.

At McBride Consulting, we utilize our core capabilities of People, Process, Data, and Technology to help clients to maximize their strengths while also identifying areas for growth. We then serve as true partners in the development and implementation of a strategic vision to level the playing field against larger competitors. In our public sector work, that also means helping government entities fend off cluttered bureaucracies to better serve their constituents in a timely, effective, and fiscally responsible manner. Moreover, by looking forward strategically with both people and process in mind, McBride can predict coming changes in the marketplace. Then by utilizing data and technology we get ahead of the curve in the development and delivery of effective program management.

While the concept of practice looks different in an office vice a baseball diamond, there are several ways smaller firms can hone their skills and make their organizations better. At McBride, we employ our experienced change management professionals in doing just that by advising our clients to take a proactive approach to adaptation and growth. Our first recommendation is to develop and actively maintain standards of best practices for both the organization and individual alike. Too often in the grind of daily work, firms do not take the time to sit down and truly develop these important frameworks and requirements for proficiency. When they do, however, small firms set themselves apart as knowledgeable advisors their clients can trust when they exceed expectations.

The second way McBride recommends businesses practice their craft is by learning the lessons from their past efforts, determining what went right, what needs to be improved, and then applying those lessons in their work going forward. No firm is perfect all the time, but by understanding the lessons of history, small firms decrease the length of their learning curve and avoid making the same mistakes twice. Lastly, McBride knows firsthand that small firms make themselves better through the practice of their craft when they continually engage in training and education. Small firms may not feel they can take the time for this type of professional development, but a solid commitment to expand their knowledge and skill base is critical in today's ever-changing marketplace. At McBride, we advise our clients that incorporating these three facets of practice into their daily cadence is critical to growth, quality of work, and the service they provide their customers.

What's Old is New Again

The creation and modern-day resurrection of the Defensive Shift teaches us a lot about the use of different strategies to compete and win against bigger clubs. The New York Yankees for example, generally the highest spending club in all of baseball, were eliminated from the Major League Baseball Playoffs once again this season. That makes a dozen years since they won their last World Series title. While the club continues to maintain the most championships in baseball history, their drought in the modern era shows that others can compete these days as well. No longer does simply having the most resources guarantee success. By predicting, preparing, and practicing effectively, smaller teams can play bigger than their payroll and upend the competitive landscape. Even if the smaller team doesn't always win the championship in the end, the Rays showed that despite having fewer resources, organizations can compete quite nicely using strategies that play to their advantages.

Once again, the same is true in business. Firms that are willing to use unusual strategies to their advantage (and then are willing to reinvent themselves again once that strategy goes mainstream), are better positioned for the future than the firms that never adapt at all. Baseball is a game that has been woven into the fabric of American society for over a century. It is both a simple and a complicated game at the same time. So too is modern business. When bigger, stronger competitors employ resources that make it hard to compete against, the strength of smaller firms lies both in their ability to be agile as an organization and in the contribution from each individual. By predicting, preparing, and practicing for the challenges ahead, smaller firms position themselves for never-ending competitive shifts and stand ready to win against larger competitors.

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