

Factortakehomeyd assignment

Sociology



The following are the questions for the take home quiz. Please answer on separate piece of paper. This is due in class, not after class, not by the end of day, but at the beginning of class on January 6th. This is open book, but must be your own work. Please do not work around or interpret this requirement as vague or leaving any room for consulting classmates or other help on this work IN ANY WAY, SHAPE, OR FORM. It is obvious when students work together or get assistance on assignments like this. Note: Some of this material is material that we went over less in class or that was not prominent in the activity book.

This is my way of making sure you cover it (20 opts) Pick two different professions that receive very different compensation. Explain, using the book's descriptions of the causes of wage differentials, why the two professions receive different compensation. More credit will be given for examples that legitimately demonstrate more distinct reasons for difference and discussions that are more thorough. You may not use examples we have used in discussion or that the book has used. (20 opts) Employers try many strategies to properly motivate employees.

Sometimes they work; sometimes they get exactly the wrong result. What term from the book describes the problem that causes employers to seek clever compensation schemes? State and specifically define this term. In the recent economic crisis compensation schemes may have made matters worse. Below are two lists. The first list describes employees who hurt the companies that employed them. The second list names compensation schemes designed to improve employee behavior that may in the wrong circumstance actually influence the employees to behave badly.

<https://assignbuster.com/factortakehomeyd-assignment/>

Which scheme might have been involved in each situation? Your assignment is to match an employee from list 1 with a scheme from list 2 and then ascribe how using that compensation scheme for that employee might have caused their bad behavior as described. Use each item from each list once each. List 1 - Badly behaving employees: Some say the car company's problems were caused by the car company Coos making short run decisions that focused only on making this year's financial reports show high profit, no matter what the long run impact of those decisions.

Mortgage originators, members of firms who find people who want mortgages and help them fill out forms to qualify for mortgages, worked hard to book more mortgages without regard to the real quality of the borrower and even helped borrowers fill out misleading applications. A CEO, who had been being paid a very, very high salary for a long time, of one major bank that suffered a great loss in a crisis was fired partially because of his poor response to the sudden crisis.

Shareholders resented the indifference shown when he went on a scheduled golfing trip during the very period of time that the crisis was breaking and the bank's stock was falling. List 2 - Compensation schemes: Efficiency Wages Bonus, Stock Options, Profit sharing Commissions (30 opts) Assume that Company EX. is a profit-maximizing firm that hires its labor in a perfectly competitive labor market and sells its product in a perfectly competitive output market.

Using correctly labeled side-by-side graphs to demonstrate each of the following. The labor market in equilibrium. The labor supply curve EX. faces

The number of workers EX. will hire based on its demand for workers.

Company EX. develops a new technology that increases its labor productivity. Currently this technology does not change the final product and is not available to any other firm. For Company EX. explain how the increased productivity will affect each of the following. Wage rates paid by EX.