

The Benchmarking Challenge

Economics lesson 5

Learning aim: To be able to understand the role and operation of the labour market, including the determination of wages through supply and demand.



Problem solving step 4 - I explore problems by creating different possible solutions.



Creativity step 9 - I develop ideas by asking myself questions.

Task

What is the labour market?

Extension task:

Discuss in pairs what is meant by the labour market.

Labour market

The supply of labour by households
and the demand for labour by firms.



Labour market

The role and operation of the labour market
The labour market is to enable workers who are willing and able to sell their labour to meet employers who are willing and able to offer them a job.

For example, if employers experience a shortage in a job market, they will try and attract workers to apply by offering higher wages.



Factors that influence the demand and supply of labour

Qualifications

Wage rates

Barriers to entry

Skills

Geographical locations

The state of the economy

Level of competition

Profitability of firms


Size of the working population

Non-monetary benefits – e.g.
holidays, working conditions

Productivity of labour

Scenario

Kai is a HR manager at a large pharmaceutical company, PharmacareUK. He is currently in the process of recruiting for two pharmacologists. Kai needs to understand how he can attract the right talent to these roles. Part of his role looks at undertaking salary benchmarking against similar jobs in the market.



Activity

In groups of three, complete the following:

Read through the different job descriptions.

Discuss as a team and write down the answers to the following:

1. What responsibilities and benefits the job has to offer.
2. Where do the responsibilities align with other jobs? Do they match?
Which role holds more responsibility?
3. What salary would you expect for the role, and why?



Reflection part 1

1 – Which industry are you interested in working in?
And how will you find out if it's a labour market trend?

Reflection part 2

2- Rate from 1-5 how well you were able to generate new ideas through asking questions in today's class.

1 (I got a bit stuck and didn't ask any questions to help me develop ideas) - 5 (I ask myself lots of questions during class to help me generate new ideas).

3 - How do you think you can improve using your imagination to generate new, creative ideas?