

# Managing Workplace Gambling

Effective Strategies for Organizations



James W. Schreier, Ph.D., SPHR



**WCPG's 26th Annual Statewide  
Conference**

1

# Managing Workplace Gambling

& Challenges

Effective Strategies for Organizations



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2

## Session Objectives



- Understand the difference between workplace gambling policies and enforceable rules.
- Learn how to develop comprehensive workplace gambling policies that align with organizational values and culture.
- Gain strategies for training employees, particularly supervisors and managers, on identifying and addressing workplace gambling.

3

## Session Challenge



*“Omne Trium Perfectum”*

Develop three “action” recommendations for professionals working with organizations (or leaders/managers).

4

## Situation #1

- From Company Policy (Handbook):

*“Gambling is not permitted on company property during work hours, during breaks, during lunch periods in the company cafeteria, while traveling on company business, at company functions, or while entertaining clients.”*

5

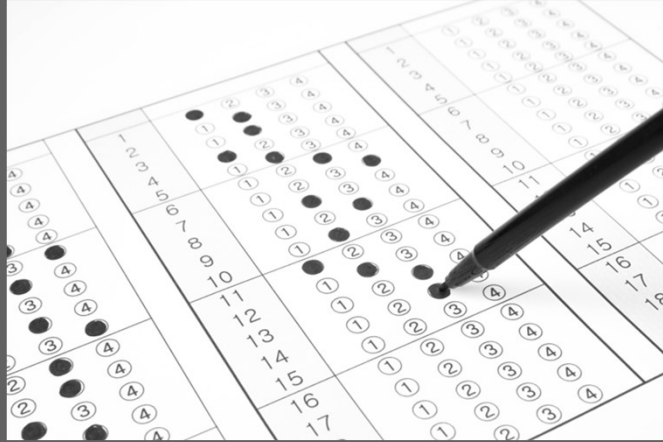
## Situation #1

- Office “Pools” are common for the Super Bowl and March Madness.
- Question #1: Is the company’s policy being broken?
- Question #2: Other concerns about the policy?

6

## Situation #2

### A Quiz



7

## Situation #2

### A Quiz

#### WCPG Workplace Gambling Quiz

**1. What is the primary difference between a workplace policy and a workplace rule regarding gambling?**

- A) Policies are legally binding, while rules are optional.
- B) Policies provide general guidelines, while rules are specific and enforceable.
- C) Rules apply to executives only, while policies apply to all employees.
- D) Policies are written by employees, while rules are set by the government.

**2. Which U.S. state completely bans all forms of gambling, including office betting pools?**

- A) Nevada
- B) Utah
- C) New York
- D) Illinois

**3. If a company has a "no gambling" policy, what might be the consequence of running an office betting pool?**

- A) Termination or disciplinary action
- B) A fine from the state government
- C) No consequences, as long as it is informal
- D) A warning from the IRS

**4. In which of the following states are workplace betting pools most likely illegal?**

- A) Nevada and New Jersey
- B) Texas and South Carolina
- C) California and Michigan
- D) Pennsylvania and Ohio

**5. Which of the following factors determines whether an office gambling pool is illegal?**

- A) Whether employees use company email to promote it
- B) Whether the organizer keeps a percentage of the money
- C) The number of employees participating
- D) Whether employees bet on a local or national event

8

## WCPG Workplace Gambling Quiz

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**6. How do federal laws typically treat workplace gambling?**

- A) Federal law completely bans all forms of workplace gambling.
- B) Federal law allows it but requires IRS reporting.
- C) Federal law does not regulate workplace gambling, leaving it up to state laws.
- D) Federal law allows gambling if the employer approves it.

**7. If an office pool is considered illegal in a given state, who could potentially face legal consequences?**

- A) Only the person organizing the pool
- B) Only employees who win money
- C) Both the organizer and participants
- D) Only employees who refuse to participate

**8. A company allows casual gambling, such as sports pools, but prohibits employees from using company time or resources for betting. What is this an example of?**

- A) A strict anti-gambling policy
- B) A flexible gambling rule
- C) A company rule that allows gambling with restrictions
- D) An informal suggestion with no enforcement

**9. In which of the following cases is an office betting pool least likely to be considered illegal?**

- A) The company takes a small percentage to cover costs.
- B) The pool is free to enter, and winners receive non-monetary prizes.
- C) Participants must contribute \$20 or more to enter.
- D) The organizer selects winners based on personal preference.

**10. What is the best way for an employee to determine if office gambling is allowed in their workplace?**

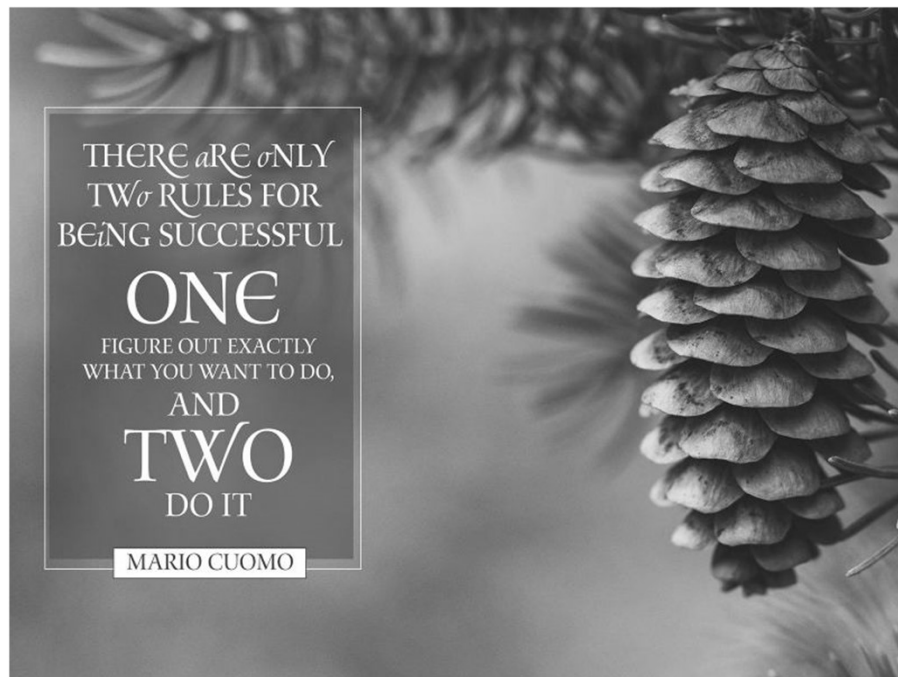
- A) Assume it is fine unless someone complains.
- B) Check the company's employee handbook or HR policies.
- C) Ask a co-worker if they have participated before.
- D) Only worry about it if the state has strict gambling laws.

## Policies, Procedures, and Rules



<b>Policy</b>	Broad statement that reflects philosophy, objectives, or standards; general in nature
<b>Procedure</b>	Detailed, step-by-step descriptions; specify what, when, where, and who
<b>Rule</b>	Reflects management decisions regarding specific actions to be taken or avoided in a given situation

9



10

## HR Policies: “Anchors” or “Oars”

- Inconsistent
- Impediments to change.
- At odds with where the organization needs to be heading.
- Out-of-sync with labor market realities.
- Slowing the pace of change.

11

## HR Policies: “Anchors” or “Oars”

- More flexible.
- More suited to teams and empowered employees.
- More strategic.
- More employee-centered.
- More performance-oriented.

12



## Bonus Supplement



### **Organizational Policies and Rules About Workplace Gambling**

Understanding gambling  
implications in organizational  
environments

13

## Discussion Cases



14

## Discussion Cases

- March Madness or Policy Mess?
- The High-Stakes Office Pool
- Winning Big, Losing Focus
- Office Bets and Corporate Regrets
- The Shop that Bets Together

15

## Session Challenge



*“Omne Trium Perfectum”*

Three “action” recommendations for professionals working with organizations (or leaders/managers).

16

## WCPG Discussion Case #1

### March Madness of Policy Mess?

XYZ Corporation is a mid-sized marketing firm with a casual, friendly workplace culture. Employees often collaborate on projects and socialize after work. Recently, a long-standing office tradition—the annual **March Madness betting pool**—has sparked controversy.

Steve, a senior account manager, has organized the pool for years. Each participant contributes **\$20**, and the winners receive cash prizes at the end of the tournament. No one has ever complained, and even **some managers participate**.

However, **Lisa**, a new HR director, has discovered the pool and is **concerned about potential legal and ethical issues**. She has reviewed the company's policies and found that gambling is **not explicitly mentioned**. However, XYZ Corporation operates in **Texas**, where workplace gambling could be considered illegal under state law.

#### The Conflict

Lisa meets with **Mark, the company's COO**, to express her concerns. Mark, who has been at XYZ for years, **dismisses her worries**, saying:

*"It's harmless fun! We've been doing this forever, and no one has had an issue. Clamping down on this will just make employees resentful."*

Lisa, however, believes it's a **liability risk**. If an employee loses money they can't afford to lose, or if someone reports the pool to authorities, the company could face legal consequences.

Adding to the complexity:

- **David, a junior analyst**, recently told HR he feels uncomfortable with the pressure to participate. He declined to join, but his co-workers **joked that he was "no fun" and "not a team player."**

- **Steve, the organizer, is upset** that Lisa is considering shutting the pool down. He argues that the pool **boosts morale and camaraderie** in the office.

### **Discussion Questions**

1. **What are the potential risks** of allowing the office pool to continue?
2. **Should the company intervene, and if so, how?** Should it outright ban the pool or modify the rules (e.g., remove the money aspect)?
3. **How should HR address employees who feel pressured** to participate in workplace gambling?
4. **Would your answer change if the company operated in a different state** with more lenient gambling laws?
5. **How can XYZ Corporation balance company culture, legal compliance, and employee concerns?**

### **WCPG Focus Question:**

What “actions” can Problem Gambling professionals take to help organizations address the issues raised by this case? Remember the “Omne Trium Perfectum” Session Challenge for three recommendations.

## WCPG Discussion Case #2

### The High-Stakes Office Pool

Jordan is a mid-level manager at TechSphere Solutions, a fast-growing software development company. The company has a friendly and collaborative culture, and employees frequently engage in team-building activities, including fantasy sports leagues and occasional poker nights.

The company's March Madness office pool is one of the most anticipated events every year. Employees contribute **\$20 each**, and the winner takes the pot. The event is informal, and participation is **entirely voluntary**. Even some senior managers join in, which seems to signal that leadership is comfortable with the tradition.

This year, **several issues arose** that put Jordan in a difficult position:

#### 1. A New HR Policy

- The company recently updated its **Employee Conduct Handbook**, explicitly prohibiting all forms of gambling, including office pools.
- HR sends a company-wide reminder emphasizing that workplace gambling could lead to **disciplinary action**, including termination.

#### 2. A Concerned Employee

- One employee, Alex, approaches Jordan privately, expressing concerns.
- Alex states they feel **pressured** to participate, as many colleagues are involved and frequently discuss the pool at work.
- Alex is also worried that participating in gambling could trigger personal issues related to **a past gambling addiction**.

### 3. A Leadership Gray Area

- Although HR has banned gambling, some **senior managers still participate** in the pool.
- This sends mixed messages about **whether the rule is genuinely being enforced**.

### 4. A Financial Dispute

- The employee organizing the pool is accused of **not distributing the winnings fairly** and taking a “commission” from the total pot.
- This raises questions about whether the pool is still **a friendly game** or **an unregulated gambling operation**.

### Discussion Questions

1. **Ethical and Policy Issues:** How should Jordan handle the fact that leadership is ignoring the new gambling policy?
2. **Pressure & Inclusion:** What steps should Jordan take to address Alex’s concerns about feeling pressured to participate?
3. **Enforcement:** Should Jordan report the office pool to HR, given that some managers are participating? Why or why not?
4. **Workplace Culture:** How can Jordan maintain a **positive office culture** while ensuring compliance with company policy?
5. **Risk Management:** What broader risks could workplace gambling pose to the company, and how can they be mitigated?

### WCPG Focus Question:

What “actions” can Problem Gambling professionals take to help organizations address the issues raised by this case? Remember the “Omne Trium Perfectum” Session Challenge for three recommendations.

## WCPG Discussion Case #3

### Winning Big, Losing Focus

ABC Tech Solutions is a growing software company known for its fast-paced work environment. Employees often work long hours, and the company prides itself on offering **flexible work policies**, including allowing personal internet use during breaks.

Recently, **Jessica, a team leader in the sales department, noticed a troubling trend**. Several employees on her team—especially **Mike and Jason, two high-performing sales reps**—have been spending significant time on sports betting apps during the workday.

At first, Jessica didn't think much of it, as they were **still meeting their sales targets**. However, she soon noticed:

- **Frequent distractions** – Mike and Jason often **check their phones during meetings** and take long “breaks” right before game start times.
- **Encouraging others to join** – They **talk excitedly about their bets** and encourage coworkers to place wagers.
- **Work performance decline** – A few **missed deadlines** and **poor client interactions** have raised concerns about their focus.

#### The Conflict

Jessica raised the issue with **Tom, the HR manager**, who is unsure how to proceed.

- The company has **no official policy on sports betting** at work.
- **Online gambling is legal in their state**, so banning it outright might be **difficult to justify**.
- Mike and Jason are **strong performers**, and Tom worries that a crackdown might **damage morale**.

At the same time, Jessica fears that **if left unchecked, workplace gambling could grow into a more significant problem.**

### **Discussion Questions**

- 1. Is sports betting during work hours a problem if employees still meet their performance goals? Why or why not?**
- 2. Should ABC Tech Solutions implement a formal policy on workplace gambling? If so, what should it include?**
- 3. How should HR address Mike and Jason's behavior? Should they be disciplined, warned, or simply reminded of expectations?**
- 4. What potential risks does online gambling pose to workplace culture and productivity?**
- 5. If sports betting is legal in the state, should the company still restrict it at work? Why or why not?**

### **WCPG Focus Question:**

**What “actions” can Problem Gambling professionals take to help organizations address the issues raised by this case? Remember the “Omne Trium Perfectum” Session Challenge for three recommendations.**



## WCPG Discussion Case #4

### Office Bets and Corporate Regrets

**Summit Financial Services** is a large investment firm with a **strict policy against workplace gambling** due to concerns about **productivity, ethics, and potential legal issues**. The policy, outlined in the employee handbook, states:

*“Employees are prohibited from engaging in gambling activities, including but not limited to sports betting, office betting pools, and online gambling, during work hours or using company resources.”*

Despite this policy, **Derek, a senior financial analyst**, has been observed **regularly placing bets on his phone and computer during work hours**. He follows multiple sports and **frequently discusses betting odds** with coworkers. Some employees **join in the conversations**, while others feel **uncomfortable or distracted by the gambling talk**.

#### The Conflict

**A junior employee, Emma**, reports to HR that she feels pressured to participate in betting discussions to fit in with her team. She also overheard **Derek using company Wi-Fi to place bets** on a sports gambling website.

HR brings this to the attention of **Mark, the department manager**, who is reluctant to act because:

- **Derek is a top performer** and brings in significant revenue.
- The company **has not actively enforced the policy in the past**, so disciplining him now might seem unfair.
- Other employees **engage in casual gambling discussions**—so should the company police all conversations about betting?

However, HR is concerned that if they **ignore** the situation:

- It could set a **bad precedent** that gambling at work is tolerated.
- Employees who **dislike gambling culture** might feel excluded or pressured.
- Using **company resources for gambling** could pose **compliance risks** for a financial firm.

### **Discussion Questions**

1. **Should Summit Financial enforce its policy strictly, or should there be flexibility? Why?**
2. **What consequences, if any, should Derek face for violating the policy?**
3. **Should the company distinguish between talking about sports betting and actually placing bets during work hours?**
4. **How can HR ensure employees feel comfortable reporting gambling-related concerns without fearing workplace backlash?**
5. **What steps should Summit Financial take to reinforce its gambling policy and prevent similar issues in the future?**

### **WCPG Focus Question:**

What “actions” can Problem Gambling professionals take to help organizations address the issues raised by this case? Remember the “Omne Trium Perfectum” Session Challenge for three recommendations.

## WCPG Discussion Case #5

### The Shop that Bets Together

**Wilson's Auto Repair**, a family-owned auto shop with **45 employees**, has a tight-knit culture where everyone knows each other. Employees often **joke around, take lunch breaks together, and talk about sports** while working.

Recently, **sports betting has become a major topic of conversation** in the shop. A few employees, led by **Kevin, a senior mechanic**, have started **placing bets on their phones** during work hours. They often **talk loudly about odds, wins, and losses**, sometimes distracting others.

#### The Conflict

**Sarah, the office manager**, has noticed a few **red flags**:

- **Employees frequently check phones and stop work** to follow games.
- A couple of workers **borrowing money from co-workers**, allegedly **after losing bets**.
- One technician, **Luis, asked to get paid early**, saying he had "a rough week."

The owner, **Tom Wilson**, is unaware of the full situation but has **noticed productivity slipping** and heard arguments about unpaid bets. When Sarah brings up her concerns, Tom is **hesitant to get involved**:

- **"They work hard; let them have some fun."**
- **"As long as the cars get fixed, does it really matter?"**
- **"I don't want to start making rules about what people do on their breaks."**

However, Sarah worries that:

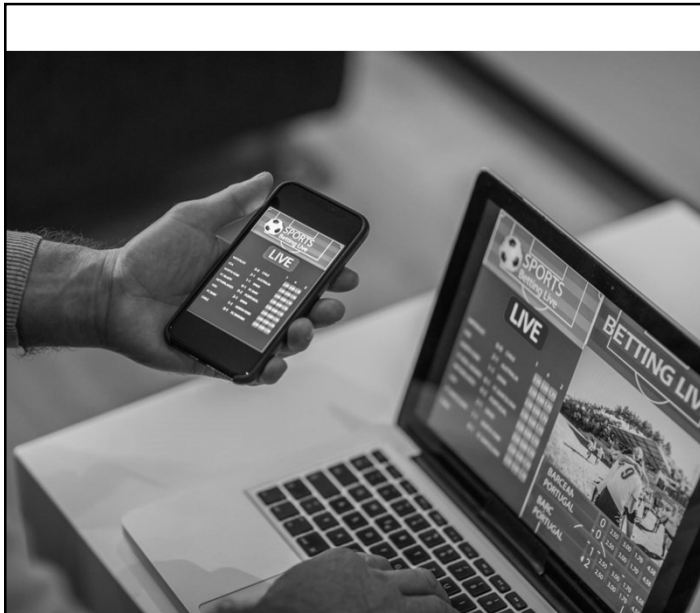
- Gambling could **cause financial stress** for employees.
- Arguments over **bets and money** could hurt workplace relationships.
- If a customer saw employees betting, it could **hurt the shop's reputation**.

### **Discussion Questions**

1. **Should Tom take action, or is this just harmless fun?**
2. **What risks does workplace gambling pose in a small business setting?**
3. **How should Sarah handle employees borrowing money due to gambling losses?**
4. **Should Wilson's Auto Repair create a formal policy, or would that be overreacting?**
5. **If you were Tom, what steps would you take to address the situation without damaging morale?**

### **WCPG Focus Question:**

What "actions" can Problem Gambling professionals take to help organizations address the issues raised by this case? Remember the "Omne Trium Perfectum" Session Challenge for three recommendations.



# Monitoring and Staying Current on Sports Gambling Issues

Wednesday, April 9, 2025

10:00 – 11:30 a.m.

17

## Managing Workplace Gambling

& Challenges

Effective Strategies for Organizations



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Materials from this presentation, including the quiz, case studies, etc. (and 2023/2024 presentations) are available at [www.hr-tracks.com](http://www.hr-tracks.com)



18



## Organizational Policies and Rules About Workplace Gambling

Understanding gambling implications in organizational environments

1


## Prevalence of Gambling in Workplaces

**Widespread Gambling Activities**

Many employees partake in various forms of gambling during work hours, often without realizing its impact.

**Impact on Productivity**

The prevalence of gambling in the workplace can lead to decreased productivity and focus among employees.



4

## Definition and Types of Workplace Gambling



**Definition of Workplace Gambling**

Workplace gambling encompasses any gambling activities that happen in the work environment, impacting workers and workplace culture.

**Informal Betting**

Informal betting among colleagues can occur regularly, creating a casual gambling atmosphere within the office setting.

**Office Pools**

Office pools are organized betting activities, often associated with events like sports, where employees participate collectively.

**Organized Gambling Events**

These are formal gambling events that can be hosted by the company, often for fundraising or entertainment purposes.

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## Potential Risks and Impacts on Organizations

**Reduced Employee Productivity**

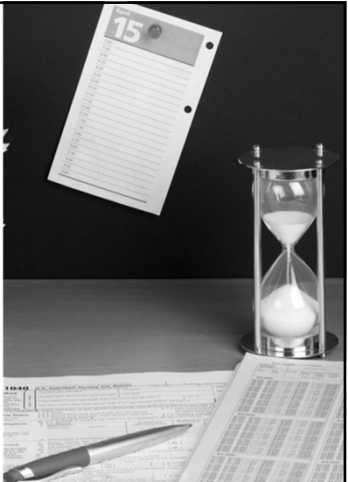
Workplace gambling can lead to distracted employees, resulting in lower productivity levels and decreased work quality.

**Increased Absenteeism**

Employees engaged in gambling activities may take more days off, increasing absenteeism and impacting overall team performance.

**Legal Liabilities**

Organizations may face legal issues due to workplace gambling, which can lead to financial penalties and reputational harm.



5



## Relevant Laws and Regulations

### Understanding Gambling Laws

Organizations must understand the intricacies of gambling laws at local, state, and federal levels to ensure compliance.

### Variations in Regulations

Gambling regulations can vary significantly, affecting different types of gambling activities and their legality in the workplace.

### Compliance Challenges

Organizations may face challenges in complying with various gambling laws, making legal guidance essential.

6

## Industry-Specific Considerations



### Unique Industry Considerations

Each industry has specific factors that influence how workplace gambling is approached and managed.



### Finance Sector Vulnerability

The finance sector may be more susceptible to gambling due to high-pressure environments and potential financial gain.



### Hospitality Sector Challenges

The hospitality industry can experience higher gambling incidents, requiring specific policies tailored to its unique circumstances.

8



## Employer Responsibilities and Liabilities

### Creating a Safe Environment

Employers must ensure a safe and productive work environment to protect employees and enhance productivity.

### Addressing Gambling Issues

Failure to address gambling issues in the workplace can lead to significant liabilities for employers.

### Importance of Clear Policies

Implementing clear policies regarding gambling and other risks is crucial for minimizing organizational liability.

7



## Key Components of an Effective Policy

### Definition of Gambling

Defining what constitutes gambling is crucial for clarity and understanding in workplace policies.

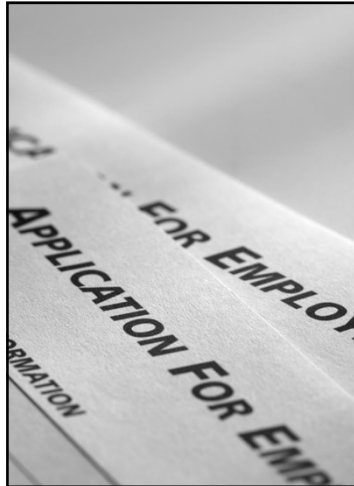
### Prohibited Behaviors

Clearly outlining prohibited behaviors helps ensure all employees understand what is unacceptable in the workplace.

### Consequences for Violations

Establishing clear consequences for policy violations can deter inappropriate gambling activities effectively.

9



## Drafting Clear Guidelines and Rules


**Importance of Clarity**  
Clarity helps employees understand the rules effectively, reducing confusion and promoting compliance.

**Explicit Definitions**  
Providing explicit definitions ensures that all terms are understood the same way by everyone involved.

**Acceptable Behaviors**  
Outlining acceptable behaviors provides a framework for employees to follow, ensuring a respectful workplace.

10


## Communicating Policies to Employees



**Importance of Communication**  
Clear communication of policies ensures that employees understand the guidelines and can comply effectively.



**Methods of Communication**  
Utilizing diverse communication methods, such as meetings and written materials, helps reach all employees effectively.



**Employee Engagement**  
Engaging employees in discussions about policies fosters a better understanding and sense of involvement.

12



## Involving Stakeholders in Policy Creation

**Stakeholder Engagement**  
Engaging stakeholders such as employees and HR during policy creation promotes relevance and practicality in the proposed policies.

**Legal Advisors' Input**  
Involving legal advisors ensures that policies comply with regulations and minimize potential legal issues.

**Widespread Acceptance**  
Including various perspectives in policy development fosters acceptance and commitment from all stakeholders within the organization.

11



## Training and Awareness Programs

**Importance of Training Programs**  
Establishing training programs is essential to raise awareness about gambling risks and encourage responsible behavior among employees.

**Understanding Gambling Risks**  
Training should cover the implications of gambling, helping employees recognize the associated risks and consequences.

**Organizational Policies**  
Awareness programs should include the organization's policies regarding gambling, fostering a culture of responsibility and compliance.

13





## Monitoring and Enforcement Mechanisms

### Importance of Monitoring

Monitoring compliance with gambling policies is essential to ensure fair practices and protect consumers.

### Enforcement of Policies

Enforcing consequences for policy violations is crucial to maintaining integrity within the gambling sector.

### Reporting Procedures

Organizations should establish clear procedures for reporting violations to promote accountability and transparency.

14

## Support and Intervention Strategies

### Counseling Services

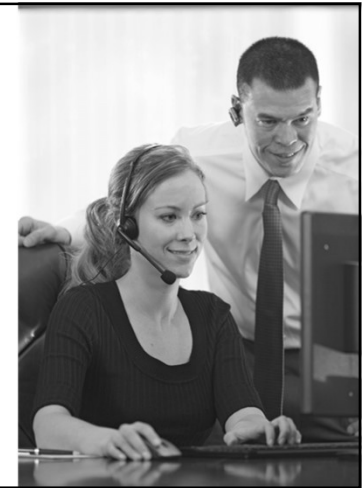
Employers should offer counseling services for employees facing gambling issues to help address their problems effectively.

### Employee Assistance Programs

Implementing employee assistance programs can provide confidential support for those struggling with gambling addiction.

### Support Groups

Facilitating support groups allows employees to connect with others facing similar challenges and share experiences.



16



## Identifying Signs of Problem Gambling

### Behavioral Changes

Employees may exhibit noticeable changes in behavior, such as irritability or secrecy, indicating potential gambling issues.

### Increased Absenteeism

Frequent absences or tardiness can be a major indicator of an underlying gambling problem affecting work performance.

### Financial Issues

Financial difficulties, such as unexplained debts or requests for loans, may signal a gambling-related problem.

15

## Resources and Assistance Programs



### Access to Resources

Organizations should provide employees with access to necessary external resources that support their well-being and recovery.



### Local Assistance Programs

Sharing information about local assistance programs can help individuals facing gambling issues find the support they need in their community.



### National Resources

Organizations should also share information about national resources available for individuals dealing with gambling issues, enhancing awareness and accessibility.

17