Discussion on Human Capital

Human capital is a really wide topic! From employment to worker's rights to coronavirus layoffs, there's a lot to cover. Here are links to the three main articles of my discussion. The other articles are less critical, but I encourage you to check out the ones that interest you. I've put my questions to you in red, answer the ones that speak to you!

1. [BBC News: Dan Price and Raising Salaries](#)
2. [Wall Street Journal: Worker's Rights and Coronavirus](#)
3. [Economic Policy Institute: Labor Market Changes](#) (see note marked [**] below)

People & Knowledge

I have to start with a positive example of someone doing something right for the humans who work for them. In [this](#)[1] BBC article, we learn about Dan Price, who raised all of his employee's salaries to $70K. Price was upset to learn that people were struggling in his company and among his friends, and did something about it! Price had to make some personal sacrifices to make it happen, but his employees love him for it. I admire him so much, and I wish more bosses were more generous than they had to be.

Do you think this is feasible? What should people be paid? What is a good living wage, if not the popular figure of $15 an hour and free healthcare?

Reputation

I've seen research on this that I enjoyed but cannot find! Someone find me an amazing article on this in the discussion comments, please! Instead, [here](#)[2] is an article detailing some of the issues that face women in the workplace as they age. I will keep this section brief because I think this topic is pretty well-known in this group.

This article mentioned a fail of Gloria Steinem, an important feminist icon, who said that women only voted for Bernie Sanders in 2016 to go with whoever men were voting for.[2] Women are seen as less valuable as they age, in part because women have often been valued in history for their ability to bear children; they lose that ability in their late 40s most of the time. Men, however, traditionally seen as the 'providers' who become wiser with age, are often considered to be great leaders when older. One proof of the bias? As of 2016: "There are only 20 female CEOs in the S&P 500".[2] The false reputation

that older men are better suited for leadership than women is ridiculous! What do you think we can do to change this cultural bias, beyond promoting women?

Financial & Economic

Click here[3] for the most substantial article of this discussion! It talks in-depth about how workers have lost power in the last few decades to corporations, unfair legislation, and the distribution of wealth. The number of companies has decreased. Have you noticed how there are fewer gift shops and local stores, in favor of chain stores? Or, have you ever been to a small town, where everyone works at one big business, like a factory? That *concentration of the market* tends to be because of *monopsonies*, large companies that do have competition (which keeps them from being a *monopoly*), but take over huge sections of the market. Target, Walmart, Amazon, McDonald's, even companies like Verizon and T-Mobile.

This is bad for workers, because it means there are fewer job options, and it is harder to unionize and bargain for rights. It also means that, because those companies are so large, they tend to be able to decide how much people get paid.

I think it's time to raise the minimum wage nationally. I think it's a huge fail not to legally attach adjustment of inflation to wages. I think we all agree that the minimum wage in America is too low; what do you think should be done to make sure workers are paid more? Look at Figure 2[3] from the article, pasted below. Look at the discrepancy between how much money is being made, versus how much people are being paid! It's horrifying. And, it widens the wealth gap.

The gap between productivity and a typical worker's compensation has increased dramatically since 1973
Productivity growth and hourly compensation growth, 1948–2016
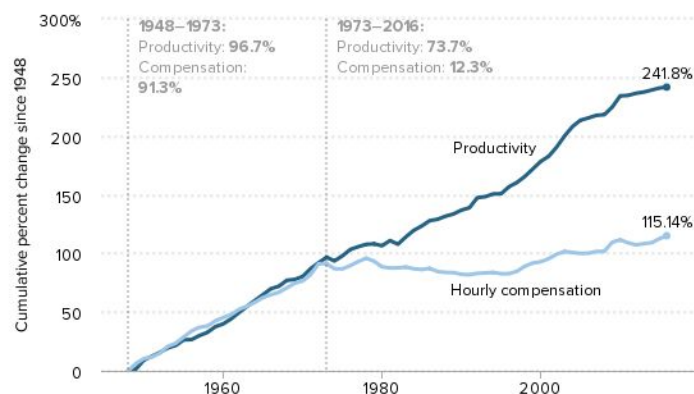
**I found that the most useful sections were the beginning until you get to Figure B, and the conclusion; I read the whole thing, but it's a bit of a bear. If you need, click [here](#)[4] for a basic definition of a 'monopsony', and [here](#)[5] for more scholarship on what it means for a market to be 'concentrated'.

Organizational & Cultural

I couldn't avoid the topic of coronavirus in this seminar! How will work look for people, both before and after coronavirus is past its 'peak'? I have two articles for that! The first one is [here](#)[6], and is about what you can legally expect from an employer to protect your safety and job. Should your employer be able to require you to come to work, for instance? I think that employers should act with compassion whenever possible here; whether or not it is legal to force people to react to coronavirus in a certain way, it's unethical to force people to do things that make them feel unsafe or unsupported.

The second is [here](#)[7], and it advocates for permanent reform following coronavirus: national healthcare for all, higher wages so people have a safety net, making gig workers less vulnerable to disaster. Basically, the article calls for systemic, widespread reform! I have to say, I agree.

One of the biggest fails in the coronavirus category has been, of course, the lack of preparedness. Organizationally, the world was so surprised by a pandemic. For example, Trump fired the pandemic preparedness team. Also, hospitals have run into issues they haven't prepared for: one such issue is, how do you properly protect medical workers? Many medical workers live with at-risk family members, or are themselves vulnerable.

[This](#)[8] article by ProPublica did interviews with various pregnant healthcare workers. Lauren Paz, a pregnant nurse taking time off to avoid harming her unborn baby or her toddler at home, said "It's an ethical dilemma. I want to serve. In this profession, we have a duty to serve and I want to be there. It pains me."[8] Many other pregnant nurses are being forced to treat patients that could have been exposed to coronavirus. This article broke my heart for any healthcare worker who is scared right now. This is not what most of them signed up for. I think Lauren's case was handled well, and that workers who feel they are at special risk healthwise should be allowed to take unpaid time off. I know the hospitals are struggling, but no one will make that choice lightly. What do you think should happen?

Societal, Political, & Environmental

Politically and societally, I think the presidential race is a prime example of the failings of American democracy. Click here[9] if you need a refresher on the electoral college, which is the way that America counts votes. Because of the electoral college, in 2000 and in 2016, the losing candidate won more votes (the *popular vote*), but lost the election to a candidate with more electorates. Plus, if you live in certain states, the electorate system allows your vote to count more than a person's vote in another state. To me, this is so unfair! Everyone's vote should count the same, and whoever gets the most votes should win.

Why does this matter for Human Capital? Well, I think how we hire for the most important job in the country sends a message about hiring in general. The presidential election is one of the most influential and public job interviews in the world. For candidates, if they have more money, they're much likelier to win. There's only been one person of color in the White House, and no women or openly queer people. As we saw in the Huffpost article above, women face a 'devaluing' process as they get older, and you have to be at least 35 to be the president.

For voters, where you live determines how much your vote counts. If you don't have proper identification or you're in prison, you might not be allowed to vote. Your job might not let you off to participate in democracy. This is similar to getting a job now! You're expected to have a nice outfit, you usually can't look poor, you have to have a degree, and hirerers have bias against minority candidates. There's a lot about the election process that systemically discriminates. It reflects a society that makes it harder for people to get ordinary jobs as well. What do you think should replace the electoral system, if anything?

Sources:

1. Hegarty, Stephanie. "The Boss Who Put Everyone on 70K." BBC News. Last modified February 28, 2020.
    https://www.bbc.com/news/stories-51332811?ns_campaign=bbcnews&ns_mchannel=social&ocid=socialflow_facebook&ns_source=facebook.
2. Peck, Emily. "What Gloria Steinem Got Absolutely Right: Women Lose Power As They Age." HuffPost. Last modified February 11, 2016.
    https://www.huffpost.com/entry/gloria-steinem-women-hillary-clinton_n_56bcba88e4b0c3c5505045ce.
3. Bivens, Josh, and Heidi Shierholz. "What Labor Market Changes Have Generated Inequality and Wage Suppression?" Economic Policy Institute. Last modified December 12, 2018.
    https://www.epi.org/publication/what-labor-market-changes-have-generated-inequality-and-wa

ge-suppression-employer-power-is-significant-but-largely-constant-whereas-workers-power-has-been-eroded-by-policy-actions/.

4. Word Glossary. "What is a monopsony?" YouTube. February 26, 2019. https://www.youtube.com/watch?v=t_nuH3QvA6Y.

5. Steinbaum, Marshall. "A New Study of Labor Market Concentration." Roosevelt Institute. Last modified March 5, 2018. https://rooseveltinstitute.org/new-study-labor-market-concentration/.

6. Feintzeig, Rachel, and Chip Cutter. "The Coronavirus and Your Job: What the Boss Can—and Can't—Make You Do." Wall Street Journal. Last modified March 13, 2020. https://www.wsj.com/articles/the-coronavirus-and-your-job-can-my-boss-make-me-do-that-11583981316?mod=searchresults&page=1&pos=11.

7. Neely, Megan T. "What Will U.S. Labor Protections Look Like After Coronavirus?" Harvard Business Review. Last modified April 2, 2020. https://hbr.org/2020/04/what-will-u-s-labor-protections-look-like-after-coronavirus.

8. Martin, Nina, and Bernice Yeung. ""I'm Terrified": Pregnant Health Care Workers at Risk for Coronavirus…." ProPublica. Last modified April 1, 2020. https://www.propublica.org/article/terrified-pregnant-health-care-workers-at-risk-for-coronavirus-are-being-forced-to-keep-working.

9. TED-Ed. "Does your vote count? The Electoral College explained - Christina Greer." YouTube. November 1, 2012. https://www.youtube.com/watch?v=W9H3gvnN468.

During the unit for that topic, *discussion leaders* are responsible for researching in advance, identifying good articles for discussion, and leading with discussion questions. *Discussion participants* do additional research and suggest solutions or perspectives on the initial questions. At the end of the discussion, *discussion leaders* will create a thematic summary of the solutions.

Lack of talent, lack of labor, poor training, forced layoffs, automation, poor benefit management, employee legal actions, labor union relations, sexual harassment, failure to provide objective diversity and opportunities . . .

Identify three good resources describing the impact of that risk on business from sources such as *The Wall Street Journal* or the SCAD Jen Library research databases.

- List how your topic relates to these five major risk-impact areas:
  - people and knowledge

- ○ reputation
- ○ financial and economic
- ○ organizational and cultural
- ○ societal, political, and environmental.
- Provide actual examples of *risk failure* in this topic.
- Provide actual examples of successful risk mitigation and/or elimination in this topic.
- Pose three or more open-ended discussion questions or problems for your peers to research and discuss. Good discussion questions should require more than one-sentence answers. Suggest open issues or problems, not conclusions.

During your assigned unit, watch and moderate the discussion. Try the following when moderating:

- Ask students to elaborate on interesting ideas.
- Gently redirect to keep the discussion on the topic.
- Ask for additional perspectives that have not been explored.
- Identify interesting relationships between threads as they develop.
- Utilize your critical thinking and systemic approach to explore the concepts developed by your peers.

On Day 7 of your assigned unit, create and post a thematic summary of the discussion. Your goal is to synthesize the multiple perspectives into an overall picture of your topic. Organize your summary by theme rather than by participant or chronological order. Write about 1 – 3 paragraphs per theme. Quote from the discussion, but don't just outline the discussion. Try to acknowledge all of the expressed perspectives in your summary.

1. Save your summary in DOCX format, named as follows:
   - ○ lastnamefirstinitial_seminar_summary.docx
   - ○ for example, John Doe would name the file "doej_seminar_summary.docx".
2. Submit this file via the **Submissions** link in the course menu by 11:59 p.m. U.S. EST/EDT on Day 7 of *your assigned unit*.
3. Also, post your finished work for peer review to your *assigned discussion forum* by 11:59 p.m. U.S. EST/EDT on Day 7 of *your assigned unit*.