Week 1 Assignment 3

A graduate student has four job offers, and needs to accept one. The following table lists the four jobs:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | These are on a scale of 0 - 10, larger number being better | | | |
| **Job** | **Salary** | **Attractiveness of Job** | **Ease of Commuting** | **Quality of Life** | **Children's School** |
| 1 | $48,000 | 8 | 4 | 7 | 6 |
| 2 | $52,000 | 7 | 2 | 7 | 6 |
| 3 | $50,000 | 8 | 6 | 4 | 4 |
| 4 | $51,000 | 6 | 2 | 5 | 5 |

1. Are there dominated alternatives? If so, which ones?
2. The student faces the following tradeoffs:

* If the attractiveness of job goes down from 8 to 7, the salary should increase by $5000 for indifference.
* If the ease of commuting goes down from 6 to 4, the salary should increase by $1000 for indifference.
* If the quality of life goes down from 7 to 4, the salary should increase by $5000 for indifference.
* If the children's school goes down from 6 to 4, the salary should increase by $3000 for indifference.

Review all of the job offers that the graduate student has received, considering all of the trade offs listed above. Which choice is best choice in terms of salary for this student? Which choice is the worst choice in terms of salary? Please provide rationale and reasoning for your answers.