Northwestern MBA students get assist in sports management from Chicago's heavy hitters
Athletic Director Jim Phillips presents top executives of Bears, Blackhawks, Cubs and White Sox as part of Kellogg School of Management's first class on running professional sports organizations
By Robert Channick
June 15, 2011

It was quite an all-star lineup — many of Chicago's top sports executives — and there they were, one every week or so, in a Northwestern University classroom as guests of the instructor, Jim Phillips, who is another big local name in sports.

Phillips, the athletic director at Northwestern, was teaching an inaugural class on managing sports organizations at the Kellogg School of Management to a lucky group of students chasing the fantasy of many young nonathletes: to one day run a professional team.

While it will always be a long shot, as sports becomes a more complex field filled with labor disputes, complicated contracts and, of course, billions in revenue, more professional sports organizations want to round out their rosters with newly minted MBAs.

Sports management programs have sprung up at graduate business schools throughout the country, including three in the Chicago area, seeking to meet a highly specialized but growing demand.

Northwestern entered the arena in a big way this year, tapping top executives from the Bears, Cubs, White Sox and Blackhawks to groom the next generation of sports moguls.

Phillips' class took a firsthand look into the front offices of Chicago's pro teams, complete with field trips, study projects and lessons delivered by owners, general managers and other top executives.

"There's no other curriculum in the country that has the cast of heavy hitters that Jim has been able to provide," said Blackhawks President and CEO John McDonough, one of the guest lecturers. "This is practical knowledge, people that have been there before."

Blending experience and analytics, the course explored successful leadership at the college and professional levels, from personnel decisions and facilities management, to maximizing revenues at the hot dog concessions. Previously part of the sports administration program in the School of Continuing Studies, Phillips was invited to move the course to Kellogg, one of the top business schools in the country.

"I just wanted to create a class that was different, that wasn't going to be in a textbook," said Phillips, who holds a doctorate in educational administration. "Having collegiate and professional sports leaders share their experiences would be invaluable to these folks that are completing their MBA."
While the sports management class is new to Northwestern, it is not the only game in town. Loyola and DePaul have launched sports management concentrations within their MBA programs.

Started in 2006, the Loyola curriculum includes courses in organization management, sports law and sponsorship retention, with about 10 percent of MBA students enrolled. In its third year, DePaul MBAs study subjects such as negotiation skills, recruitment and sports marketing. About a dozen students are in the nascent program.

"There is growing interest in sports management on the graduate level," said Pamela McCoy, director of Loyola's Graduate School of Business. "Students come in every year looking for sports management, and they like to combine it with other concentrations, such as marketing."

Citing the rise of MBA-laden organizations such as the Boston Red Sox, the interest is reciprocated by professional franchises, which are filling out their lineup cards — particularly sales and marketing positions — with recent MBA graduates, according to Scott Young, chairman of the management department at DePaul.

"It used to be pretty much old athletes," Young said. "Now it's the MBAs."

Phillips, a Chicago native, has raised the profile of the Wildcats' athletics, on and off the field, since arriving at Northwestern three years ago from Northern Illinois University. His initiatives include launching the department's first comprehensive marketing campaign as "Chicago's Big Ten Team," and somehow shoehorning a football game against Illinois into a makeshift Wrigley Field last November.

Pouring his own experience into the syllabus, Phillips also relied on a little help from his friends — a who's who of top Chicago sports brass. Blackhawks Chairman Rocky Wirtz, Cubs General Manager Jim Hendry, Bears President Ted Phillips and Big Ten Commissioner Jim Delany were among the guest lecturers, with site visits to Wrigley Field, U.S. Cellular Field and the United Center.

"Even if you're not absolutely committed to the sports world, there's lessons to be learned from these top executives," Phillips said.

An MBA once had little cachet in the alphabet soup of sports acronyms, where closely-held ownership and mercenary field generals presided over near-monopolistic franchises. With the gradual transformation into big business, and the NFL and NBA now mired in labor disputes, it's a credential increasingly in demand.

"I find, just in the last 10 years, a big difference in the game and a whole lot of more deeply-educated people — more degrees, more variety of degrees — entering professional sports than there used to be," said Hendry, 55, the decidedly old-school general manager of the Cubs.

A quintessential baseball man, Hendry regaled students with his three-decade climb up the ladder. Coaching first at the high school and college levels, he broke into the big leagues in 1991 as an assistant with the expansion Florida Marlins. Hired by the Cubs as director of player development in 1995, he became general manager in 2002.