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# The Opportunity for Profit to College Student-Athletes-Analysis Study

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#### **Abstract**

According to Romero (2018), NCAA athletes should receive better compensation; he also said that demand for elite professional athletes is related to salary, just as in any professional industry. Collegiate studentathletes devote daily time and energy to completing their profession. The likelihood of a high school student-athlete taking part in a collegiate sport is extremely low. This number drops even more for student-athletes who receive full-ride scholarships. Although some college student-athletes are compensated through educational opportunities or academic scholarships, they still live at or below the national poverty level. The NCAA is a nonprofit organization that regulates collegiate sports. This recent study emphasizes the livelihood of collegiate student-athletes and the rules they must follow; more so, it investigated the possible opportunities that college student-athletes might have. These opportunities may come in the form of challenges compensation future and endorsement opportunities. Additionally, this study looked at the coach's salaries compared to collegiate student-athletes' opportunities to profit from their crafts.

**Keywords:** College Athletics, Student-Athlete, Amateurism, Profitable Opportunity, Employees, Scholarships and Stipends, College Sports Revenue

#### Introduction

Many student-athletes are practically left to stand for themselves during and after the academic semester. Because of the high demands of being a collegiate athlete, very few athletes find the time in their schedule to work a job, attend classes and study hall, and complete homework while attending practices, meetings, and games. These factors include a significant part of traditional students' free time. This study investigated student-athlete's opportunities to profit from their obligation and commitment to their collegiate sports program. Being a student-athlete can be considered a full-time job, yet some struggle to find food and income for necessities, especially those athletes who have not obtained a full or partial scholarship. This current study hypothesized that it might be years before student-athlete's stipends and paid funds are included in the athletic department budget. This study is limited to specific collegiate sports, so figuring out how much to compensate student-athletes taking part in different college athletics programs will be challenging.

# Literature Review College Athletics

There is a high demand for professional athletes due to their salary amounts. The same need for high-quality professional athletes occurs with collegiate athletes; however, student-athletes are not considered employees or paid. According to Robert McCormick, a law professor at Michigan State University, "There were more demands put on these young men than any operative of the University. These young men are laboring under extreme, laborious conditions. Therefore, they are laborers because of the physical demands on them while they at the same time are compelled to attend school" (Cooper, 2011). The NCAA, which governs intercollegiate athletics, formerly known as the Intercollegiate Athletic Association of the United States (IAAUS), was founded in 1906 to create competition and eligibility rules for gridiron football and other college sports. The NCAA adopted its present-day name in 1910. In 1921, it conducted its first national championship event, the National College Track and Field Championship, and it steadily extended its authority over other sports and their college associations or conferences. The NCAA did not get important influences to enforce its rules until 1942. In 1952, it began regulating and organizing live televised college football coverage to protect stadium attendance (Britannica, 2016).

In 2018, of 2.9 million students, ages 16 to 24, who graduated from high school between January and October 2017, 1.9 million, or more than sixty-six% of them, were enrolled in college in October (bls.gov, 2018). This number is 3% lower than the previous year (2017), with more than 69% of

high school graduates enrolling in college. Rather than being about vocational training, the college is still centered on higher education (Beach, 2012). Students attend college to gain a higher level of education to improve their knowledge base and overall livelihood. As the unemployment rate decreases, the economic environment becomes more competitive (Navarro, 2015). Because of this, higher education institutions have an even more significant responsibility to prepare students for a lifetime of success. This responsibility is even more imperative for student-athletes who still need to graduate from college and leave early to pursue their dreams of playing a professional sport. Student-affairs personnel must remain current on not only the challenges but also the needs of their students to help them adjust to the competitive workforce once they have received their college degree (Navarro, 2015). The chances of a high school student-athlete becoming a collegiate student-athlete are meager, but when it comes to being awarded an athletic scholarship, this number drops even lower. According to the NCAA, two percent of high school athletes are awarded athletic scholarships.

#### Student-Athlete

According to the NCAA, more than eight million high school students play a sport in the United States. Still, of this number, only sixteen percent (1,280,000) of these athletes will continue to compete on the collegiate level at an NCAA school. More than 460,000 NCAA studentathletes compete in twenty-four sports yearly (ncaa.org). This number decreased to a smaller percentage related to student-athletes who will continue their athletic careers and become professional athletes or compete on the Olympic level. As reported by usnews.com, during the 2016-2017 academic year, the College Board estimated the typical living cost for a fulltime college student ranged from \$11,810 to \$17,620 on a sensible spending plan, with half of this budget going towards housing (Powell, 2016). Students are fortunate enough to receive "full" scholarships, which include the price of tuition, fees, room, board, and course-related books. Of the NCAA participants attending Division I and II schools, the NCAA supplies more than \$2.9 billion in athletic grants to more than 150,000 studentathletes; Division III schools do not offer athletic scholarships (ncaa.org).

#### Amateurism

Amateurism is a certification the NCAA needs to take part in Division I or II sports (ncaa.org). As defined by the NCAA, an amateur does not have an agreement with an agent. An amateur also has not gained any economic advantage in his/her sport (ncaa.org). Attempting to convince the public that student-athletes should not be paid has been increasingly difficult for the NCAA because of the current economic climate and the size of

endorsement deals received by the NCAA (Huma & Staurowsky, 2011). To keep a clear distinction between collegiate student-athletes, college athletics program levels, and professional athletes' levels, the NCAA tags student-athletes with the title of being an amateur to prevent any exploitation of the college athlete (NCAA et al., 2010). Former Duke University and professional basketball player Jay Bilas said the following of amateurism and the NCAA: An athlete is not exploited when fairly compensated in a business transaction outside the institution.

On the contrary, one could argue persuasively that an athlete is subjugated when disallowed from realizing his or her value. In contrast, his or her reputation and skill are being used to realize a profit for others (2010). Today, college athletics compete with professional sports (Huma & Staurowsky, 2011).

College athletes are making universities and the NCAA billions of dollars stemming from commercial revenues and business partnerships alone. All this is merely for playing the sport they love for the cost of tuition and, for some, the potential of fulfilling a lifelong dream of playing on a professional team. For example, during the 2017 playoffs, according to forbes.com, the four participating football conferences received \$6 million for qualifying (Smith, 2017). While this money does not directly help the participating teams, national championship games stimulate higher demand for game tickets, increasing demand for faster-moving merchandise. According to Smith, alums also tend to be more generous in their money to universities and athletic programs (Smith, 2017). The study, "The Price of Poverty in Big Time College Sport," reported that the average expense for each student-athlete to receive a "full" scholarship was approximately \$3,222 per player during the 2009-2010 school year; however, the compensation for these athletes who received room and board places them at or below the federal poverty level. In 2010, the federal poverty threshold for one person was \$10,830 (aspe.hhs.gov), but the most unfortunate football and basketball players during this same period lived between \$3,000-\$5,000 below the poverty line (Huma & Staurowsky, 2011). These players (football and basketball combined) living thousands of dollars below the federal poverty threshold generated revenues upwards of \$25 million during this period (Huma & Staurowsky, 2011). While the players are forced to live below federal poverty levels, the narrative is vastly different for the people they are playing for—their coaches. While amateur athletes cannot receive compensation for their efforts on the field or court, their coaches sometimes sign contracts for millions of dollars. In 2010, the Duke University basketball team coaches were paid an average of \$2.5 million, excluding bonuses (Huma & Staurowsky, 2011). These basketball players, listed as

having the top ten highest estimated reasonable value, were worth between \$ 620k and \$ 1 million in 2009-2010.

Similarly, the top ten football players estimated fair market values in 2009-2010. They were rated as worth between \$ 345k and \$ 514k, with the top spot being held by football players from the University of Texas (UT). The football coaches from UT were paid an average of more than \$3.5 million apiece before bonuses (Huma & Staurowsky, 2011). While the definition of amateurism has expanded over the years, the NCAA stays firm on policy (McDevitt, 2018). In the current 2018-2019 NCAA Division I Manual, the organization does not state what an amateur is; however, the Principle of Amateurism says that "Student-athletes shall be amateurs in an intercollegiate sport, and their contribution should be motivated primarily by education and by the physical, intellectual, and social benefits to be derived. Student involvement in inter-university athletics stays an avocation. Studentathletes should be protected from exploitation by professional and commercial initiatives." According to the NCAA, the primary difference between an amateur or college student-athlete and a professional athlete is the idea of "remuneration" or fee for service, which includes but is not limited to funds, awards, benefits (either directly or indirectly) for contribution in athletics (Huma & Staurowsky, 2011). Although the definition of "amateurism" might have seemed unclear, the NCAA's concept still is the same; student-athletes shall not be paid. As compensation for the student-athletes' efforts on the field and at their respective universities, who receive "full" scholarships stay living below the federal poverty threshold.

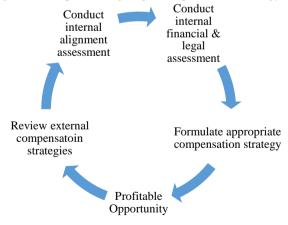
## Profitable Opportunity

The popularity of the two sports could be why the National Collegiate Athletic Association (NCAA) has seen a jump in viewership and revenue over the years. Thanks to football and men's basketball, there has been growth in television ratings and media dollars. Coaches, athletic directors, and universities continually receive help from revenue growth, but student-athletes are disproportionately compensated. While the NCAA is a nonprofit organization, according to usatoday.com, in 2017, it reported over \$1 billion in revenue. After a progression of more than half of the previous year's revenue, the organization said that the growth is partly due to the escalation in TV and marketing fees, revenue from championship events, and investment income. Universities employ student-athletes monitored by the NCAA, yet they do not receive a percentage of the millions of dollars they generate.

If student-athletes receive any form of compensation outside of their contract, these players will have had their college eligibility revoked for violating NCAA rules (Sanderson, Siegfried, 2015). In other instances,

victories have been vacated, teams banned from bowl games, and coaches fired from universities and colleges. Celebrity football coach Nick Saban of the powerhouse program of Alabama signed an \$11.125 million contract with a \$4 million bonus. Also, Saban can earn an added \$700,000 (Berkowitz, 2018). The growth of revenues flowing to NCAA institutions from bowl games to the "March Madness" tournament has created agitation and concern over the distribution of the money. Arian Foster, former running back for the Houston Texans and the University of Tennessee Volunteers, admitted in an interview that he received extra payments during college to eat and pay rent (Ganguli, 2013). According to Foster, the NCAA "has we hoodwinked into thinking that captivating money is wrong as a college athlete. It is wrong for us, but it is not wrong for them. Is it wrong for me to get \$20 to get something to eat? with coaches, school administration, and NCAA executives making millions of dollars off the backs of studentathletes who can hardly afford to sustain a lifestyle outside of the sport they came to college to play." Williams (2014) states that 86% of college studentathletes live below the poverty line. Many of these athletes are African Americans who originated from high-poverty communities and attended college with the hopes of helping their families get out of poverty. Due to the annual income of collegiate sports, especially at larger institutions, it can be concluded that there is no shortage of funds circulating in college athletics, according to Tiell, B., & Walton, K. (2018). Generally, developing a compensation strategy involves a four-step process: (1) reviewing external compensation strategies, (2) assessing the internal alignment, (3) conducting a financial and legal assessment, and formulating the wage compensation see (figure 1).

Figure 1. Steeps to designing a compensation strategy



#### Step one: Review External Compensation Strategies

The initial step in designing a wage compensation strategy is reviewing the external compensation strategy for comparable positions. To make an external compensation comparison, an organization must determine the market rates for specific positions to decide the compensation amount employees will receive. The three basic strategies used to respond to the market rate are (1) meet the market, (2) above the market, and (3) below the market. Meeting the market is the compensation strategy whereby employers position themselves in the middle of the pay range (i.e., market) for the position. Employers may use resources such as the US Department of Education's Equity in Athletic Data Analysis (EADA) website, which publishes aggregate salary information of head and assistant coaches for the institutions receiving federal financial aid. Nonprofit organizations must also report the salaries of their top executive; however, there is no mandate to publish wage information for other employees, which makes it challenging to conduct a market analysis when salary information is not readily available. One means to collect salary data is to conduct survey research on sports professionals in particular sectors or to access league offices that may supply general information that may not be explicitly tied to teams but can aid in figuring out market value for positions. When deciding market value, it is also essential to consider how the organization's location may affect market value. A marketing manager in a large market with an excessive cost of living, such as Los Angeles, may receive \$65,000 yearly. In contrast, the same position in another city with a small to medium market, such as Raleigh, North Carolina, may earn only \$50,000 Per year. Understanding the relationship between market value and location is essential because it will affect the organization's ability to attract talent nationally, regionally, or locally.

# Step two: Internal Alignment Assessment

The second step in finding a proper wage compensation strategy is to assess internal alignment for pay structures. Internal alignment refers to comparing pay within an organization for various levels of positions. Internal equity involves the perceived fairness within an organization for factors such as pay differentials among different jobs or comparable workloads. It is very core; compensation is predicated on paying different rates for different jobs based on the value to the organization. It is well known that a CEO will have higher compensation than an entry-level marketing coordinator; however, that does not mean the marketing coordinator is not valuable. The value of the marketing coordinator for the organization is merely different from that of the CEO, and in an internal market comparison, the coordinator ranks lower than the executive. The following three questions can be asked to

figure out the right internal alignment level: (1) What positions have the highest value? (2) What positions require a prominent level of skill? (3) What position requires an important level of experience? Equity is essential to internal assessment. Employees expect to be compensated compared to employees with similar organizational experience. An entry-level sales representative understands that his or her value to the company cannot be compared to that of a CEO; however, the sales associate will still expect to be paid equitably for his or her contribution to the company in line with other employees of comparable experience and worth. When conducting the internal assessment to decide salary alignment, consideration must be given to the susceptibility of pay compression, which may skew perceptions of internal equity. Pay compression occurs when a long-term employee equals less than newly hired employees, even though the long-term employee has higher education, skill, and experience. For example, consider the professional sports franchise that uses a meet-the-market strategy to offer a social media manager a comparable market value of \$60,000; pay compression will have occurred unless the candidate has a higher education, experience, and skill level.

The prudent business practice to minimize the legal risk of discrimination is to lower the salary offer for a new hire or increase the salary of the internal employees. One strategy to minimize issues involving pay equity is to devise a classification system for a pay-grade scale such as the one used for executives at ESPN. An unauthorized copy of ESPN's payscale system includes at least twenty-five ranks, with the bottom ranks (21-25) appointed for entry-level staff, 18-20 reserved for mid-level managers, and eleven beginning the ranking for vice presidents and seniors. The salary for each level includes a minimum contingent upon eligibility for basic bonus pay in each quarter. The pay-grade change is based on geographic location. For example, an E18 level employee in Bristol, Connecticut, may have a maximum salary of \$67,200. In contrast, the maximum for an employee at the same level and with similar responsibilities in Montgomery, Alabama, would only be \$54.521. Many public universities must use a paygrade scale, and athletic department staff members are subject to a special compensation rate. To devise a pay scale, jobs requiring similar effort, ability, responsibility, and experience are grouped, ranked, and assigned a comparable wage amount reflective of the difference in categories above and below. The advantage of these scales is that they facilitate the belief of pay equity; there are challenges to incentivizing a prospective employee who may be lost to a competitor that is not restricted by a pay-grade system.

## Step three: Financial and Legal Assessment

After reviewing external market information and evaluating internal equity, a financial and legal assessment is the third step in designing an effective wage compensation strategy. Anti-discrimination and Fair Labor Standards Act (FSLA) policies, especially new legislation for overtime exemption status, should be reviewed to ensure compliance. Sports managers and supervisors must also control the organizational budget or collaborate closely with a company's financial officer (CFO) to ensure all employee costs are considered. Limited funds may be available for compensation increases regardless of the intention to employ a particular market strategy or to achieve internal equity. For example, external market analysis by a newly formed Minor League Baseball team may have determined that an average salary of \$45,000 is proper for community outreach. Still, the budget for the position is \$40,000.

# Step four: Formulate a Compensation Strategy

In the last step of designing a wage compensation strategy, organizations must integrate the results of the external market analysis, the internal alignment, and the financial and legal assessment. Reviewing whether the proposed strategy supports the organization's mission is essential at this final stage. If the strategy supports the organization's mission, provides quality employees, and motivates employees to perform at prominent levels, then the compensation strategy is complete.

## **Employees**

"Are student-athletes considered employees of the University?" If student-athletes were to be considered employees of the University, they should then be able to receive far more significant benefits than tuition, room, and board (i.e., scholarships/stipends). Student-athletes may even get to the point where they can unionize and bargain their pay based on the value of the service(s) rendered. Analysts debate whether college athletes should be allowed to unionize and bargain cooperatively based on the worth of the services they provide to educational institutions (Policy Research, 2018). There are rules in place by the NCAA that restrict the amount of time to 20 hours per week that a student-athlete can spend taking part in any athleticrelated activity. However, this rule does not include travel time, time spent in the training room, rehabilitation, personal training, or any volunteerism or fundraising activities (Policy Research, 2018). Although the NCAA has a cap on the number of hours an athlete can spend in athletic-related activities, many events mandated by their coaches will not be included in those 20 hours. Given these factors, athletes are still restricted to four hours per day in different athletic events, not including gamedays. Regardless of how long the

games last, however, game days only account for 3 hours (Policy Research, 2018).

# Scholarships and Stipends

Is the NCAA about education or exploitation? The NCAA has a limited number of full-ride and partial tuition scholarships that Division I schools can offer. Division I colleges can only provide eighty-five full-tuition scholarships per year (Wood, 2017) and athletic scholarships have not covered the total cost of college attendance for a long time (Solomon, 2015). The financial aid office calculates the cost of attendance and how it is regulated. The expenses factored in the cost of attendance (stipend) are direct and indirect costs. Direct costs cover tuition, other school fees, books, and room and board. Indirect costs cover personal expenses such as car notes, insurance, food, and clothing (Russo, 2015). "The NCAA's exploitative marketing comes in exchange for a grant to the industry, and it requires more time playing a sport than studying for classes" (Johnson & Student Nation, 2014). Depending on the school, a monthly stipend can be anywhere from \$235 to \$625.

Most athletes spend their money on car notes, car insurance, gas, and groceries, and some athletes even send cash back home to help their parents. For example, Clemson's defensive end, Clelin Ferrell, sends his monthly checks home to his mother (Glier, 2017). The money these players receive is insufficient and does not add to student-athlete's time taking part in football. Clemson linebacker Dorian O'Daniel's list of expenses included car repairs, gas, and groceries. Coach Jim McElwain described the daily life of a football player in a tweet. The average football player spends 43.3 hours per week practicing football. A typical day for a football player includes practice at seven in the morning, class, weight training, film and other meetings with coaches, practice, and study hall time (Hutchins, 2015). These same athletes miss certain holidays with their families due to football. The main questions about stipends are still: Where will the money come from? College football income was less than \$1.6 billion in 2003. Ten years later, college football generated \$3.4 million in revenue (Gaines, 2014). The revenue for college football has skyrocketed and may continue to grow. Leeds explained, "That is why the universities have coaches in the NCAA getting paid NFL money; all television revenue, ticket and jersey sales, sports promotions, and other sources of income go to the NCAA, the schools, and the coaches" (Johnson & Student Nation, 2014). This level of revenue does not account for the top five conferences, which bring in more than \$250 million annually (Alsher, 2017). According to Alsher, the Atlantic Coast Conference (ACC) made \$331 million in 2016, and each school received \$22.1 million. The bulk of the money the ACC earned included \$212 million in TV deals, \$98 million

from Bowl games, and \$21 million from appearances and games within NCAA tournament play (Alsher, 2017).

## College Sports Revenue

The NCAA president, Mark Emmert, took home \$1.8 million for salary payments. In 2015, colleges began giving their players monthly stipends known as Cost of Attendance (COA). The cost of attendance is typically the difference between what it costs to attend a school and the scholarship amount awarded to an athlete. A school can pay student-athletes anywhere from \$2000 to \$5000 over a 9-month academic school year. In other words, a stipend can range anywhere from \$235 a month to \$625 a month max. The NCAA has argued persistently that insufficient money exists to increase college football players' stipends. However, the NCAA passed a new rule that collegiate teams can hire a 10th assistant coach, and the NCAA also expanded coaches' salaries in January 2018. This current study has hypothesized that it may be some years from now when the student-athletes' stipend will be included in the annual athletic department budget. The researchers considered an essential discussion regarding whether there is enough money or revenue to increase players' stipends. This discussion may open future opportunities for student-athletes to profit from sports revenue. The Mid-Eastern Athletic Conference (MEAC) may not generate as much money as the NCAA five football powerhouses but might make enough money to increase its football player's stipend. For instance, in 2016, Florida Agricultural & Mechanical University (FAMU) earned \$700,000 from the money game against the Miami Hurricanes. FAMU earns more than \$800,000 annually from the Florida Classic (Culver, 2016), according to FAMU's previous Athletic Director, Milton Overton Jr. "The average for a home game at Florida A&M University was \$38,000 to \$40,000 per game, while homecoming was \$271,000" (Culver, 2017).

# Methodology

The research data was gathered from peer-reviewed articles, research reports, books from both electronic and printed media, written personal communication, and other information surrounding this research topic, including the perspectives held by professionals in athletics about exploring the opportunity for compensating student-athletes. Also, this current study investigated the salaries of "celebrity" coaches, and the minimal financial compensation or stipend student-athletes receive while playing for these different celebrity coaches who have recruited those student-athletes. The researchers implemented a survey to gather data about university student-athletes' opportunities to profit. The researchers used a modified survey (see Appendix I) to collect the opinions and perceptions of college student-

athletes at Florida A&M University. After the approval of the institutional review board, researchers randomly surveyed graduate students and undergraduate student-athletes who are registered in different teams and individual sports. The survey consists of nineteen questions using [yes, no, do not know, agree, slightly agree, neutral, slightly disagree, and completely disagree]. Yes, I would be less interested, and no, I would have the same interest. University student-athletes ages 19–26 also have various ethnicities and backgrounds. Most of the student-athletes in this study were African American, Whites, Asians, and Hispanics. A systematic review approach reviews the body of evidence around the main research question on the strength of the link between related research evidence. The researchers used the Statistical Package of Social Science (SPSS) to analyze the survey data to approach the final research results. The researchers used frequency, percentages, and descriptive statistics to better understand survey outcomes by considering the following steps:1) Find the cumulative frequency distribution.2) Create a relative frequency distribution; 3) Find the central tendency of the data; 4) Understand the data's variability; and 5) Calculate the descriptive statistics for the survey participants.

#### Results

The systematic review shows that student-athletes must put in countless hours for their "job" of being amateur athletes, and the primary compensation they receive is some free education. While student-athletes who play football and men's basketball generate significant press, endorsements, and high-paying contracts for their coaches, judging a player's worth at such an amateur level can be challenging. Some reports have claimed that college team sports generate less revenue than other teams. If it were to become mandatory for institutions to pay college athletes, some athletic programs would be cut from those colleges, leading to fewer opportunities for student-athletes (Policy Research, 2018). The challenge comes into play when coaches for these revenue-generating sports programs receive multi-million-dollar contracts, but their players struggle to find their next meal. It becomes somewhat of an ethical issue because while these coaches are bringing home enough money to feed their families, some of the student-athletes, who are required to work a full-time job (playing their sport), attend school, pass classes, attend study hall, etc., are struggling financially from week to week. Not all of these student-athletes will go on to play on a professional level; most will not.

Further, some athletes may not graduate from college while others may, but because they were focused most of the time on playing a collegiate sport, they put less energy into their schoolwork, nor can they hold a part-time job. Notably, many of the top Division I athletes come from high-

poverty backgrounds for these "revenue-generating sports" (i.e., football and men's basketball). They have had to work to help take care of the household—even while in high school; however, because of NCAA rules, these student-athletes are not allowed to receive any outside reimbursement, and their athletic schedule makes working a part-time job difficult. Given the large revenue intake by universities and the enormous salaries of coaches, it is plausible that collegiate sporting programs can provide sufficient support for their student-athletes and still provide competitive contracts to athletic administrators and coaches while at the same time maintaining a profitable business. Understanding public opinion about student-athletes getting paid is essential to this research. The researchers used a survey consisting of 13 questions on college student-athletes. African-American male studentathletes dominated this survey. Survey outcome certifies that college studentathletes should be compensated, not just compensated only, with educational scholarships and are eager to support their crafts besides their actual scholarship percentages.

Below are the results of the survey.

Female
Male
Prefer not to say

Figure 2. Gender of Participants

(Figure 2) Shows the gender representation of participants in the survey; males represented (82%), while females represented eighteen % (18%).

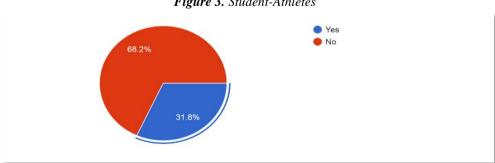
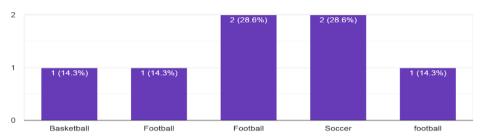


Figure 3. Student-Athletes

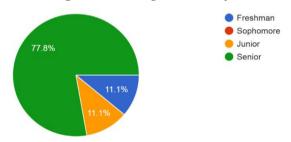
(Figure 3) The representation of student-athletes participating in the survey: most participants were student-athletes at sixty-eight percent (68%). Moreover, thirty-two percent (32%) were not student-athletes.

Figure 4. Sports Played by Student-Athlete



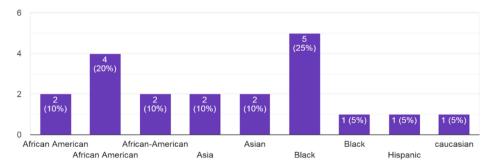
(Figure 4) The sport the student-athletes played; most played sport was football at fifty-seven percent (57%). Soccer represented twenty-nine percent (29%), while basketball only represented fourteen percent (14%).

Figure 5. Collegiate Classification



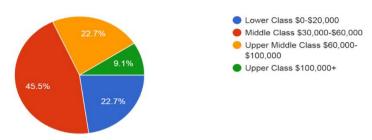
(Figure 5) Seniors and Graduate Students represented seventy-nine percent (79%) of the participants. First-year students and Juniors each represented eleven percent (11%).

Figure 6. Race of Participants



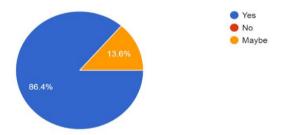
(Figure 5) The graph shows the race of each survey participant; African-American students represented seventy percent (70%), while Whites, Asians, and Hispanics together represented thirty percent (30%).

Figure 6. Economic Background



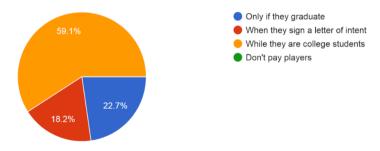
(Figure 6) The chart shows the economic background of the participants; the middle class, forty-six percent (46%), represented the majority of the opinion in this survey.

Figure 7. Athletic Compensation Beyond Scholarship Value



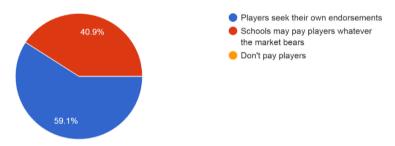
(Figure 7) The chart shows that eighty-six percent (86%) believed that student-athletes should be compensated in other ways besides the scholarship they received from the universities. At the same time, fourteen percent (14%) seem neutral to the idea.

Figure 8. Compensation Accessibility for Student-Athlete



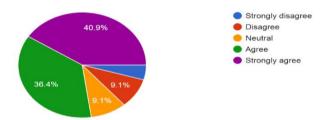
(Figure 8) The chart shows that fifty-nine percent (59%) agreed that while these student-athletes are in college, they should receive all extra compensation. Twenty-three percent (23%) wanted the student-athletes to receive their money only if they graduated.

Figure 9. Best Way to Compensate an Athlete



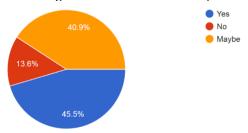
(Figure 9) the chart shows sixty percent (60%) believed that the best way to compensate an athlete is to allow the player to seek their endorsements. At the same time, fourteen percent (41%) disagreed with the question.

Figure 10. International Athletes Compensation



(Figure 10) International athletes do not receive financial aid; therefore, forty-one percent (41%) strongly agreed that these students precisely should be compensated in another way. Nine percent (9%) disagreed with international athletes receiving financial aid.

Figure 1. Female Athlete Compensation



(Figure 11) The chart shows that forty-six percent (46%) believed that female athletes should be awarded the same compensation as male athletes; forty-one percent (41%) had no preference for whether females should be paid, while fourteen percent (14%) did not want female athletes to be paid.

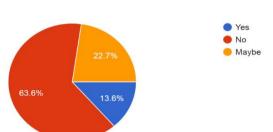


Figure 12. Payment Amount for Each Program

(Figure 12) The chart shows that more than half, sixty-four percent (64%) of the participants, agreed that if athletes were to receive compensation, each program should not receive the same payment amount. Fourteen percent (14%) disagreed with the thought of athletes being paid, while (23%) neither agreed nor disagreed.

#### Discussion

The gender representation of participants in the survey was unexpected, with males representing eighty-two percent 82% while females represented only 18%. To remove any bias, the researchers made the survey accessible to subjects other than student-athletes. The accessibility to the survey for the college students led to the representation of student-athletes being sixty-eight percent 68% while thirty-two %, while 32% were not student-athletes. Regarding the sports student-athletes played participated in, the most played sport for the student-athletes was football at fifty-seven percent (57%). Soccer represented twenty-nine percent (29%), while basketball only represented fourteen percent (14%). Seniors and Graduate Students represented seventy-nine percent (79%) of participants. First-year students and juniors represented eleven percent (11%). The results show that each survey participant's official African-American students represented seventy percent (70%), while Whites, Asians, and Hispanics together represented thirty percent (30%). The chart shows the economic background of the participants; the middle class, forty-six percent (46%), represented the majority of the opinion in this survey. The results show that eighty-six percent (86%) believed that student-athletes should be compensated in different ways besides student-athlete scholarships from the

athletic department or the university. At the same time, fourteen percent (14%) seem neutral to the concepts.

The results show that fifty-nine percent (59%) agreed that while these student-athletes are in college, they should receive all extra compensation and may be in the future in different forms. Twenty-three percent (23%) wanted the student-athletes to receive their money only if they graduated. The results show that sixty percent (60%) believed that the best way to compensate an athlete is to allow the players to discover connections to seek endorsements. While forty-one percent (41%) disagreed, which supports Hutchins (2015) that average student-athletes spend forty-three (43) hours per week, including practice, weight training, watching a film, meetings with coaches, and study hall time. International athletes do not receive financial aid; therefore, forty-one percent (41%) strongly agreed that these students precisely should be compensated in another way. Nine percent (9%) disagreed with international athletes receiving financial aid. Furthermore, this supports Russo (2015) that the financial aid office calculates the cost of the students covering tuition and other college expenses such as textbooks, transportation, room and boarding, personal expenses, food, and insurance, which is not included in their educational scholarship.

Forty-six percent (46%) believed that female student-athletes should get the same compensation as male student-athletes. Forty-one percent (41%) prefer female athletes to get paid, while (14%) do not agree that female athletes should get paid. Moreover, this supports Romero's (2018) opinion that NCAA athletes should get compensation. The results show that more than half, sixty-four percent (64%) of the participants agreed that if athletes were to receive compensation, each athletic program should not receive the same payment amount. Fourteen percent (14%) disagreed with the thought of athletes being paid. In comparison, twenty-three percent (23%) neither agreed nor disagreed, which supports policy research (2018) that some reports have claimed that college sports teams do not bring in as much revenue.

Drozdowski (2023) Some 107,000 spectators have packed the "Big House," paying an average ticket price of \$141. The game airs on ESPN, one of three networks linked to the Big Ten, thanks to a \$2.64 billion contract. Players are awash in Nike gear owing to the apparel giant's \$174 million deal with Michigan and \$252 million deal with Ohio State. On the sidelines, Michigan head coach Jim Harbaugh (salary: \$8 million) and his counterpart, Ryan Day (salary: \$5.7 million), finalize their game plans. According to Dorozdowski, College sports generate billions of dollars for schools, networks, and corporate sponsors. The Supreme Court ruled that colleges can offer "education-related" payments to student-athletes. Also, the ruling

opened the door for name, image, and likeness endorsement deals for student-athletes.

According to (Sprung,2021), Student-athletes and their parents have likely heard that the NCAA has opened the door to allow collegiate athletes to profit off their name, image, and likeness. The NCAA policy will allow college athletes and recruits to make money from activities like autograph signings, endorsements, and personal appearances as long as they are consistent with any applicable state law where the athlete is located. Not only some athletes but every athlete can take their career beyond college to the professional level or the Olympics. Many athletes will find college sports are their only opportunity to monetize their name, image, and likeness. For these athletes, planning carefully, with little margin for error, will be crucial as they position themselves to build and protect wealth in the short term.

#### Conclusion

College and university sports leaders should not perceive studentathletes as just mere athletes but as assets that create organic growth for their institution. Institutions and athletic programs must ensure their students' safety, security, and welfare during student-athletes' time in college. In the case of the college athlete, it is far more profitable to ensure that all students are supported equitably and feel respected by their alma mater. Colleges are heavily subsidized financially by former students and their respective families. University coaches are signing multi-million dollar contracts while their players are forced to live off \$12,000 – the majority of which they will never see because this money goes toward their tuition, room, books, board, and class needs. The NCAA has relaxed regulations on the institutions and the time players can spend participating in their sport but has tight rules on the money the student-athletes can receive. Not all sports generate the same sort of revenue, but if the governing body of student-athletes, the NCAA and the conferences, are receiving endorsements and advertisement deals off the backs of these student-athletes, the opportunity for the student-athletes to gain some additional compensation to bring them above the poverty level of living is undoubtedly present.

College sports generate billions of dollars for schools, networks, and corporate sponsors. The Supreme Court ruled that colleges can offer "education-related" payments to student-athletes. The future ruling opened the door for name, image, and likeness endorsement deals for student-athletes.

#### Recommendations

While they may be considered amateurs, student-athletes should be compensated or allowed to receive external money from endorsements and

fan appreciation. The hours the student-athletes are required to put in for their sport are equal to and, in some cases, exceed the hours of some employees who work part-time jobs. Student-athletes work for the college or university, bringing the institution and conference millions of dollars. However, the billion-dollar, non-profit organization they are governed by requires them to live at or below the federal poverty line. Allowing studentathletes to receive a different form of revenue or a good percentage of endorsements, food, or fan donations will not hurt the brand of the university, or anyone involved. The issue with paying student-athletes from an institutional standpoint would be how the sports programs that are not producing a profit get compensated. The NCAA wants to keep an equal playing field for those student-athletes contributing to programs that do not generate as much income for the university as football and basketball. The NCAA has relaxed regulations on how much time a student-athlete can contribute to athletic events; because of this, some athletes suffer. (ACC) Commissioner John Swofford says the stipend system is not perfect, but it is the right thing to do today (Powers 2015). It has been two years since the NCAA passed the rule that schools can award athletes the cost of attendance.

## **Applications In Sport**

The NCAA has tranquil regulations on the institutions and the time players can spend taking part in their sport but has tight rules on the money the student-athletes can receive. Suppose the NCAA considers paying student-athletes or allowing them to receive compensation for their hard work and dedication to their preferred sport. In that case, revenues may improve for a particular sport and the university. In other words, like all students and affiliates (i.e., parents, fans, and community), student-athletes tend to give more when they feel appreciated and sufficiently accommodated. Furthermore, more money for sports translates to improved college sports programming.

According to Forbes, the NCAA proposes a radical shift in college sports where athletes can get paid—here is how it could work (Skipworth, 2023). The National Collegiate Athletic Association's president proposed a new tier of Division I sports for the schools with the most resourced athletic departments, in which students can be paid straight through a trust fund, have name, image, and likeness deals directly with their schools and receive educational benefits. This move could mark a significant shift for college sports and acknowledges one of its biggest disapprovals. The key facts for this offer to put on the table Division I schools would be able to choose whether to opt into the new tier. However, even Division I school outside the new tier could deliver their student's educational benefits (education-related cash benefits are currently limited) and strike name, image, and likeness deal

with their students. This future system would require schools in the higher tier to dedicate at least \$30,000 per athlete every year for at least half of their athletes and put it into this "enhanced educational trust fund" that would originally get calculated to pay for athletes so they can pursue further education during the summer or following their careers. However, ESPN reported that the NCAA has not set any spending requirements.

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## **Appendix I - Survey**

College Athletics Survey If Student Athletes Should Be Paid for Play https://www.academia.edu/6887423/College\_Athletics\_Survey\_If\_Stude nt\_Athletes\_Should\_Be\_Paid\_For

- 1. What is your gender? Male Female
- 2. Student-athlete? Yes No
- 3. What sport do you compete in?
- 4. College Levels Freshman Sophomore Junior Senior Graduate-Student
- 5. What is your race? (Please check all that apply)
  - A) Black or African American
  - B) White
  - C) Asian or Asian-Pacific American
  - D) Hispanic or Latino
  - E) Other
- 6) What is your income?
  - A) 0-\$20,000
  - B) \$20,000-\$30,000
  - C) \$30,000-\$60,000
  - D) \$60,000-\$100,000
  - E) \$100,000+
- 7. Should college athletes be compensated in any fashion beyond their current scholarship value?
  - A) Yes
  - B) No
- 8. If universities entered into licensing agreements with players, when should that money be available to players?

- A) Only if they graduate
- B) Upon graduation or college eligibility expires
- C) While they are college students
- D) Do not pay players
- 9. If you support more compensation for players, rank the reasons from most important to least important. (1 as very important and six as least important)

\_\_\_\_Television revenue and conference realignment show this is already a big business

\_\_Players may get access to a free (or partial education), but are enough of them genuinely being educated? The hypocrisy of administrators and coaches making so much money

\_\_\_Without the players, there would be no games for the NCAA, schools, and conferences to sell

\_\_\_Playing college sports is a job, and players deserve the compensation opportunity.

- \_\_\_\_No long-term health benefits for players who sustain injuries
- Other
- 10. What would be the best model if college athletes were to receive extra compensation?
  - A) Sharing TV and licensing revenue divided equally among players
  - B) Players seek endorsements
  - C) Schools may pay players whatever the market bears
  - D) Do not pay players
- 11. NCAA President Mark Emmert and some major conferences have so far been unsuccessful in pushing for athletes to be allowed to receive an additional stipend of up to \$2,000 to cover their total cost of attending college. Would you support this stipend opportunity?
  - A) Yes
  - B) No
  - C) Do not know
- 12. If athletes have the opportunity to share revenue or were free to secure endorsements, would your interest in college sports change?
  - A) Yes, I would be less interested
  - B) No, I would have the same interest
  - C) Yes, I would be more interested
  - D) Do not know
- 13. Would it be fair to other students if athletes got the opportunity to get paid?
  - A) Yes, non-athletes have more time for a job.
- B) Yes, athletes put in much work to their sport(s) and should get paid for it
  - C) No, a sport is not a job in college

- D) not everyone is good at sports and has this type of opportunity.
- 14. Student-athletes generally "have it harder" than average students.
  - A) Completely Agree
  - B) I Slightly Agree
  - C) Neutral
  - D) Slightly Disagree
  - E) Completely Disagree
- 15. Do student-athletes receive better or preferential treatment from colleges and universities than average students?
  - A) Completely Agree
  - B) I Slightly Agree
  - C) Neutral
  - D) Slightly Disagree
  - E) Completely Disagree
- 16. We should define playing, practicing, or otherwise participating in a sport as "labor" for student-athletes
  - A) Completely Agree
  - B) I Slightly Agree
  - C) Neutral
  - D) Slightly Disagree
  - E) Completely Disagree
- 17. Student-athletes should not be paid for playing, practicing, or participating in a sport because they choose to do so.
  - A) Completely Agree
  - B) I Slightly Agree
  - C) Neutral
  - D) Slightly Disagree
  - E) Completely Disagree
- 18. Is it fair to pay female athletes the same amount as male athletes? Even if that program does not generate as much money as a men's program. Or vice versa.
  - A) Yes
  - B) No
  - C) Do not know
- 19. Should every program receive the same payment amount if athletes were to have a payment amount?
  - A) Yes
  - B) No
  - C) Do not know