

Chapter 6

Division of Labour and Specialisation

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CHAPTER

INTRODUCTION

Productive activities are carried out in stages, and this makes it possible for different individuals to undertake each of the stages. In this chapter, students are introduced to the concept of division of labour and specialisation. This chapter also discusses the difference between division of labour and specialisation. It also discusses the advantages and disadvantages of the division of labour, factors that encourage division of labour as well as the advantages and disadvantages of large-scale production.

OBJECTIVES

At the end of this chapter, students should be able to:

- ◆ Define:
 - (i) Division of labour
 - (ii) Specialisation;
- ◆ Differentiate between division of labour and specialisation;
- ◆ Mention the advantages, disadvantages and limitations of division of labour;
- ◆ State the advantages and disadvantages of large-scale production.

6.1 Definition of Division of Labour

Division of labour is defined as the breaking down of production processes into smaller units, with each unit being undertaken by a particular worker or group of workers. Division of labour is commonly practised in factories or other manufacturing industries. An example is the textile industry where production is broken down into different units such as spinning, weaving, drying, folding, and so on. Each of these units is handled or operated by a single worker or group of workers. As that particular worker or group of workers does/do the same work all the time, he or she becomes a specialist in it.

6.2 Definition of Specialisation

Specialisation is the concentration of the production effort of workers on a particular aspect of an activity. People could become specialised in different professions, employment or jobs.

Specialisation is usually a result of division of labour because one cannot produce all the goods he needs in today's economic activities. Workers now specialise in different areas. It is possible for some doctors to specialise in the treatment of ear, nose and throat, while some in the treatment of infectious diseases and others in illnesses that are related to the brain. In schools, teachers specialise in teaching of different subjects. For instance, some teach sciences such as chemistry, biology, physics, and so on, some teach mathematics and advanced mathematics while some others teach either English or literature. All of these explain the concept of division of labour and specialisation.

6.3 Advantages and Disadvantages of Division of Labour Advantages

(a) Increase in production: With the process of division of labour, the total quantity of goods and services increases. For example, a single worker can produce 20 clothes per day. If, however, the making of the cloth is divided into 18 units, then 18 workers can produce 48,000 pieces of cloth in

one day.

(b) Increase in efficiency of labour: With division of labour, a worker does the same work repeatedly and becomes specialised. By this he is able to produce large quantity of goods with ease and within a short time.

(c) Increase in skill: Division of labour contributes to the development of skill, because with the repetition of the same work, the worker becomes specialised in it, which enables him to do the work in the best possible way.

(d) Saves time: With division of labour, a worker does not have to spend more time performing different duties. For instance, a teacher of physics would not spend additional time to teach mathematics or chemistry. A lot of time would have been wasted if only one teacher was to teach all of these subjects.

(e) Brings about less fatigue: Division of labour does not allow a worker tire out easily since he is not the only person involved in different production processes at the same time.

(f) Increases the use of machines: Division of labour results in large-scale production which encourages more use of machines. Due to division of labour, different specialised machines have been used to handle each aspect of production units.

(g) Increases employment opportunities: With the splitting of production process into different units more people are made to handle those different units, which therefore increases the scope of work in which many workers have to be involved in.

(h) Best use of tools: With division of labour, it is not necessary to provide each worker with a complete set of tools. The worker only uses those tools which directly concerns his area of specialisation.

Disadvantages

(a) Monotony of work: A worker can become bored of doing the same type of work year in and year out. He does not derive pleasure anymore from repeating the same type of job always and thereby loses interest.

(b) Decline in craftsmanship: As a result of division of labour that has led to the use of machines, many people have lost their skills in producing things by their hands. For example, people have lost the skill of making pots, clothes, baskets and so on by themselves.

(c) Increased dependence: With the introduction of division of labour and specialisation, there is interdependence among various employees. For example, in the textile company, the weavers may have to depend on the spinners before they can weave any material into a cloth. If there is delay in one unit, it will affect the other unit(s).

(d) Increased risk of unemployment: In division of labour, people become specialised and such specialists may not be able to do other jobs outside their area of specialisation. This increases the risk of unemployment.

6.4 Factors that Encourage or Discourage Division of Labour

Encouraging factors

(a) Producers want to save time in the process of production.

(b) The need to improve workers skill.

(c) There is technological improvement in the introduction of division of labour.

(d) There is need to increase productivity.

Discouraging factors

(a) Fear of lack of sales of large quantities of goods produced.

(b) The problem of repeating the same type of job always.

(c) The fear of being unemployed in case of loss of job.

(d) Loss of craftsmanship and individual innovation.

6.5 Limitations of Division of Labour

(a) The size of the market: Division of labour increases the quantity of goods and services produced. However, if the market where these goods and services are produced is limited, it can limit the need for division of labour. Producers would not want to produce in large quantity where there is no ready or available market to sell off their goods.

(b) Limited by the nature of occupation: The nature of an occupation is a limiting factor of the division of labour. For instance, teachers in secondary school can specialise in the teaching of either the sciences, social sciences, arts or technological subjects. But the taxi driver cannot split into units the process of driving a car or bus.

(c) The amount of capital available: The quantity of capital available to a large extent determines

the existence of division of labour. If more capital such as machines is available, division of labour will be more practicable than where there is less capital.

(d) Managerial efficiency: Managerial efficiency is the ability of management (or an entrepreneur) to organise other factors of production so as to increase efficiency. The greater the division of labour, the greater the skill needed to organise the workforce and other resources.

(e) Government policies: If the policy of the government favours the production of a particular product, such product will draw larger number of workers and encourage division of labour as more of that product will need to be produced. If on the other hand, the government policy discourages the production of certain products, less of that product will be produced. This will not encourage division of labour as only few workers may be needed.

6.6 Advantages and Disadvantages

Advantages

(a) Financial advantage: An industry or manufacturing firm that produces goods on a large scale will certainly have an opportunity for an expanded market for its product. When more of its products or goods are sold, it will increase the income level of that business or firm.

(b) Technical advantage: Large-scale production gives opportunity to innovation and use of new technology or machines that can be used to produce on a large scale.

(c) Specialisation: Large-scale production gives room for invention and use of new machineries for increasing production technique.

(d) Managerial advantage: An industry which produces on a large scale will enjoy the services of highly skilled personnel and other labour force.

(e) Welfare: A firm that produces on a large scale is usually able to make provision for welfare facilities of its employees. For instance, such firms would be able to provide canteen, health, transport and other welfare facilities to their employees.

(f) Economies of scale advantage: A firm that produces on a large scale will enjoy a lower or cheaper cost of production. This unit cost is reduced when larger quantity of goods is produced.

(g) Capital accumulation advantage: Large-scale production helps in accumulation of large quantity of capital such as buildings, equipment and money. All of these serve as assets to that firm.

Disadvantages

(a) Bureaucracy: Large-scale manufacturing units or firms usually create room for bureaucratic tendencies. When business organizations become too large, the process of managing the firm becomes unnecessarily loud as lot of procedures are followed in the course of running the organisation. This leads to wastage in man-hour.

of Large-Scale Production

(b) Growth of monopoly: Large-scale production may lead to growth in monopoly power. In this situation the producer could decide to increase price without notice.

(c) Ownership is usually separated: Most owners (shareholders) of large-scale producing firms are usually not part of the managerial team (decision makers) in the business.

Summary

Division of labour is the breaking down of production processes into smaller units, where each unit is manned by an individual or group of individuals.

Advantages of division of labour

- ◆ Increases output
- ◆ Increases labour skill and productivity
- ◆ Saves time
- ◆ Reduces fatigue
- ◆ Encourages the use of machines

Disadvantages of division of labour

- ◆ Monotony
- ◆ Increases risk of unemployment
- ◆ Over-dependence among different units
- ◆ Decline in craftsmanship

Class Activity

Teacher should guide the students to visit a nearby production (manufacturing) firm and find out how the stages of production of their products is broken into different tasks. The teacher should therefore guide the students as they discuss their experiences in the class.

Revision Questions

Objective Questions

1. Division of labour may be restricted when:
 - (a) An ailing economy has improved
 - (b) Producers live in villages
 - (c) Market is small
 - (d) There is full employment
 - (e) There is inflation **(SSCE 1993)**
2. Division of labour leads to:
 - (a) Employment of everybody
 - (b) Decrease in output
 - (c) Monotony of work
 - (d) Increase in time in workshops
 - (e) Increase of time in learning a trade **(SSCE 1997)**
3. Performance of one task in a production process is known as:
 - (a) Specialisation
 - (b) Standardisation
 - (c) Division of labour
 - (d) Sequestration **(SSCE 2001)**
4. One of the advantages of large-scale production is that:
 - (a) There is a rise in the cost of administration
 - (b) Consumers sacrifice their individual tasks
 - (c) The firm can use labour-saving machineries
 - (d) The demand for a firm's products becomes localised **(SSCE 2002)**
5. Which of the following is an advantage of division of labour?
 - (a) Production of specialised goods
 - (b) Employment of experts
 - (c) Monotony of work
 - (d) Greater use of machinery **(SSCE 2002)**

Essay Questions

1. Briefly outline the advantages and disadvantages of division of labour.
2. Explain the factors which could limit division of labour.
3. State the advantages and disadvantages of large-scale production.
4. Explain the differences between division of labour and specialization.

Glossary

Craftsmanship: An act of being mentally creative – ability to create things through mental effort. For example, weaving of a basket or a cap.

Monotony: An act of being bored or tired as a result of repeatedly doing the same type of work.

Large-scale production: The ability of a firm or business organization to produce goods on a large scale.

Small-scale production: Producing goods in less quantity probably due to lack of sufficient finance.

Specialisation: An act of doing the same activity and becoming an expert as a result of continuous performance of the same type of work repeatedly.