

# HR INSIGHTS

Brought to you by the insurance professionals at  
The Insurance Exchange

## Should Employees Be Allowed to Play Fantasy Sports at Work?

Fantasy sports have exploded in popularity over the past decade, with one of the most prevalent being fantasy football. Fantasy sports allow individuals to draft virtual teams of professional players and compete against other players in their leagues.

More than 56 million Americans play fantasy football—37 million of which are employed full time. Studies estimate that fantasy football costs more than \$16 billion in lost productivity each year. This figure assumes that players spend one hour a week at work managing their teams over the course of the 17-week football season.

### Benefits of Fantasy Sports

While many employers may be concerned about these statistics, there are many benefits that can be achieved by allowing employees to play fantasy sports in moderation at work:

- **Increase employee morale**—Fantasy sports can be a great way for co-workers to bond in the break room or at the water cooler. Even if your company does not have its own office league, employees can discuss their performance in other leagues with their colleagues.
- **Promote interdepartmental collaboration**—Creating an office fantasy league can help people from other departments get to know each other. In order to promote participation, consider making entry to the league free so a wider group of employees will participate.
- **Increase productivity in the long run**—Research has shown that short breaks throughout the day can boost creativity and increase productivity in the long run. Allowing your employees to manage their fantasy teams in moderation during work may boost your company's bottom line.


### Risks of Fantasy Sports

Despite these benefits, there are some risks that employers should be aware of when considering whether to allow fantasy sports in the workplace, including:

- **Allegations of discrimination**—Creating an office fantasy sports league could open the door to future lawsuits. While more women are beginning to play fantasy sports, the majority of players are male. Female employees who are

*According to a study from the Fantasy Sports Trade Association, fantasy football players spend three hours a week, on average, managing their teams and another nine hours a week reading or watching something related to fantasy sports.*





mocked for not playing may bring claims alleging a hostile workplace. In addition, those who choose not to play for religious reasons could also bring a discrimination suit if they feel excluded or ridiculed.

- **Gambling risks**—Office leagues that require an entry fee may violate state and local gambling laws. Some states make an exemption for “social gambling,” but often place limits on how much money can be awarded. If you have employees playing in offices in different states, this could also pose a legal risk. Recently, some states have taken action against fantasy sports companies like DraftKings and FanDuel, so it is important to keep an eye on future legislative changes and respond accordingly.

### Best Practices for Fantasy Sports in the Workplace

Follow the tips below to prepare your business for fantasy football season:

- Create a clear policy outlining what kind of gambling is allowed in the workplace and include it in your employee handbook.
- Require employees to ask HR for approval before setting up a fantasy sports league in the office.
- If you choose to set up a league, explain to employees early on that this does not give them permission to neglect their work. Outline the extent to which employees can manage their fantasy teams during work and if they can use company property (work laptops, email, etc.).
- Train supervisors to identify any possible issues of exclusion relating to fantasy sports in order to avoid issues down the road.

For more information on how to manage office distractions and improve productivity, contact The Insurance Exchange today.

