



Why Are the NBA's Richest and Most Valuable Team, The New York Knicks, Playing so Poorly? How Does the Team's Management Strategy Affect Its Record?

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Abstract. This paper will focus on the New York Knicks—an NBA team located in New York City, New York, that plays in the Atlantic Division of the Eastern Conference. As the richest team in the league, the Knicks have consistently finished at the bottom every year. This paper will specifically focus on analyzing how the general manager, coaching team, and management strategy of the Knicks affect its team record. The conclusion is that a steady stream of revenue, a lack of crisis awareness, and years of management incompetence are the main reasons for the team's poor record.

Keywords: New York Knicks · Jim Dolan · Phil Jackson · Tom Thibodeau

1 Introduction

New York Knicks was founded in 1946 and reached the NBA finals eight times, winning twice in '70 and '73. However, the Knicks have made the playoffs only four times since the 2001–2002 season, the fewest playoff appearances by any NBA team over the past 18 seasons. Yet the Knicks' average ticket price is more than four times the average of the four cheapest teams in the league. They cost over 50 percent more to watch than any other team except the Lakers. While the Brooklyn Nets also is located in New York, they charge only half as much as the Knicks in 2015. So specifically, this paper will focus on evaluating why the NBA's richest and most valuable team has played so poorly? How does the team's management strategy affect its record?

As the best-funded team, the Knicks should have plenty of opportunities to sign star players rather than being limited by the salary cap as some smaller teams are. However, the Knicks have never had a top player or a good record since 2013. The way the team is managed and run must play a big part. There are two comparable teams: Brooklyn Nets and Los Angeles Lakers. Firstly, the Brooklyn Nets, which also have a great location in New York City and high cap space, have acquired many star players through trades and signings over the years. Secondly, the Los Angeles Lakers, which has a top geographical location, team salaries, and values, have played a good team record these years and won the NBA championship for the 2020 season.

2 Revenue

First of all, talking about the Knicks' revenue. Basically, there are four types of team revenue sources: Media Rights, Sponsorships, Gate revenues, and Merchandising. As one of the most prosperous cities in the world, New York is flooded with tourists every day. Therefore, tourists will choose to watch the world's top basketball game while sightseeing. So, it's not the team's performance or the love of basketball that draws millions to every Knicks game; it's simply the perfect location. According to data, the Knicks' gate revenues are \$3 million per game; as there are 82 games a season with 41 home games, their total gate revenues achieve about 123 million, which accounts for most of the Knicks' revenue (Reuters) [1]. Also, as New York is the nation's broadest media market, more households subscribe to the Knicks' channel than any other team in the league. So, in addition to good attendance, Media rights are why the Knicks are the wealthiest team in the league. Also, the Knicks have one of the best sponsorships in the league. Its main sponsors are Delta Air Lines; JPMorgan chase; Lexus; PepsiCo, which account for about 20 percent of the Knicks' total revenue. (Forbes) [2] In addition, New York's other sports leagues undoubtedly contribute to the Knicks' revenue. Such as the Yankees and Mets in MLB, the Rangers in the NHL, and the Liberty in the WNBA.

Compare the knicks' current management and record to previous seasons. Knick had a golden generation in the 1970s. After that, beginning in 1990, the team's owner and CEO became Jim Dolan. Dolan understood the entertainment business and maximizing profits but lacked vision and planning. But he is in no hurry to change that because, as mentioned before, the Knicks often have sold-out games despite the team's poor record. Putting profit first rather than winning may be why the Knicks' record has stagnated for many years.

3 Roster Strategy

Also on the table is the knicks' roster strategy. The Knicks named Donnie Walsh as their general manager in 2008. He was eager to bring top, talented young players to the Knicks, so he signed Carmelo Anthony for two future first-round picks as the team's cornerstone. Anthony's salary at the time was \$17 million; The Knicks' overall payroll for the 2010–2011 season was \$67 million, 17th in the league. However, Donnie Walsh also signed a player named Amare Stoudemire to a five-year, \$100 million contract that proved disastrous later (Bleacherreport) [3]. After his first season, Stoudemire started just 82 games in more than three years because of knee problems. In addition to the fact that he didn't meet the expectations the Knicks had for him, his vast salary significantly impaired the salary-cap flexibility, the Knicks' total payroll for the 2012–13 season was \$89 million, the second-highest in the league. (Hoopshype) [4] Because of this, the team couldn't sign any more players built around Carmelo (Fig. 1).

And later, in 2014, Knicks owner Dolan realized the importance of management, so he spent five years and \$75 million hiring Phil Jackson, who was not a coach but the team's president (Wikipedia) [6]. His selection of Latvian youngster Kristaps Porzingis with the fourth overall pick in the 2015 NBA draft (Wikipedia) [7] was seen as a far-sighted move. However, in 2015, Phil Jackson led the Knicks' three-way trade with the



Fig. 1. Anthony and Stoudemire (Al Bello/Getty Images) [5] (resource: “New York Knicks Basketball.” NYCgo.com, www.nycgo.com/events/new-york-knicks-basketball/. Licensed by New York Knicks Basketball)

Cavs and Thunder, sending J.R. Smith and Iman Shumpert to the Cavs for a 2019 s-round pick as well as Alex Kirk and Luis Amundsen and Lance Thomas from the Thunder. Coker, the 2014 NBA draft’s undrafted center, played in just five regular-season games for the Cavs, scoring four points and one rebound in 14 min, and was cut after being traded to the Knicks; Amundsen was an undrafted forward in the 2006 NBA draft. He never averaged 5.0 points or rebounds in a single season; Lance Thomas was the only “useful” player in the deal, averaging 8.3 points and 3.0 rebounds in 40 regular-season games. The trade of Smith and Shumpert for useless players has made a mess of the team. It turned out that the trade didn’t really help the Knicks but helped the Cavaliers reach the Finals three years in a row and win the franchise’s first title in 2016.

Meanwhile, the emergence of Phil Jackson was a significant reason for Carmelo Anthony’s departure from the Knicks. Phil Jackson loves the triangle offense, also called the triple-post offense, which is “a basketball offense strategy that places all five players in a complex arrangement design, allowing them an array of scoring opportunities” (MasterClass) [8]. Phil Jackson continued to use the triangle after leaving the Lakers for the Knicks. This strategy has much freedom because it requires five players on the court to change positions constantly, but it also requires a lot of space insight for the



Fig. 2. Scott Perry (Source Daily Knicks, <https://dailyknicks.com/2020/05/01/knicks-why-retain-ing-scott-perry-makes-sense-for-now/>, 2020. Licensed by Daily Knicks)

player on the court. It turns out, though, that the triangle, which led Phil Jackson to 11 championships, doesn't work for the Knicks. As the absolute core of the Knicks at that time, Carmelo Anthony was very dissatisfied with Phil's interference in the coaching staff when he was president of basketball operations. He hated Phil Jackson for forcing the triangle offense regardless of the status quo. This also led directly to his final departure. And then, in the summer of 2016, Phil Jackson didn't hesitate to offer Joakim Noah a four-year, \$72 million contract with the league's salary cap skyrocketing. Noah was already suffering from injuries at that time, and his form was slipping. Phil Jackson wanted to prove himself right away, but Noah was expendable after two injury-plagued seasons with the Knicks, and no team was willing to take the junk contract. So, after the two seasons, the Knicks released him, buying out his contract with the stretch provision, meaning he was free to play for any other team, and the Knicks still owed him \$6.4 million per year for the next three years. Once again, the Knicks are throwing out big, useless contracts.

In 2017, Scott Perry took over as general manager of the Knicks (The Athletic) [9]. Perry made some influential moves during his tenure, including signing Julius Randle to a three-year, \$62.1 million deal in 2019 and drafting RJ Barrett as the team's new cornerstone. It was one of the few good options the Knicks have had made over the years (Fig. 2).

However, the Knicks haven't tried to rebuild their franchise over the past few decades through the draft. Instead, they either want to trade to get superstar players or overpay for players flailing with serious injuries. The Knicks' efforts to sign big-name players over the past decade proved futile. In 2019, the Knicks sent Hardaway Jr., Porzingis, and

others to the Mavericks to simultaneously sign Kyrie Irving, Kevin Durant, and other free agents in exchange for a bunch of expired contracts. But the two stars went to the Brooklyn Nets instead. The Knicks, with \$75 million in cap space, didn't land a star player and had to make up for it by signing a bunch of big-money role players. They remain so bad because they have always been impatient to focus on building teams, believing that big free agents will want to come to New York and play basketball in the Madison Square Garden.

In seven seasons from 2013 to 2020, the New York Knicks had changed four head coaches, the most of any NBA team. While none of these coaches have bad ratings, the Knicks have never made the playoffs. In addition to the coach's inconsistent style, the Knicks' lack of patience and luck on the part of their owners and management and the team's lack of star players have contributed to the team's poor record. Then the Knicks signed Tom Thibodeau as their new coach in 2020. The Knicks finished fourth in the Eastern Conference in 2020–21 under Thibodeau and made the playoffs for the first time since 2012–13. However, one season later, the Knicks again slipped to 12th in the Eastern Conference, missing the playoffs, which is a solid connection to Thibodeau's coaching style. Thibodeau is a workaholic who values defense and discipline and is known for his rigorous training and particular demands. As a manager with a great desire to win, he is very strict with his players and pays great attention to their positive performances on the pitch. But at the same time, he was a bit overdone. Looking back at Thibodeau's past coaching seasons, he has led teams that were amazing one season and then terrible the next. Thibodeau is not willing to change or stop coaching in a rut. He still runs the game in an old-fashioned way, in which key players should play significantly more minutes, and he doesn't know how to manage rotation and the new generation of managers. So, playing under Thibodeau, the core players are getting many minutes. In addition to the game on the court, Thibodeau gave his players the exact strict training requirements off the court. No player on Thibodeau's team will have much time to relax during the long regular season. This pressure on and off the pitch adds to an effect on a player's form. Thibodeau became head coach of the Minnesota Timberwolves during the 2016 season, helping the team end a 13-year playoff drought in his second season here. The Timberwolves were in the same situation as the Knicks are now. When everyone thought this young team was on the rise, they quickly collapsed under the weight of fatigue. So, in 2022, Thibodeau is still using a coaching philosophy from 20 or 30 years ago, treating stars at a fast pace like iron men. In the era of progress, the concept of basketball is always moving forward, and Thibodeau does not know how to ease the pressure of the game, which is the main reason for the Knicks' poor record this season.

4 Conclusion

To sum up, the Knicks have long been the richest team in the league, enjoying the benefits of New York City and good revenue prospects. Therefore, the Knicks' primary goal is not to win games or have good results compared to other teams in the NBA. Consistent revenue, a lack of sense of crisis, and management incompetence are the main reasons for the team's slump. To get back to the top, the Knicks should settle down and spend time developing new players, rather than trying to win top players by trade, which has proven to be a failure over the years (Statista) [10].

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