**ELEMENT 1: ACTIVITY 1: LO1**

**Meeting the needs of individuals – benefits and drawbacks of self-employment**

**PART ONE**

Read the following case studies.

|  |
| --- |
| **Case study 1** |
| ***C:\Users\User\Desktop\ABE\Publishing project\BSU\Tutor resources\Shutterstock resized\Element 4 LO3 Activity 3 resized shutterstock_342952658.jpgRichard*** is 30 years old, married with three children still living at home. He left school at 16 having gained a number of high passes in basic education and was employed by a large engineering firm, making car components. After a five year apprenticeship as a technician he became a skilled fitter. He has stayed with the same company since this time although he could have found a better-paid job with another firm nearby. He enjoys his work and seeing the output of his labour. He works for 39 hours per week and usually turns down the chance of overtime, preferring to spend time with his family. He receives 20 days’ paid holiday per year. He represents his department on the company’s consultative committee and enjoys having the opportunity to contribute to business decisions. He also plays in the company's football team. Last year he was asked by the production manager if he would apply for a foreman's job which has become vacant but he decided against it and said "… the extra cash is not worth the hassle". When asked what satisfaction he found in his job he said "The company has a full order book and there is no chance of redundancies at the present time. This company looks after its employees. Mind you, sometimes I do get fed up being stuck inside all the time. The smell of oil gets to you after a while; but overall I'm doing all right, we've got a nice house and a decent standard of living." |

|  |
| --- |
| **Case study 2** |
| ***C:\Users\User\Desktop\ABE\Publishing project\BSU\Tutor resources\Shutterstock resized\Element 4 LO2 slide 8 resized shutterstock_85035064.jpg******Paula*** is also in her mid-thirties and is single. She left university with a Degree in Biology 15 years ago. She immediately joined a pharmaceutical wholesaler, and started to work her way up the business through promotion. Four years ago, the wholesaler was taken over by another business and Paula was made redundant. Paula was unemployed for two years as she struggled to find suitable employment in her area. Eventually she saw an advertisement for a business that was looking to contract self-employed individuals to sell its range of cleaning products in her local area to domestic and commercial outlets. She was successful at interview and became self-employed. She makes her income by gaining commission upon the amount of products she sells each month. She had to buy a car suitable for business use, pay into her own pension scheme and take out private health insurance. She has decided not to take a holiday since starting her business as she does not want to miss any opportunities to make a sale. Whilst she likes making her own decisions, she does not enjoy some aspects of her work. She says "I spend a lot of time on my own, driving from one appointment to another; it can get very lonely. Often I make presentations to a group of people and know that they aren't very interested in the products. Sometimes I am expected to entertain clients with meals out in restaurants; which I don’t mind, except that I may not have a lot in common with them. But I try to keep the smile and charm going in the hope of placing an order - it can be so frustrating!"  |

Working in small groups, discuss each case study in terms of Maslow’s Hierarchy of Needs. Determine which needs are being met and which still need to be satisfied.

|  |  |
| --- | --- |
| **Case study 1** | **Case study 2** |
| ***Richard***  | ***Paula*** |

Outline some of the benefits and drawbacks for both Richard and Paula of their chosen employment status.

|  |  |
| --- | --- |
| **Case study 1** | **Case study 2** |
| ***Richard***  | ***Paula*** |