

Opportunity Cost of Working

Dawn M Renninger
Penn State University
Mateer's Chapter Two
Adapted from FTE

Focus

Life is about choices and
choices have consequences.

Simulation Roles

■ Students

- A, B and C
- Each student creates a certain number of satisfaction points
- Satisfaction points have a market value:
 - \$1 wage = 1 satisfaction points
- Goal is to maximize Satisfaction Points by choosing either to study or to work a job

Employers

- Hire workers for each round of the game
- Employers choose profit by bargaining with students individually
- Each round is a new round with new employees and conditions
- Goal is to maximize profits

Be Aware

- Satisfaction Points \neq Monetary Wealth
- Satisfaction fluctuates with changes
 - Family size and values
 - Job qualities and income
 - Personalities
 - Health
 - Personalities

Remember Success is Different for Everyone

Number of satisfaction points on your role card
DOES NOT affect your ability to be successful.

Extra points represent a variety of different
“improvements” in your families’ lives (better
food, nicer clothes, saving for college, enjoying
work, happiness from being a student).

Directions:

1. Place an x on the Choice you did not Choose each round.
2. Place your satisfaction points (wages) in the correct box.

Round	Students w/ jobs	Students w/out jobs
1		
2		
3		

Debrief Round One

- After this round, how many students took jobs?
- What was your **opportunity cost** of working?
- For those who didn't take jobs, why not?
- What was the **opportunity cost** of not working?
- For employers, why didn't you hire more people?

Debrief Round Two

- Anyone choose to work, who did not in round 1? Why?
- How did the **opportunity cost** of not working change from round 1 to round 2?
- Employers, how did your hiring practice change?

Debrief Round Three

- Students – what had to change in order for you to take a job in the three rounds of the game? Why?
- Employers what had to change in order for you to hire more workers in each round?
- Do student's choices become easier or harder as their alternatives increase?

Struggles

- Students struggle with completing Choice cards. What would make it easier?
- How can you make the employers card easier for employers to understand?
 - Should I spend more time explaining that if you hire no one you create zero profit?
 - Changes you would make...

www.fte.org

- ▶ American History Lesson Plans
- ▶ Activity 8: Women and Work in American History - The Opportunity Cost of Staying Home
- ▶ <https://www.fte.org/teachers/teacher-resources/lesson-plans/efiahlessons/women-and-work/>