

36 South Views

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Everything to play for

Premier League football coaches would probably make the best portfolio managers. They have to decide what players to invest in, where they are weak or strong: in midfield, defence or maybe they need a penetrating striker?

They buy players every year, then wait and watch while the results of their purchases play out.

They understand they need a balanced team without "risk holes" or weakness in any area of the field.

The best coaches make the best picks, but their real skill lies in the composition of their team or their portfolio mix. If investors or portfolio managers were Premier League football coaches...

When a time like 2009 comes along, they over-pay at transfer time for defence players and goalies, fearing a year like last year when they lost big and often.

Slowly, over the next couple of years, they realise that things are OK, the opposition teams aren't penetrating the over-priced, overmanned defence but they are not scoring any goals (no positive performance).

The more adventurous start buying better mid-field and forward players, they are cheap because no-one wanted them for years. These clubs become profitable and win premiership titles.

Imperceptibly the mood changes at transfer time and eventually these coaches are unequivocally of the view that defence is not worth the price. They start buying mediocre defensive players and investing strongly in aggressive forward players who now demand significant premiums.

This works for a time.

Eventually some coaches are dispensing with goalies altogether, and even some full backs, citing cost pressures and the "negative carry" of these players who, although cheap, are not deemed valuable to the team. Offense is the order of the day and the only way to make a team win and therefore profitable is to over-invest in forwards at the expense of defence.

Some of the wiser coaches realise that defenders are just as valuable as forwards in the long term, and that they are being under-priced in the market. These coaches invest in defenders as other coaches are shedding them. Alongside this, they lighten up on massively overpriced forwards.

The wheel of life turns and amazingly enough, the wise coaches start to outperform again as the value of defence suddenly becomes apparent. Good all round teams are rising to the top of the Premier League as although they score less goals, they let much less through. But more importantly, they are profitable still and performing in ALL environments.

All of a sudden, defence is the name of the game – and the cycle repeats.

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