



---

**INDEPENDENT REVIEW OF THE  
2007 RUGBY WORLD CUP CAMPAIGN**

---

**Mike Heron**

RUSSELL McVEAGH

**Don Tricker**



**TABLE OF CONTENTS**

1.	Introduction .....	3
2.	Executive Summary.....	4
3.	RWC 2007 Campaign.....	7
4.	Conditioning Programme.....	13
5.	Selection/Rotation Policy.....	23
6.	Leadership .....	25
7.	The Quarter Final .....	29
8.	High Performance.....	31
9.	Commercial.....	34
10.	Referees .....	39
11.	Appendix 1 - Terms of Reference .....	40
12.	Appendix 2 - Interviewees .....	42
13.	Appendix 3 - Document List .....	44

## 1. INTRODUCTION

- 1.1 On 23 March 2006 the Board of New Zealand Rugby Union ("**NZRU**") approved the plan for Rugby World Cup ("**RWC**") 2007. The mission was to create an environment to ensure that the All Blacks had the best possible prospect of winning. The key outcome sought was to win the RWC.
- 1.2 On 6 October 2007, at Cardiff, the All Blacks lost their quarter-final match against France 20-18.
- 1.3 On 4 December 2007, NZRU appointed us to conduct an independent review of its RWC 2007 campaign with the objective of determining and documenting the material learnings, both positive and negative, for the benefit of future campaigns. The terms of reference for the review are attached in **Appendix 1**. Interviews were conducted with approximately 50 people as listed in **Appendix 2**. We selected interviewees to obtain the input of those closely involved in the plan, and those representative of groups impacted by the plan. It was not possible to interview everyone who wished to provide input, given the time and resource available to us.
- 1.4 Documentation was provided to us and reviewed, as described in **Appendix 3**, which included, in particular, 360 degree feedback from players, coaches, management, sponsors, media, the New Zealand Rugby Players Association ("**NZRPA**") and others.
- 1.5 A draft report was provided to NZRU on 10 March 2008 and circulated in unedited form to select NZRU personnel and NZRPA. Edited copies (removing confidential material as identified by NZRU) were circulated to parties considered by NZRU to be potentially adversely affected by the draft report. Comments were received as identified in the documentation list in **Appendix 3**. This report was finalised on 14 April 2008.
- 1.6 Our review is structured to present a brief summary of some of the material learnings, followed by the body of the report which presents the learnings in each area, (detailed in the terms of reference) together with discussion and reasoning for those.
- 1.7 We are grateful for the contribution made by each of those interviewed and thank NZRU and the interviewees for their professionalism and continuous assistance. We express our thanks to SPARC and Russell McVeagh personnel for their assistance.

## 2. EXECUTIVE SUMMARY

- 2.1 The material learnings need to be considered in the context of the whole report and with the knowledge that we have had the considerable benefit of hindsight in reaching our conclusions. In our view NZRU planned to win the RWC 2007 in a thorough and professional manner. Inevitably there is some focus on areas that could be improved. It is important that this summary is read in light of these comments. Further learnings and recommendations are contained in the body of the report.

### **RWC 2007 Campaign**

- 2.2 In our view, winning the RWC was over emphasised by NZRU, primarily because of the handling of the conditioning programme - future planning should be lower key in terms of player and public awareness.
- 2.3 The RWC 2007 off-field planning and preparation was exemplary, ensuring that there were no distractions or barriers to performance. The approach should be continued in future campaigns.
- 2.4 In terms of on-field preparation, the dominant theme was that the team were lacking in quality "game time". The combination of conditioning, weakened in-bound competition and poor quality pool opposition, meant that there was insufficient top-level game time. In hindsight, the games arranged before departure were not adequate preparation given the combination of circumstances discussed.
- 2.5 In our view there were too many All Blacks management in full time attendance at the RWC 2007. That view was repeated in interviews and in the 360 degree feedback.
- 2.6 NZRU, including the current coaches and management, have ensured the All Blacks brand continues to be one of the most successful in world sport (despite lack of world cup success).

### **Conditioning Programme**

- 2.7 The conditioning programme was based on a sound premise but consultation and implementation were not optimal. In particular, there was a lack of proper consultation with Franchises ( ). Implementation was hindered by a "one-size fits all" approach to the length of the programme. Major initiatives such as this require testing and proper consultation.
- 2.8 All Blacks participation in the existing competition structure is in need of immediate review to ensure that the All Blacks have sufficient time to prepare, perform, recover and rest (as with other professional rugby players and sports people).
- 2.9 Re-integration of the players into the Rebel Sport Super 14 competition was not effectively managed which resulted in mismatched expectations between the players, the All Blacks management team and the Franchise coaches.
- 2.10 One impact of the conditioning programme that was under estimated was the effectiveness of the players returning to rugby and the dent in confidence that some experienced from not having played.
- 2.11 The conditioning programme delivered significant improvements in speed, repeated speed, lower body power and strength, upper body strength and body composition. The All Blacks of 2007 became better athletes as a result of the conditioning programme.

- 2.12 The conditioning programme did influence at least two leading All Blacks to re-sign with the NZRU following the RWC. They both stated that without the conditioning programme they would not be playing rugby in New Zealand post the 2007 RWC.

### **Selection**

- 2.13 The All Blacks selectors have a mature and effective selection process that has player welfare front of mind and a simple objective of selecting the best available team to win the next test match. Consistency of selection in the lead-up to the finals was agreed to be important, with the bulk of the 22 players in the quarter final having played in eight of the 11 tests leading into that match. On average 17 of the 22 selected for the quarter final played in each of the eight tests.

### **Leadership**

- 2.14 The leadership programme implemented by the All Blacks management team has contributed to the growth of leadership capabilities within the players and to the on-field success of the All Blacks.
- 2.15 The programme should continue and be adapted to provide an increased focus on on-field leadership and mental preparedness.
- 2.16 The leadership and mental preparedness approach by the All Blacks must be part of an overarching framework that provides a common and systematic approach to holistic player development. It must be integrated across all levels of professional rugby – All Blacks, Rebel Sport Super 14 Franchises and age grade national sides.
- 2.17 The effectiveness of the leadership development and mental preparedness strategies should be measured objectively.

### **Quarter Final**

- 2.18 We were not required to reach a conclusion on the factors immediately relevant to the loss in Cardiff but we comment briefly on them to ensure we do not give an incomplete impression.
- 2.19 Factors outside the control of the All Blacks contributed to the loss of the quarter final. The performance of the referee and touch judges had a significant adverse impact on the All Blacks. An unusual combination of injuries was also a critical contributor.
- 2.20 The officials, the combination of injuries, along with the performance of the French placed huge pressure on the All Blacks leadership model. The leadership model failed to deliver what was its most important objective - decisions which give the best chance of winning the game. The team failed to ensure that the right decisions were taken at critical moments.

### **High Performance**

- 2.21 The All Blacks environment and the high performance plan need to be part of an integrated plan. Consideration should be given to aligning the All Blacks and the NZRU high performance team structurally to ensure the long term sustained success of the All Blacks.
- 2.22 NZRU should measure the impact of the initiatives delivered through the high performance plan and the effectiveness of the service delivered by specialist providers.

### **Commercial**

- 2.23 The commercial aspects of the RWC were very well managed. Key relationships were well handled. Budgeting and management of the commercial relationships were in

general sound. The financial results of the RWC to NZRU were not material, a small loss on an incremental analysis of \$0.243 million.

2.24 ( ). The conditioning programme was a contributing factor to a significant decline in viewership of Rebel Sport Super 14 in New Zealand. The flow-on effect to the value of the competition brand was significant and underestimated in planning.

### 3. RWC 2007 CAMPAIGN

#### Key learnings

- 3.1 In our view, the length of planning was appropriate. For an event of the significance of the RWC, considerable time is required to properly prepare. We consider the emphasis which was placed on the RWC 2007 was too great, principally because of the conditioning programme and its very public nature. We suggest that whilst planning must occur, care should be taken to ensure that the RWC does not overwhelm all else. We note NZRU did attempt to reduce this emphasis in its communications plan.
- 3.2 For reasons we discuss below, the winning of a RWC is not a critical commercial goal and nor is it one which stakeholders see as essential to the continued health of the game in New Zealand. It is undoubtedly an important competition - winning will have considerable direct and indirect benefits. It will always be a priority in the year it occurs but the view of a majority of those we have consulted is that the NZRU overemphasised its importance. The RWC finals are knock-out matches (with all the uncertainties that entails) and occur only once in four years. Professional sport is not "fair" and results cannot be guaranteed.
- 3.3 The RWC 2007 off-field planning and preparation was exemplary, ensuring that there were no distractions or barriers to performance. The approach should be continued in future campaigns.
- 3.4 In terms of on-field preparation, the dominant theme was that the team were lacking in quality "game time". The combination of conditioning, weakened in-bound competition and poor quality pool opposition, meant that there was insufficient top-level game time. In hindsight, the games arranged before departure were not adequate preparation given the combination of circumstances discussed.
- 3.5 The coaches agreed that more emphasis should have been given to execution of a drop goal to score the necessary points to win in a tight finals finish like at Cardiff. That is not a traditional part of the New Zealand game and needs to be developed.
- 3.6 In our view there were too many All Blacks management in full time attendance at the RWC 2007. That view was repeated in interviews and in the 360 degree feedback.
- 3.7 The coaches had on-field milestones built in to the plan and there was a process of tracking performance of the All Blacks against clear milestones. Goals against key performance indicators for players and the team were reviewed throughout the year and were on target.
- 3.8 The key learnings from the RWC 2003 were reviewed by NZRU in preparation for the RWC 2007. NZRU ensured these were incorporated into the plan and they were implemented well. These need to be continued in the preparation for future RWCs. In particular the appointment of a project manager to coordinate planning and to ensure that the problems identified in the previous campaigns are not repeated.

#### Background and discussion

- 3.9 Following the RWC 2003, NZRU commissioned a review of that campaign to ascertain the key learnings. That campaign was unsuccessful in that the All Blacks lost in the semi-final to Australia. The review highlighted a negative separation between the All Blacks management and the rest of NZRU. That review concentrated on off-field activities and concluded that the plan was comprehensive and delivered on the objectives it established. The key recommendations were in summary to:

- (a) Appoint a project manager to oversee the next campaign;

- (b) Address the issues which arose out of the IRB participation agreement at an early stage, so as to avoid the difficulties of 2003;
  - (c) Develop strong workable relationships with the All Blacks management team to facilitate an environment of openness and contestability, and avoid a "two-camp syndrome"; and
  - (d) Obtain Board approval of a project plan, to deal with the multitude of logistical issues, at least nine months before the RWC.
- 3.10 As will be seen from this review, NZRU followed good practice and ensured these aspects were incorporated into the planning. Each of items (a) to (d) were followed, given the requisite priority and successfully achieved. The lack of issues around the participation agreement and the strong relationships between NZRU and All Blacks management were amongst the positive aspects of the campaign.
- 3.11 The 2003 review discussed the issue of player preparation and withdrawal of players from the domestic competition (the Air New Zealand Cup). The reviewer commented (amongst other things) that withdrawal of players required an assessment of the needs of individual players. The reviewer emphasised there was a need to involve the key parties prior to the decisions being taken and to ensure the input is as broad as practicable.

#### **Development of the RWC 2007 Plan**

- 3.12 In 2004 the current coaching team of Messrs Henry, Hansen and Smith commenced a two-year term. After the Philips Tri Nations of that year, the coaching team identified the need for a fundamental change in the way in which peak performance was achieved, particularly through leadership and off-field behaviour.
- 3.13 In early 2005, Stephen Cottrell was appointed the NZRU project manager of the RWC 2007. The All Blacks' performance in 2005 was notable for a series victory over the Lions in New Zealand and a Grand Slam winning tour of England, Ireland, Scotland and Wales. Throughout 2005 the All Blacks management and coaches, Stephen Cottrell, Steve Tew and Chris Moller met to plan for the RWC 2007.
- 3.14 By late January 2006, the RWC 2007 project plan had been developed. It was circulated and reviewed by key members of NZRU management, including the high performance manager, and in March 2006 the RWC 2007 plan was put to NZRU Board for approval.
- (a) The plan proposed a "paradigm shift" in how the All Blacks prepared for a RWC tournament, based on two central themes:
    - (i) A long term and player-centric focus to All Blacks' selection and preparation; and
    - (ii) Prioritising the prospects of the All Blacks' success at the RWC over other All Blacks and New Zealand team's campaigns<sup>1</sup>.
- 3.15 The mission was to create the environment to ensure that the All Blacks had the best possible prospect of winning. The key outcome sought was to win the RWC.
- 3.16 The genesis of the player welfare aspects of the plan came from the coaching team and the head strength and conditioning coach, Graham Lowe. The plan was documented by Stephen Cottrell in consultation with all relevant NZRU management and staff.
- 3.17 Notable aspects of the plan were:

---

<sup>1</sup> We note that the plan remained for the All Blacks to win every test.

- (a) Approximately 24 leading All Blacks would be provided with a 12 week conditioning window from January to March, missing the first seven rounds of Rebel Sport Super 14 (the "**conditioning programme**");
- (b) Continue the development of 30 top class international players, to provide depth for the RWC;
- (c) Wives, partners and families would be included in logistical arrangements;
- (d) Attendees at the RWC would be carefully managed to ensure the benefits justify the cost;
- (e) Careful planning and involvement of adidas and other All Blacks sponsors;
- (f) A comprehensive communications and relationship strategy;
- (g) Early engagement and buy-in of the NZRPA;
- (h) Priority to establishing a good working relationship with key International Rugby Board ("**IRB**") and RWC organisational staff; and
- (i) Comprehensive financial planning, including careful management of campaign expenditure.

3.18 The plan was based on the following assumptions:

- (a) The best prepared and talented team would win the RWC;
- (b) Unanimous stakeholder support for the goal of winning the RWC;
- (c) Winning the RWC will benefit all stakeholders;
- (d) Provincial Unions, Rebel Sport Super 14 Franchises, media and the fans would accept the RWC strategy;
- (e) Within reason, the project would be allocated all of the resources needed to achieve its objectives;
- (f) Stability was required within All Blacks players and management and NZRU; and
- (g) No catastrophic or distracting event would occur - for example the player bonus dispute of 2003.

3.19 The plan included comprehensive analysis of the conditioning programme and the issues arising from it. Other topics dealt with in detail were:

- (a) Partners and families;
- (b) Human resource requirements (estimated 30 players, 19 management, five referees, eight NZRU staff, and two Board members);
- (c) Referees;
- (d) Ticketing;
- (e) Revenue and budgets for various scenarios;
- (f) NZRPA and agents;

- (g) The commercial programme; and
  - (h) Logistics.
- 3.20 It was noted that a comprehensive communications and relationship strategy was being developed, which when it was, included an aim of playing down the importance of the RWC.
- 3.21 Key aspects of the plan, its implementation and impacts are discussed later in this report, under the topics which arise out of the terms of reference, namely:
- (a) The conditioning programme;
  - (b) Selection and rotation;
  - (c) High performance planning;
  - (d) Leadership; and
  - (e) Commercial.
- 3.22 The plan was circulated to the Board in preparation for its meeting of 23 and 24 March 2006. All Blacks management, coaches and Sir Brian Lochore presented the plan at that meeting. The Board endorsed the plan in principle. The preferred conditioning programme (12 weeks including the first seven weeks of Rebel Sport Super 14) was identified, "subject to consultation with and agreement with key stakeholders as required". We understood those key stakeholders to be Franchises, selected sponsors and broadcasters, and players (through the NZRPA).
- 3.23 Following the adoption of the plan, detailed plans were developed and documented including:
- (a) RWC 2007 scenario planning - a comprehensive list of potential issues and related strategy, including planning for each stage of the competition and a potential loss at each final stage;
  - (b) Budgets for a variety of scenarios (but not including a loss at quarter final stage);
  - (c) Task lists, project timelines, work in progress agenda and action sheets;
  - (d) RWC 2007 risk analysis and mitigation strategy - in particular, focus was on the conditioning programme and player welfare/retention but it included such issues as lack of quality referees, managing favouritism and dealing with heightened public expectations;
  - (e) Marketing and communications plan - from the End Of Year Tour 2006 until December 2007;
  - (f) Security plan and a back-up personnel plan;
  - (g) A plan for consultation and involvement with sponsors and key personnel;
  - (h) An All Blacks induction manual (2007) - defining the obligations and expectations of All Blacks. This included a description of the essence of the on-field and off-field philosophy including "better people make better All Blacks". Management responsibilities were comprehensively defined, on-field strategy outlined, buddies and mentor groups set out, and media, sponsor, ticketing, medical and partner/family policies described. A detailed draft programme for the All Blacks was provided.

### **Consultation**

3.24 During 2006 certain key stakeholders were consulted on the plan and its key aspects. In particular, consultation was held with Sky TV, Franchises, the NZRPA, adidas and other key sponsors. (

)

3.25 Throughout 2006 the NZRU Board was updated on consultation and feedback on the plan, in particular on the conditioning programme. The thought given to the rationale for, and the logistics and legality of, the conditioning programme was intense and protracted. The Board and management dedicated much time, thought and energy to each aspect from March to October 2006.

### **Human resources**

3.26 At the March 2006 meeting, the Board was asked to approve a management team for the RWC 2007 of the existing 16 plus a further three support personnel, making a total of 19. The Board approved that request and approved 30 players, in accordance with RWC rules. The Board approved an enlarged squad of 39 All Blacks for the 2006 inbound tests and 30 players for the Philips Tri Nations and the 2006 End Of Year Tour.

3.27 The planning of human resources required should start with the needs of the particular tour or campaign. No number can be specified as ideal. It is important, however, to keep in mind the management team limit set by the IRB of 15, as every additional person over that number is not accredited and in turn creates management and logistical issues (transport, tickets etc). Every person attending naturally wishes to feel they are contributing, needs to be valued and needs to be managed (from a logistics point of view). This creates additional impacts on time and resources. More thought needed to be given to this when considering management requirements at the RWC 2007.

### **Quality and effectiveness of the planning and preparation**

3.28 The overwhelming impression from our review of the documents, reports, our interviews and the 360 degree feedback is that the quality of the planning and preparation was of the highest calibre. It was universally described to us both at interview and in the documents, as "meticulous", "excellent", "superb", and "incredibly efficient". One adidas representative described the All Blacks as the "most professionally organised team I have ever seen". Ross Young, the General Manager of RWC Limited, gave the impression that the All Blacks were the most demanding and exacting team in terms of their planning and attention to detail.

3.29 Particular emphasis was placed on road testing aspects of the plan and facilities, including on the End Of Year Tour 2006. The players, coaches and management uniformly described the planning as excellent.

3.30 We cannot do justice in this review to the detailed preparation and planning that went into almost every conceivable aspect of the campaign. We mention some below, but we have not attempted to conduct a detailed review of each aspect. We can say with confidence that there was very little criticism of the off-field planning and that it seemed to produce the desired result of removing anything which could detract from on-field success. This was apparent to us from an early stage, upon review of the 360 degree feedback for the NZRU internal review. Whilst, therefore, we did not focus our attention on the detail of this planning, it is important to record that it occurred and was successful.

3.31 By way of example:

- (a) Ticketing was successfully catered for compared to the difficulties in 2003. Tickets were distributed without breach of conditions;

- (b) Relationships between NZRU and the All Blacks, the NZRPA, the Organising Committee and RWC Limited appeared to be uniformly excellent;
- (c) Communication with stakeholders was strong and sponsors, in particular, commented on how effective this was throughout the campaign;
- (d) Behind the scenes an enormous amount of work went into ensuring that the All Blacks were ready to win the RWC and that the opportunities available were maximised; and
- (e) The Organising Committee commented to NZRU after the conclusion of the RWC 2007 that the All Blacks had made a significant contribution to the success of the tournament.

3.32 We discuss issues and criticisms with aspects of the plan in the following sections, which need to be read in light of the comments above.

#### 4. CONDITIONING PROGRAMME

##### Key Learnings

- 4.1 The participation of the All Blacks in the existing competition structure is in need of immediate review to ensure that they have similar amounts of time each year to prepare, perform, recover and rest (as with other professional rugby players and sports people). If the competition structure did not have the expectation that All Blacks participate in all competitions then the conditioning window would not have been required. In our view (based on the feedback we received), the Air New Zealand Cup, with exceptions due to injury where the Air New Zealand Cup may be part of the player's rehabilitation, is the logical period for the All Blacks to recover.
- 4.2 An initiative with such wide ranging implications such as the conditioning programme, requires sufficient time and information for the Board to properly evaluate it. In particular, consideration should have been given to testing the conditioning programme (for example by trialling it with a very limited number of players in 2006 - although we accept the practical difficulties of doing so). The Board (at the March 2006 meeting) needed to give itself time to reflect and perhaps seek independent advice.
- 4.3 Should a conditioning programme be required in the future, the key components to optimise its performance impact, are:
- (a) The right players;
  - (b) With a personalised conditioning programme;
  - (c) Delivered by specialist providers; and
  - (d) At the right time.
- In this case, of the four key components, only one was fully in place – the right players. The duration of the programmes were not personalised sufficiently to cater for the individual needs of each player – for example, some needed to return to rugby earlier than others.
- 4.4 The programme must be personalised to meet the specific needs of each individual. Whilst the actual programmes were personalised the length of the programme was non-negotiable. The one-size fits all approach, in terms of time, was not adjusted as NZRU felt it had to be fair and equitable across all Franchises with regard to the players returning to competition. In reality it was never going to be fair as the competition draw meant that the Hurricanes were in South Africa at the end of the window and the Blues, Chiefs, Crusaders and Highlanders all had their bye during the first seven weeks of the competition. High performance is not about fairness and equity, it is about doing what is required to win.
- 4.5 The specialist providers were not the key providers from the Franchises as they were working with their respective Rebel Sport Super 14 team. When developing the personalised programmes the Franchise lead conditioners and medical staff should have been consulted given their knowledge of the players.
- 4.6 We were advised by Graham Lowe that "with a blank sheet" in terms of competitions, the optimum time for conditioning and build-up games is July, August, September for RWC finals in October. This was understandably not pursued because of the impact on the Philips Tri Nations and one of the NZRU's core objectives that the "All Blacks remain a winning team".

- 4.7 At the conclusion of the programme it was recognised that the same performance gains could have been made over a shorter (10 week) period.
- 4.8 Re-integration of the players into the Rebel Sport Super 14 competition was not effectively managed which resulted in mismatched expectations between the players, the All Blacks management team and the Franchise coaches.
- 4.9 One impact of the conditioning programme that was under estimated was the effectiveness of the players returning to rugby and the dent in confidence that some experienced from not having played.
- 4.10 Some soft tissue injuries occurred during the conditioning period. In general these were the result of the players going too hard too early. Essentially the players needed to be conditioned for the conditioning programme or needed a more graduated increase in intensity matched to their training history and physical requirements.
- 4.11 Testing an initiative of this size and impact is essential to mitigate the risks to performance. The key findings detailed in this section would have become evident if the reconditioning process had been tested. The conditioning programme was the only key initiative of the RWC 2007 plan that was not tested. Given that the approach was new and there was limited input from Franchises, the risks to performance were not adequately assessed.
- 4.12 Consultation with Franchise coaches was around gaining their support for the programme. They were not given the opportunity to consider alternative options that may have resulted in a better solution. The primary reason for this approach was to ensure that short-term interest did not overshadow the long-term interests of the player.
- 4.13 The conditioning programme delivered significant improvements in speed, repeated speed, lower body power and strength, upper body strength and body composition. The All Blacks of 2007 became better athletes as a result of the conditioning programme.
- 4.14 The conditioning programme did influence at least two leading All Blacks to re-sign with the NZRU following the RWC. They both stated that without the conditioning programme they would not be playing rugby in New Zealand post the 2007 RWC.

### **Background and discussion**

- 4.15 Without a conditioning programme, the All Blacks potentially would have played 18 test matches, two - three pre-season games and 13 - 15 Rebel Sport Super 14 games between November 2006 and October 2007. This represents a total of 33-36 games in a 12 month window, and could have been the highest game load that New Zealand rugby players have faced.
- 4.16 The need for a conditioning window was recognised as a real and significant issue. Particularly when considering what the leading opposition to the All Blacks were doing with regard to recovery, rest and conditioning:
- (a) Australia did not have a domestic competition such as the Air New Zealand Cup. Therefore, the Wallabies, each year, have the period from the end of Philips Tri Nations to their End Of Year Tour (mid August to the end of October – 10 weeks) to recover, rest and recondition;
  - (b) South Africa apparently rested a number of their test players during 2006, without making it clear this was occurring. In addition, they withdrew the bulk of their RWC players from the second half of the Philips Tri Nations, providing them with a window from mid-July to early September (six – eight weeks) to recover, rest and prepare for the RWC;
  - (c) England have an 11 week recovery and training window;

- (d) Ireland and Wales have introduced recovery and conditioning windows of up to 14 weeks depending on the player's individual needs and requirements; and
- (e) The French coach requested that the 20 top French forwards stop playing for their clubs after the Six Nations championship concluded in March 2007. In addition, the French side that toured New Zealand in June included few RWC players.
- 4.17 The All Blacks did not have a window to do the conditioning they needed specifically in preparation for the RWC. As a result, power, strength and speed levels were static at best, and regressing at worst.
- 4.18 Adequate conditioning was viewed as essential for the All Blacks, to perform at the RWC. NZRU had no option but to manufacture a conditioning period that reflected the long term player welfare needs of the players. The key recommendation made to the Board as part of the RWC 2007 plan was that approximately 24 leading All Blacks should be provided with a 12 week conditioning window from January to March 2007. As a consequence, players would miss the first seven rounds of the Rebel Sport Super 14 competition.
- 4.19 The rationale and benefits of the proposed conditioning period were set out at length in the proposal to the NZRU Board in March 2006. In addition, the projected impacts on Broadcasters (including News), SANZAR, sponsors, Franchises, the Rebel Sport Super 14 selection process, other National Teams, the Air New Zealand Cup and the Salary Cap were included.
- 4.20 The key remaining issue for All Blacks Management was one of player preparation and workload (games plus training) in the lead-up to the Tournament. The primary concern was to ensure that the core group of All Blacks were able to do the required conditioning work prior to the RWC.
- 4.21 The anticipated benefits to New Zealand rugby, resulting from the conditioning period, were:
- (a) Enhanced physical conditioning of the leading All Blacks with an aim to maximise New Zealand's chances of winning the RWC 2007;
- (b) New Zealand rugby unified in a common goal of optimal player preparation to enhance the All Blacks' prospects of RWC success;
- (c) Increased competition for positions due to greater depth of talent with a short and long term result of more consistent performances of higher quality;
- (d) Improvement in New Zealand Rebel Sport Super 14 performances in 2008 due to a reduced physical and mental load through 2006-2007; and
- (e) Optimal exposure to training and games with an aim to increasing longevity of players and their association with rugby in New Zealand: players were less likely to experience burnout.

#### **Provide All Blacks adequate recovery**

- 4.22 Best practice across professional sport recognises the need to have a single season, some with multiple competitions (such as football in Europe). However all enable the athletes to prepare (pre-season), compete (in-season), recover and rest (off-season). Unfortunately, New Zealand Rugby does not have a single season that enables the top players (All Blacks) to have the time to complete these essential components. The outline of the annual calendar as it currently exists is:
- Jan – prepare for Rebel Sport Super 14

- Feb, Mar, Apr, May – Rebel Sport Super 14 competition
- June – In bound tours
- July, Aug – Philips Tri Nations
- Aug, Sep, Oct – recovery, rest, Air New Zealand Cup
- Oct – prepare for End of Year Tour
- Nov, Dec – End of Year Tour
- Dec – recovery, rest

4.23 The following table highlights, at a high level, the differences between the United Kingdom ("UK") and New Zealand environments as viewed by All Blacks looking to stay in New Zealand or play in the UK:

UK	New Zealand
<ul style="list-style-type: none"> <li>• One team</li> <li>• One coach</li> <li>• One season with two competitions (premiership and European Cup)</li> <li>• A clear off-season</li> <li>• Limited time away from home – longest period will be two nights at any one time</li> <li>• Away from the public eye</li> <li>• \$ with tax incentives</li> <li>• No All Blacks Jersey</li> </ul>	<ul style="list-style-type: none"> <li>• Three teams</li> <li>• Three coaches</li> <li>• Four part seasons (Rebel Sport Super 14, All Blacks, Air New Zealand Cup, All Blacks)</li> <li>• Limited time to prepare, recover and rest</li> <li>• Away from home, for half the year – approximately 180 nights</li> <li>• Always in the public eye</li> <li>• \$ without tax incentives</li> <li>• The All Blacks Jersey</li> </ul>

- 4.24 2007 has seen, for the first time, All Blacks in their prime opting to leave New Zealand to play overseas. Addressing the requirements on the All Blacks in the competition structure will assist in reversing this trend. New Zealand must have a competition structure that has long term player welfare at its core.
- 4.25 All Blacks, relative to Rebel Sport Super 14 and Air New Zealand Cup teams, have the least time to condition and prepare for campaigns. All Blacks are also generally at a lower level of conditioning in relation to strength/power development because the majority of their conditioning work is done during the season.
- 4.26 For example, a Rebel Sport Super 14 player has eight weeks over Christmas and six - eight weeks between the Rebel Sport Super 14 and Air New Zealand Cup competitions to do conditioning (total 14 - 16 weeks). In 2005, All Blacks had three - four weeks to do physical conditioning in January, two weeks between the British and Irish Lions/Philips Tri Nations series, and a one - four week window post the Philips Tri Nations and prior to the Air New Zealand Cup (total six - 10 weeks).

- 4.27 The disjointed nature of these windows and the need for "unloading" weeks (as each window occurs post a hard campaign, often with international travel) reduces the effectiveness of the conditioning windows. Additional windows are created when All Blacks get injured. However, the site and severity of injury can mean that these windows are a poor alternative to a planned conditioning window.

### **Board decision making**

- 4.28 The NZRU Board and management determined that any conditioning programme would be conducted in an open and transparent manner, rather than attempting it surreptitiously.
- 4.29 The process followed by the NZRU Board when making the decision to support the conditioning programme in general followed good governance practice. They had the relevant material in advance of the meeting and following the presentation by All Blacks management asked critical questions. The questions focused on the alternative options and the associated risks with each option. At the time the Board felt that the process was not rushed nor was undue pressure placed on them. It was recognised that the true impacts of such an initiative would not be known until after it had been implemented.
- 4.30 Some impacts, in particular the News response, the damage to the Rebel Sport Super 14 competition brand and the reaction of the New Zealand rugby fans, appear to have been under estimated.
- 4.31 After due consideration the Board made a bold decision that at the time appeared to be the right one. The arguments in favour of the conditioning programme were compelling and delivered by an All Blacks management team that, in 2005, had beaten the Lions, won the Bledisloe Cup and Philips Tri Nations and completed a Grand Slam.
- 4.32 However, on balance and with hindsight, the performance benefits to the All Blacks did not outweigh the impact across the rest of rugby. There was a need for the conditioning but the manner in which it was implemented was not optimal.
- 4.33 In our view, the Board, at the March 2006 meeting, when faced with an untested initiative with wide ranging impacts, should have required more time to reflect, explored the possibility of testing the initiative and considered seeking independent advice on the merits of the programme.
- 4.34 This may have led to exploration of an alternative option to condition players, for example one which was shorter, more individualised, lower profile, and with alterations to its delivery as suggested below.

### **Personalise the Programme**

- 4.35 Development of the 22 individual conditioning programmes started with a constraint that compromised the true benefits of the conditioning period from the start. The need to be fair and equitable across Rebel Sport Super 14 teams resulted in a one-size fits all approach in terms of the length of the programme (12 weeks).
- 4.36 When developing future long term conditioning plans for players, they must address the individual player welfare needs. At the conclusion of the conditioning programme (and on reflection to us) it was recognised by All Blacks management that the same performance gains could have been achieved over a 10 week period. Some players felt that the programme could have been shortened even further.

### **Re-integration of players**

- 4.37 All Blacks management went to some lengths to ensure that players and Rebel Sport Super 14 Franchise staff understood the reintegration plans and the progress of the

players throughout the programme. Verbal and email communications (some in considerable detail) were given to the Franchise staff.

- 4.38 Despite these efforts, re-integration of the players into the Rebel Sport Super 14 competition was not effectively managed with mismatched expectations evident at all levels:
- (a) The All Blacks management expectation was that the players would be fresh and conditioned, but not match-fit, especially in respect of physical contact preparation;
  - (b) The Franchise expectation was that the players would be available for selection from round eight and that they would need to be carefully managed back into competition and the team;
  - (c) The players' expectation was that they would be fresh, conditioned, excited about playing and selected to play immediately; and
  - (d) The fans expectation was that the players would play at a new level and lift the performances of their teams.
- 4.39 The conditioning programme under-estimated the dent in confidence that some players experienced from not having played. The All Blacks were effectively in pre-season mode playing in a world-class competition with and against match-hardened players. Their match fitness and skill levels were not at the required level and they struggled throughout the Rebel Sport Super 14. The contact component of the conditioning programme was too little too late - there was too much training completed against static opponents. There is no substitute for opposition given that match fitness, skill execution and decision making are critical components of winning rugby teams.

### **Injuries**

- 4.40 It was recognised in planning the conditioning programme that there was a reasonable element of risk in respect of soft tissue injuries given that this was a programme designed to push areas of physical development such as speed. "Dumbing down" the programme to avoid injuries would have severely decreased the gains that were made for the group as a whole.
- 4.41 Four moderate hamstring injuries were suffered early on in the conditioning programme requiring attention and alterations to the programme, and one mild hamstring injury suffered later in the programme (only requiring a minor alteration to the player's programme). These hamstring injuries were caused by fast running, which was something that many players did significantly more of than at any other time in their training histories.
- 4.42 It was not anticipated that the players would need to be conditioned for the conditioning programme. They had never experienced the intensity and loads of the conditioning programme before. In addition, the providers delivering the conditioning service were not the Rebel Sport Super 14 conditioners (who had the best understanding of the players) as they were working with their Rebel Sport Super 14 team.
- 4.43 Consideration could have been given to centralising the initial phase. Graham Lowe could potentially have managed this phase with support from the conditioners that were to deliver the service regionally. This would have reduced the risk of injury as he could have adjusted the loads on a daily basis.

### **Testing**

- 4.44 The All Blacks management team felt that there was no opportunity to test this initiative. The anticipated performance gains and recognition that the conditioning window had to

be manufactured, meant to them that the programme was a risk worth taking. No consideration was given to testing the programme during the 2006 Rebel Sport Super 14, with a small collection of players, as the recommended approach was still to be formulated and not complete until early 2006.

- 4.45 We were told that re-integration of All Blacks into domestic sides is not new and happens each year at the Air New Zealand Cup level. This is not a fair comparison, however, as the players return to the Air New Zealand Cup after a short rest from their international duties (ie. after they have been playing rugby). This can be contrasted to the players returning to Rebel Sport Super 14 with no rugby and limited contact under their belt.
- 4.46 The conditioning programme was the only material part of the RWC 2007 plan that had not been road-tested<sup>2</sup>. Given this and the limited input from Rebel Sport Super 14 Franchises, the risks to performance had not been adequately assessed. Implementing an initiative of this size without testing lead to unnecessary risk. The likely impacts would have been better understood by testing and/or independent peer review.

### **Consultation**

- 4.47 The relationship between All Blacks management and Rebel Sport Super 14 Franchises has improved dramatically over the last four years. Strong relationships are evident across the teams in particular:
- (a) All Blacks and Rebel Sport Super 14 coaches;
  - (b) All Blacks and Rebel Sport Super 14 conditioners; and
  - (c) All Blacks and Rebel Sport Super 14 physiotherapists.
- 4.48 Despite this the relationships did not seem to be at the position where conversations could take place concerning the long term player welfare of each player with all impacted groups. We note the difficulties with implementing such player welfare plans given that the Franchises compete against each other and are vigilant to ensure another Franchise does not get a competitive advantage. In addition, players are potentially required to perform in three different competitions with three different coaching teams.

### ***With Franchises***

- 4.49 As a result the All Blacks management team developed the options to address the workload issues of the All Blacks. The desired option was presented to the Franchises with a request for their support and assistance with implementation. The Franchise coaches felt that they had no choice but to support it. They also felt that they had no opportunity to discuss alternative options that would deliver a better solution to the players, the All Blacks and the Franchises. There was conflict as to whether such an opportunity was given but in our view it was not true consultation (in terms of seeking input into the decision - the decision had been made).
- 4.50 When developing the desired option, rest and rotation was considered during Rebel Sport Super 14 and quickly rejected. Attempts had already been made to manage players by rest and rotation in previous seasons. Such an approach was not considered effective because:
- (a) Research shows that four - six weeks continuous training is required before a player will begin to undergo the physiological changes required to achieve improvements in strength, power, speed, aerobic and anaerobic fitness levels;

---

<sup>2</sup> The player break was also not road-tested but in our view this was not material.

- (b) Contact training and matches diminish the physiological gains from conditioning because of the impact of contact, a reduction in the quality and volume of training and injury concerns; and
- (c) The disjointed nature of conditioning windows post-hard campaigns and international travel, and the need for 'unloading' weeks, reduces the effectiveness of conditioning windows during the season.

4.51 Challenging conversations concerning long term player welfare need to take place more regularly. There should be annual face-to-face meetings following the End Of Year Tour between the All Blacks and Rebel Sport Super 14 coaches. The long term player welfare plans of each All Black should be discussed and adjusted to meet the needs of the player.

***With News***

4.52 (

) Sky was supportive of the conditioning programme. NZRU considered that it in effect was consulting with News whilst not formally doing so - we understand there was no legal requirement to consult.

4.53 It was always anticipated that the conditioning programme had a potential for controversy and accordingly independent legal advice was obtained as to whether the programme was a breach of contract.

4.54 (

)

**Performance Expectations**

4.55 In the areas of speed and repeated speed, targets were set for each player with the aim of a minimum of 1-2% improvement. The targets were based on the player's average performance for the past two - three years with the underlying assumption that better athletes make better rugby players.

4.56 The conditioning goals focused on "being in the best shape ever". Results were focused on personal best performances. Performance in the gym on key exercises targeted improvements of 10-20%. There was a strong focus on leg strength and power development.

4.57 The key performance results of the conditioning programme were:

<b>Speed</b>	<ul style="list-style-type: none"> <li>• <b>92%</b> of players achieved a minimum of 2% improvement over their averages (from the past two years).</li> <li>• <b>87%</b> of players achieved personal best performances in 2007 either during the conditioning programme or prior to departing for the RWC.</li> </ul>
<b>Repeated speed</b>	<ul style="list-style-type: none"> <li>• <b>79%</b> of players achieved a minimum of 1% improvement over their averages for the past two years.</li> <li>• <b>76%</b> of players achieved personal best performances in 2007 either during the conditioning programme or prior to departing for the RWC.</li> </ul>

<b>Lower body power and strength</b>	<ul style="list-style-type: none"> <li>• Players increased the loads they were lifting in key exercises by an average of <b>17%</b> during the conditioning programme.</li> </ul>
<b>Upper body strength</b>	<ul style="list-style-type: none"> <li>• Players increased the loads they were lifting in key exercises by an average of <b>10%</b> during the conditioning programme.</li> </ul>
<b>Body composition</b>	<ul style="list-style-type: none"> <li>• <b>89%</b> of players achieved personal best body composition scores either during the conditioning programme window or prior to departing for the RWC.</li> <li>• The average gain in lean muscle mass during the conditioning programme was <b>1.5kg</b>. This is a significant result and was reflected in the number of players who attained personal best body composition scores during the RWC.</li> </ul>

4.58 In formal written feedback gathered at the conclusion of the conditioning programme, 21 out of 22 players rated the window as a 4 or higher in respect of preparation for the RWC (on a scale of 1-5, with 5 being 'excellent'). There was a broad consensus from players, doctors, coaches and others that it was beneficial.<sup>3</sup>

4.59 Player feedback was consistent with our conclusions, in that their concerns related more to the implementation of the conditioning programme rather than the concept.<sup>4</sup>

#### **Stakeholder and commercial impact**

4.60 The evidence suggests that the withdrawal of 22 key players for the first seven weeks of the competition was a contributing factor to a marked decline in viewership of Rebel Sport Super 14 in New Zealand. We have not attempted to gauge the effect on viewership outside of New Zealand.

4.61 While Sky TV penetration into homes nationwide increased from 1,668,000 in 2006 to 1,767,000 in 2007, viewership for the Rebel Sport Super 14 decreased by 29% over the same period. A similar drop in viewership occurred with free-to-air coverage of the Rebel Sport Super 14 between 2006 and 2007.

4.62 Other contributing factors included the Rebel Sport Super 14 season being brought forward a week early, clashing with summer sports such as cricket. Furthermore the 2007 Rebel Sport Super 14 final was in South Africa and involved no New Zealand team. In addition, there was already a trend of decline in viewership. These reasons alone, however, do not seem to explain the decrease. There was an apparent decline for all Rebel Sport Super 14 games involving a New Zealand team. The top ten matches with the highest ratings from males between the ages of 25-54yrs, averaged at 101,700 per game for 2006. In 2007 this average dropped to 68,800.

4.63 The conditioning programme had been portrayed as an opportunity to see up-and-coming players. However, the suggestion is that viewers thought otherwise. While

<sup>3</sup> For example:

- "In the context of myself and my career it was the best thing for me. ... the mental benefits for me were just as great if not greater than the physical."
- "Yes definitely. I benefited. The results were the best I ever had in my career."
- "And almost all of them hit personal bests for some aspect(s) of their conditioning."

<sup>4</sup> For example:

- "Some [benefited], some didn't. I think it was not individualised enough ... his life is about playing and training so when you take him out and expect him to do running/gym without the 'playing' element, I don't think it suited him. ... but there were clearly some players who did need to be ...."
- "At the end of it I was definitely stronger than I had been for a long time but I also suffered more muscle injuries than I ever had before. The injuries negated some of the benefits."
- "Players should be treated individually and some needed to play more, and some needed more reconditioning time."
- "All my injuries came after the conditioning program. There has to be some relationship between it."

there was a slight decrease in viewership between 2005 (the year of the Lions Tour) and 2006, there was a much more significant drop between 2006 and 2007.

4.64 The Franchises in the main expressed support for the initiative (when it was first discussed with them) albeit on the premise that it would assist in winning the RWC. Feedback we received from Franchises and Provincial Unions suggest that there was a marked commercial impact arising from the conditioning programme. (

) (as set out in the commercial section below).

4.65 Additional impacts on Franchises include:

- (a) The difficulty reintegrating players (as mentioned); and
- (b) Potential loss of a home semi-final to the Crusaders and the Blues<sup>5</sup> (estimated to be worth in excess of \$1 million, with the potential for a home final - which has at least the same value again).

4.66 The information we received suggests that the flow on effect for the Provincial Unions in terms of decline in season tickets and difficulty attracting sponsors was material - although the precise impact of the conditioning programme on this is not able to be isolated. The causes are undoubtedly multi-factorial and it would be overly simplistic to suggest the conditioning programme was responsible for all the difficulties. We accept the tenor of the information we received that there was a detrimental effect on season tickets and sponsorship. This was in part verified by the feedback we received from sponsors themselves.

4.67 The impact on sponsors appears to have been principally driven by the drop in pre-RWC rugby viewership and attendance, and consequential impact on "cut-through" of sponsors' activities - particularly broadcast advertising. That appears to be a significant issue for some sponsors. That impact did not translate as acutely to NZRU due to the longer-term nature of the sponsorship agreements and the consequent ability to offer make goods to affected sponsors. The impact of the decline in viewers on sponsorship decisions was seen as significant and the conditioning programme in our view formed a material part of the cause of that.

4.68 It appears that the expectations of the fans were not met in terms of re-integration of players in the Rebel Sport Super 14. Clearly the expectations of fans were not met in terms of the quarter-final result.

4.69 The NZRU fan monitor report recorded interest levels in rugby down 10% to 73% following the quarter final but this needs to be compared to other years (2002-60%, 2003-67%, 2004-67%, 2005-71%, 2006-83%). The intensity of fan interest was also down.

---

<sup>5</sup> We note that the Blues were leading the Rebel Sport Super 14 at the time the All Blacks were re-integrated and therefore the programme did not appear to be having an adverse impact at that point.

## 5. SELECTION/ROTATION POLICY

### Key learnings

- 5.1 The All Blacks selectors have a mature and effective selection process that has player welfare front of mind and a simple objective of selecting the best available team to win the next test match. The by product of the process has been:
- (a) Increased depth - a squad of 30 top class international players; and
  - (b) Increased competition for places.
- 5.2 Consistency of selection remains important to enable combinations to properly develop.

### Selection principles

- 5.3 The motivations for developing a squad of 30 top class international players were part player welfare, part creation of depth and part sensible selection to win each test match.
- 5.4 As part of the RWC plan, All Blacks management expressed the belief that they were on track to have 30 players at the RWC who:
- (a) Were of genuine international class;
  - (b) Have developed physical, mental and leadership skills; and
  - (c) Can implement game plan options based on set-piece dominance.
- 5.5 The All Blacks coaches made it clear to us that whilst there was the goal of building this capability, selection was very much made with the goal of winning each test match. Their record of 42 wins from 48 matches is the best available measure of this.
- 5.6 We received consistent comment that this sort of selection policy, motivated by player welfare and a desire to consistently win each game, is not controversial at all in professional sport. It is best practice and there is little question of its logic.

### Impact of the Selection Approach

- 5.7 There was general support and understanding of the principles behind a "rotation policy" and selection generally,<sup>6</sup> but not universal endorsement of the extent to which it was implemented.<sup>7</sup> All Blacks management perceived that they have a selection policy and not a "rotation policy" and that the selection policy was generally well received and

---

<sup>6</sup> For example:

- "There was the odd disgruntled player who wants to play every game but that is them not dealing with the rotation policy which we all knew existed..."
- "Throughout the year there was always mixed feelings about rotation. Most guys supported it, but a couple of guys preferred to be playing and talked to other guys about it. ... It did not bother me at all - if it was good for the team that is what matters."
- "Players had an understanding of what coaches were trying to achieve during the year, grow experience throughout the squad."
- "For the strength of New Zealand rugby as a whole that has to be a huge positive."
- "I believe that the rotation policy was successful because it provided player depth."
- "From my understanding players were OK with it. It was well explained to them and all parties were involved, I thought it was well handled."
- "For the first two years we needed to rotate players but after that my view is we should have played our top team."

<sup>7</sup> For example: "... at times it is hard for guys like me to keep developing at the top level when you couldn't get any momentum going. ... Consistency of selection probably helps when you get into the tighter games, you know how to get the team through."

understood. However, this was not entirely reflected by the players and external commentators. For example there was some dissent over the "rotation policy"<sup>8</sup> and isolated comments from players that the rotation policy compromised peak performance.<sup>9</sup>

- 5.8 Our media analysis showed criticism of the selection policy on the basis that the "rotation" was devaluing the All Blacks jersey. The feedback we have received (in particular from players and sponsors) and the record of this current coaching group convinced us that there was no such devaluing.
- 5.9 From a commercial perspective there was little if any impact seen from the selection policy. Commercial partners understood it.

### **RWC selection**

- 5.10 The one criticism which emerged with a fair degree of consistency is that the selection did not become sufficiently consistent closer to the RWC to allow for combinations to properly develop. That was a concern expressed in the media. That criticism must be tempered by the requirement that preferred players were actually fit and available for selection.
- 5.11 The All Blacks coaches confirmed that the "top" team (subject to injuries), was selected for eight of the 11 tests leading up to quarter final. Of the 22 selected for the quarter final an average of 17 played in each of the eight tests.
- 5.12 We are not satisfied the selection criticism is correct. What does emerge from this, however, is consensus that there should be consistency of selection in the immediate lead-up to the finals.
- 5.13 There was some selection doubts expressed about whether the best players were on the field when it counted.<sup>10</sup> In particular, controversy centred on the selection of Keith Robinson to start (with Chris Jack on the bench), the non-selection of Aaron Mauger and Doug Howlett and the positioning of Mils Muliaina at centre as opposed to fullback.
- 5.14 The selectors and coaches were clear to us and in their reports as to the rationale behind each selection. In their considered view the best team started and we are in no position to doubt that. Due to an unfortunate combination of circumstances, in particular the injuries to Carter, Evans, Collins and Masoe, the All Blacks lacked experience at the critical period. There was a lack of experience in the backline when it really mattered.

---

<sup>8</sup> For example:

- "I agree with rotation in principle to create depth. But, there comes a time to pick the best team going forward."

<sup>9</sup> See footnote 7.

<sup>10</sup> For example:

- "I wondered about leaving Aaron Mauger out ... we were probably lacking experience in the final quarter and perhaps could have used Mauger's experience."

## 6. LEADERSHIP

### Key learnings

- 6.1 The leadership programme implemented by the All Blacks management team has contributed to the growth of leadership capabilities within the players and to the on-field success of the All Blacks.
- 6.2 The programme should continue and be adapted to provide an increased focus on on-field leadership and mental preparedness.
- 6.3 The effectiveness of the leadership development and mental preparedness strategies should be measured objectively. If effective decisions under pressure are critical to the success of the All Blacks then they should be measured.
- 6.4 The role of adversity in creating leaders and winning teams requires consideration. The current environment produces talented rugby players with limited life and decision making experiences. Future leadership programmes should create an environment where leadership skills are developed on the job.
- 6.5 The leadership and mental preparedness approach by the All Blacks must be part of an overarching framework that provides a common and systematic approach to holistic player development.

### Background

- 6.6 After the Philips Tri Nations of 2004, the All Blacks management team recognised that the team was culturally dysfunctional. They identified the need for a new approach to ensuring effective performance, in particular through leadership development.
- 6.7 The All Blacks management team recognised their own contribution to the dysfunction. They made immediate adjustments that instantly changed the environment – eg shorter trainings, dual management, peer coaching, mental toughness and leadership.
- 6.8 Rugby is a thinking game, as described by Sir Brian Lochore, yet the team initially had very little skills in terms of leadership, self reliance and mental toughness.
- 6.9 Gilbert Enoka and Sir Brian Lochore, developed a leadership programme for the All Blacks that was designed to address these issues. The objective was to win rugby games through self reliance, self belief, leadership of self and others. This would be demonstrated through smart decisions on and off the field especially under pressure.
- 6.10 The programme involved a shared-responsibility leadership model, involving the coaches, the All Blacks manager and the players. Player responsibility for both on and off-field behaviour was encouraged. The mantra adopted was "better people make better All Blacks".
- 6.11 As noted, a key premise of the RWC plan was a player-centric focus to selection and preparation. Players were directly involved or party to key decisions.
- 6.12 The plan was implemented by way of a leadership group, comprising 10 players voted in by the players themselves. Personal development programmes were undertaken for each leader and individual leadership plans were determined. These covered leadership skill development, on field leadership, lifestyle balance and sacrifice plans. Gilbert Enoka accessed sports psychologist expertise (from the United States in particular) and implemented it to assist with the programme. Focus was also put on developing the mental preparation of each player.

- 6.13 Each leader was allocated two or three other players to mentor. Specific techniques and theories were adopted and practiced to develop mental strength and leadership skills.
- 6.14 The leadership group met twice weekly, the first with management involved and the second without.
- 6.15 (
- )
- 6.16 (
- )
- 6.17 The impact of the programme has seen the growth of leadership capabilities across the All Blacks. The players all felt that initially it was "on the button", addressed the immediate needs and provided more player input and ownership around critical decisions. However, latterly it has been directed through meetings rather than being grown in a more natural setting.
- 6.18 Off the field, the All Blacks (with a notable exception) were exemplary and the leadership programme must take much of the credit for that.
- 6.19 We discuss on-field leadership further in relation to the quarter final.

#### **Focus on Mental Preparedness**

- 6.20 The focus of the leadership development programme has primarily been off-field leadership that emphasised personal accountability and responsibility. Arguably these skills have not been transferred onto the rugby field as the team have rarely been under such pressure over the last four years. In addition to leadership, a greater emphasis needs to be placed on mental preparedness and effective decision making. This will see the development of a structured process to practice mental preparation. The players must overcome the weight of public expectation and associated pressures.
- 6.21 The players need to get comfortable taking more criticism, and providing more feedback to the coaches. The environment must be brutally honest with mental skills practiced and measured on the field when things get tough.
- 6.22 The desired outcome from this programme is that the team collectively and individually makes effective decisions under pressure. They no longer revert to type when the pressure goes on and rely on the captain to make the calls without having appropriate input.
- 6.23 One observation that needs further clarification is:
- (a) The All Blacks appear to perform badly when the New Zealand rugby public are over confident of the result – examples are the last three RWCs. When all around the messages are that the team will win easily, does the team sub-

consciously look past the game and, therefore, fail to mentally prepare adequately?

- (b) The All Blacks appear to perform to their potential when the New Zealand rugby public is nervous – examples include South Africa in the quarter-final in 2003, France and England in 2004, the Lions in 2005, South Africa in 2007.

### **On The Job Leadership Development**

- 6.24 The strength of New Zealand rugby is the development systems that deliver talented rugby players. The strength of our competitors, particularly England and France, is their experience. Arguably we do not retain our talent in New Zealand long enough, therefore, we do not have the same degree of experience nor the opportunity to learn on the job or to leverage off the experiences of older players (that are playing off-shore). The New Zealand approach has to be manufactured through accelerated holistic development. The risk with this approach is that, without true awareness of the issue, it becomes an academic exercise with the players simply going through the motions and not truly committing to the process.
- 6.25 To complement the leadership and mental preparedness, emphasis should be given to dynamic and rugby leadership, on the job learning, rather than theoretical exercises.

### **Integrated Leadership and Mental Preparedness Programme**

- 6.26 The current approach to leadership and mental preparedness is ad-hoc in its design and implementation – yet the players are the same. It would not be unusual for All Blacks to be taking part in two unrelated leadership development programmes. To ensure that a common and systematic approach is applied to leadership and mental preparedness development of an integrated framework (that details the key components) is required. Without an integrated framework nothing will change – progress might be made with an All Blacks player and the gains lost when they return to the Rebel Sport Super 14 Franchise and follow the Franchise programme. The same issue applies to the national age group representatives as they are selected in Rebel Sport Super 14 sides.
- 6.27 How the framework is delivered should not be prescribed, thereby, encouraging innovation across the entities and continued improvement.

### **Objective Measurement**

- 6.28 The All Blacks debrief decision making continually with the players and team. This is completed in a number of ways that include:
- (a) One on ones between players and coaches, where players' strengths and areas for improvement are discussed. Tactical understanding and decision making is one of the areas discussed and worked on;
- (b) The production of "what happens next..." DVDs for some players to work specifically on their own option taking to develop their understanding of what others need from them (and what they need of others);
- (c) The use of decision making activities at training that incorporate distractions and are decision laden. The players measure their performance by reviewing each activity on time-warp video software immediately after the activity and before they do it again; and
- (d) Decision making is usually reviewed for each game as part of team debriefs. Statistics are gathered on the effectiveness of individuals and the team particularly to ensure that the All Blacks are exerting pressure on the opposition and getting possession at the next start of play.

- 6.29 The All Blacks plan to establish a way of allocating “scores” to their level of decision making. These will then be held in a database and a "dashboard" created that allows results to be compared over time.
- 6.30 We are supportive of this initiative. Leadership and mental preparedness are demonstrated on the rugby field through skill execution and effective decision making under pressure. Currently skill execution is measured as part of the Verusco system but effective decision making is not measured in any objective form. Given that the point of difference at the international level, particularly in the RWC, often comes down to effective decision making under pressure then it should be measured to understand what progress has been made.

## 7. THE QUARTER FINAL

- 7.1 The terms of reference do not require us to make an assessment of the level of contribution of any factor that may have contributed to the result in Cardiff. We are required to comment on issues which arise from those terms, for example, whether selection or leadership impacted on the result. We are of the view, therefore, that to avoid setting out our views on all relevant factors would be to present a misleading picture. We have not been specifically tasked to investigate some issues and our comments should be judged accordingly. For example, the brevity of discussion of certain factors does not indicate their relative importance. Rather it is because we have not been tasked to specifically investigate them.
- 7.2 The Coaches described the week of preparation up to the quarter final as being kept as "normal as possible". The leadership group met as always. "What ifs" were discussed as normal, including if a player was lost in the sin bin. In our view, the weekly "what if" exercise, appeared to become an academic exercise where the leadership team were effectively ticking the box. We suggest the "what if" planning should be completed at the start of the week, to enable the scenarios to be incorporated into subsequent training and practice sessions.
- 7.3 Almost universally, players, coaches and management described the preparation for the week as excellent and the team as "humming" or "ready to take off".
- 7.4 There remained a sense to us that the All Blacks, coaches and management were looking past the quarter-final. An example was the leadership group chose not to "push the emotional button" because there is generally a let-down period during the week following such an approach. Yet playoff rugby at the RWC is different to all other internationals – if the team does not win there is no game next week. The All Blacks management team and the players interviewed, however, are adamant that there was no complacency by anyone in the camp.
- 7.5 We have not set out a detailed analysis of the game - the essence of it is well known and we are not asked to do so. The French team clearly played with enormous spirit and defended tenaciously. This was no surprise given they were the tournament hosts playing the tournament favourites. In addition to the performance of the French, other factors that impacted on the All Blacks prospects of success in the quarter final, included:
- (a) Injuries;
  - (b) Performance of the referee and touch judges; and
  - (c) Effective decisions.

### **Injuries**

- 7.6 The unusual combination of injuries also played an important part, with Carter, Evans (No. 10s) and Collins all coming off injured and Masoe injuring himself almost immediately. This meant that for the critical last minutes the inside back combination (Leonard, McAlister and Toeava) had not been tested at this level under this degree of pressure.
- 7.7 The injuries affected on-field leadership - at the critical period in the second half, six of the 10 leadership group were off the field. Mauger and Thorne were not selected. Mealamu was injured during the week. Carter and Collins were injured during the

game<sup>11</sup>. Oliver was substituted. As a result, in our view, leadership support to the captain was not optimal.

### Referee and Touch Judges

- 7.8 The performance of the referee and touch judges had a significant impact on the All Blacks prospect of success. The penalty count was 10-2 against the All Blacks, with none awarded to them in the second half, despite dominance in territory and possession (which statistically should result in penalties awarded to the dominant side). On anyone's account<sup>12</sup> the referee and touch judges made mistakes which worked against the All Blacks.<sup>13</sup>

### Effective Decisions

- 7.9 The combination of these factors put enormous pressure on All Blacks leadership and decision making. We consider that on-field leadership and decision making was a factor in the loss in the quarter final. Arguably, the team and its leadership group has only occasionally been tested to the same degree over the last four years. The trend, as witnessed in Melbourne earlier in 2007, was for the leaders to revert to type and let McCaw make the calls.
- 7.10 We recognise that in the last 10 minutes of the second half, the All Blacks faced a dilemma. Whether to go for a drop goal without Carter or Evans (injured), or whether to continue to attempt to score through a try or a penalty. The team chose the latter. The rationale was that it had worked for the team before in games in similar situations (examples included Australia in Sydney in 2005, England in London in 2005, South Africa in Durban in 2007). In addition the drop goal had never been executed under pressure – something the coaches acknowledged could have been worked on more as a strategy.
- 7.11 The coaches did, however, send a message out to the team with 10 minutes to go, to set up for a drop goal. The on-field decision was made to continue with the tactic of attempting to score a try or to get a penalty. When making this decision the players were unaware of a vital piece of information - that the All Blacks had not been given a penalty in the entire second half and were therefore probably unlikely to get one, notwithstanding their pressure, possession and territory.
- 7.12 The coaches state that the All Blacks had only come from behind to win in six out of 48 matches, and never in the RWC. Each time the All Blacks had won by keeping the ball alive and scoring a try. In the second half, the All Blacks had in fact scored by doing exactly that, through Rodney So'oialo.
- 7.13 In the dying minutes of that critical game, the leadership model failed to deliver what was its most important objective - decisions which give the best chance of winning the game. With the benefit of hindsight, the team failed to ensure that the right decisions were taken. As with the philosophy underpinning the leadership model, the players, coaches and management must take responsibility for that.

---

<sup>11</sup> The medical team assured us that Carter was fit to play the game but was at risk if he had to play more than about 50 minutes. They assured us of his fitness and their reasons for the recommendation they gave to selectors. Whilst others had strong views to the contrary as to his fitness, we accept the medical team view.

<sup>12</sup> Including IRB referee assessor Hilditch, IRB referee manager O'Brien, the coaches and others.

<sup>13</sup> We investigated a minor controversy over whether the All Blacks coaches had a chance to influence whether Wayne Barnes was selected as the quarter-final referee. Our conclusion is that at most the All Blacks coaches were unconcerned or comfortable when he was appointed, because of his earlier form. There were different accounts as to whether a conversation took place and if so its contents - hence we could not conclude that there was any such input.

## 8. HIGH PERFORMANCE

### Key Learnings

- 8.1 Continue to build sustainable and effective relationships between the All Blacks and Rebel Sport Super 14 franchises with regard to holistic player development.
- 8.2 Consideration should be given to aligning the All Blacks and the NZRU high performance team structurally to ensure the long term sustained success of the All Blacks.
- 8.3 Continue to develop an overarching framework that supports the holistic development of the best performing players in world rugby. This will ensure a common and systematic approach to holistic player development.
- 8.4 Resource the high performance plan ensuring that there are sufficient specialist providers that can accelerate the development of players in leadership, self-reliance, effective decision making and mental toughness.
- 8.5 Measure the impact of the initiatives delivered through the high performance plan and the effectiveness of the service delivered by specialist providers.

### Background

- 8.6 The specific focus of this section, as detailed in the terms of reference, is to define changes, if any, required to the high performance plan, including team leadership and mental preparedness.
- 8.7 The high performance plan is detailed in the following documents:
  - (a) NZRU high performance plan 2005-2007; and
  - (b) NZRU high performance plan 2008-2011.
- 8.8 Both documents have the creation of a player centred development model that produces the best performing players in world rugby as the primary objective. The realisation of this objective will contribute to the All Blacks remaining a winning team.

### High Performance plan overview

- 8.9 One of the issues detailed in the 2005-2007 plan is the perceived lack of leadership, self-reliance and mental toughness amongst a number of professional players. This issue was identified by Rebel Sport Super 14 and All Blacks coaches. The planned approach to address this issue is contained within the Holistic Player Development Strategy:
  - (a) Provide holistic development opportunities for high performance players to encourage the development of leadership, self reliance, effective skills decision making and mental toughness, in addition to technical and tactical skills.
- 8.10 The 2008-2011 plan includes essentially the same strategy for Holistic Player Development with the only difference being the addition of physical development:
  - (a) Provide holistic development opportunities for high performance players to encourage the development of leadership, effective decision making, self-reliance and mental toughness, in addition to technical/tactical and physical development.

## Holistic Player Development

### Approach

- 8.11 The technical/tactical development of players is front of mind for rugby coaches operating in the professional game. It is the area in which they feel most comfortable and where the impact of their coaching can be measured objectively. The physical development component of players is delivered by dedicated specialist providers – with the All Blacks and each Rebel Sport Super 14 team having dedicated strength and conditioning specialists.
- 8.12 The softer side of holistic player development - leadership, self-reliance, effective decision making and mental toughness is one area of focus within the NZRU high performance plan and the high performance team.
- 8.13 The initial approach taken by the NZRU high performance team was to assist the Rebel Sport Super 14 coaches to define the issues in relation to leadership, self-reliance, effective decision making and mental toughness. This resulted in a focus on leadership with limited activity taking place around the other issues.
- 8.14 Some examples of leadership development initiatives that have been implemented across the entities that make up high performance rugby in New Zealand are:
- (a) The All Blacks have implemented a leadership development programme;
  - (b) The Blues, Chiefs and Hurricanes have contracted Leading Teams to facilitate a cultural transformation of their teams (includes personal accountability and leadership); and
  - (c) The NZRU high performance team has created a leadership development model based on Emotional Intelligence for use with age group teams.
- 8.15 In addition the key performance indicators of Rebel Sport Super 14 coaches have been adjusted to reflect the importance of holistic player development.

### Constraints

- 8.16 The constraints associated with implementing the holistic player development model in particular leadership, self-reliance, effective decision making and mental toughness are discussed below.

### High Performance Environment

- 8.17 Given that the professional players, All Blacks management, high performance staff, Rebel Sport Super 14 coaches, assistant coaches and doctors are employees of the NZRU then an assumption would be that an integrated high performance environment exists.
- 8.18 In practice, however, the high performance environment is made up of seven separate entities with each running their own programmes. The seven entities are:
- (a) All Blacks – the focus is the All Blacks;
  - (b) Rebel Sport Super 14 Franchises (Blues, Chiefs, Hurricanes, Crusaders, Highlanders) – the focus is their teams; and
  - (c) NZRU – the focus is age grade players.
- 8.19 The environment is held together by good faith through people and relationships. Through these relationships a significant improvement has been made with regard to the

quality of communication between All Blacks, Franchises and NZRU high performance staff. Given that the Franchises are in competition with each other effective relationships between the All Blacks and the Franchises will continue to be critical to ensure the long term holistic player development is optimised.

- 8.20 The All Blacks management team are the drivers of the NZRU high performance strategy with the NZRU high performance unit tasked with resourcing and implementing the strategy. Therefore, consideration should be given to aligning the All Blacks and the NZRU high performance unit structurally to ensure the long term sustained success of the All Blacks. Aligning the two entities will ensure greater awareness of the future requirements of the All Blacks.

### **Specialists**

- 8.21 In all high performance teams – All Blacks to Under 19 - technical/tactical and physical development is well catered for with dedicated specialist providers. Conversely there are few specialist providers that focus on player development in the areas of leadership, self-reliance, effective decision making and mental toughness.
- 8.22 These elements are seen as critical to the All Blacks remaining a winning team, however, apart from the All Blacks and NZRU high performance unit there are no specialist providers operating in these areas. It is acknowledged that there is a shortage of quality providers, that specialise in leadership and mental preparedness, in high performance sport in New Zealand.
- 8.23 While each Rebel Sport Super 14 Franchise has a Professional Development Manager (PDM), holistic player development is not their core role. However, out of necessity some of the PDMs play in this space. To maximise the performance potential of high performance players they must be supported by skilled providers in a timely manner – anything else will compromise the performance potential of players.
- 8.24 In terms of peer review and an opportunity to challenge existing practice, Gilbert Enoka and Brian Lochore do not have the same opportunity as the All Blacks coaches or the medical and conditioning staff. Enoka and Lochore have no counterparts to talk to at Rebel Sport Super 14 level. Therefore, it is difficult for the leadership development initiatives implemented within the All Blacks to be critiqued within rugby.

### **Measurement**

- 8.25 As the seven entities operate independently of one another there is no quality assurance of the initiatives that deal with leadership, self-reliance, effective decision making and mental toughness.
- 8.26 Apart from subjective conversations during end of season reviews there are no formal evaluations of the effectiveness of the initiatives that have been implemented or of the effectiveness of the providers delivering the service.

### **Impact**

- 8.27 The anticipated impact of the strategies detailed in the high performance plan are not being realised. Progress has been made with leadership, however, it is occurring in an ad-hoc and un-coordinated manner. Apart from the All Blacks and age-group teams limited attention has been paid to self-reliance, effective decision making and mental toughness. This results in a lack of consistency for the players that cross between age group teams, Franchises and the All Blacks.
- 8.28 The outcome, therefore, is that there is no overarching holistic player development framework across rugby's high performance environment.

## 9. COMMERCIAL

### Key learnings

- 9.1 NZRU budgeting appeared accurate and appropriate. The budgeted commercial consequences of the RWC plan were not particularly significant<sup>14</sup> in an incremental sense with a maximum budgeted loss of \$( ) (after the cost of the conditioning programme was accounted for) and a maximum budgeted profit (on winning the RWC) of around \$( ).
- 9.2 The actual RWC results were a small incremental loss of \$0.243million to NZRU. The total direct expenditure on the conditioning programme was \$( ). Both figures were favourable compared to the budget.
- 9.3 NZRU appeared to manage the commercial aspects of the entire campaign with admirable thoroughness and professionalism.
- 9.4 The NZRU, and the All Blacks coaches and management have combined to ensure the All Blacks brand continues to be one of the most successful in world sport (despite lack of RWC success).
- 9.5 The indirect benefits of winning would no doubt have been significant but are difficult to calculate.
- 9.6 NZRU underestimated the indirect and downstream commercial impact of the conditioning programme.

### Discussion

- 9.7 The budgeting provided to the Board initially and through 2006 reduced to the following incremental revenue and expenses<sup>15</sup>.

---

<sup>14</sup> The flow-on benefit of winning the RWC to the All Blacks players, coaches and management would have been significant.

<sup>15</sup> Revenues and expenses are incremental, in that they include allowance for reduced revenue from Philips Tri Nations matches which were not played because of the RWC (but would ordinarily be received) and reduced expenditure for End Of Year Tour expenses which were not incurred (but would ordinarily be incurred). Hence the figures represent the difference in revenue and expenditure that the plan for the RWC 2007 would involve. Budget figures developed through 2006 and used the prevailing exchange rates. Incremental revenue from the adidas sponsorship increase covered 2007 to 2011 and was converted to a net present value. The essence of the uplift in revenue from winning the RWC came from adidas bonuses and increased sponsorship, which was guaranteed upon winning.

(

- 9.8 There were some variances in the estimates given to the Board through 2006 but they are not material in our view. In particular (as noted) the revenue figure increased, so that the best outcome, on winning the RWC, would have been an approximately \$( ) profit rather than the budgeted loss indicated.
- 9.9 On a strict commercial basis the direct financial benefits of winning the RWC were not significant other than to players and management (if they won the RWC). Likewise the expenditure estimated, given the priority the Board gave to winning the RWC, did not appear to be unreasonable or particularly significant. The figures can be compared to the 2006 revenue of NZRU of \$93.3 million and expenditure of \$98.1 million (resulting in a loss of \$( )).

16

As above.

17

This figure was initially given to the Board in March 2006 but later was increased to approximately ( ) by inclusion of additional bonus income and licencing revenue. It includes the net present value of the adidas bonus and increased sponsorship figures.

18

Excluding conditioning programme estimated expenditure. (

19

). This included calculations for the increase in the player payment pool and therefore the percentage required to be returned in player payments, bonus payments and payments for partners/wives support. Note these figures were not initially provided to the Board, but were provided in August 2006.

20

21

This figure reflects the budgeted figure ultimately settled upon. There was considerable debate and discussion as to whether compensation should be paid and how it should be calculated.

22

These figures were not put before the Board in this form and represent a combination of the various budget figures given to the Board through 2006 ( ).

9.10 **Actual expenditure**

(

)

- 9.11 As set out, the gross position was a profit of \$( ) and an incremental loss of \$0.243 million. The cost of the conditioning programme was \$( ) - slightly favourable to budget. Thus the result was ahead of budget and again the figures do not appear to be unreasonable or particularly significant given the emphasis that was placed on winning the RWC.
- 9.12 In our view, NZRU managed the commercial aspects of the entire campaign with admirable thoroughness and professionalism. As described earlier, it is difficult to do justice to the quality of the achievement in this area. The most telling measure is the consistent praise that was given to the All Blacks and NZRU by adidas, RWC Limited, the Organising Committee, the players and others concerned. Clearly, the commercial side of the campaign was well planned, managed and implemented.

### **Cost/benefit analysis**

- 9.13 Measurement of the benefit of winning the RWC beyond the direct financial measures is extremely difficult. Clearly it is important and regarded so by many. NZRU was of the view that its stakeholders supported the priority given to the RWC. That is backed by fan and public opinion polls. The stakeholders we have spoken to now feel that it was overemphasised.
- 9.14 The benefits of winning the RWC 2007 (beyond that described above and apart from the obvious euphoria) were expressed in terms of the benefit to the All Blacks brand and the benefit to rugby generally.
- 9.15 NZRU saw winning the RWC 2007 as necessary to maintain and enhance the mystique and legend that is the All Blacks brand. The brand is remarkably strong. The adidas 2007 sales of All Blacks branded merchandise demonstrate this, with sales in each of France and England being greater than those in New Zealand.
- 9.16 adidas estimated to us that the loss in sales revenue from the failure to win the RWC was \$( ) to \$( ) million in New Zealand alone. The net present value of the bonus and increase in sponsorship from adidas to NZRU for winning the RWC 2007 would have been many millions. Taking the two figures together (loss in sales revenue and bonus/sponsorship), the notional value of winning (assessed in this way by reference to adidas alone) would likely be in excess of \$( ).
- 9.17 Notwithstanding this, the adidas view was that it was more important that the All Blacks maintain their extraordinary winning record and consistent ranking as the best team in world rugby. At the time of signing, the adidas partnership with the All Blacks was one of the adidas brands' biggest financial commitments. There are very strong links between adidas and the All Blacks, such that it is widely viewed by adidas as the most integrated and successful relationship in the business (brand and business-wise). That appears to be a remarkable achievement by NZRU, given adidas stature in the global sporting market.<sup>23</sup>
- 9.18 It is clear to us that the NZRU, and the All Blacks coaches and management have combined to ensure the All Blacks brand continues as one of the most successful in world sport (despite lack of RWC success). That is something to celebrate and cherish. Whilst the lack of RWC success must impact on that to a degree, it does not seem to be as significant as one would expect.
- 9.19 Further information as to the cost of not winning the RWC came from TV3, the RWC broadcaster in New Zealand, which quantified the impact of losing in the quarter-final as being worth approximately \$( ) to it.<sup>24</sup>

<sup>23</sup> adidas group has approximately 29,000 employees worldwide, with sales of over 10 billion euro (over NZD\$17 billion - compared to the NZD\$0.093 billion revenue of NZRU as set out above).

<sup>24</sup> Comment of Mr Brent Impey of TV3.

- 9.20 Other stakeholders agreed with adidas that winning the RWC was important but viewed the emphasis given by NZRU to winning the RWC was too great.
- 9.21 Mr Young, General Manager of Rugby World Cup Limited, said that the commercial benefits of winning the RWC are small in comparison to the commercial benefits of hosting the RWC.
- 9.22 While the commercial impact of the conditioning programme cannot be precisely calculated, various stakeholders represented that it has been significant. The reduction in viewership in Rebel Sport Super 14 (caused in part by the conditioning programme) had the potential to contribute to a broader withdrawal of brewery sponsorship of rugby. An example was in Auckland rugby where one brewery withdrew sponsorship before the other brewery had agreed to replace it. This was noted to be unprecedented in rugby sponsorship<sup>25</sup>.
- 9.23 We have already commented that NZRU underestimated the indirect and downstream commercial impact of the conditioning programme. Whilst NZRU invested considerable effort in researching, evaluating and consulting on the conditioning programme, it was not able to make an accurate commercial evaluation of its indirect impact.
- 9.24 In all, it is difficult to reach a clear conclusion on the cost/benefit analysis of winning or not winning the RWC. There is no doubt that significant benefits would have flowed from winning the RWC to many concerned. The direct benefits are set out above. The indirect benefits can only be broadly estimated. The direct costs are also detailed above. The indirect costs, for example of the conditioning programme, appear to have been significant.
- 9.25 Ultimately, winning the RWC was and will be an important goal of NZRU. The dilemma for NZRU in 2006 was whether it was worth removing the All Blacks from the Rebel Sport Super 14 in 2007 in order to provide the best possible opportunity to win RWC. Looking prospectively, the plan was a bold and understandable move. With hindsight and given the result, clearly the plan was not successful.
- 9.26 On reflection, therefore, perhaps the only learning here is one which NZRU were conscious of - that given the unpredictability of RWC success, NZRU should carefully assess the impact of its RWC plan on its other commercial activities.

## 10. REFEREES

10.1 New Zealand had five referees selected to attend the RWC 2007, with two as referees and three as touch judges. That was the highest number from any country. Whilst it was said that our referees could have performed better, they refereed a semi-final (Walsh) and the third-fourth play-off (Honiss).

10.2 There remains controversy over the selection of referees and touch judges for the finals. We understand that the decision to appoint other than the top-ranked referee (which was then Mr Rolland) for the top ranked quarter-final (New Zealand vs. France) was made because of:

- (a) A preference to keep that referee for the final; and
- (b) The second ranked referee (Mr Barnes) could not referee the second ranked quarter-final because it involved his home country England - therefore he was elevated to referee the final.

The thinking was that the winner of New Zealand and France would progress to the final and the preference was not to have the same referee officiate the same team twice during the playoffs. The logic of this is difficult to understand but it will be debated in another forum.

10.3 The IRB has previously dispensed with the specialist touch judges used in the pool play and used the top referees to perform the touch judge role in the finals. That was the plan in 2007 and it was followed. That decision has been questioned in light of the performances in the finals and will be reviewed by the IRB we understand.

## 11. APPENDIX 1 - TERMS OF REFERENCE

### TERMS OF REFERENCE

#### THE INDEPENDENT REVIEW OF THE 2007 RUGBY WORLD CUP CAMPAIGN

Purpose:	To review the New Zealand Rugby Union's campaign for Rugby World Cup (" <b>RWC</b> ") 2007 with the objective of determining and documenting the material learnings, both positive and negative, for the benefit of future campaigns.
Scope:	Review all material aspects of the RWC 2007 campaign including, but not limited to, the following: <ul style="list-style-type: none"> <li>• Preparations and planning for RWC 2007, and in particular: <ul style="list-style-type: none"> <li>- Level of human resources committed to the campaign;</li> <li>- Contingency planning;</li> <li>- Revenues and expenses;</li> <li>- Stakeholder communications and process of engagement.</li> </ul> </li> <li>• Conditioning programme;</li> <li>• All Blacks Coaches selection/rotation policy;</li> <li>• Leadership;</li> <li>• Tournament Logistics;</li> <li>• New Zealand referees selected for RWC 2007;</li> </ul>
Specific Focuses:	Amongst other things the Review is to report on the following key issues with a view to making recommendations for the future: <ul style="list-style-type: none"> <li>• Length of the organisational strategy to win RWC;</li> <li>• The quality and effectiveness of the planning and preparation for RWC, including its impact on non-RWC activities;</li> <li>• The impact of the conditioning programme including its effects on the players, competitions, stakeholders including commercial partners and fans;</li> <li>• The impact of the All Blacks Coaches selection/rotation policy including its effects on the players, competitions, stakeholders including commercial partners and fans;</li> <li>• Changes, if any, required to the High Performance Plan, including team leadership and mental preparedness;</li> <li>• The management of player welfare;</li> <li>• Size of squad pre RWC and Management Team pre and during RWC;</li> <li>• Cost/benefit analysis of winning/not winning RWC 2007.</li> </ul>
Term:	The Review is to cover the period from 23 March 2006 up to the time of the completion of the Review.
Authority to Act:	Authorised to act as the agent of the NZRU for the purpose of this review and the NZRU will make available their employees and information to the extent necessary for the purposes of the review.
Resources:	Access to all NZRU personnel and resources including, but not limited, to:

- RWC 2007 Plan;
- Other relevant Board papers;
- 2007 All Blacks Management and Coach Review documentation including fan research, 360 degree interviews etc;
- Relevant High Performance Plans;
- Player records.

Interviews: Interview representatives of an agreed range of parties which may include:

- NZRU Board Members;
- Senior NZRU Management;
- All Blacks Management and Coaches;
- Rebel Sport Super 14 Franchise Board Members, Management and/or Coaches;
- Provincial Union Board Members, Management and/or Coaches;
- IRB and RWC Limited Board Members and Management;
- Organising Committee Management;
- New Zealand Rugby Players Association;
- Broadcasters;
- Sponsors;
- Media;
- Players.

Timetable: The timetable is as follows:

- Draft Report by 10 March 2008 so that it can be considered by the Board on 20 March and for anyone adversely affected to be given an opportunity to comment;
- Final Report by 10 April 2008<sup>26</sup> so that it can be reported on at the AGM on 23 April if so desired.

Responsibility: The Board, through the Chairman and CEO, is responsible for overseeing and managing the Review but day-to-day management should be coordinated through the General Counsel.

Confidentiality: All material and information gathered through the course of the review remains confidential to the NZRU unless otherwise agreed.

All media comment to be authorised by the NZRU in advance.

---

<sup>26</sup>

We agreed an extension of this date to 14 April, primarily as a result of a delay in receiving feedback on the draft report.

**12. APPENDIX 2 - INTERVIEWEES<sup>27</sup>**

- 12.1 Jock Hobbs, NZRU Board Chairman
- 12.2 Ken Douglas, NZRU Board Independent Member
- 12.3 Mike Eagle, NZRU Board Southern Representative
- 12.4 Chris Moller, NZRU Former CEO
- 12.5 Steve Tew, NZRU CEO
- 12.6 Steve Cottrell, NZRU Management
- 12.7 Fraser Holland, NZRU Management
- 12.8 Andrew Hore & Mike Chu, High Performance NZRU
- 12.9 Graham Henry, All Blacks Head Coach
- 12.10 Steven Hansen, All Blacks Assistant Coach
- 12.11 Wayne Smith, All Blacks Assistant Coach
- 12.12 Darren Shand, All Blacks Manager
- 12.13 Brian Lochore & Gilbert Enoka, All Blacks Selector/Mental Skills Coach
- 12.14 Graham Lowe, All Blacks Lead Conditioner
- 12.15 Peter Gallagher & Deb Robinson, All Blacks Physio/Doctor
- 12.16 Brett Hollister, North Harbour CEO
- 12.17 Andy Dalton, Blues and Auckland CEO
- 12.18 David Nucifora, Blues Coach
- 12.19 Peter Coleman, Jonathan Moyle & Mark Harvey, Blues Doctor/Physio/Lead Conditioner
- 12.20 Greg Peters, Hurricanes and Wellington CEO
- 12.21 Colin Cooper, Hurricanes Coach
- 12.22 Ian Murphy, Glenn Muirhead, Andrew Beardmore & Stephen Hotter, Hurricanes Doctor/Physio/Lead Conditioner/Conditioning provider during the conditioning window
- 12.23 Hamish Riach, Crusaders and Canterbury CEO, David Rhodes, Canterbury RFU Chairman
- 12.24 Robbie Deans, Crusaders Coach
- 12.25 Tony Page & Steve Muir, Crusaders Doctor/Physio
- 12.26 Ross Young, General Manager RWC Limited
- 12.27 Rob Nichol, CEO, NZ Rugby Players Association

<sup>27</sup>

Those listed jointly were interviewed together

- 12.28 John Fellet, CEO, Sky TV
- 12.29 Peter Macourt, COO, News Limited
- 12.30 Nick Drake, Head of Rugby, adidas International
- 12.31 Greig Bramwell, NZ Managing Director, adidas
- 12.32 Peter Kean, Managing Director, Lion Nathan NZ
- 12.33 Richie McCaw, All Blacks Captain
- 12.34 Reuben Thorne, Player
- 12.35 Rodney So'oialo, Player
- 12.36 Ali Williams, Player
- 12.37 Tana Umaga, Former Player
- 12.38 Keith Lawrence, NZRU, Referee Manager
- 12.39 Paddy O'Brien, IRB Referee Manager
- 12.40 Brent Impey, CEO, TV3
- 12.41 Paul Quinn, NZRU Board Member

### 13. APPENDIX 3 - DOCUMENT LIST

#### 13.1 Folder 1

#	Tab	Document	Synopsis	Page Number
1	1	Collective Employment Agreement	Generic agreement between NZRFU and players.	1
2	2	RWC 2007 Participation Agreement		116
3	5	AB's Induction Manual	Team information, structures, game plans etc.	1012
4	6	2003 RWC Review - Brian Roche	15 page review.	1060
5	6	RWC Project Group Meeting	Outline of key areas of focus with broad action strategy.	1072
6	6	Email from Graham Henry to Stephen Cottrell	Outline of proposed rehabilitation during Super 14.	1075
7	7	RWC Project Plan memo and Budget		1076
8	7	RWC Project Plan	Task list and project timeline.	1078
9	8	RWC WIP Agenda/action spreadsheet		1110
10	9	RWC WIP Agenda Table	29 December 2006.	1119
11	10	RWC Technical Advisory Committee Minutes	Action points as at 9 June 2006.	1125
12	11	RWC Scenario Planning	1 <sup>st</sup> draft, accompanying email, Final Copy and Communication Plan.	1127
13	12	RWC Risk Analysis: On-field performance	Including Back up personnel plan.	1157
14	13	Doping/illness risk evaluation and plan		1164
15	14	RWC Security Plan and Key Contact info	Including Critical incident management.	1182
16	15	AB's Marketing and Communications Plan		1232
17	16	NZRFU Presentation to RWC Sponsors		1260
18	17	Emails regarding AB support of MFAT and NZTE Activities during RWC		1284
19	18	AB's Sponsors activities during RWC		1288
20	19	RWC key person plan		1294

## 13.2 Folder 2 - Board Minutes

#	Tab	Document	Synopsis	Page Number
21	2005-Sept	Board meeting minutes - 21 Sept 2005	RWC Participation Agreement - progress report.	384
22	2005-Dec	Board meeting minutes - 15 Dec 2005	Resolution to execute, and further P.A. info.	385
23	2006-March	Board meeting minutes - 23-24 March 2005	RWC Presentation, AB jersey, RWC Bonus's - includes Project Plan (406) On-field prep, Player/union payments, Size of team/mgmt.	393
24	2006-April	Board meeting minutes - 28 April 2006	Update on proposed conditioning break.	497
25	2006-May	Board meeting minutes - 25 May 2006	Update on proposed conditioning break - consultation process, Financial implications (517) ( )..	501
26	2006-May	( )		517
27	2006-May	Interested parties response to Conditioning		529
28	2006-May	S14 Franchise Meeting	Re: squad size, salary cap, management ( )..	538
29	2006-June	Board meeting minutes - 16 June 2006	( )	549
30	2006-July	Board meeting minutes - 21 July 2006	( )	593
31	2006-July	CEO's 2006 NZRU Priorities		596
32	2006-July	Conditioning programme costs in detail	NB: Summary (615-616).	599
33	2006-July	Correspondence between Steve Tew and Rob Nichol (NZRU and NZRPA)	Discusses proposals, including wives and partners allowance.	617
34	2006-July	Memorandum to Franchise CEO's	Re: Conditioning programme impact on Franchises.	627
35	2006-July	SANZAR's legal advice	Re: broadcasting obligations and conditioning programme.	657
36	2006-August	Board meeting minutes - 18 Aug 2006	( )	663
37	2006-September	Board meeting minutes - 21 Sept 2006	Correspondence relating to NZRU/News Limited confrontation over conditioning proposal including legal opinion.	683
38	2006-October	Board meeting minutes - 20 Oct 2006	Conditioning Programme approval, other SANZAR conditioning programmes.	746
39	2006-October	NZRU Conditioning Programme Memo - 7 Sept 2006	Sets out performance/player welfare reasons for CP. Includes empirical evidence.	762
40	2006-December	Board meeting minutes - 15 Dec 2006	Including Player Welfare Analysis (813) and Conditioning Programme Supporting Papers (817).	803
41	2007-February	Board meeting minutes - 22 Feb 2007	Summary of CP's progress (915).	911
42	2007-March	Board meeting minutes - 22 March 2007	CP Update (939) RWC Update (945).	935
43	2007-April	Board meeting minutes - 27 April 2007	RWC Update, crowd figure comparison.	954
44	2007-May	Board meeting minutes - 25 May 2007	RWC Update, inc actual decrease in crowds (976).	970
45	2007-July	Board meeting minutes - 20 July 2007	CEO's Report on RWC, RWC Update.	984
46	2007-Aug	Board meeting minutes - 24 August 2007	Including Don Trickers observations on RWC campaign.	1000
47	2007-Oct	CEO's Report - RWC Update		

## 13.3 Folder 3

#	Tab	Document	Synopsis	Page Number
48	3	IRB Referee performance report (Hilditch)		1301
49	3	Hilditch report review	Keith Lawrence/Colin Hawke.	1315
50	3	Media articles	Re: Paddy O'Brien, RWC Referee's.	1325
51	4	Lochore report on RWC		1329
52	5	Tricker report	AB v SA (8-15 November 2007).	1333
53	6	2007 Season Coaches/managers report	Includes player performance statistics and feedback.	1355
54	7	2007 Managers Report		1391
55	8	Combined 360 degree Feedback Report	Includes Fan Monitor.	1459
56	9	Steve Cottrell - RWC Report		1467
57	10	Statistics	Scoreboard results and Verusco statistics.	1479
58	11	Graham Henry - Job description/KPI's		1494
59	12	Steve Hansen - Job description/KPI's		1508
60	13	Wayne Smith- Job description/KPI's		1520
61	14	Darren Shand - Job description/KPI's		1532

## 13.4 Folder 4

#	Tab	Document	Synopsis
62	1	Cottrell email regarding Commercial Positives and Negatives of RWC	Includes RWC 2007 Budget and RWC 2007 Incremental Revenues/Expenses.
63	1	Summary of Financial Impact of RWC	From NZRU Financial Manager - includes gross and incremental costs/revenues (Actual).
64	2	NZRU High Performance Plan 2005-2007	
65	3	KPI's as per 03 Contract	Updated for 06/07 on-field targets.
66	4	Super 14 2007 Ratings Analysis - presentation print out, and A3 diagram of viewership	Print out of presentation on the Super 14 2007 viewership ratings for SKY (44 pages + 1 A3 page).
67	5	Rugby World Cup 2007 Media Review	Rugby World Cup 2007 Media Review by Nessie Chan, dated Monday 11 February 2008. An analysis of media commentary on three key policies: the Conditioning Programme, selection/rotation policy and the focus on the RWC as a priority.
68	6	Letter requesting modifications to Draft Report from Keith Binnie	Letter outlining the clauses to be removed from the Draft Report on the grounds of commercial sensitivity and/or confidentiality - Monday 17 March 2008.
69	7	Feedback from Brent Impey	Email from Brent Impey with response to specific comments - received Tuesday 18 March 2008.
70	8	Feedback from Ross Young	Email from Ross Young with response to specific comments - received Tuesday 18 March 2008.
71	9	Feedback and CD from Wayne Smith	Email from Wayne Smith with his feedback. Also a CD was sent containing responses to the Draft Report - received Thursday 20 March 2008.
72	10	Feedback from Paddy O'Brien	Verbal feedback from Paddy O'Brien with regard to specific comments - dated

#	Tab	Document	Synopsis
			Thursday 20 March 2008.
73	11	Feedback from Nicholas Drake	Email from Nicholas Drake with his comments about his paragraphs in the Draft Report - first correspondence received Friday 21 March 2008.
74	12	Feedback from Deborah Robinson	Letter from Deborah Robinson with feedback about the Draft Report - received Monday 31 March 2008.
75	13	Feedback from Graham Henry/Wayne Smith	Verbal and written response from Graham Henry and Wayne Smith - dated Monday 31 March 2008.
76	14	Feedback from Peter Kean	Letter containing revised comments from Peter Kean about the paragraphs sent to him for reviewing - received 1 April 2008.
77	15	Feedback (verbal and written) from John Fellet	Verbal and written response from John Fellet - dated Tuesday 1 April 2008.
78	16	Feedback from NZRU	Letter with feedback about the Report from Steve Tew on behalf of the NZRU, including: NZRU Board members, Graham Henry, Steven Hansen, Wayne Smith, Darren Shand, Debs Robinson, Peter Gallagher, Fraser Holland, Sir Brian Lochore, Stephen Cottrell, Chris Moller - received Wednesday 2 April 2008.
79	17	Feedback from Rob Nichol	Email from Rob Nichol with his comments about the Draft report - received Thursday 3 April 2008.
80	18	Feedback from Keith Binnie	Email from Keith Binnie with attached spreadsheet: Individual All Black game load- received Wednesday 2 April 2008.
81	18		Email from Keith Binnie with attached spreadsheet: Hurricanes CABs Transitioning Back into S14- received Wednesday 2 April 2008.
82	18		Email from Keith Binnie with attached spreadsheet: Chiefs CABs Transitioning Back into S14- received Wednesday 2 April 2008.
83	18		Email from Keith Binnie with attached spreadsheet: Crusaders CABs Transitioning Back into S14- received Wednesday 2 April 2008.
84	18		Email from Keith Binnie with attached spreadsheet: Highlanders CABs Transitioning Back into S14- received Wednesday 2 April 2008.
85	18		Email from Keith Binnie with attached spreadsheet: Blues CABs Transitioning Back into S14- received Wednesday 2 April 2008.
86	19	Feedback from Graham Lowe	Email from Graham Lowe with response to the Draft Report - received Friday 4 April 2008.