

Networks II: Market Design Assignment: ('Blog style') writing exploration

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Kevin Klaben

The Market of NCAA Division 1 Basketball Programs Recruiting Top High School Players

The market of top high school basketball recruits and Division 1 NCAA basketball programs (ncsasports). This can be viewed as a market in which there are essentially two group, top recruits, and NCAA Basketball programs. In some ways there is no money involved in the process and in other ways there is a huge amount of money involved in the process. By NCAA regulations players cannot be monetarily compensated in any way while they are a part of the colleges basketball program. This has been the topic of a lot of discussion as of recently. As march rolls around, the sports world prepares for March Madness. This is the 68 team tournament The begins mid-march and runs through April amongst the best teams in college basketball. This tournament tends to generate a little over 1 billion dollars for the NCAA of which the majority is distributed among the athletic departments of the participating colleges (sbnation). The argument is that with the NCAA and the basketball coaches and administration receiving the vast majority of benefit from these players, some of that benefit should be spread across the players.

As of now, we will only consider the market as it currently stands and will consider players receiving no direct monetary compensation for their play. In this market there is a large pool of players which must be allocated to the approximately 340 division 1 basketball programs. In this pool each team has approximately 4 or five roster spots open each year and thus approximately 1000-1500 players are recruited to programs each year. In this market the currency is not directly monetary (ncaa). Several factors weigh into a players decision as to which school to choose. As basketball teams have only a limited number of scholarships they can give out, a players decision to attend a school may be dependent on whether or not a school can give them a full scholarship as this is a huge expense and of course a huge draw. In addition, especially for the heaviest recruited players, this currency becomes less valuable, as for these players they often have several different schools offering full scholarships to them. In this case several other factors become more important such as location, coaching staff, reputation, and teammates. Players often will consider the coach they will be playing under and whether they fit well into that coaches scheme as well as how they will fit in with the other players, will they be the star of the team or are there other top recruits who they will have to share time with. In addition, distance from home as well as the reputation for a schools ability to produce top talent for the NBA are also considered especially amongst top athletes. On the other side of this market, college basketball programs preferences are based on their evaluation of the players talent and how the player will fit into this system. In this market we are in a situation in which the basketball programs propose to recruits.

These recruits then rank their potential destinations and pick based on which they prefer most. There is no limit as to the number of players that a college can recruit and thus a recruit is not limited in their choices by where other players have already committed to. However, in a way where other players have already signed will in fact have an effect on the decision of other recruits as it will affect their preferences. If one recruit is a point guard and their top

school has already recruited a top point guard, then they will prefer playing at this school much less as they will get much less playing time. Thus, in some ways the schools can only have one a limited number of recruits at a single position as recruits will begin to stop preferring to go to the school simply based on expected playing time. However, this is not strict as it is based on a player's preferences changing, and thus if a player did not care about less playing time as much as the program's reputation, they may still choose to attend a school even as a backup.

One design aspect of this market is the controversial NCAA regulation prohibiting any monetary compensation for play. In recent years as high school basketball has become ever more accessible to scouts through the internet, players have been identified earlier and earlier as potential future pros. Players have been known to have offers from basketball programs as early as the start of high school. With this early identification of talent, the length of time that these players stay at school has become shorter and shorter. The only reason many players go to college at all is due to NBA regulations which state that a player must be 19 in order to enter the draft (espn). Thus, most high school students need to spend about 1 year playing college basketball before entering the draft. However, it has become increasingly common for top talent to avoid this market completely electing to go play pro basketball overseas for that year to make some money which they cannot in college. This aspect of no monetary compensation combined with the NBA draft rule of having to wait until 19 have contributed to more recruits electing to stay for only 1 year in college or skip college altogether. If the NCAA wanted to change this there are several solutions. The simple solution would be to compensate these players in some way as a part of their playing college. However, this is unlikely to happen as the debate has been going for many years and no real progress has been made towards this solution. A far more likely solution is a much newer one, the NBA could lower the draft age from 19 to 18 (espn). This would allow players to go right from playing basketball in high school to the NBA draft. This different changes to this aspect of the market's design would push the market in two different directions. The first solution would result in the changing of what is valued by recruits when considering which program to join, while the second would draw many recruits away from entering the market at all. This design aspect is what makes this market so interesting to view and far less straight forward. When comparing the market for free agents in the NBA to the market for recruits in college basketball we see stark differences. In the NBA, players will for the most part just follow the money and whichever team can pay them the most they will join. In college basketball recruits must make far more complex decisions as they have to consider many different factors as money is not involved.

<https://www.ncsasports.org/recruiting/how-to-get-recruited/college-recruiting-process>

<https://www.sbnation.com/2018/3/8/17092300/ncaa-revenues-financial-statement-2017>

<http://www.ncaa.org/about/resources/research/mens-basketball>

http://www.espn.com/nba/story/_/id/26049542/nba-proposes-changing-draft-age-19-18-players-union