



UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

COURSE SYLLABUS

Economics of Human Resources

2425-3-E3301M199

Learning objectives

The course aims to provide a good knowledge about different aspects of the labor market, in the light of different economic theories and the empirical evidence, and to offer the tools necessary for the economic analysis of human resources.

Contents

The course aims at providing the tools needed for an economic analysis of human resources, from both the theoretical and the empirical viewpoint. The programme covers the following topics: the labour market; optimal decisions regarding the types of workers to be hired and about terminating an employment relationship; and the issues of personnel recruitment and incentives policies.

Detailed program

1. **The Labor Market**
 - a. Labor Supply
 - b. Labor Demand
 - c. Labor Market Equilibrium in Perfect Competition
2. **Labor Market Imperfections and Unemployment**
 - a. Efficiency Wage Models
 - b. Search and Matching Model
3. **Labor Market Regulation**

- a. Employment Protection Regimes
- b. Minimum Wage

4. Education and Human Capital

- a. Investment in Human Capital
- b. Educational Production Function and Quality of Education
- c. Models of Signaling Unobservable Ability
- d. Economic Returns to Education
- e. Social Returns to Education

5. Personnel Selection and Training

- a. Adverse Selection and Efficiency Wage Models
- b. Candidate Evaluation at Hiring
- c. Performance-Linked Compensation as a Screening Mechanism
- d. Probationary Contracts
- e. Investment in Generic and Specific Human Capital
- f. Training in Imperfectly Competitive Markets

6. Wage Policies and Personnel Evaluation

- a. Incentive Pay Systems Based on Individual Performance
- b. Incentive Pay Systems Based on Relative Results
- c. Incentive Pay Systems Based on Group Productivity
- d. The Problem of Multiple Tasks
- e. Incentive Pay Systems Based on Subjective Performance Evaluation
- f. Incentives and Seniority

7. Discrimination in the Labor Market

- a. Theories
- b. Empirical Evidence
- c. Public Policies

8. Intergenerational Mobility

Textbook: Pepi de Caleo e Brucchi Luchino "Manuale di economia del lavoro", il Mulino, edizione 2015.

Prerequisites

Students are required to know the basic features of microeconomic analysis

Teaching methods

The course will be in presence with frontal lectures

Assessment methods

- (attending and non-attending) students will be offered 2 optional group works, which will be given an average grade between 0 and 30 points. The group work involves the preparation of two short reports on topics covered in the lessons.
 - For the first two exam sessions, the final grade for the attending student will be the weighted average between the grade of the written exam with a weight of 60% and the grade for the group work with a weight of 40%. If the grade of the written exam is higher than the grade for the group work, the grade of the written exam will be attributed as the final grade (i.e., the group work can only improve the final grade compared to the written exam alone).
 - For the following exam sessions, the final grade will be composed only of the written exam grade.
- Preparation for the written exam
 - Following the lessons (for attending students) and studying the material presented (the reference book is the Pepi de Caleo and Brucchi Luchino "Manual of labor economics", il Mulino, 2015 edition, chapters 1 to 8 and 11)

Textbooks and Reading Materials

Pepi de Caleo e Brucchi Luchino "Manuale di economia del lavoro", il Mulino, edizione 2015.

Semester

Second semester

Teaching language

Italian

Sustainable Development Goals

DECENT WORK AND ECONOMIC GROWTH
