ABSTRACT: Contract Year Syndrome (‘CYS’) is a phenomenon in which athletes who are up for a new contract experience a performance boost that is then followed by a performance drop after a new contract is obtained. The potential for CYS looms large in contexts like the NBA, where lucrative, multi-year contracts are guaranteed. Thus, whether CYS exists is of interest to those in the basketball world: pundits treat CYS as explanatorily relevant when analyzing player performance, and management might begin to discount performance boosts in contract years. Furthermore, implications of CYS extend past the NBA into the domain of economics. Theories of intrinsic and extrinsic motivation predict that extrinsic motivators—such as receiving guaranteed multi-year contracts—will boost performance. According to these theories, extrinsic motivation also undermines intrinsic motivation, which then results in a performance drop once the extrinsic reward is obtained. Practically speaking, extrinsic motivation is a double-edged sword.

In this talk, I start by investigating whether CYS exists in the NBA. (Spoiler: it likely does not.) I then consider the extent to which performance measures can shed light on our underlying motivations. Ultimately, can we discern when someone is playing “for the love of the game”—and should we care?