**Concordia UNIVERSITY chicago**

**Masters Program**

|  |  |
| --- | --- |
| **Student:**  | Anthony Di Virgiliocrf\_divirga@cuchicago.edu20 Pond St. Stoneham, MA 02180 |
| **Day Telephone:** | 339-293-9230 ET |
| **Evening Telephone:** | 339-293-9230 ET |
|  |  |
| **Assignment Title:** | NBA Commissioner Transition: Stern to Silver  |
| **Date of Submission:** | 02/01/2021 |
| **Assignment Due Date:** | 02/07/2021 |
|  |  |
| **Course:** | SPML-6050 |
| **Section Number:** | 12S |
| **Semester:** | Spring |
| **Course Instructor:** | Betty Block |
|  |  |

*Certification of Authorship:* I certify that I am the author of this paper and that any assistance I received in its preparation is fully acknowledged and disclosed in the paper. I also have cited any sources from which I used data, ideas, or words, either quoted directly or paraphrased. I certify that this paper was prepared by me specifically for the purpose of this assignment, as directed.

Student’s Signature: Anthony Di Virgilio

 [Digital signature]

**NBA Commissioner Transition: Stern to Silver**

 The role of NBA commissioner has continually evolved and reinvented itself throughout history, with new challenges calling for decisive action and leadership. Masteralexis et al. (2015) stated, “the commissioner in professional sport possesses decision-making power, disciplinary power, and dispute resolution authority” (p. 234). From 1984-2014, David Stern helped globalize the NBA, led team expansion to new markets, implemented a draft lottery, monetized the league off unprecedented television contracts, and negotiated with the NBPA and owners to find a compromise limiting excessive player contracts during the 1998-99 lockout. However, his accomplishments have also coincided with scrutiny. Perceptions that he abused his power following an attempt to clean up the league’s image following “The Malice at the Palace” coined him as a disciplinarian leader (Wilson, 2010). When Stern left office in 2014, Adam Silver assumed the role and has since chose to lead in similar and different ways as Stern. Silver also prioritizes growing the league’s international presence and expanding television contracts. However, Silver has chosen to be a more progressive leader and be a disciplinarian for the players rather than of the players. Silver’s proactive leadership in dealing with the COVID-19 pandemic, support of players expressing social activism and denouncing racism, lifetime ban of Donald Sterling, moving the 2017 All-Star game out of Charlotte in opposition to North Carolina’s transgender bathroom law, and support of freedom of speech in the aftermath of Daryl Morey’s Hong Kong protest tweet have been defining moments of Silver’s early years as commissioner. This essay will explore how Stern’s disciplinarian leadership versus Silver’s progressive leadership impacted key decisions defining their careers.

**David Stern: A Disciplinarian Leader**

**Creating a Global NBA**

 Stern saw the value of globalizing the NBA as an opportunity to garner more fans and increase league revenue through new broadcasting, sponsorship, and apparel opportunities. Stern used the 1992 Barcelona Olympics as a catalyst for this idea. Quinn (2020) stated, “prior to 1992, NBA players were not allowed to compete in the Olympics…Stern helped build the Dream Team, a group of 11 NBA All-Stars (and one Christian Laettner) to don the red, white, and blue in Barcelona in front of the entire world. The plan was a complete success. Not only did Team USA storm its way to a gold medal, but the Dream Team stoked worldwide interest in basketball” (par. 9-10). Being innovative in a time when the benefits of bringing American professional basketball athletes to the Olympics was uncertain, led to the league’s heavy contemporary international presence.

**Team Expansion**

 Stern’s expansion leadership led to the league growing from 23 to 30 teams, with new franchises added in Miami, Minnesota, Orlando, Toronto, Vancouver (Memphis), and twice in Charlotte (New Orleans) (Garcia IV, 2020). Expansion is a critical component of a commissioner’s role, as every new team like the game Monopoly, represents property that the league can profit from. However, knowing when a market is unsuccessful, and when another geographical area holds better potential is equally important. For instance, moving the Seattle Supersonics to Oklahoma City can be considered a financial mistake under Stern’s leadership. Not because Oklahoma City is an unsuccessful market, but rather because Seattle had developed into one of the most loyal fan bases in the league. Following the COVID-19 pandemic, current commissioner Silver has Seattle on the top of his list for when the league eventually considers expansion once again (Knip, 2020).

**Draft Lottery**

Quinn (2020) stated, “Stern sensing the tanking epidemic that would one day come, acted quickly to eradicate the problem…In 1985, he did away with the draft structure by instituting a lottery that gave every non-playoff team an equal chance at the No. 1 pick” (par. 7). The system Stern created is not perfect and surely tanking still exists for teams towards the bottom of each conference. However, with the worse team in each conference no longer flipping a coin for the top pick, there is not as much incentive to purposefully lose to finish in last place.

**Multimedia Expansion**

 Quinn (2020) stated, “in the 1980s, the NBA Finals were often aired on tape delay…Maximizing the league’s television presence was a priority for Stern, and for 12 years, NBC was the league’s first truly successful television partner. He would eventually bring the league to ESPN, ABC, and Turner in 2002” (par. 8). Negotiations by Stern to secure time on these networks despite competition from other sport leagues, laid the framework for Adam Silver to renew 9-year TV right deals that helped the league’s value increase from $19 billion to $50 billion (Garcia, 2018).

**1998-99 NBA Lockout**

 The 1998-99 lockout was the longest in league history due to a divide between superstar players feeling entitled to larger contracts and team owners (specifically small market) not being able to retain star players under the soft cap. Quinn (2020) stated, “by the 1997-98 season, 57 percent of basketball-related income went to players, whereas the CBA only called for them to receive 48 percent. The settlement eventually created the rookie salary scale, the max contract, and the mid-level exception” (par. 11). The settlement by Stern acknowledges that player contracts will only continue to rise and is a response to slow the amount of money they receive and help teams afford to pay costly players. For instance, the rookie scale limits the amount of money a player can make during their early years in the league to prolong the actual market value they will eventually receive when eligible for their first max contract. In turn, the mid-level exception is a very valuable asset that teams can use to sign players for a specified amount above the soft cap. Salvaging the 1998-99 season while simultaneously improving the CBA, was a defining moment of Stern’s leadership as commissioner.

**“The Malice at the Palace”**

 “The Malice at the Palace” was the largest act of violence to occur in an NBA arena and represented a turning point in Stern’s career. Stern historically issued the longest suspension in NBA history by banning Ron Artest for the rest of the season and made clear the NBA wouldn’t tolerate violent conduct (Quinn, 2020). The suspensions for all players involved were lengthy and labeled Stern as a disciplinarian. In the aftermath of the event, Stern controversially implemented a dress code which he reasoned would make players look and act more professional (Quinn, 2020). Wilson (2010) stated, “in addition to concerns over whether Stern properly bargained for a dress code, many have criticized it as overly paternalistic and some NBA players have characterized this management-driven dress code as racist and emblematic of the commissioner’s desire to use his best interest authority to limit player autonomy’” (p. 56). It remains unclear to the extent that the NBPA supported Stern’s decision, but regardless, is it beyond a commissioner’s power to implement a rule that may be intrusive to protect the league’s image and integrity?

 The NBA’s CBA allows the commissioner to “promulgate and enforce reasonable rules governing the conduct of players on the playing court” and relates to “conduct that is harmful to the preservation of the integrity of, or maintenance of public confidence in the game” (Wilson, 2010, p. 49). The ambiguity of the language sides in the commissioner’s favor. However, from an ethical perspective, Stern can be viewed as abusing his power, by associating athlete pre-game attire with being related to reducing the probability of fighting.

**Adam Silver: A Progressive Leader**

**COVID-19 Response and Social Activism**

 Adam Silver’s proactive leadership in choosing to shut the entire NBA down when Rudy Gobert became infected with the coronavirus, defined him as a decisive leader who strays away from delaying difficult decisions. Kerrissey & Edmondson (2020) stated, “when the situation is uncertain, human instinct and basic management training can cause leaders – out of fear of taking the wrong steps and unnecessarily making people anxious – to delay action and to downplay the threat until the situation becomes clearer…In a moment of tremendous ambiguity, Silver’s decisive action – well before state governments began restricting public gatherings in the United States – set off a chain of events that almost certainly altered the course of the virus” (p. 2). Silver was able to make a clear and immediate decision, due to his preparation and willingness to assemble a team of advisers to consult for many diverse topics. He credited conversations with his colleagues in China, the NBA’s director of sports medicine, John DiFiori, and former U.S. surgeon general, Vivek Murthy as preparing him to make his decision in a moment of crisis (Kerrissey & Edmondson, 2020).

 The $150 million NBA bubble constructed to resume play was an endeavor that helped resume play safely during a pandemic but was also met with controversy. The idea of expecting athletes to spend months away from their families to be limited to a confined area to compete seemed one-sided and regularly utilizing rapid coronavirus tests for athletes when there was a shortage in the U.S. seemed immoral. However, NBA players used their time in the bubble to defy racism and discrimination and bring awareness to the long history of unjust and unwarranted murders of African Americans by law enforcement officials in the country. Games were boycotted, players kneeled and embraced one another pre-game, messages of unity dawned the back of player jerseys, police brutality and racial profiling committees created, and conference calls conducted between players and politicians, all to show the NBA was choosing to define itself as more than just a sports league. Adam Silver was proud of the change instilled by the league’s players and coaches and stood in support for the progress the league accomplished in the summer of 2020.

 Silver also used the bubble to experiment with a new playoff element meant to create more excitement and competition. He introduced a play-in tournament, where the ninth seed could secure a playoff spot by beating the eight seed twice and stealing their position in the standings. This was a very progressive idea met with skepticism but was not the first time Silver had experimented with new game play ideas. He had previously eradicated conferences in the NBA All-Star Game and allowed player captains to pick their own teammates in what seemed like a game of school yard dodgeball. These decisions peaked fan interest and gave them new untraditional forms of excitement and entertainment. The play-in tournament was a success with the Portland Trailblazers winning two games to steal the eight seed from the Memphis Grizzlies and is reinventing itself into a new format for the 2020-2021 season. Teams from 7th-10th place will now compete in a tournament to secure the last two spots of the playoffs (NBC Sports Washington, 2020).

**Banning Donald Sterling and Relocating the 2017 All-Star Game**

Garcia (2018) explained the beginning of Silver’s commissioner career as, “just two months into his new job he was forced to navigate a major controversy issuing a lifetime ban against then-Los Angeles Clippers owner Donald Sterling who was caught on tape making racist comments. Two years after that, Silver denounced the State of North Carolina’s controversial transgender bathroom law and pulled the 2017 All-Star Game out of Charlotte. Those decisions have become hallmarks of Silver’s tenure” (par. 1-3). These immediate decisions by Silver made clear the new direction the NBA was headed with his transition. Finding a new owner and a last-minute all-star game host is not an easy task but showed Silver would not avoid putting in work to fix what the league stands for.

**Daryl Morey’s Hong Kong Protest Tweet**

 A one-line tweet by the then-Houston Rockets general manager Daryl Morey, expressing his opinions surrounding human rights abuses in Hong Kong put Adam Silver in a difficult position and led to NBA games being taken off Chinese television and the league losing an estimated $150-200 million of revenue (Sprung, 2020). In a very difficult and multi-faceted decision, Adam Silver chose to support Morey’s ability to utilize freedom of speech. He knew the financial impact this would have on the league, but also knew how the image of the league would have been re-shaped had Morey been fired. In the aftermath of the tweet, Silver turned away from criticism and focused on re-building the league’s relationship with China. This was complex and he then faced added criticism for whether the league should even consider future business with China for how its government treats its citizens. When asked about disengaging with China, Silver explained, “that’s not good for the world…Superpowers like the U.S. and China need to find ways to continue to operate together” (par. 13-14). Following a year of volatility between the league and China, NBA games were televised back on Chinese Central Television.

**Conclusion**

The role of NBA commissioner is a constantly evolving position that is becoming increasingly intertwined with society, contemporary events, and international affairs. Masteralexis et al. (2015) stated, “a wide variety of skills are required to be an effective commissioner. They include an understanding of the sport and the various league documents; negotiating skills; diplomacy; the ability to work well with a variety of people; an ability to delegate; a good public image; an ability to handle pressure, crises, and the media; an ability to make sound decisions; and, in general, a vision for the league” (p. 249). Stern and Silver had two different visions for the NBA. However, they both recognized basketball as a global sport with international opportunity. Stern’s focus as commissioner was on expansion and maintaining league image. He saw the profitability of adding new franchises and increasing domestic and international television contracts as ways to reach new domestic and international fans. Silver has chosen to make social activism and support of the league’s players a central focus of his leadership. Both commissioners have shown that it is possible to lead in traditional and innovative ways and still help the league succeed and profit.

References

Garcia, A. (2018). NBA’s Adam Silver: Two decisions that have defined my tenure. *CNN Business*. [NBA's Adam Silver: Two decisions that have defined my tenure (cnn.com)](https://money.cnn.com/2018/02/20/news/companies/adam-silver-nba-commissioner/index.html)

Garcia IV, B. (2020). What was David Stern’s greatest achievement as NBA Commissioner? *Sportscasting*. [What Was David Stern's Greatest Achievement as NBA Commissioner? (sportscasting.com)](https://www.sportscasting.com/what-was-david-sterns-greatest-achievement-as-nba-commissioner/)

Kerrissey, M.J., & Edmondson, A.C. (2020). What good leadership looks like during this pandemic. *Leadership & Managing People*, 1-8.

Knip, J. (2020). NBA commissioner: ‘Seattle will be at the top of the list.’ *King5*. [NBA commissioner: 'Seattle will be at the top of the list' | king5.com](https://www.king5.com/article/news/local/seattle/nba-commissioner-seattle-will-be-at-the-top-of-the-list/281-698cb32b-fe14-47e6-8134-6659c7fbb53c)

Masteralexis, L.P., Barr, C.A., & Hums, M.A. (2015). *Principles and practice of sport management* (5th ed., pp. 231-306). Jones & Bartlett Learning.

NBC Sports Washington. (2020). Format and playoff plan for 2020-21 NBA season released. [NBA 2020-21 season format: 72 games, play-in tournament returns for postseason | RSN (nbcsports.com)](https://www.nbcsports.com/washington/wizards/nba-2020-21-season-format-72-games-play-tournament-returns-postseason)

Sprung, S. (2020). NBA commissioner Adam Silver discusses league’s relationship with China. *Forbes*. [NBA Commissioner Adam Silver Discusses League’s Relationship With China (forbes.com)](https://www.forbes.com/sites/shlomosprung/2020/09/22/nba-commissioner-adam-silver-discusses-leagues-relationship-with-china/?sh=6e9f45566c42)

Quinn, S. (2020). David Stern’s legacy: A timeline of his most important acts as commissioner of the NBA. *CBS*. [David Stern's legacy: A timeline of his most important acts as commissioner of the NBA - CBSSports.com](https://www.cbssports.com/nba/news/david-sterns-legacy-a-timeline-of-his-most-important-acts-as-commissioner-of-the-nba/)

Wilson, M.R. (2010). Why so Stern?: The growing power of the NBA commissioner. *DePaul Journal of Sports Law, 7*(1), 45-62.