

# Financial Math

WEEK OF SEPT 16-20<sup>TH</sup>, 2019

## Piece work (piecework)

<u>Piece work (or piecework)</u> is any type of employment in which a worker is paid a fixed piece rate for each unit produced or action performed, regardless of time spent.

Common during Industrial Revolution (example: sewing garments)

Leads to instituting minimum wage? Why?

Revival in the 21<sup>st</sup> century due to flexible, work at home, service and online opportunities:

- Data Entry
- Call Centers
- Uber/Lyft

### Piecework pros and cons

#### **Piecework Advantages:**

- Opportunity for increased pay
- Flexibility in work hours
- •Flexibility in location (at home)

### **Piecework Disadvantages:**

- Work could be rejected for quality issues
- Lower wages at the beginning
- No pay when work is not available

### Piece work (piecework)

Modern day piecework: Instagram Influencers

https://www.digitalinformationworld.com/2019/08/how-much-brands-pay-to-instagram-influencers.html

### Calculating Piecework Income

Total # of pieces (add together) multiplied by the rate for each piece

### **Example:**

14 pieces x \$2/piece = \$28 income

### Career Research

Pick a career that you interested in. This does not necessarily have to be your first job after high school, it can be in the future (after college)

Search for your career on the Career One Stop website:

https://www.careeronestop.org/ExploreCareers/explore-careers.aspx

# Create a poster on your chosen career. It must include the following:

- Title
- Representative image
- Average Salary
- Job outlook (percent growth WA and/or US)
- Job summary (Activities, Job duties)
- Education required (Skills/Abilities & Knowledge required)

## Wages with Tips

### **Discussion:**

If you worked in a service industry (for example, a server) would you rather make \$15.00/hour or \$7.00/hour + tips? Why?

## Calculating Wages with Tips

### Example:

Alicia is a server and earns \$10.00 an hour. On one week she worked 32 hours and earned \$210.00 in tips. What is her weekly wage?

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- 1) 32 hours x \$10.00 = \$320.00
- 2) Total tips: \$210.00
- 3) Total weekly wage = \$320.00 + 210.00 = \$530.00

### What is Commission?

**Commission:** is income earned based on the percentage of sales made by an employee. It is different from regular salary.

# Calculating Salary and Commission

**Step 1:** Take the commission rate and divide by 100

4% divided by 100 = **.04** 

**Step 2:** Multiply total sales by the decimal rate \$40,000 \* .04 = \$1,600 **This is your commission!** 

**Step 3:** Total earnings add commission to base salary \$1600 (commission) + \$600 (salary) = \$2,200

## Calculating Salary and Commission

**Step 1:** Multiply the quota times the rate (÷ by 100!) \$5,000.00 \* 0.10 = \$500.00

Step 2: Multiply the sales times the bonus rate (÷ by 100!) \$5,150.00 \* 0.15 = \$772.50

**Step 3:** Add these two numbers together \$500.00 + \$772.50 = \$1,272.50