PRIVATE EQUITY SEARCH INSIGHTS

What Rugby Teaches Us About Building Great Leadership Teams
Insights on Recruiting the Toughest, Most Talented, and Passionate Players for Your Portfolio Company’s Team

"Rugby is great. The players don't wear helmets or padding; they just beat the living daylights out of each other and then go for a beer. I love that.”

- Joe Theismann (American football legend)

Your organization is out to win. You’ve recruited the best players, the stand-outs who are on top of their game. They have the knowledge, strength, skills, and agility to make your team the best.

The strategy is outlined in the playbook. Now your leaders need to execute, make tough, often risky moves and decisions, and ultimately lead your team to victory, no matter how tough the challenge and situation.

For the 20 teams competing this fall in the Rugby World Cup, this is their story. For the thousands of PE firms and their portfolio companies, this is also their story.

Whether or not you’re a rugby enthusiast, the sport offers a set of 6 lasting values that are honored by ruggers throughout the world and contain important lessons for companies recruiting great talent.
1. DIVERSITY

Rugby teams are pioneers in diversity. Players who are small, large, fast, and slow each have their own unique competitive advantages. In the same way that a Rugby team would perform poorly if there were 15 “wingers” (usually the fastest, most elusive players) playing, management teams at private equity portfolio companies will likely not perform well without a diverse make-up. Be ready to challenge your roster: your ideal candidate may come from an industry or leadership role that isn’t precisely aligned with your initial assumptions.

2. PASSION

Rugby players are all-in, and love putting their bodies on the line. To a rugby player, the idea of tackling fast giants and of running through people who are trying to crush you, all while playing a fierce version of “keep away”, is pure excitement and adrenaline at its best.

Similarly, for Private Equity firms to score a try and convert, the management team needs to tackle major issues and outrun the competition, while keeping an eye on changing markets. Look for executives who aren’t scared, but rather are excited about this kind of fully engaged approach.

"I often say rugby's like life. You can have the ball in your hand and be running down the field feeling unstoppable. Then someone tackles you and you hit the deck and you're vulnerable; you're lying there exposed. Suddenly your teammates are there, not just over the ball but over you, protecting you. They're prepared to put their bodies on the line for you. That's what happens in life: you fall over and your mates come to your aid."

- Sir John Kirwan
  New Zealand rugby legend
3. TOUGHNESS
With no padding to thwart hard tackles, rugby players are as tough as they come.

When you assess executives, uncover how much they’ve relied on “padding” to succeed. This padding may come in the form of the support and infrastructure of a big company, a boss who had all the good ideas, or teammates who did most of the work.

As in rugby, great Private Equity talent has no use for padding.

4. DISCIPLINE
When the ball hits the ground or someone is tackled, play continues (unless an offence was committed). This means the attacking team must recycle the ball over and over, making strategic attack after strategic attack, without making a mistake.

The defending team, in turn, must make tackle after tackle, sometimes 40 times in a row. Look for executives who share this same ability for consistent and continued execution based on technical skill and agility.

5. TEAMWORK
In Private Equity, the toughness and resilience that are embedded in true teamwork are what lead to a successful exit strategy for portfolio companies.

Probe candidates about successes seen in a coordinated team approach and even failures that provided turnaround opportunities. Learn about their management style, how they motivate and empower teams, and if they’d be a good fit for the portfolio company.

"When you have to kill a man, it costs nothing to be polite."
- Sir Winston Churchill

6. SPORTSMANSHIP
Rugby players epitomize respect. They always call the referee “sir” and they don’t argue. While they may work to crush opponents for 80 minutes, afterward they get up, shake hands, drink beer, and sing songs together.

Your executives are your ambassadors. Arrogance, indifference, and lack of principles have no room on the rugby pitch, nor should they in your portfolio company. During search, conduct backdoor references to generate a better sense of a candidate’s true sportsmanship conduct.

In the fast-paced, tough world of rugby and PE portfolio companies, there are certain key traits that define the best players. During a search, just as during a match, great PE firms probe and find ways to bring them to life so they can field a champion team.
An interesting footnote: In 1995, when South Africa hosted the Rugby World Cup, former President Nelson Mandela sought to unite the country through what South Africans called "the white man's game". When Springbok captain Francois Pienaar lifted the Webb-Ellis (World Cup) trophy, it signaled the coming of democracy and equality to all of South Africa.