

Pt. Deen Dayal Upadhyay Govt. Girls P.G. College, Rajajipuram

Division of Labour



Presented by-
Dr. Nishi Mishra
Assistant Professor
Department of Economics



Agenda!

- Introduction
- Classification
- Advantages and Disadvantages
- Conclusion

Introduction

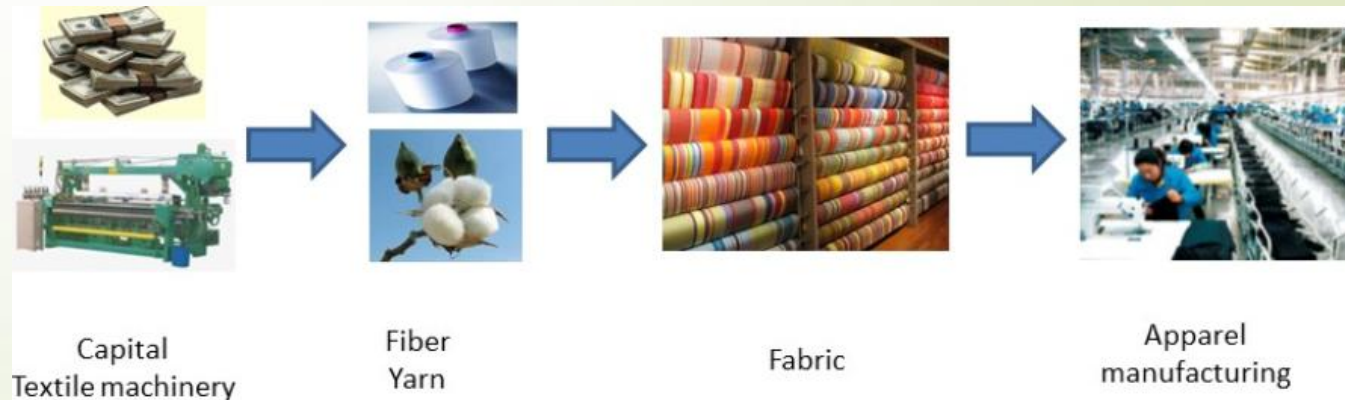


- The most interesting facts of production in modern economy is that a worker never makes a complete product.
- The fact is that each worker is specialised in their work area for which he is best suited.
- The workers perform different parts of production on the basis of specialisation thus contributing their bit to the production of a commodity.

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- ▶ This is the essence of concept of division of labour. The production process is divided into number of individual operations and each operation is special task of a worker
- ▶ In 1776, Adam Smith gave a simple example of specialisation which is now most celebrated account of specialisation

E.g.. In a large scale readymade garment factory, a man does cutting of cloth, the second man stitches clothes with machines, the third buttons, the fourth makes folding and packing etc.



Classification

- Division based on track and profession

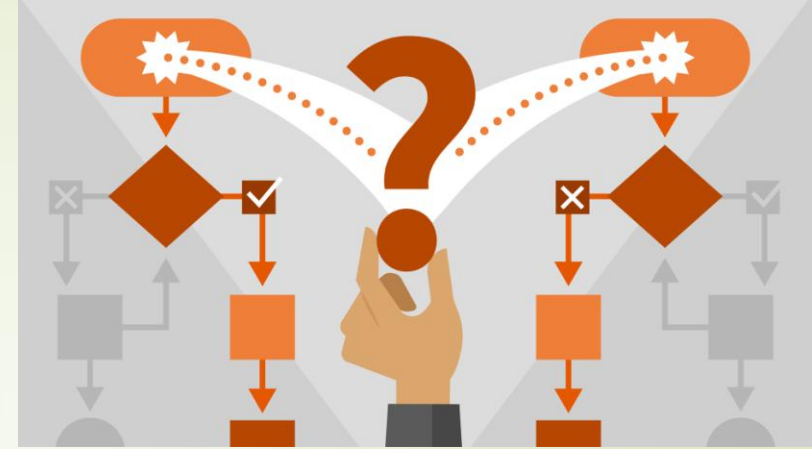
E.g.. Shoes are made by cobbler, Furnitures are made by a carpenter

- Division based on complete process

E.g.. In the process of cloth manufacturing, spinning of cotton is done by spinners, weaving of thread is done by weavers

- Division based on incomplete process

E.g.. Making od shoe laces





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- Division based on Territory

E.g.. Jute mills are found in West Bengal, Cotton mills are found in Maharashtra

- International division of labour



Advantages

- Division of labour is an efficient way of producing goods and services
- Product manufacturing can happen at lower cost by quick and more skilful service
- A specialised worker also is less likely to loose his time
- Increase in output
- Increase in Productivity
- Saves time
- Maximum utilisation of machinery
- Division of Labour gives more profit to the producer of the goods as the cost of production of the commodity diminishes.

Disadvantages



- **Monotony of Work:** Under Division of Labour a worker has to do the same job time and again for years together. Therefore, after sometime, the worker feels bored or the work becomes irksome and monotonous.
- **Fear of unemployment:** When the worker produces a small part of goods he gets specialised in it and he does not have complete knowledge of the production of goods. When he loses this job, he may have difficulty in finding another job
- **Continuity in Production:** If production is discontinued, labours may suffer leading to increased unemployment



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- ▶ **Sectionalism:** The workers specialised with one particular skill may concentrate on its own interest rather than common good
- ▶ **Physical Limitation:** There is always limitation to the number of steps into which a process can be broken. Adam Smith identified 18 steps in the process of making pins. Its not possible to break it into further steps



Conclusion

- The whole of modern economy is built upon division of labour. Each individual depends upon millions of other workers all around the world to provide goods and services. Hence, people are interdependent not independent.
- It is no doubt attended with a number of drawbacks. The evils can be minimised by shortening the hours of work and providing more leisure to the worker. It is no longer possible nor it is desirable, to do away with this system.