

Are Football Coaches Overpaid?

A DISCUSSION OF THE COACHES COMPENSATION ISSUE



By Thom Park

WASHINGTON REDSKINS HEAD FOOTBALL COACH Steve Spurrier is probably the highest paid football coach in the world today. Coach Spurrier is reportedly contracted to earn \$25,000,000.00 over a five year term, a deal valued at \$5 million dollars annually. Despite that he may also be one of the best coaches, he has little need to worry about 3% inflation. After all, Notre Dame's Knute Rockne was highly compensated too at \$80,000.00 per year in the late 1920's when he was the top paid football coach. The very best people usually do well in any field.

With the very top NCAA Division 1A head football coaches being paid well over \$2,000,000.00 in total annual compensation, their critics leap to decry that football coaches as a class of employees are highly overpaid. Part of this opposing mindset stems from an elitist, "white tower" view that coaching does not require extensive graduate education nor is it in the view of the critics a highly cerebral, professional nor intellectual vocation. Simply stated, being a "jock" or worse, a coach of "jocks" just does not warrant nor deserve such substantial compensation.

University faculty are quick to compare their modest incomes but certainly not their most comfortable job descriptions to football coaches while even the President of the NCAA has called elite coaching compensation a growing intercollegiate athletic economic problem. Consider the entire issue grossly misunderstood to the detriment of the football coaching profession. Money always seems to find a way of contaminating otherwise healthy human relationships.

Any fair analysis of the coaches compensation issue must consider both coaching status, rank and longevity. The three identified tiers of coaching status would be the elite coach (NFL, CFL, Division 1A, IAA), the normal college coach (D2,D3,JC,NAIA, the minor pro leagues and the European NFL) and the vast majority of the coaching profession who mentor at the interscholastic level (Jr. and Sr.H.S and prep schools). Call this the status level of coaching.

In each of these three status tiers are achieved levels of rank or attainment such as volunteer, entry level rookie, G.A., assistant, offensive or defensive coordinator, associate head coach or head coach. Tangential posts are recruiting coordinators, operations and video staff. These ranks include high performance achievers,

industry veterans and just the average capable journeymen who are by definition pretty high performing people. Call this rank. After a decade or so of coaching tenure, those who are left standing are generally very capable men simply to have survived this long in such a rapaciously competitive Darwinian work environment. In coaching, the cowards never start and the weak die on the way. Call this survived longevity.

The prejudicial perception that the career football coach of any status, rank or longevity is highly overpaid is an inherently dangerous falsehood. Moreover, it is grossly detrimental to the profession because it feeds the irrational notion that these dedicated teacher-coaches can be fired on impulse because they make so much money but don't perform. Heaven help us if all the average (5-5-0) teachers every year were dismissed for their failure to satisfactorily perform. Talk about being mathematically impaired, someone has to lose in a zero sum game, so being 4-6-0 once in a while should not of necessity be grounds for termination as a marked failure.

In the Park coaching family, my son, Clint, a GTE Academic All-American nominee QB at Villanova University, coached for a season as a G.A. at Duke University while old Dad, me, labored for 15 seasons as a coach, five of them at Maryland in the ACC. We joke that the son figured out in a year what it took Dad a whole lot longer to discern, namely that coaching is a tough way to make a living. His boss, former ACC and SW Conference Coach the Year, Fred Goldsmith, was fired at Duke so my son went out with him, even if he married his daughter. When my wife, a veteran football lady and wife told a woman in our church that our daughter-in-law's father, Fred, was fired, she was shocked. My wife, Susan said, "but he's a football coach and no matter how good they are, they are all eventually fired." Just like combat soldiers, the longer they are in action, the more likely they are to be hit.

Being fired in many jobs is a badge of shame but in coaching, it is a career expectation. After all, Alabama's Paul "Bear" Bryant produced 29 college head football coaches from his organizations over his life-time career while 27 of them were fired. So much for job security for these men following "the Bear," a legend who, like The Pope, are those rare cases where top leaders retire and die nearly concurrently in their jobs. This is hard to do when 35% of all college football coaches leave the profession in their mid-'30's, an obvious reflection of the complete lack of the salary "risk

premium” normally assigned to hazardous occupations. Many move on to simply do better economically.

Elite football coaches who earn seven figures per year such as Mike Shanahan, Bobby Bowden, Mike Holmgren and Bob Stoops pale in comparison to the incomes of their counterpart elite leader-executives in the domains of law, medicine, finance, banking, engineering, science, management or corporate governance. The recently fired CEO of Dynergy was awarded a \$33,000,000.00 termination settlement, while the AT & T CEO was paid \$26 million to leave under the accusation of “a lack of intellectual leadership,” and the #1 paid CEO of Oracle last year made \$706,000,000.00 while the top eight American CEOs all made over \$100 million.

All of the Forbes Magazine ranked 501 American CEO’s last year who collectively earned \$4,800,000,000.00, down 6% from the year before, may run enterprises more complex than elite football coaches but they are surely not as sought after, nor as admired, nor as acclaimed by the media, nor as worshipped by society at large and certainly not fired as often. Compared to the elite leadership in any field, the very top football coaches are in no way overpaid by any comparative measure. The hourly rates of coaches earnings given the extreme hours logged are routinely the topic of jokes in the profession.

Academic critics often malign the 18 of the 22 Division 1A football coaches who led their teams to bowls in 2001 and earn over \$1mm per year. The actual size of the present value dollar settlements awarded these men upon “termination not for cause” when it happens is never discussed by anyone but their wives, agents, accountants, and the presidents and ADs who fire them. “Termination not for cause” which usually means they did not win enough and the remaining contract balance due to them belies the exaggerated yet reported settlements seen in the newspapers. These termination settlement sums are often greatly reduced as their collateral benefit income which might have been earned had they stayed in the job is in a word, gone. An NCAA elite coach earning \$1mm per year, might be paid \$150,000.00 in salary and \$850,000.00 in collateral benefits income such as radio, TV, camps, product endorsements, clinics and speaking fees. Fired in year three of a five year deal leaves a contract balance due of \$300,000.00 in salary alone and not the \$2mm commonly believed. This is why intelligent agents, lawyers or advocates are needed by coaches since this \$300,000.00 illustration would be the lower number where the settlement discussion begins. Fired CEOs do a bit better.

Football coaches, like ministers, spend the initial ten, fifteen or twenty years of their profession building skills, developing expertise and growing professionally, often moving to gain experience with little financial reward. The apprenticeship process in coaching is “a near poverty experience.” Football G.A.s work over 100 hours per week like M.D. resident interns yet hardly have the same promise of a job, much less one that pays well.

Comparisons of coaching across other demanding professions as to excessive hours worked, extreme time away from home, few days off per year, virtual job insecurity, non-tenure, high frequency of job relocation, mandatory career mobility to survive and advance, extreme public scrutiny, dislocation costs in terms of lost housing equity and destroyed unvested pension benefits, personal stress, family stress and the coach’s unavailability to them, a complete lack of time for anything outside of work, not to mention the lack of time to prepare for a next career make coaching unique in its demands.

Coaching is a labor of love like no other profession except possibly the military in war, the police and fire departments in crisis, and in some ways, the clergy. Any service leadership calling with such rigorous demands generally pays people well to take such risks and endure such sacrifices, yet coaching does not. It has only been in the past few decades that the level of pay in football coaching has escalated to the level to even have spawned this ridiculous debate.

Comparing coaching pay to that of comparably tenured faculty at colleges and universities is often incorrectly cited to the disadvantage of the faculty. Historic faculty turnover rates are 4% versus the 25-35% annual dislocation in coaching which should end that discussion mathematically. This statistic alone when interfaced with the myriad other factors of difficulty previously cited makes the comparison of pay laughable. Fulltime faculty pay has routinely tracked the C.P.I. in most reported data yet this fails to include the income teachers make in their summers off, fails to include non W-2 faculty consulting income nor any “moon-lighting” which no coach can easily do. The average full professor in 1994 earned \$61,000 with an added \$15,000 of benefits, enjoyed tenure plus the outside income sources cited above so academic faculty actually compare very favorably pay-wise to their coaching colleagues at similar institutions, status, rank and longevity.

Many Florida academic institutions are in a recruiting war to attract “the best and the brightest” faculty nationally to bring in grant money and are paying big to do it. Top educators are getting sound six figure salaries with excellent perquisites to bring in 7 figure grants. These well educated professionals are highly likely to still be practicing their craft in their fifties and sixties, the best paying years, long after most football coaches have moved on to a new career or two, usually starting over and retooling.

The nation’s scholastic teachers and coaches who are the backbone of the football coaching profession saw their salaries rise just 31% in the 1990’s. This barely kept pace with inflation at an annual average of about \$43,000.00. Given that the stipend to coach is about 10% more over the base salary with twice the time and effort required, coaches in high school surely do not coach for the money. Rather, it is a job of unusual dedication and devotion to the game of football which is a marvelous shaping instrument for young people. These high school coaches who are the heart and soul of the coaching profession in America will seldom see in their careers the “big money” unless they take the risks to move up in status. Despite the low pay, these High School Football Coaches who teach our players and mean so much to so many serve as the single most influential authority figures in every institution of learning which they inhabit. What is that worth?

What coaches are not paid clearly violates the business principle that “if you do not pay for quality, you never get it.” American football has surely gotten quality coaches but this compensation issue begs the business question that if we do not pay better for these quality teachers, will we keep them in the profession? Former coach, a title I claim, is an all too frequent career descriptor. We must not be so foolish as to count the financial cost of our football coaches at an economic price which is low over their enormous and irreplaceable value to our society which is priceless.

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