

## Are March Madness Pools a Good Bet for the Workplace?

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It's March Madness season and the start of the NCAA Division 1 college basketball tournament, creating an annual litany of problem areas for employers to deal with.

It's similar in many offices across the country: John circulates a bracket on the company email system to a group of 25 employees, asking each one to fill out the bracket and predict the winner of the NCAA Championship. Over lunch each employee throws \$25 into a hat. The winner of the bracket challenge will receive all the money collected. Employees spend hours - work hours - surfing the Internet researching college teams and expert predictions to help complete their brackets. When the tournament begins, several employees bring their iPads to work and stream the games during work time. The company also notices a spike in absenteeism. Some employees report to work looking hung over.

It leads to the yearly question employers deal with: Are March Madness pools a good bet for workplaces? Many companies believe that while such pools may enhance employee morale, their benefits are outweighed by their negative impact.

Gambling at work is illegal in many states. In other states it is unclear. In Pennsylvania, gambling is illegal unless specifically authorized by statute. While Pennsylvania has expanded its gambling laws in the last several years, it is unclear whether social gambling in Pennsylvania is legal. An employer's express or tacit sanctioning of a sports betting pool in the office which is not covered under any statutory exception in Pennsylvania may create liability for the participants and possibly the company. If an employer has multiple offices across state lines, electronic transmission of office betting pools may implicate federal law violations as well.

March Madness pools also could directly affect productivity. Employees may be diverting work time to an obsessive focus on both completing and monitoring their brackets. Attendance problems may arise as employees call off on Thursdays and Fridays, ostensibly for a legitimate purpose, when the real goal is to watch games broadcast during work hours.

Employers need to evaluate the risks created by office betting pools against the benefits to employee morale. Many companies have built into their work rules prohibitions against betting and gambling at work. In addition, spending excessive time on the clock focused on March Madness activities while being paid may constitute theft of time and falsifying reasons for absenteeism may violate company policies.

Given the popularity of March Madness brackets many employers have developed policies specifically addressing issues of office betting pools so employees understand what is expected of them. Alternatively, some companies may choose to issue a communication at the start of the month addressing what is permissible and not permissible surrounding March Madness activities.

If you have any questions about employment guidance for handling the inherent issues that come with the NCAA Tournament, please [reach out to me](#) or any of the attorneys in [Barley Snyder's Employment Practice Group](#).

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**Jennifer Craighead Carey**

Managing Partner

Tel: (717) 399-1523

Email: [jcraighead@barley.com](mailto:jcraighead@barley.com)