



POWELL CENTER FOR
ECONOMIC LITERACY

Lesson Plan

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Get a Job!

Time Required

The school year

Economic Concepts

choice
goods
incentives
services
supply and demand

Overview

Schools tend to stress the academic requirements students must meet to go on to college and subsequently acquire a meaningful, productive job. But for many jobs, the basic life skills such as getting to work on time, getting along with co-workers, and doing what you say you'll do when you say you'll do it will determine who lands the job, who keeps the job, and who gets the promotion. Whether working part-time after school during the teenage years or entering the job market full-time after graduation, students are well served by understanding the practical realities of being a wage earner.

Students spend as much time on school-related activities as adults do in job-related activities; the only difference is that jobs pay a salary. When students earn a salary (via a play-money situation) in school, that simulated marketplace can teach them a great deal about responsibility, accountability, choices, and deferred gratification of wants, just as the world outside school teaches similar lessons to salaried employees.

Objectives

- Students understand that people respond to incentives in observable, predictable ways.
- Students understand that economic choices are determined by what we do and not what we say.



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- Students realize that money has value only as a medium of exchange for goods and services.
- Students understand that the price of a good is subject to the laws of supply and demand.
- Students recognize the connection between actions or behaviors and their consequences.

Materials and Handouts

- Handout 1, Employment Agreement
- Handout 2, Economics Salary Chart
- Handout 3, Salary Detail

Teaching Activity

Explain to the students the differences between economic needs (e.g., food, water, shelter, clothing) and wants (e.g., toys, cars, brand-name shoes), stressing that true needs are relatively few in number while wants are endless. Have the students prepare a list of their own needs and wants. (Keep these lists; they will likely provide you with some good ideas for incentives that you can use later on.) Lead the students in a discussion of the ways in which needs and wants are obtained, encouraging them to evolve their thinking away from what their parents can provide for them to what they will one day provide for themselves and potentially for their own children.

Absent charity, inherited wealth, or government largesse, needs and wants are obtained by having a job and earning a salary. Encourage the students to imagine that being a student is really a job in itself. Have them list the components necessary to be a successful student. Link the components to job input (doing homework, paying attention in class, being on time to class) rather than to outcome (grades).

Have the class agree on a list of responsibilities which all students should assume, and then establish a wage scale for each responsibility. It is important that the students set the criteria and rewards, but it is also important that you, the employer, be very clear about the standards. If doing homework is a responsibility, define whether that means completing 100 percent of all assignments or only 80 percent; if attendance is a responsibility, determine whether an excused absence differs from an unexcused absence.

Because students do modify their behavior over time to correspond to the defined responsibilities, it is important to think carefully about the traits and work ethic you are



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trying to instill.

Have the students also assign penalties for failure to comply with agreed-upon requirements. (At our school, we make a distinction between failure to comply with a rule in a way that affects only oneself, such as not turning in a homework assignment, and a failure that affects other students, such as unruly behavior in class. The former results in forfeiture of the agreed-upon wage, while the latter adds the assessment of a fine.)

Think of your created money as a foreign currency; do not tie prices to U.S. currency. Hold a contest for the students to design the money. Standardize the size of the money, such as requiring that it be drawn on a 3x5 index card. Make the money in as many denominations as you think appropriate. Copy the designs onto different colors of paper, and voila, you have money!

After students apply for the job, hire them and have them sign an employment agreement (Handout 1) listing the specific duties, wage scale, and penalties, if any. Each student and the teacher should retain a copy. Explain to the students the importance of obtaining any financial agreement in writing.

In order for the process to function appropriately, the students must view it as fair and accurate. Prepare a salary chart (Handout 2) which can be posted in the classroom, and check the appropriate categories daily. This project functions well as a behavior modification process if the students can see their earnings accumulate daily and relate the accumulation to the choices they have made.

Select a designated time each week for payment of student salaries. A summary detail of the salary (Handout 3) should be attached to the money. This is informative for the students, providing again a tangible reinforcement of the desired behaviors. Review copies of these sheets with the parents at each parent-teacher meeting and encourage them to review every summary sheet.

Tell your students that each week you will give one student an incorrectly added salary. This is a good math drill, and it also demonstrates the necessity of checking numbers carefully in any financial transaction.

Obviously, the money you have created has no intrinsic value. To attain value, it must have purchasing power, in relation to as many things as possible. If students must choose among competing goods, they will be able to practice making wise choices and learning



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the value of forgoing present consumption for some preferable future goal. Price items so that students will not have enough money to buy everything. If initially you are in doubt about pricing items, hold an auction and offer them to the highest bidder. Keep records of the number of items offered for sale and the prices they sell for; this will provide data which can be charted to show the intersection of supply and demand.

Possible purchasing choices are mystery bags (containing stickers, pens, note pads, and other inexpensive small items), bathroom passes, rental of playground equipment, after-school movies, refreshments at the movies, homework passes, quiz passes (exorbitantly expensive), eating lunch outside on a blanket, visits to local museums, special seats in the classroom, and renting a stuffed animal to stay over the weekend with a student. There should also be at least one large, desirable purchase, requiring students to budget and save weekly. At our school, we charge a high fee for the right to participate in the year-end school trip. Remind your students often of the need to save on a regular basis.

Handout 1

EMPLOYMENT AGREEMENT

By this agreement, _____ School agrees to employ _____ for the period of September 1997 to June 1998 as a student at the school. Terms of the agreement are set forth below. All salary considerations are paid in _____ School dollars, such currency having no value outside the confines of the school. This agreement is void upon any of the following events: (1) withdrawal of student from the school; (2) removal of student from economics program for any reason and/or; (3) termination of the economics program at the school. The signatures below shall constitute agreement with all conditions of employment as set forth herein.

Student responsibilities and salary payments are as follows:

- | | |
|---|-----------------|
| • Daily attendance at ALL classes of the school | \$5.00 per day |
| • Completion of ALL homework assignments for ALL classes submitted when due
(no credit for assignments turned in late) | \$50.00 per day |
| • Good behavior in the classroom
(as defined by the school rules) | \$10.00 per day |
| • Class participation in a manner deemed positive by the teacher | \$5.00 per day |
| • Keeping desk area neat and tidy | \$1.00 per day |
| • Being on time to all classes | \$5.00 per day |
| • Being prepared for class by bringing all necessary supplies | \$5.00 per day |
| • BONUS for obeying all school rules | \$15.00 per day |
| • Performance of various clean-up duties assigned by the teacher | Various |

In addition to forfeiture of salary, a fine of \$5.00 will be levied for infractions of school rules. An additional fine of \$200.00 will be levied for littering or in any way damaging school property.

Teacher

Date

Student

Handout 2

ECONOMICS SALARY CHART

7th Grade - Mrs. Smith

Week: _____

	Attendance \$5 per day	Keeping School Clean prices below*	Homework \$50 per day	Class Participation \$5 per day	Good Classroom Behavior \$10 per day	On Time to Class \$5 per day	Bring Supplies to Class \$5 per day	Keep Desk Clean \$1 per day	(Bonus) Follow ALL School Rules \$15 per day	Fines
	M T W T F	M T W T F	M T W T F	M T W T F	M T W T F	M T W T F	M T W T F	M T W T F	M T W T F	M T W T F
Melody										
Leon										
Jessica										
Chris										
Tiara										
Faith										
Talonia										

* Jobs for which students may receive payment are as follows: (1) empty trash cans daily (\$3 per week); (2) wash off designated tables daily (\$1 per week); (3) vacuum assigned areas in preparation for special events (\$10 per day); (4) wash off chalkboards (\$5 per week); (5) straighten teacher's shelves if requested (\$1 per day); (6) water plants (\$3 per week).

Note: Fines will accrue as follows: At the teacher's discretion, a \$5 fine may be levied for school rule infractions such as talking in class, failure to keep hands to oneself, loud talking in the halls, use of inappropriate words, etc. This is not in lieu of demerits, but is available for lesser offenses. Any littering on school property will result in a \$200 fine.

*Handout 3***SALARY DETAIL**

Name: _____ **Week of:** / 19

Attendance	(\$5 per day)	\$	_____
Clean-up jobs	(various)	\$	_____
Homework	\$50 per day)	\$	_____
Class participation	(\$5 per day)	\$	_____
Classroom behavior	(\$10 per day)	\$	_____
On time	(\$5 per day)	\$	_____
Bringing supplies	(\$5 per day)	\$	_____
Keeping desk area tidy	(\$1 per day)	\$	_____
Bonus: Following all rules	(\$15 per day)	\$	_____
SUBTOTAL:		\$	<u>_____</u>
Less:			
Fines		\$	_____
FICA tax (7.65%)		\$	_____
Withholding tax (14%)		\$	_____
Living expenses		\$	<u>165.00</u>
NET SALARY:		\$	<u>_____</u>