

THEORETICAL ISSUES OF ACHIEVING SAVINGS AND IMPROVING EFFICIENCY IN THE SERVICE SECTOR

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Annotation. The report comprehensively examines the development of the service sector in the context of the innovative development of the economy. The importance and specificity of the issue of achieving savings and improving efficiency in the service sector are emphasized.

Key words. Innovation, innovative economy, digitalization, service, savability, efficiency.

The need for services in the world is growing every year and every day. First of all, since income of population increase, and accordingly, the welfare, the quality of life and living standards improve, many new services are being required. Second of all, the expansion and improvement of production due to innovative factors are also leading to the development of this sector. Third of all, achieving high efficiency in return for the introduction of innovation where services are insufficient could also be a much more difficult situation. The service sector is emerging as one of the rapidly growing and most profitable sectors in the world as it is making a worthy contribution to strengthening international socio-economic, cultural and spiritual relations. In recent years, the share of the service sector in world GDP has averaged 70.0%, making it a major exporting sector of the world economy. The service sector has been employing more than 60.0% of the able-bodied population.¹

The world attaches great importance to the issue of formation and development of innovative economy. In this context, the development of ways to achieve savings and improve efficiency in the service sector has also risen to the level of dominant priorities. This is because the service sector is one of the leading sectors in the world economy, especially in developed countries. In this regard, in the context of an innovative economy, special attention is paid to improving the effectiveness and saving of material and labor resources in the service sector, as well as to identifying its promising directions.

At the current stage of reforms in our country, the role of the service sector in the national economy is growing from year to year. This could be seen in the example of the volume of services provided in the country. During the years of independence, reforms aimed at liberalizing the economy and modernizing society have led to profound structural changes in the country's economy and the emergence of a private sector based on non-state property. Most of them fall into the service sector. In particular, the volume of services provided in the country in 2010 amounted to 27126.8 billion soums, and in 2018 this figure increased by almost 5.6 times and amounted to 150889.8 billion soums.²

At present, the service sector has become one of the leading sectors of the economy. Because in developed countries, two-third of the gross domestic product (GDP) falls on the service sector. In our country, this figure constitutes approximately one-third of GDP. This situation requires great attention to this area. Indeed, a one percent increase in the only service sector is 0.5 percent of the growth of the entire economy. Due to this reason, savings in this area are also very important.

Savings and efficiency in the service sector are interrelated. Due to this, their types, classification and system of indicators representing them also complement each other. Indeed, efficiency cannot be achieved without savings, and accordingly, it is difficult to achieve savings without provision of adequate efficiency. Services have both a buyer (consumer) and a manufacturer (service provider). They are exchanged and the result is expressed in money. This aspect of it is similar to a commodity, but it has several features that make it radically different from a material commodity.

Services have their own characteristics, much of which is a process that has no material appearance and could not be backed up. Another important point is that the services only take place at the specified stage.

¹ Information from www.stat.uz.

² Information from www.stat.uz.

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It does not remain itself, but only the result remains. If it is shown to objects, it can appear in a material state (e.g., when a complex object is repaired, etc.), if it is shown directly to a person, it is preserved only in the human imagination.

When it comes to economy and the factors that affect it, the focus is on what factors influenced the reduction of costs from the established norm or plan. Savings are understood in two ways: firstly, if the costs are less than the set norm or last year's amount, and secondly, if they achieve in more results at the same cost.

Only by achieving savings in the service sector, it will be possible to increase its efficiency. One of the important ways to achieve savings is through the use of internal capacity. There are specific areas of internal capacity utilization, which are related to material, financial resources and time factors. Current economy issue is almost certain, and due to this it requires maximum utilization. Otherwise the elapsed time cannot be returned. Therefore, it is very important to identify what activities need to be done to achieve tomorrow's results without wasting today's opportunity, and to determine the future of these issues. This process is mostly achieved by paying close attention to the issue. Thus, the issue of economy at the expense of internal resources requires constant attention of industry workers.

In conclusion, a correct understanding of the interrelationship between achieving economic savings in the service sector and increasing efficiency in it is not only theoretical but also of practical importance.

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