

March Madness Slams Business for \$1.7 Billion

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With as many as 37.3 million workers participating in March Madness office pools and up to 1.5 million watching games



online from their desks, it is a wonder that any meaningful work is actually completed during the last two weeks of March, when the NCAA holds its men's college basketball championship tournament, says outplacement firm Challenger, Gray & Christmas Inc.

According to its annual estimate, the annual distraction could cost employers as much as \$1.7 billion in wasted work time over the 16 business days of the tournament, starting the Monday after the teams and brackets are selected (March 17) through its conclusion on Monday, April 7, in San Antonio, Texas. The Challenger estimate is based on the number of people expected to participate in office pools, the amount of money they earn and the amount of work-time wasted on March Madness related activities, whether it is trash talking at the water cooler or watching live videos of the games during business hours.

It's estimated that anywhere from 28.6 million to 37.3 million Americans will participate in March Madness office pools. A 2006 Harris poll found that 13 percent of Americans aged 18 and older (28.6 million people) planned to take part in a March Madness office pool. But others, including the American Gaming Association, cite a 2005 NCAA survey that put the number of March Madness office pool participants at 30 million.

According to the latest available data from the Bureau of Labor Statistics, average weekly earnings among all full-time workers in the fourth quarter of 2007 were \$700 or about \$17.50 per hour (based on a 40-hour work week).

Using average hourly earnings of \$17.50, Challenger calculates that workers earn an average of \$2.92 every 10 minutes ($\$17.50 \div 6$). So, for every 10 minutes of work time the 37.3 million March Madness office pool participants spend focused on the Tournament instead of their job responsibilities, employers will lose \$108.9 million ($\2.92×37.3 million). Even if these workers waste just 10 minutes per day on March Madness, starting the day after selection Sunday, the cumulative outcome is a loss of \$1.7 billion ($\108.9×16) in unproductive wages.

According to statistics from CBSSports.com, nearly 1.4 million unique users visited the site in 2007, watching a total of 2.6 million hours of live video. That is an average of 1.9 hours per user. During the first two days of the tournament (Thursday, March 20 and Friday, March 21), approximately half of the 32 games are played during traditional business hours. Fans on the west coast may be able to begin watching games as early as 9:00 AM.

** Two years ago, *The Daughtry Times*® featured a similar March Madness assignment which is available for download at http://daughtrytimes.com/uploads/The_Daughtry_Times_5-3.doc **

1. In paragraph form, summarize the findings of outplacement firm Challenger, Gray & Christmas Inc.
2. Provided the Challenger survey and/or CBSSports.com results, design and solve a series of algebraic equations to determine the following: i) individual business financial losses over three employees not gainfully employed for 45 minutes a workday for two weeks, ii) all March Madness office pool participants simultaneously viewing a single 30-second highlight clip online, iii) the number of games played during traditional business hours, and iv) the number of overall Americans nationwide who are presently between the ages 18 and older.
3. Assume for a moment that 2/3 of all March Madness office pool participants are male. If a particular organization had 11 females partaking in the pool and 59 total employees on staff, how many of their employees are *not* gambling on March Madness? Does this figure represent the majority? Explain.
4. One fictitious office pool had 25 participants at \$20 each and yields the following financial rewards: 1st place - 45% of total contest entry fees, 2nd place - twice 3rd place plus 5%, 3rd place - two times 4th place, and 4th place winner receives 5%. If the employee who ran the pool dishonestly skimmed 15% of all entry fees for personal compensation, how much more would the 1st place winner receive of the one who came in fourth?
5. Employee x invested \$10 of his \$17.50/hour income on a March Madness pool. Employee y invested the same percentage of his income, which is 7.25% less than x. How much did employee y invest?
6. At 11:03 p.m. on Wednesday, March 26, 2008 Houston scored three points less than Tulsa, seventeen more than Dayton, and fifteen less than Mississippi. Ohio State presently has an eleven-point lead over Dayton who is stranded at 46. What is the difference between the median and the inter-quartile range of the data?
7. Upon completion of this assignment, how far have we progressed through the 2007-08 series of *The Daughtry Times*®? Express your answer as a fraction, decimal, percentage, and pie chart.
8. Complete *The Daughtry Times*® "Writing Guidelines" checklist on all questions requiring a written response. To ensure compliance, neatly label each component adjacent to your paragraph.
9. Complete *The Daughtry Times*® "Preliminary Reading Guidelines" checklist prior to reading the passage and clearly identify each essential component of the article (title, keywords in italics, etc.).
10. Using contextual clues only, explain the meaning of the italicized words: *cumulative*, *gaming*, and *firm*. Additionally, use each in a sentence to demonstrate further comprehension.
11. In paragraph form, explain at least five legitimate and educational purposes behind *The Daughtry Times*®.