Recruit Quality and Team Performance in NCAA Division I Men's Basketball

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The resource-based view of the firm argues that organizations should seek valuable resources, such as human capital, to gain a sustained competitive advantage and increase organizational effectiveness (Barney, 1986; Smart & Wolfe, 2000). One way intercollegiate sports programs attempt to separate themselves from their peers is by recruiting high-quality athletes. Athletic departments allocate significant resources toward the acquisition of human capital in the form of recruits (Seifried, 2009). For example, in 2012-13, the University of Kansas spent over $2 million on men’s basketball recruiting (Brady, Kelly, & Berkowitz, 2015).

Recruiting and team performance have been studied most often in high-major football (e.g., Demond, Lynch, & Platania, 2008; Langelett, 2003); however, several basketball studies also exist. Using recruits’ star rating (a 1-5 scale commonly employed by recruiting services), Treme, Burrus, and Sherrick (2011) found that, within so-called power conferences, highly-ranked freshmen guards significantly increased their teams' number of wins in their first year. Treme and Burrus (2016) found one standard deviation increase in overall team star rating generated approximately one additional win per season, and recruit quality explained about 1% of additional variance in team performance, controlling for prior performance.

This study was primarily guided by the following research question: How does recruit quality affect team performance in National Collegiate Athletic Association (NCAA) Division I men’s basketball? Data was gathered from 247sports.com for all high school basketball recruits rated by the website from 2012 to 2015 (N = 1,902). 247sports.com compiles data from four national recruiting services, then uses an algorithm to create a composite rating between 0.7000 and 1.0000 for each player (247sports.com, 2016). Composite ratings of each school’s recruits were summed to create a Recruit Quality Estimate (RQE) for each year. The RQE for each school was also calculated for the combined years 2012-15, 2013-15, and 2014-15, to help answer our secondary research question: Do schools build up recruiting capital over time? Final NCAA ratings percentage index (RPI) for each year was used to signify team performance.

This study expands on previous work in this area in three main ways. First, the 247sports composite rating is a more precise measure than star rating (i.e., the difference in composite rating between 2015’s highest [0.9888] and lowest [0.9206] ranked four-star recruit was 0.0682, which would not be captured by star rating). While Treme et al. (2011) only looked at power conferences, this research expanded the teams studied to all Division I men’s basketball programs. Finally, this study was the first to measure recruiting capital built over time.

Hierarchical linear regressions were used to measure the effect of RQE on RPI. For the year-over-year analysis, prior year RPI accounted for 55.9% of total variance in current year RPI, while RQE accounted for only an additional 1.2%. Both prior year RPI (β = 0.719, t(1,400) = 25.445, p < .001) and RQE (β = .004, t(1,400) = 2.453, p = .014) significantly predicted current year RPI. In the analyses of effects over time, the four-year aggregate RQE accounted for an additional 7.5% of variance in RPI from 2012 to 2016, which was greater than the three-year aggregate (5.7%), two-year aggregate (4.5%), and one-year analysis (1.2%).

Results from the year-over-year analysis were consistent with the findings of Treme and Burrus (2016), signifying that recruiting only accounts for a small amount of variance in between-season changes in performance. This calls into question the vast amount of resources that large schools often spend to acquire human capital. However, results from the second set of analyses implied the relationship between recruiting and on-court success grows over time, and sustained success in recruiting will eventually become meaningful. Further analyses will be presented and
implications of the study for both recruits and college coaches/recruiters will be discussed in detail during the presentation.