CHAPTER ONE 1

What Is It Really Like to Work in the Sports Industry?

"Success is not the key to happiness. Happiness is the key to success. If you love what you are doing, you will be successful."

—Albert Schweitzer, theologian, philosopher, and winner of the 1952 Nobel Peace Prize

"Dictionary is the only place that success comes before work. Hard work is the price we must pay for success. I think you can accomplish anything if you're willing to pay the price."

—Vince Lombardi, former head coach of the Green Bay Packers and member of the National Football League Hall of Fame

"For a typical 7:00 pm game, I arrive at 9:00 am. I first bring press passes to the security gate where the media will be arriving. I then begin making copies around 10:00. Assuming the copy machine does not jam, they are usually completed by 3:30. Next, I bring most of the copies to the pressroom, where media personnel meet with one another and have dinner. I then bring 50 copies of game notes and statistics to the ninth floor press box. While in the press box, I distribute the seating charts so that people will know where to go come game time. At 4:30, I cut out newspaper articles and place them in their respective folders and scrapbooks. At 5:30, I eat dinner in the pressroom. At 6:15, I make my way to the press box for my game night duties."

—An entry-level media relations employee for a National Hockey League franchise

If you are reading this book, you are most likely considering a career in the sports industry. You've seen the glitz and glamour of the sports headlines and are wondering, "What's it like to work in the sports industry?" As a job seeker, you should be aware of a few generalizations. Working in the sports industry can be exciting, but also extremely challenging. In talking to many people who currently work in the sports industry, it is typical to find very high job satisfaction. This is not a scientific observation, but is based on various conversations and feedback. This seems to sharply contrast with other fields, such as the legal profession, where a low job satisfaction is expressed in many different surveys and studies. However, remember that this is a generalization and that many people in the sports industry are not satisfied with their jobs, just as many in the legal industry are very satisfied with their jobs. Here are some more generalizations about the sports industry: internships are relatively easy to come by, but jobs are hard to come by. Upward mobility in the sports industry can be very slow or difficult because there are few positions and little turnover of high-ranking executives. Generally speaking, it is also an industry that does not pay well, at least from entry-level to mid-level positions, and a lot of this can be traced to the economic principle of supply and demand. There is a high demand from people who want to work in the sports industry, and there is a limited supply of jobs.

The following story of a National Basketball Association (NBA) team helps illustrate the type of job environment commonly found in sports. (Note: The team name is not disclosed for confidentiality purposes.) One of the favorite activities of the team's executives is to read the unsolicited letters from people looking for jobs with the team. Many times, the letters go like this:

I am a successful businessperson with an MBA (or a law degree), and I do not like my job. I would be willing to do anything for the team. I love sports; money is not a big factor for me, and I am not looking for a salary commensurate with my educational background or work experience.

The executives, who may have less educational background and/or work experience, typically laugh as they deposit the letter in the circular file (trash). The bottom line is that a lot of people, many of whom are qualified or possibly overqualified, are interested in working in the sports industry. This type of demand drives down compensation levels, resulting in low-paying or unpaid internships, and low-paying entry- to mid-level positions. In addition to the impact on compensation, it also makes it more difficult to obtain positions in the sports industry.

"Being a professional is doing the things you love to do, on the days you don't feel like doing them."

—Julius Erving, member of the Basketball Hall of Fame

There are two polar opposite views commonly shared by employees working in the sports industry. Viewpoint A is that it is great to work with LeBron or Tiger every day. Employees who share this view get satisfaction from working with premier athletes and the "magic" of sports. Viewpoint B is that the sports aspect of a job wears off pretty quickly, and, after a few years in the business, it is no different from any other job. For many, the magic of the sports industry can wear off after one sees how the product is produced. This is similar to the "sausage factory" analogy—if your favorite food is sausage, don't take a job in a sausage factory because seeing how the product is made will likely cause you to never eat sausage again.

Although every job is different and every person is different, the reality probably falls somewhere in between viewpoints A and B. The first sentiment is usually from someone who does not know much about the industry. This person may have stars in his eyes and may be attracted to the industry because of an interest in a particular athlete, a group of athletes, a particular sport, or a team. He may have been a fan or a participant in sports. He may think he is qualified because of his background. For the most part, the industry is an exciting and interesting place to work; however, the interesting is interspersed with the routine and the mundane.

Working in sports does have some cachet in that people are interested in what someone working in sports does. *Sports* is a fairly universal language. It may be common for people at cocktail parties to pay more attention to a person working in the sports industry, due to their fascination with that person's job. (The irony is that with the long hours people in the sports industry work, they may not spend much time at cocktail parties.)

In addition, the people involved in sports such as athletes and coaches are generally interesting people and gifted in their profession. So if the job seeker loves sports, he will be working in an interesting area. He will also have the opportunity to work with people with similar interests.

"Working in sports can be a very difficult profession. The advice I give to people is, if you can live without it, do not get into sports—go work in business, something outside of sports. You have to truly be willing to put in the hours, the 60- to 70-hour workweeks. You have to be unable to live without it to make it in this industry."

—Gene DeFilippo, Athletic Director at Boston College

SPORTS ORGANIZATIONS AS EMPLOYERS

Sports organizations do not rank highly on the "best places to work" surveys, and this ranking may be justifiable. It is important for the prospective employee to understand not only what causes this perception, but also why sports organizations do not find it necessary to change their current practices.

In 2008, *BusinessWeek* published an article entitled, "Best Places to Launch a Career." Scanning the list of the top 50 companies, the likes of Disney, Lockheed Martin, and Deloitte & Touche appear; however, you will not find a single sports organization (though you will find larger companies that have sports organizations within them). Why do you suppose this is the case? The article indicates that favorable organizations offer "entry-level employees more variety and challenges, providing senior-level mentoring, and giving them opportunities to work for causes they believe in."[1] This includes "granting more competitive pay and benefits, faster career advancement, and greater responsibility."[1] Recruiting, retention, and training practices also play a large role. For the most part, sports organizations fall well short of the ideal in all of these areas.

One reason is that sports organizations generally do not have problems attracting and retaining employees using their current practices. This is largely due to the aforementioned supply and demand issues. The number of people who wish to work in the sports industry is far greater than the number of available positions. This creates an environment in which sports organizations find it unnecessary to provide competitive compensation packages (particularly for entry-level positions). After all, why pay someone more than you have to? Given the relatively low-paying nature of the industry, even if a sports organization had a terrific work environment (in terms of providing variety, challenging work, etc.), the organization would still have a difficult time making *BusinessWeek's* list. One can predict that should sports organizations ever begin to experience difficulty finding viable applicants, they would need to improve their compensation levels. However, such a move seems rather unlikely given the overabundance of job seekers in the market.

Another reason for sports industry organizations not making the list of the "Best Places to Launch a Career" is the relatively small size of the organizations. For the most part, sports organizations have considerably fewer employees than the companies listed in the *BusinessWeek* article. This makes it more difficult to build variety and flexibility into jobs. It also makes it difficult for employees to quickly move up the corporate ladder—there just are not enough open positions to move into. And it is possible that the people in the middle- and upper-level positions stay in their positions, and therefore there are fewer turnovers. This is something sports organizations have little power to change. Additionally, most sports organizations must work around schedule constraints, which often call for night and weekend games. This can often lead to long hours and little time off during the season. For the most part, organizations have little control over the schedule and timing of games, so there is no easy way around this problem—the games must be played.

Long hours, low pay, little development, and few advancement opportunities all play a part in the typical sports organization's work environment. In addition, marketplace forces do not currently dictate that sports organizations change their practices. As a prospective employee in the sports industry, you should anticipate encountering similar circumstances upon entering the industry.

LACK OF JOB SECURITY

Job security within sports organizations is not very good compared to other nonsport organizations, particularly for those working in professional sports. At any point in time, a team can be sold and the ownership change may have a dramatic impact on the personnel. There is a common saying: "a new broom sweeps clean," meaning the new ownership group may decide to remove the existing management team in favor of a new group of people. Although this typically does not happen with every ownership change, it is possible you could be subjected to this type of change even if you are an outstanding employee. Jeffrey Loria's acquisition of the Florida Marlins and Daniel Snyder's acquisition of the Washington Redskins, two of the more extreme examples of employee turnover, are described in Box 1-1.

The ownership changes of Jeffrey Loria and Daniel Snyder are somewhat unique situations, but you should be aware that this type of mass turnover does take place. Keep in mind, though, there have been many other ownership changes that were far less extreme. Even so, ownership changes can happen unexpectedly, creating a stressful work environment and higher than normal employee turnover.

DISPELLING THE MYTH: SPORTS ORGANIZATIONS ARE NOT AS LARGE AS YOU THINK

Because of the amount of media attention the sports industry receives, most people assume sports entities are rather large organizations. This perception is further compounded by the exorbitant player salaries and franchise sales prices reported by the media. In reality, sports organizations are somewhat small in comparison to a typical business. Many people find this to be surprising.

The size of an organization is generally dictated by the amount of revenue the organization produces, so here are some numbers. The average per-team revenues for the four major professional sports leagues are as follows:

- *National Football League (NFL)*: $192.5 million (for the 2005–2006 season)[3]
- *Major League Baseball (MLB)*: $170.4 million (for the 2006 season)[4]
- *National Basketball Association (NBA)*: $112.2 million (for the 2005–2006 season)[5]
- *National Hockey League (NHL)*: $75.6 million (for the 2005–2006 season)[6]

Box 1-1 New Owner, New Employees

The winter of 2002 was an interesting one for Jeffrey Loria. He sold his ownership stake in the Montreal Expos to Major League Baseball and then proceeded to purchase the Florida Marlins. Upon completing the purchase of the Marlins, Loria fired 60 of the team's employees. The firings were mostly isolated to the player development staff, including scouts, administrators, minor league managers, and minor league coaches. The move allowed Loria to bring in about 50 employees who had previously worked for him at the Montreal Expos. This type of mass turnover with an ownership change should not be unexpected. Owners want employees with whom they are comfortable, with whom they have experience working. Essentially, in its simplest form, owners want their people in important positions. Interestingly, though, most of the Marlins' business employees were able to keep their jobs.[2]

A similar situation occurred with Daniel Snyder's purchase of the Washington Redskins in 1999. Within days of completing the sale, Snyder fired around 25 Redskins employees, some with 20-plus years of experience. The Marlins and Redskins situations provide excellent examples of the lack of job security that may be found in the sports industry. If a team is sold, and the new owner wants to insert his or her guy into your position, there is very little you can do no matter how good you are at your job.

Seem like pretty significant numbers, right? Well consider this—your average Costco store generates $121 million in sales each year (per store).[7] This makes a typical Costco, financially speaking, larger than your average NBA or NHL franchise, and reasonably close to the size of your average NFL and MLB team. This means that in a large number of cases, more money flows through your local shopping center than your local sports franchise. This catches most people off guard. They expect sports franchises to be monstrous organizations because they are not only in the newspaper and on the evening news, but also have their own sections of the newspaper specifically devoted to them. Additionally, sports franchises drive other media outlets such as ESPN, regional sports networks, and a large number of Internet sites.

This phenomenon is not isolated to professional sports. As an additional point of comparison, the Ohio State University athletic department brought in $101.5 million of revenue during the 2005–2006 fiscal year, more than any other college athletic program.[8] From a revenue generation standpoint, this places the largest college athletic department $20 million behind a Costco store.

A similar comparison can be made at the league level. Total revenues for recent seasons for the four major professional sports leagues in North America were as follows:

- NFL: $6.1 billion (for the 2005–2006 season)[3]
- MLB: $5.1 billion (for the 2006 season)[4]
- NBA: $3.3 billion (for the 2005–2006 season)[5]
- NHL: $2.2 billion (for the 2005–2006 season)[6]

To get a real sense of the relatively small financial size of the leagues, compare these amounts to the total revenues of the following prominent companies:[9]

- American Airlines: $22.5 billion (for 12 months, ending December 31, 2006)
- Apple Computer: $19.3 billion (for 12 months, ending September 30, 2006)
- Ford Motor Company: $160.1 billion (for 12 months, ending December 31, 2006)
- Google: $10.6 billion (for 12 months ended December 31, 2006)
- General Electric: $163.3 billion (for 12 months, ending December 31, 2006)
- Walt Disney Company: $34.3 billion (for 12 months, ending September 30, 2006)

This should give you a better idea of how sports leagues stack up against corporate America. From a revenue standpoint, all of these companies are larger than the NFL, North America's most financially successful sports league.

What does this mean for you as a job seeker in the sports industry? This comparison provides an indication as to why it may be easier to find a job in business than in the sports industry. Jobs usually follow the money. Thus because there is more money in corporate America, there are typically many more job opportunities. The more opportunities, the better your odds of landing a job. So, in light of the relatively small size of sports organizations and a strong demand by those seeking to enter the industry, be prepared for a highly competitive scramble for the scarce positions found in the sports industry.

Endnotes

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