

Office Pools, Games and Lotteries: Gambling or Good Fun?



Most employers know that their employees are involved in office pools, but they look the other way. A recent survey found that 75 percent of workers and 70 percent of managers admitted to taking part in office pools. A quick internet search brings up hundreds of websites that host office pools or sell office pool software that make it easy for employees to place a bet. The pools may be viewed as harmless fun or a way to celebrate a special occasion.

However, no matter who wins the office pool, the employer can be the loser if things get out of hand. The same is true of lotteries. In most cases, states prohibit lotteries that are run by for-profit organizations. Not-for-profit, public service, educational, charitable, veterans and religious organizations can run lotteries provided they have a state permit and adhere to very strict rules.

Some employers don't realize that office pools constitute gambling and are illegal in most states. Companies are often tempted to run lotteries or games in connection with employee events. As long as all of the receipts are paid out in winnings and no one is making a profit by running or sponsoring the pool, it is unlikely local authorities will show up at your door to arrest someone. Legal advice is best sought if there is any question as to gambling status of a particular activity.

Experts advise that there is a downside to being too heavy-handed. An occasional office pool can boost morale and add some fun to the workplace. If the organization allows office pools on a limited basis, the activity should be monitored to avoid common problems. Consider the following tips:

- Make sure the organization's policy on gambling reflects its practice. Do not ban office pools and then look the other way when they occur. Employees need to know what is permitted.
- Apply the policy consistently. For example, if a football pool is allowed, a pool to guess the birth weight of an employee's baby should also be allowed.
- Monitor all gambling activity. Online gambling and fantasy sports leagues can waste a huge amount of employee time. Consider amending your telecommunications policy to specifically prohibit online gambling.
- Be ready to step in if office pools become frequent or adversely affect productivity.



Gambling is defined as playing any game of chance for money or something of value. Lotteries are also considered gambling. However, games of skill are not considered gambling. For instance a company could conduct a bean bag toss or jelly bean count without a permit because these are not considered games of chance but rather games of skill. On the other hand, a poker game is not considered a game of skill because the outcome is largely determined by the cards that are dealt by chance.

- Do not permit managers to run the pools—there may be inherent coercion for employees to participate.
- Watch out for conflicts between employees. Whenever money is involved, emotions can run high and disputes can arise.


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An organization should review its policy on office pools and gambling and make sure it is consistent with practice and remind employees of its provisions.

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