Are performance and salary in the NBA related?

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Motivation

- Kobe Bryant made \$25M in 2011
- Main question: Is this salary justified?
- Based on historical data from 2009, 2010, 2011 we can look at:
 - Salaries for each player per year
 - Specific statistics per player such as
 - Positions (Forward, Center, Guard)
 - # of Wins in the season
 - PPG (points per game)
 - RPG (rebounds per game)
 - MPG (minutes per game)
 - APG (assists per game)

Data Collection 1

Data available online on: http://www.basketball-reference.com

Roster Glossary · SHARE · Embed · CSV · PRE · LINK · ?								
No.	Player	Pos	Ht	Wt	Birth Date	Ехр	College	
9	<u>Matt Barnes</u>	F	6-7	235	March 9, 1980	7	University of California, Los Angeles	
5	<u>Steve Blake</u>	G	6-3	172	February 26, 1980	7	University of Maryland	
12	<u>Shannon Brown</u>	G	6-4	205	November 29, 1985	4	Michigan State University	
24	Kobe Bryant	G	6-6	200	August 23, 1978	14		
17	<u>Andrew Bynum</u>	С	7-0	285	October 27, 1987	5		
45	<u>Derrick Caracter</u>	F	6-9	275	May 4, 1988	R	University of Texas at El Paso	
3	<u>Devin Ebanks</u>	F	6-9	215	October 28, 1989	R	<u>West Virginia University</u>	
2	<u>Derek Fisher</u>	G	6-1	200	August 9, 1974	14	University of Arkansas at Little Rock	
16	Pau Gasol	F-C	7-0	227	July 6, 1980	9		
10	<u>Trey Johnson</u>	G	6-5	218	August 30, 1984	1	Jackson State University	
7	<u>Lamar Odom</u>	F	6-10	220	November 6, 1979	11	University of Rhode Island	
50	<u>Theo Ratliff</u>	C-F	6-10	225	April 17, 1973	15	University of Wyoming	
1	<u>Joe Smith</u>	F	6-10	225	July 26, 1975	15	University of Maryland	
18	<u>Sasha Vujacic</u>	G	6-7	193	March 8, 1984	6		
4	<u>Luke Walton</u>	F	6-8	235	March 28, 1980	7	University of Arizona	
15	<u>Metta World Peace</u>	F	6-6	244	November 13, 1979	11	St. John's University	

Salaries

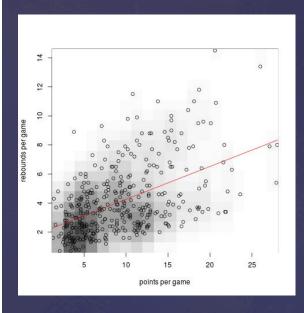
Rk	Player	Salary
1	Kobe Bryant	\$24,806,250
2	<u>Pau Gasol</u>	\$17,823,000
3	Andrew Bynum	\$13,700,000
4	<u>Lamar Odom</u>	\$8,200,000
5	<u>Metta World Peace</u>	\$6,322,320
6	<u>Luke Walton</u>	\$5,260,000
7	Steve Blake	\$4,000,000
8	<u>Derek Fisher</u>	\$3,700,000
9	<u>Shannon Brown</u>	\$2,200,000
10	<u>Matt Barnes</u>	\$1,765,000
11	Theo Ratliff	\$1,352,181
12	Joe Smith	\$1,352,181
13	<u>Devin Ebanks</u>	\$473,604
14	<u>Derrick Caracter</u>	\$473,604

Data Collection 2

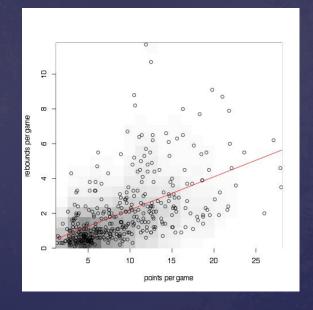
How we got the data into R – extracting data from online HTML tables:

```
📊 🥅 Source on Save 📗 🔍 🥕 🕶
    for (i in 1:length(teams))
      link <- str_c("http://www.basketball-reference.com/teams/",teams[i],"/",year,".html")</pre>
      a <- readHTMLTable(link,header=F,stringsAsFactors=F)</pre>
      if (length(a)==12) a <- a[c(1,5,12)]
 9
      else a \leftarrow a[c(1,5,8)]
10
      salaries <- a[[3]][,-1]
11
      salaries[,2] <- str_replace_all(salaries[,2],"\\$","")</pre>
12
      salaries[,2] <- as.numeric(str_replace_all(salaries[,2],",",""))</pre>
13
14
15
16
17
18
```

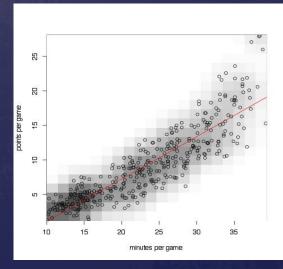
Player's performance ?= Athletic Ability



PPG vs **RPG** (p< 2e-16)

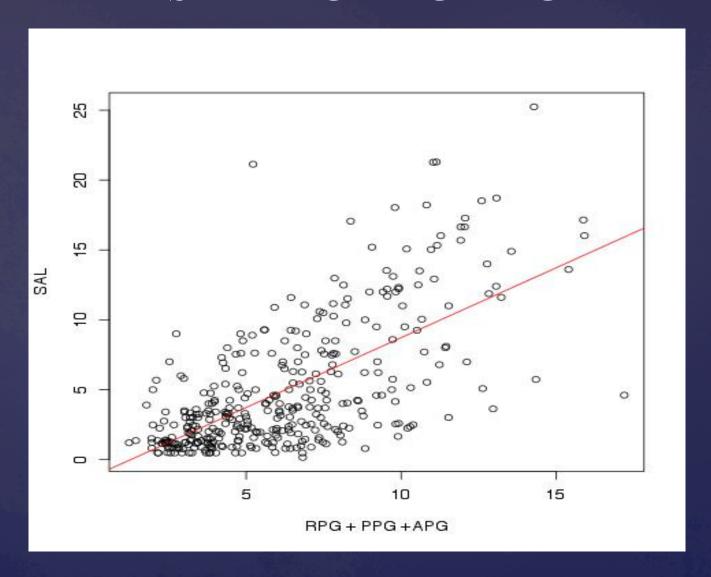


PPG vs **APG** (p< 2e-16)

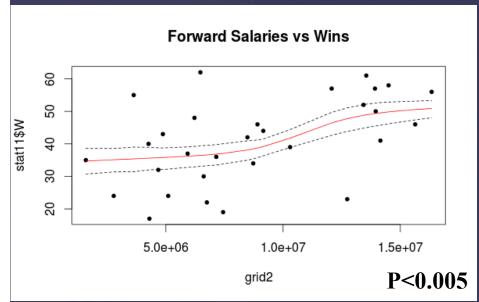


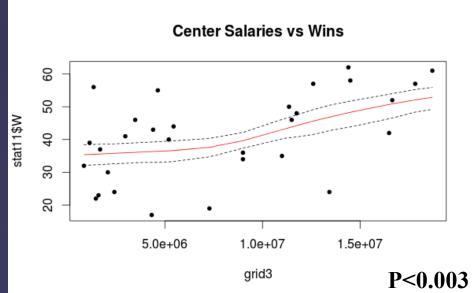
MPG vs PPG (p< 2e-16)

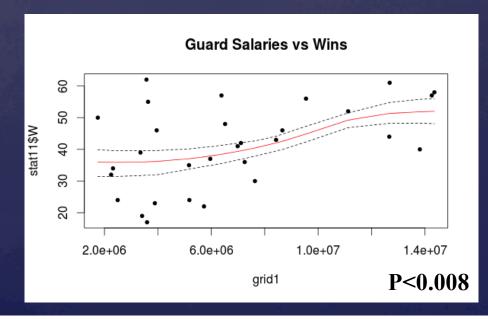
SAL~PPG+RPG+APG



Salary and Wins relationship (2011)

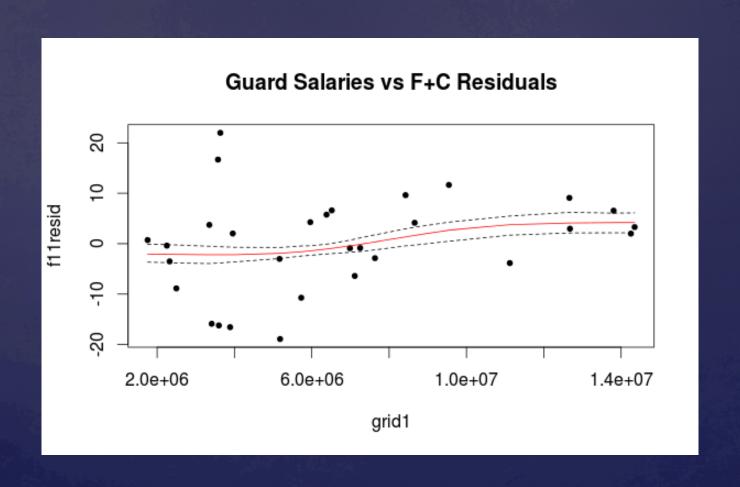






Salary and Wins relationship

Does position matter? Likely not



Summary of Results

Statistically significant linear relationships between:

- ✓ Performance variables RPG, PPG, MPG, APG
- ✓ Salary and individual player performance/ability as measured by PPG, RPG, and APG
- ✓ Salary and team performance as measured by wins

Limitations of Current Analysis/Future Directions

- Tracking team roster changes
- Outlier players (e.g. Kobe Bryant)
- Outlier teams (e.g. Lakers)
- Other individual differences between players such as age
- Are contracts based on past performance?

THANKS!