

Specialization

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Specialization frees people up to do what they do best (lowest opportunity cost)

The **division of labour** is a system where workers concentrate on performing a few tasks.

Worker

Advantages

1. Improved skills at that job : each worker can concentrate on what they are doing and build up expertise
2. Increases productivity which leads to higher pay for specialized work

Disadvantages

1. Boredom as they do the same repetitive job
2. Their quality and skills may suffer because of the boredom
3. May eventually be replaced by machinery
4. Overspecialization is like putting all your eggs in one basket
5. Over-reliance on others

Firm

Advantages

1. Specialist workers become quicker at producing goods
2. Production costs reduce for the firm
3. Production levels are increased

Disadvantages

1. Greater cost of training workers
2. Quality may suffer if workers become bored by the lack of variety in their jobs

Types of Specialization

- 1. Regional** - When a region elides to produce a good or service to trade for other, more essential or desirable goods
 1. Allocation of certain regions for certain industries (eg. Yorkshire -coal mining; Sri Lanka - tea)
 2. Tertiary/Secondary/Primary
 3. Causes them to rely on other countries/firms
 4. Depends on their population and natural resources
- 2. Firms**
 1. Type of industry
 2. E.g.. Apple -> Design Technology
 3. Division of labour (the most efficient for the firm)
- 3. Workers/Individuals**
 1. Division of labour (allows them to fulfil the different requirements)
 2. Access to higher incomes
 3. Move from primary through to tertiary
 4. Efficiency