

ACTIVITY 8.1

Pizza Productivity

	Sample	Round 1	Round 2	Round 3	Round 4	Round 5
1. Production method	Pizza-makers					
2. Number of pizzas produced	6					
3. Number of pizzas accepted	4					
4. Cost of materials (\$0.25 per pizza)	\$1.50					
5. Number of workers	4					
6. Wages (\$1.00 per worker)	\$4.00					
7. \$2.00 rent for factory (desks)	\$2.00					
8. Investment in capital goods (\$0.25 per marker, \$1.00 for scissors)	\$1.50					
9. Total costs	\$9.00					
10. Cost per pizza (average cost): total cost (Line 9) ÷ accepted pizzas produced (Line 3)	$\$9.00 \div 4 =$ \$2.25					
11. Total time worked: 3 minutes × number of workers (Line 5)	12 min.					
12. Output per minute worked: number of pizzas (Line 3) ÷ total time worked (Line 11)	$4 \div 12 =$ 0.333					

ACTIVITY 8.2

News Headlines

Headline 1: Johnson & Johnson initiates employee-wellness program to affect worker productivity

(From Government Executive website: <http://www.govexec.com/excellence/promising-practices/2013/06/how-improve-productivity-diet-and-exercise/65651/>)

- What are some reasons Johnson & Johnson might have taken this step? How might this lead to an increase in productivity?
- How could this increase in productivity benefit the workers?

Headline 2: Businesses that use more digital technology are more productive

(From CIO Magazine: http://www.cio.com.au/article/466035/businesses_use_ict_intensely_more_productive_ai_group/?fp=16&fpid=1)

- How can the use of digital (or any) technology increase worker productivity?
- Could there be some disadvantages of this resulting productivity, at least to some people? Explain.

Headline 3: Productivity growth “flat” first three quarters of year

- Why is lagging productivity a problem for the nation, businesses, and individual workers and consumers?