The overriding lesson – and killer application for business – of the Sir Alex Ferguson success story is one of belief. I have been a diligent student of Sir Alex's leadership, listening to almost every carefully curated word he spoke before and after the 1,500 matches he was in charge of at United, devouring most of the columns inches ever devoted to him and dissecting his biographies, both authorised and unauthorised. More recently, I have examined Professor Anna Eberse's Harvard case study, on which she and Sir Alex expanded in a packed classroom at London Business School, featured in a BBC1 documentary, Sir Alex Ferguson: Secrets of Success. Harvard's Ferguson Formula has eight lessons for leaders, including foundation-building, standard-setting, team renewal, readiness to win, control retention, media management, observation and continuous adaptation.

The most telling conclusion in the BBC documentary was, in my view, Professor Eberse's unease about too direct an application of her Ferguson Formula to business, specifically the extraordinary degree of control Ferguson demanded and retained until he retired. Long-term corporate health requires checks and balances to the leader, and signs of Ferguson-like insistence on total control should be concerning to shareholders. A close examination of Leading and an interview with Sir Alex suggest that, beyond the sheer force of his personality, the overriding lesson – and killer application for business – of the Sir Alex Ferguson success story is one of belief. Do you have the conviction to define a set of beliefs as robust as his and the courage to lead by them? Are those beliefs authentic, audacious and non-negotiable? Daily reminders that guide behaviour and inspire consistently winning action? Sacrifice is absolute. Ferguson played football the day he got married, and he played the day his first son, Mark, was born. He instigated the move of Darren – another son – from United to Wolverhampton Wanderers, for which his wife Cathy has never forgiven him, telling him, "You sold your own son". I ask Sir Alex whether you make these kinds of sacrifices to be a world-class chief executive? "There's no other way," he says. "Your life is devoted to being the best you can be and also an example to everyone. So sacrifice is absolute. It's paramount, absolute."

Relentless pursuit of purpose is more important than short-term results. To inspire a diverse group of talented individuals, you need more than a willingness to make sacrifices. You need to develop, lead with and live by a purpose. What do you do, why you do it and how you prefer to do it need to be understood and embraced by all. Results mattered to Ferguson, of course. Winning was important. As important as the short-term – winning football matches was the roar – playing attractive, attacking football. As for the why, Sir Alex Ferguson felt it was his job to send fans home happy at the end of a match, it was to have that dressing room in delirium," he says. Ferguson's job description? "To deliver delirium." So, whilst Ferguson, like all modern-day managers, had plenty that might distract him, his obsessive focus was on his players, staff and results that kept United's fans happy. CEOs who think their reason for being is to generate 'superior shareholder returns', to make their company 'best for customers' and 'best place to work', or who sweep up every scrap of credit for each goal scored, ascribing to it their tactical genius, should attempt an urgent redefinition of their why - their own as well as their organisation's. Equipped with a more compelling purpose, they must also adhere to principle. Those answering football club owners ignorant about the game and insensitive to their club's legacy, or those attempting to satiate the unreasonable demands of the capital markets, will need double doses of courage and conviction. Ferguson took decisions that were costly in the short term, but were of incalculable value in setting standards and imposing discipline over time. Ferguson suspended Eric Cantona for four months, knowing the Frenchman's direction. The manager instigated the move of Darren – his own son. I ask Sir Alex whether he spoke before and after the 1,500 matches he was in charge of at United, devouring most of the columns inches ever devoted to him and dissecting his biographies, both authorised and unauthorised. More recently, I have examined Professor Anna Eberse’s Harvard case study, on which she and Sir Alex expanded in a packed classroom at London Business School, featured in a BBC1 documentary, Sir Alex Ferguson: Secrets of Success. Harvard’s Ferguson Formula has eight lessons for leaders, including foundation-building, standard-setting, team renewal, readiness to win, control retention, media management, observation and continuous adaptation.

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Big personalities need permission to express themselves. The true great produce teams that embrace, develop and promote world-class talent, however big their personalities or complex their characters. Sir Alex courted and housed big personalities, supported their hunger to win and gave them permission to express themselves.

Crystiano Ronaldo, one of the manager’s world-class four (the others being Cantona, Ryan Giggs and Paul Scholes), calls Ferguson “the father of football”. Giggs, the most decorated player in football history, still recalls Ferguson’s need to him as a nervous debutant: “You cannot build a team with blithe free spirits,” says Ferguson. “Their genetic code was formed devoid of dedication to their history, still recalls Ferguson’s words to him as a nervous debutant: “Just go out and enjoy yourself.”

Ferguson’s thinking. Leaders blessed with world-class talent need world-class emotional agility. They cannot fake compassion or concern for their people. A letter that Ferguson wrote to Eric Cantona several months after the player had left Manchester United, published in Leading, dispenses wisdom and counsel, reminds Cantona how good a player he was for the club, expresses sincere gratitude and extends an invitation to the former player “to drop in any time for tea and a chat”. World-class leaders become their star turn’s most trusted advisors not just during their time together, but after it too.

Delegation fuels observation. Ferguson didn’t extend to his powers of observation and perception. He made it his business to see into the minds of his players. The leadership imperative of observation was introduced to him by Archie Knox, an assistant with whom he first worked at Aberdeen. Frustrated by Ferguson’s micromanagement, Knox – an honest, hard-working guy, but like a bull in a china shop – decided to confront his boss. Ferguson tells the story: “He said to me, ‘I don’t know why you brought me here.’ I said, ‘What are you talking about?’ He said, ‘I don’t do anything; you do everything.’”

Ferguson’s micromanagement, Knox tells Ferguson, was a legacy of his position in the club. Ferguson concurs: “It was fantastic. David was never afraid of me. I think it’s fair to say Ferguson was immoveable, but Knox was backed up by Aberdeen’s commercial soulmate. When Gill himself retired from his CEO role at Manchester United, Ferguson said that there should be a statue erected to him as a thanks to his contribution to the club. Ferguson concurs: “It’s amazing what observation and perception can do and I think, for leaders in business, they should think about that. That’s a huge thing as his Alex. “Don’t have your head down all of the time. Lift your head and see what’s going on.”

An open hand was Ferguson’s way of maintaining the tightest grip. He never go to keep control. Leaders need supporting leaders not sycophants. Archie Knox was one of seven assistant managers Ferguson had during his time at United. Whilst a big admirer of Ferguson’s leadership, Knox specifically his invitation to rivals such as William Seward, Salmon Chase, Edward Bates and Edwin Stanton to join his inner circle, Ferguson looked for unswerving loyalty from his assistants, coaches and advisers, people steeped in his own work ethic and more obvious reflections of his persona. Knox’s “last name could have been Gill”, so similar were their beliefs. Ferguson gave another assistant, Carlos Queiroz, the number-two role simply because he showed up for interview occasionally.

He said, “I don’t think we’ve ever had a problem with that.” Ferguson

World-class leaders look for a strong point of view. Needing to be anchored by those they trust, they cut sycophants no slack.

50 trophies were won by Ferguson over his career
something that might escalate when the manager appeared to be being unreasonable.

“We’d argue, I’d shout, he’d say, ‘Calm down’, and I would then say, ‘Oh, you’ve got an accountant’s head on today, haven’t you?’” says Sir Alex. “He’d walk out and get a cup of tea and come back in, and I would say, ‘So you’re back!’ But there was a respect. David, off the football pitch, was the one person I really respected and I knew that when he would say something to me like, ‘You can’t say that about the referees’, or whatever, he was doing it for my good.”

The foundations of this mutual respect were the pair’s shared beliefs. Gill, of course, knew that winning would do wonders for the bottom line but he knew why he would say something to me like, ‘You can’t say that about the referees’, or whatever, he was doing it for my good.”

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Youth’s importance is in the now, not the future. Ferguson’s strong conviction in youth was made famous by his ‘class of ’92.’ David Beckham, Paul Scholes, Ryan Giggs, Nicky Butt and Gary and Philip Neville were among the players the manager used in a game that they lost to Aston Villa in the 1995-96 season. TV pundit Alan Hansen concluded, “You cannot win anything without kids.”

“I have always thought the opposite — you will never win anything without kids,” says Sir Alex. The ‘kids’ went on an unbeaten run of seven games.

“I would say to any young coach now, ‘Rely on youth’, because they give you a future, they give you loyalty,” Sir Alex expands. “They always remember the coach who gave them their first opportunity. Don’t let him down. It’s amazing how young people can surprise you when they’re given an opportunity; and it creates a long-term consistency. All my staff knew the young players were going to be there in three years’ time so they could plan knowing that.”

World-class leaders promote youth, protect youth, show them constancy and consistency in their talent practices. To how many young people are you giving a first, unforgettable opportunity? How many of them will still be with you in three years’ time because you gave them a future?

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Resources
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