

# **Does Division of Labor Increase Productivity? Evidence from Primary Care**

## **Abstract**

The idea that the division of labor increases productivity is central to economic analyses of countries, industries, social structures, and occupations within organizations. We study the division of labor within an online primary healthcare organization, where an algorithm assigns patient cases between two clinician occupations: nurses and doctors. We compare a knowledge hierarchy, where nurses resolve some cases themselves while referring others to doctors, to a more traditional route where cases are assigned directly to doctors. We analyze about 500,000 cases, using an identification strategy which leverages temporary congestion that increases the odds of cases being assigned to nurses.

This paper is joint work with Shan Huang, Nestor Le Nestour and Guy Michaels.

**Amanda Dahlstrand**  
**Assistant Professor at the University of Zurich**