

**STATE UNIVERSITY OF NEW YORK
COLLEGE OF TECHNOLOGY
CANTON, NEW YORK**



COURSE OUTLINE

SPMT 414 Labor Relations in Sport

Prepared By: Lorenda Prier

**SCHOOL OF SCIENCE, HEALTH, AND CRIMINAL JUSTICE
Sports Management
Revised MAY 2015**

SPMT 414 Labor Relations in Sport

- A. **TITLE:** Labor Relations in Sport
- B. **COURSE NUMBER:** SPMT 414
- C. **CREDIT HOURS:** 3
- D. **WRITING INTENSIVE COURSE:** No
- E. **COURSE LENGTH:** 15 weeks
- F. **SEMESTER(S) OFFERED:** Fall/Spring
- G. **HOURS OF LECTURE, LABORATORY, RECITATION, TUTORIAL, ACTIVITY:**
3 lecture hours per week

H. CATALOG DESCRIPTION:

This course examines labor markets in sport and the infrastructural interests of management (league and teams) and players (players associations, players, agents/attorneys). Students review collective bargaining agreements and evaluate the impact of salary caps, free agency and athlete compensation frameworks. This course examines athlete salaries and agent representation and the unique labor markets of Major League Baseball and the National Football League.

I. PRE-REQUISITES/CO-COURSES:

- a. Pre-requisite(s): (SPMT 241) Legal Issues in Sport, (BSAD 310) Human Resource Management or permission of instructor
- b. Co-requisite(s): None

J. GOALS (STUDENT LEARNING OUTCOMES):

By the end of this course, the student will be able to:

<i>Course Objective</i>	<i>Institutional SLO</i>
a. Compare and contrast the labor markets of the four major professional sports leagues	2. Crit. Thinking 3. Prof. Competence
b. Examine collective bargaining agreements to identify management and player interests	2. Crit. Thinking 3. Prof. Competence
c. Explain the effects of a salary cap, free agency, a reserve system, rival leagues and salary arbitration	2. Crit. Thinking 3. Prof. Competence
d. Assess internal and external athlete salary determining factors and formulate a player's marginal revenue product	1. Communication 2. Crit. Thinking 3. Prof. Competence

K. TEXTS:

Rosner, S. & Shropshire, K. (2004). *The Business of Sports*. Sudbury, MA: Jones & Bartlett Publishers.

L. REFERENCES:

Berry, R., Gould, W. & Staudohar, P. (1986). *Labor Relations in Professional Sports*. Santa Barbara, CA: Greenwood Publishing Group.

Eschenfelder, M. (2007). *Economics of Sport*. Morgantown, WV: Fitness Information Technology

Weiler, P., & Roberts, G. (2004). *Sports and the Law: Cases and Problems*. 3rd Edition. St. Paul, MN: West Publishing.

Zimbalist, A. (2003). Chapter 5 "Collective Bargaining", in *May the Best Team Win*. (Brookings Institution: Washington, D.C.) pp. 75-121

M. EQUIPMENT: Technology Enhanced Classroom

N. GRADING METHOD: A – F

O. MEASUREMENT CRITERIA/METHODS:

- Class participation in discussion and debate
- Research Paper
- Assignments
- Attendance

P. DETAILED COURSE OUTLINE:

I. Labor Markets and Sport

- a. Identifying the impact of labor productivity and labor supply in sport decisions
- b. Reviewing competitive, monopsonistic and bilateral monopoly labor markets
- c. Evaluating the monopsonistic power professional sports leagues have on players
- d. Understanding the consequences of competition between rival leagues
- e. Evaluating the bilateral monopolies of the four major professional sports leagues
- f. Identifying infrastructural influences: management side interests (league and teams) and player side interests (players associations, players, agents/attorneys)

II. Antitrust Law

- a. Understanding the Sherman Act (1890) in the application of Antitrust law in sports
- b. Evaluating the effect of salary caps and free trade limitations on the application of Antitrust law
- c. Reviewing the impact of The National Labor Relations Act on sport unions

III. Collective Bargaining

- a. Reviewing the impact of The National Labor Relations Act on sport unions
- b. Understanding the NFL's wealth distribution model and win-win through collective bargaining
- c. Establishing the athlete compensation framework between unions and management

IV. Athlete Salaries

- a. Evaluating internal and external salary determining factors
- b. Understanding the role of free agency, salary arbitration and competitor leagues in increasing salaries and salary cap, luxury tax, and a reserve system in decreasing salaries
- c. Comparing restricted and unrestricted free agency
- d. Considering pro athletes as entertainers
- e. Evaluating the impact of players salaries on ticket prices
- f. Determining a players marginal revenue product (demand)

V. Agent Representation

- a. Understanding standard and individualized contract terms
- b. Reviewing agent competence standards, fee formulas and agent regulation
- c. Understanding NCAA rules regarding agents and college athletes

VI. National Football League

- a. Calculating the Salary Cap and team salaries using defined gross revenue (DGR)
- b. Applying the Deion Sanders rule to uncapped years
- c. Understanding salary cap acceleration, signing bonuses and incentives

VII. Major League Baseball

- a. Understanding MLB's immunity to antitrust prosecution and application of the Curt Flood Act (1997)
- b. Evaluating collusion in baseball
- c. Identifying costs associated with the 1996 strike

Q. LABORATORY OUTLINE: N/A