Incentives in Organizations (Master)

**Hours per Week**

weekly Lecture and Tutorial

**Exam**

Written exam at the end of the semester (60 minutes)

**Content**

1. Principal-agent theory
2. Do top managers earn too much?
3. Performance-based payment
4. Implementation of performance-based payment in companies
5. Seniority payment
6. Impact of seniority payment on employment
7. Efficiency wages
8. Team incentives
References

Chapter 1: Principal-agent Theory

Chapter 2: Do top managers earn too much?
Mishel and Sabadish (2013), CEO Pay in 2012 was extraordinarily high, EPI Issue Brief 367, Washington DC.

Chapter 3: Performance-based payment –Theory

Chapter 4: Implementation of performance-based payment

Chapter 5: Seniority payment –Theory

Chapter 6: Seniority payment -Empirical evidence

Chapter 7: Efficiency wages
Salop (1979), The model of the natural rate of unemployment, American Economic Review69, 117-125.

Chapter 8: Team pay

General literature: