Real March Madness: Rewarding Schools for Low GSRs

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Every March four regions of the country (representing thirty-one conferences and 315 schools) send sixty-five teams to the NCAA men's Division I basketball tournament. Each conference's share of NCAA basketball fund revenues is based on the participation and cumulative performance of their member teams over the six previous tournaments. In 2010, for example, based on the 2004 through 2009 tournaments, the Big East conference was projected to receive over $23.1 million while six other less successful conferences were slated to receive slightly more than $1.3 million each. In this brief research note, we compare for all schools in the annual men's NCAA college basketball tournament their basketball fund distribution (under the assumption that the conference money is split evenly among all member institutions) and their basketball program graduation success rate (hereafter GSR).

Basketball fund distributions by conference are annually reported by the NCAA at www.ncaa.org in their membership report under "Budget & Finances". GSRs, first introduced by the NCAA in 2005, modifies the federal graduation rate (all first-time full-time students who complete their degree within six years) by excluding students who leave the school in good academic standing (from the denominator) and including those who transfer in and graduate (in the numerator). GSRs for the men's teams in the NCAA Division I basketball tournament are from Lapchick (www.tidesport.org).

For each year (2008, 2009, and 2010), a school's overall basketball student-athlete GSR (*BBALL_GSR*) was regressed against the school's share of its conference basketball fund distribution, in hundreds of thousands of dollars (*DISTRIBUTION*) and the institution's overall student-athlete average GSR (*ATHLETE_GSR*). The average GSR for all student athletes controls for the general academic performance of all athletic teams at any given institution. The regression results for 2010 were as follows (t-values in parentheses):

$$\underset{}{BBALL\_GSR} = \underset{(-3.50)}{-57.24} - \underset{(-3.33)}{1.125}\, DISTRIBUTION + \underset{(7.99)}{1.652}\, ATHLETE\_GSR$$

$$R^2 = 0.526$$

In this regression, a $100,000 increase in the NCAA's basketball fund distribution received by a school represented at the NCAA basketball tournament corresponds to a 1.125 point decrease, on average, in the graduation success rate of its men's basketball team. The *DISTRIBUTION* variable was significant in this regression ($p = .001$) as well as in the regressions for the two previous years ($p = .004$ in 2009 and $p = .025$ in 2008).

In summary, NCAA basketball fund distributions had a statistically discernible negative effect on men's basketball team GSRs from 2008 through 2010. This inverse relationship between financial rewards and academic success (as measured by the GSR) suggests that elite Division I basketball programs achieve athletic glory and profit handsomely at the expense of their athletes' education. At first, one may wonder why there is not a direct relationship between winning and graduation rates. After all, for the hoopla about the importance of winning, head coaches would want to keep their star players in school. But, as others have pointed out [for example, Adler, P. & Adler, P.A. (1985). From Idealism to Pragmatic Detachment: The Academic Performance of College Athletes. *Sociology of Education*, 58(4), 241-250], academic assistance provided to athletes might actually hinder academic performance because athletes realize too late that the help they received was only administrative, not substantive. As a result, long practices and missed classes notwithstanding, athletes become disillusioned and their performance in the classroom suffers.