



CENTER FOR CATHOLIC STUDIES

TO: WBC AND MICAH PARTICIPANTS
FROM: MONSIGNOR RICHARD LIDDY
SUBJECT: LESSONS FROM A FAMILY RUN BUSINESS
DATE: FEBRUARY 2017

- **Welcome and Self-Introductions**
- **Woodstock Business Conference Mission Statement**
 - The Mission of the Woodstock Business Conference is to establish and lead a national and international network of business executives to explore their respective religious traditions in order to assist the individual executives:
 - To integrate faith, family and professional life,
 - To develop a corporate culture that is reflective of their religious faith and values and
 - To exercise a beneficial influence upon society at large
 - The Conference, grounded in the Roman Catholic tradition, welcomes believers who are open to and respectful of one another's religious tradition. It is committed to the conviction that ethics and values grow out of one's religious heritage.
- **Scripture Reading: Isaiah 60: 18-22**
- **You shall call your walls "Salvation" and your gates "Praise." No longer shall the sun be your light by day, nor the brightness of the moon shine upon you at night; the Lord shall be your light forever, your God shall be your glory. No longer shall your sun go down or your moon withdraw, for the Lord will be your light forever and the days of your morning shall be at end. Your people shall all be just, they**

shall always possess the land, they, the bud of my planting, my handiwork to show my glory. The smallest shall become a thousand, the youngest, a mighty nation; I, the Lord, will swiftly accomplish these things when their time comes.

- **Quiet Reflection 5 minutes followed by sharing insights**
- **Article: From Loyola University of Chicago Family Business Center, “What a Family Business Can Learn From the Chicago Cubs” by Andrew Keyt, former Director of the Center and Clinical Professor in Family Business at the Quinlan School of Business at Loyola.**

What a Family Business Can Learn From the Chicago Cubs

To know me is to know that I am a lifelong Cubs fan. As far back as second grade I would mysteriously get sick around 11am on opening day. It was precisely timed. My mom (aka co-conspirator) picked me up from school and drove me back home where I plunked down in front of the TV, grilled cheese in one hand, just in time to watch the opening pitch. I never strayed from the Cubs – my Loveable Losers.

For 108 years they languished. Just over a century. A century! And then... 2016 arrived and everything changed. The curse: broken.

But how do you break a curse? What kind of magic was used to finally defeat the terrible Billy Goat? Who do you call? A priest? A wizard? A witch? The Ghostbusters? Or maybe... just maybe... a family business?

Back in 2009, the Ricketts family successfully purchased the Cubs and something profound happened. Something changed. The culture shifted; the family committed themselves as owners – owners who possess a long-term vision of success, putting people before profits. Even back then, I felt it in my bones. The undoing of the curse had begun. There was hope. Family ownership – I was certain – would lead to a World Series victory!

How, you ask? Let's break it down.

OWNERSHIP MATTERS – ESTABLISHING A LONG TERM VISION

From 1982 to 2009 the Chicago Cubs were owned by the Chicago Tribune Corporation: a publicly traded company with a responsibility to provide a predictable financial return to shareholders over time. The pressures of quarter-to-quarter earnings led to a kind of management that limited investments in the player development infrastructure; players and fans were decidedly not the first priority.

In 2009, the Ricketts family purchased the Cubs. As a family owned business, the Ricketts moved beyond a quarter-to-quarter mentality and articulated a new vision – one that would consistently compete for championships. In order accomplish this goal, they couldn't just build a team at the major league level. They needed to build an organization that consistently produced talent. The family knew this meant making investments and sacrifices that might pay off over the long term.

They were direct and straightforward with fans: this new vision would take sacrifice and investment. They put their money where their mouth was investing \$750 million dollars into talent development (their minor league system), new facilities, more talent scouts, player development, ballpark, and neighborhood improvements.

CHANGE THE CULTURE TO MATCH THE VISION

Family businesses often have a long history replete with stories that are used to explain the success and failures of the organization. The creation of this mythology is one explored extensively in my book *Myths and Mortals*. I joked in the opening of this article about the century long curse that prevented the Cubs from a World Series win. It's a superstition, of course, but it points to something else: the organization developed a culture where failure was attributed to outside forces rather than forces within the organization that could contribute to winning. In other words, it was a victim culture. To change this culture the Ricketts family realized that they needed to both model successful leadership and attract successful leaders.

BUILD THE RIGHT TEAM

Hire the best talent.

One of the first things that Tom Ricketts, Chairman of the Cubs realized was that while he had a passion for the success of his team, he wasn't an expert in building a baseball organization. In order to counter the mythology of the curse, he needed strong leaders who knew how to build a baseball organization from the ground up. As fortune would have it, in 2011, one of the most talented baseball executives in the world – Theo Epstein (a Yale) – stepped into the picture. Ricketts wasted no time in recruiting Epstein, who would do away with the “curse” mythology and build an organization that could produce sustained success. In 2015 – the Cubs struck gold again, attracting one of the most successful managers and developers of young talent in the Major Leagues: Joe Maddon.

Have faith and give leaders room to shine.

Attracting talent isn't enough, you must also give leadership (1) room to make decisions and (2) the chance to use their talents to achieve a long-term vision. Ricketts listened to his team. He understands the dramatic changes needed to create an organization that could regularly compete for a World Series Championship.

Hire for character.

In order to change the culture, the Cubs organization had to hire players and management that could remain strong in the spotlight and deal with scrutiny from the press, especially regarding the team's long-term futurity. They looked not only for baseball talent, but players who exhibited this type of character.

Invest in talent (develop your pipeline).

The Ricketts quickly realized that in order to win, they not only needed to find talent, they needed to be able to develop it. Within the first four years of ownership, they invested more in first year and international amateur talent than any other team. They also increased the number of scouts and upgraded training facilities in both the minor and major league system.

YOU OFTEN HAVE TO EXPERIENCE SHORT TERM PAIN TO ACHIEVE LONG TERM GAIN

In a short period of time, Ricketts and his team realized they needed to (1) rebuild the team at the major league level and (2) make dramatic changes across the organization to produce sustained success. It became clear that significant, long-term investments needed to be made. The short term consequences of these investments: A scarcity of available resources to “buy” talent at the major league level and an increased likelihood of producing losing teams at the major league level. This became a reality when the Cubs lost 101 games as recently as 2012.

EMBRACE YOUR CUSTOMER

While many owners rule their teams from skybox, Tom Ricketts and other members of the family became regular fixtures in the crowds at Wrigley. On more than one occasion, I ran

into Tom roaming different sections of the park, greeting and listening to fans. This sent a message to the customer: “We are one of you. We care and are committed to a long term vision.”

DO SIMPLE BETTER

A phrase coined by Coach Joe Maddon who sought to get the team focused on doing the basic things well – day-to-day, game-to-game – and not try to win a World Series in one fell swoop.

HAVE FUN (TRY NOT TO SUCK)

To overcome the increasing stress on the players on their quest to break the curse, Joe Maddon knew that part of his job was to keep the team relaxed and having fun. He understood that by itself, the road to winning didn’t necessarily guarantee fun. So he created fun. Whether it was his “Try not to suck” t-shirts distributed during spring training, or his pajama themed road trips, Maddon created a culture of fun and a commitment to success.

BELIEVE IN SOMETHING BIGGER THAN YOURSELF.

While listening to management and players talk throughout the year, Ricketts realized that no single individual within the organization was going to overcome 108 years of futility. To win a World Series Championship, the Cubs certainly needed marquee players like Kris Bryant, Anthony Rizzo, and Jon Lester. But they also needed contributions, both big and small, from individuals across the organization. It showed in game 7 when the winning hit came from Miguel Montero who had only 4 at bats the entire World Series.

NEVER GIVE UP (PERSISTENCE)

As a long-suffering Cubs fan, I can think of no better storyline than the one that emerged in the 2016 post season. In each series of the playoffs, the Cubs found themselves in precarious positions. With the San Francisco Giants they came back from a four run deficit in the 9th inning of game 4 to win. In the National League Championship with the Los Angeles Dodgers, they found themselves having to fight back from a 2-games-to-1 deficit. And then there was the World Series.

After leaving Cleveland with a 1-1 split, and hopes of clinching a World Series championship at Wrigley Field, the Cubs lost 2 games straight and found themselves on the verge of elimination, being down 3 games to 1 heading into game 5. The old Cubs – the Cubs of 108 years of failure – would have seen this as ample reason to fold the tent and head home.

But Joe Maddon focused the team on what they could control – the game that day. With a persistent commitment to winning, the team followed a great performance from their ace Jon Lester to victory in Game 5, and former Cy Young award winner Jake Arrieta in Game 6. And then there was Game 7. With contributions from across the team, the Cubs built a 5-1 and then 6-3 lead. In the 8th inning Rajai Davis of the Cleveland Indians tied the game with a 2-run home run. The Cleveland fans were on the verge of vanquishing 71 years of their own demons; this was another invitation to yield – the Cubs of old would have folded. But all the investments in creating a long term vision, finding the best leaders, hiring for character, developing talent, having fun, and a constant commitment to persistence and execution paid off.

During a 17 minute rain delay – Jason Heyward, one of the players most maligned for his lack of offensive production – called a team meeting. He reminded his fellow teammates of their commitment to each other, of the hard work they had all put in, and the character the team had shown throughout the year. Returning to the field in the 10th inning, the Cubs scored 2 runs, and overcame another Cleveland rally to win their first World Series in 108 years.

Curse: broken.

I’m guessing some of you scoffed at my unwavering certainty at the opening of this essay:

that back in 2009 I knew that family ownership would lead the Cubs to a World Series victory. I made this comment because I believe in the power of family business, especially when it's in the hands of ethical leaders with long-term vision. The story of the Chicago Cubs is only one of many family business success stories. Your own family business probably has similar stories of achievement, and it's our honor to be a part of your journey as spectator, coach, and advisor.

Be Attentive: In this article what insights and lessons jumped off the page for you? Unpack your experience of being part of a victim culture.

Be Intelligent: What connections from this family business story can you make to your work organization or your family as organization? What teams have you been a part of that moved from failure to success? Did the insights from this article apply?

Be Reasonable: What role does pessimism and optimism play in your life? In your organizational life? In your family life? How does it affect your decision-making? What role does it play in overcoming adversity, personally and organizationally?

Be Responsible: As Spring Training opens in February followed by Lent on March 1st. How do you/we need to repent and start over in light of the lessons shared through this article and the story of the Chicago Cubs? How will this conversation impact your thoughts and actions this week, this month?

Closing Prayer: St. Francis Peace Prayer

Lord, make me an instrument of your peace;
Where there is hatred let me sow love;
Where there is injury, pardon;
Where there is doubt, faith;
Where there is despair, hope;
Where there is darkness, light;
And, where there is sadness, joy;
Grant that I may not so much seek to be consoled as to console;
To be understood, as to understand,
To be loved as to love;
For it is in giving that we receive,
It is in pardoning that we are pardoned,
And that it is in dying that we are born to eternal life.

Glory be to the Father and to the Son and to the Holy Spirit as it was in the beginning is now and ever shall be world without end. Amen

