

Course: Personnel Economics (Master)

Course content

We study advanced problems in the field of personnel by applying economic methods from game theory, information economics and econometrics. The lectures mainly focus on theoretical models. The tutorials cover related empirical/experimental studies (presented by students) and problem sets. Over the fourteen weeks of the summer term, we have one lecture and one tutorial per week (each lasting 90 minutes). We cover the following topics:

1. Basic moral hazard problems (recap)
2. Multitasking and job design
3. Delegation of decision rights
4. Career concerns
5. Human capital investments
6. Social preferences

Literature

Research papers discussed in the lecture:

Holmström, B. and P. Milgrom (1991), Multitask principal-agent analyses: Incentive contracts, asset ownership, and job design. *Journal of Law, Economics, and Organization* 7, Special Issue, 24-52.

Itoh, H. (1994), Job design, delegation and cooperation: A principal-agent analysis, *European Economic Review* 38, 691-700.

P. Aghion and J. Tirole (1997), Formal and Real Authority in Organizations, *Journal of Political Economy* (105), 1-29.

G. Baker, R. Gibbons, and K. J. Murphy (1999): Informal Authority in Organizations, *Journal of Law, Economics, and Organization* (15), 56-73.

Holmström, B. (1999): Managerial Incentive Problems: A Dynamic Perspective, *Review of Economic Studies* 66, 169-182.

Irlenbusch, B., and D. Sliwka (2006): Career concerns in a simple experimental labour market, *European Economic Review* 50, 147-170.

Acemoglu, D. and J.-S. Pischke (1999a): The Structure of Wages and Investment in General Training, *Journal of Political Economy* 107, 539-572.

Acemoglu, D. and J.-S. Pischke (1999b): Beyond Becker: Training in Imperfect Labour Markets, *Economic Journal* 109, F112-F142.

Demougin, Fluet and Helm (2006): Output and Wages with Inequality Averse Agents, *Canadian Journal of Economics* 39, 399-314.

Cramer and Malmendier (2007): Behavioral Economics of Organizations, in: *Behavioral Economics and Its Applications*, edited by P. Diamond and H. Vartiainen, Princeton University Press, 235-290.

Prof. Dr. Anja Schöttner