

Decision-making in basketball and personal finance

Activity overview: Students use information from USA TODAY and other resources to complete the attached chart that compares playing basketball to managing personal finances. The students will produce a written response in which, after comparing basketball players and individual decisions regarding personal finances, they identify the pros and cons of financial planning for their future.

Concepts:

- Personal finance
- Decision-making
- Wants and needs
- Resources
- Opportunity cost
- Scarcity

Objectives:

Students will:

- describe how scarcity impacts economic choices.
- identify criteria used to make economic decisions
- discuss goals and setting these goals for success in basketball or economic decision-making.
- identify opportunity costs in both basketball and economic decision-making.

Activity at a glance:

- Grade level: 9-12
- Subject(s): Social Studies
- Estimated time required: 35-45 minutes

Materials:

- USA TODAY
- Handout: Basketball and managing personal finances.
- Overhead projector
- Transparency on which to record student responses

Preparation:

- Provide each student with a copy of USA TODAY.
- A worksheet: (Basketball players and managing personal finances.)

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Background: In this activity, students are introduced to the beginning of a program involving increasing personal financial and economic literacy with a comparison to basketball at all levels of the sport. Commonalities exist as athletes and individuals must decide what is the best way to manage their individual (limited) skills and talents versus seemingly unlimited wants and needs. There is always an element of scarcity in play, whether it is through sports or savings and spending decisions we all must face in the economy we live and work in.

Students and teachers are encouraged to use USA TODAY and the ENTIRE paper daily, not just the sports or business sections for seeing these choices and decisions come into play daily across our society and economy.

Classroom management tips/Teaching suggestions:

- Students can work individually or in pairs for this activity.
- Remind students to scan the *entire* paper for examples of decision-making. (The business and sports sections are not the only parts of the paper that will contain examples.)
- Encourage students to list basketball players and famous individuals in the economy on their paper or on the overhead to begin the lesson.
- Encourage them to skim the paper (that day's USA TODAY) for examples others than those listed.
- Remind the class that athletes and students have a common role in the economy: They are both consumers and producers, regardless of their status.
- Divide students into pairs or have them work individually. After, discuss responses as a class.
- Assign the evaluation essay as homework or have students complete it in class.

Additional resources:

- Naismith Memorial Basketball Hall of Fame: www.hoophall.com
- www.ncee.org Activities and resources for teachers on personal finance.
- Your state's economic education center for materials and lessons, located in many colleges and universities.
- Visit www.goodpayer.com or call 800-756-4912 to order the "Learn Now or Pay Later" booklet.

Curriculum connections:

- Economics
- Sociology
- Psychology
- Business Law

Activity extension:

- Have students research other sports and their financial choices they must make. Examples—Hockey and collective bargaining issues. Football and the revenue sharing plan in the NFL. Baseball and the salary cap issues for teams, players and

Decision-making

Directions: Adopt the role of a basketball player and fill in the left-hand side of the chart below. Then, as yourself, complete the right-hand column.

In basketball

In personal finance

What are your goals as a basketball player?
Short-term:

Mid-term:

Long-term:

What are your personal financial goals?
Short-term:

Mid-term:

Long-term:

What is your coach's role in your future?

What is your financial advisor's role in your future?

What are your career goals?

What are your career goals?

When should you begin to think about an athletic career?

When should you begin to think about personal finances?

Decision-making

In basketball

In personal finance

How will you become a successful athlete? What resources do you need?

How can you prepare for financial success? What resources do you need?

What is the most important resource for an athlete?

What is the most important financial management resource?

Five players on a team

Step 1: What is the problem

Step2: Identify your alternatives

Step3: State your criteria

Step 4: Consider your alternatives

Step 5: Make your decision

Five rules for decision-making

Step 1: What is the problem

Step2: Identify your alternatives

Step3: State your criteria

Step 4: Consider your alternatives

Step 5: Make your decision

Player reference options

Michael Jordan

David Robinson

John Lucas

Julius Erving

Business and individual options

Bill Gates

Ted Turner

Bill Johnson

Warren Buffett

