



BRIEF

# First round of March Madness said to cost employers \$4B in lost productivity

By Valerie Bolden-Barrett • March 12, 2017

## Dive Brief:

- Analysis around the first round in March Madness estimates that employers lose \$4B in lost productivity thanks to the games, says SHRM. Employers also have to keep a watchful eye on workplace wagers, as some workers could reveal personal problems with gambling or out-of-control debt. But SHRM says this doesn't mean employers need to shut down pools.
- SHRM notes that HR typically doesn't notice office pools, and law enforcement isn't known to conduct gambling raids in the workplace. But the organization advises HR that no-gambling policies or restrictions on wager amounts must be administered fairly and uniformly. No employee should be prevented from participating in a pool and no one should be retaliated against for complaining about bettors.
- SHRM says some offices strictly forbid any kind of gambling because of concern that employees might end up indebted to one another. Therefore, employers should see that pools are structured to promote friendly competition and aren't disruptive.


## **Dive Insight:**

Employers can view March Madness as a time for promoting camaraderie among staff. Since employees are going to try watching the playoffs and keeping track of wins and losses on their computers or cell phones, employers might set aside an area and a time in the workplace for them to gather to view the games.

Employees might need to be reminded of workplace policies on using the Internet for nonwork-related activity for extended periods. But creating a Super Bowl-like atmosphere during March Madness can foster team spirit, as long as productivity doesn't suffer in the process.

Some employers may have to be more careful than others. SHRM says HR in nonprofit or government agencies might need to oversee pools or eliminate them entirely because the possibility of taxpayers' funds being used could generate scrutiny. Since many states ban gambling, employers need to be familiar with the laws in their state to make sure March Madness pools don't rise to the level of illegal gambling.

## **Recommended Reading:**

 SHRM

[Despite Concerns about March Madness Pools, Don't Shut Them Down](#) 