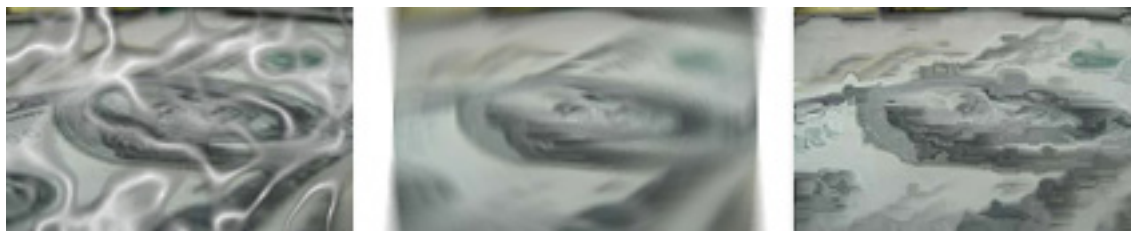


## Expanded Thoughts On the Moneyball Philosophy in MLB

Written by Maury Brown  
Thursday, 17 September 2009 00:22

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Last week, **Michael Hiltzik** of the *Los Angeles Times* ran a story in the Business section entitled “[Oakland A's performance shows that 'moneyball' doesn't always pay off](#)”

”, with the lead-in reading, “

*The use of statistical analysis to identify underappreciated players may lead to periods of success, but the concept has never been a panacea for the problems of a low-budget team.*

” Myself and

**Kevin Goldstein**

of

*Baseball Prospectus*

were interviewed for the article. Here are some added thoughts to go along with my quotes.

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It’s been six years since **Michael Lewis** published *Moneyball: The Art of Winning an Unfair Game*.

Depending on your point of view, that’s either a long time ago, or just yesterday (after all, a movie is being made about it). But, the “moneyball” philosophy is ever present as the economy places added pressure on small-to-mid revenue making clubs, while the Yankees, and other larger revenue making clubs continue to outpace the majority of league in player payroll spending. The idea that “winning an unfair game” using objective analysis to find undervalued talent continues to be a hot bed of discussion.

So, when **Michael Hiltzik** of the *Los Angeles Times* contacted me, asking the question, “Does moneyball still work based upon the A’s losing season?” the answer was, “depends”.

“Moneyball” works, it’s just that when Billy Beane and the A’s engaged in the philosophy, other clubs weren’t – they had a bit of a monopoly. They drafted exceptionally well, garnering three

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incredible pitchers in Hudson, Zito, and Mulder without having any high picks. From 2000 to 2007, they didn't have a pick in the top 15. Now, large and small revenue making clubs use sabermetrics to one degree or the other; the Athletics no longer corner the market. That, and moneyball is not the be-all-end-all for success. As I was quoted in Hiltzik's article:

"Moneyball works in giving you another set of tools," says Maury Brown, a veteran baseball analyst and founder of the [Biz of Baseball](#) website. "But you still need good scouting, and luck -- you have to draft well and get everyone hitting at the same time."

Expanding on "luck" is to say, that injuries or forecasting or talent spikes or... well, the unpredictability of the game, impedes the road map to success. The moneyball philosophy should no longer be excluded from any major league organization, but, as mentioned, it's a cog in the wheel.

The other point made in the article surrounds the discussion of the *level* of player payroll being tied to winning. Whether it's the Tampa Bay Rays, or the Colorado Rockies, or the Florida Marlins, there have been clubs with small-to-mid level payrolls that have played in, or in the case of the Marlins, won the World Series. Doesn't this show that moneyball works? Not exactly.

The biggest shift in parity for Major League Baseball hasn't been revenue sharing, or the use of moneyball, it's been the introduction of the wild card – the key to getting into the postseason for some clubs without high payrolls. Note that I said *some* clubs. What about teams like the Rays who won their Division outright? The problem is one of sustainability.

As noted within Hiltzik's article, both Goldstein and I talked about large revenue making clubs with high player payrolls being able to put together a string of winning seasons, as opposed to low-to-mid revenue making clubs only getting the occasional season where they have a shot.

"Without a high-priced payroll, you can't be expected to win year in, year out," baseball analyst Brown says.

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Or as Goldstein put it when I asked him what it would take for a small-market team to build a dynasty that would stand for years: "You better be stocked with geniuses."

Of course, there are always exceptions to the "big payroll = winning" model. Look no further than the Mets (ranked 2nd) and Cubs (ranked 3rd) for high payroll clubs that will miss the playoffs. But, in the end, clubs in large markets, ergo, high revenues, have larger margins to work with; a bad contract can be more easily absorbed than a club with low revenues. For those clubs, the margin for error becomes much smaller.

In the end, moneyball works, regardless of the A's losing season. Just because Billy Beane became its poster child due to a book doesn't mean that he's impervious to other trappings over time. Oh, and consider this: The A's had an opening day payroll of \$62,310,000, and increase of 29.90 percent from last season when they had \$47,967,126 opening day payroll. So, are the A's ditching moneyball? Hardly. Their opening day payroll was \$79,938,369 in 2007 and \$62,243,079 in 2006. The A's simply had adjusted in prior years to give themselves flexibility this season. Now, if only everything had projected exactly as planned...

In the end, those with low-to-mid level revenues to work from will have to regularly draft and develop players better, work to wrap up their best talent through salary arbitration eligibility years, or early free agency, and yes... use moneyball to find undervalued talent, if they want to make steady runs into the postseason. It works, but as Goldstein mentioned in the LA Times article, "You better be stocked with geniuses."

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**Maury Brown** is the Founder and President of the [Business of Sports Network](#) , which includes The Biz of Baseball, The Biz of Football, The Biz of Basketball and The Biz of Hockey. He is available for hire or freelance

[Brown's full bio is here.](#)

He looks forward to your comments via email and can be

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