



THE GROWTH OF WORK FORCE PARTICIPATION IN SERVICES SECTOR

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ABSTRACT:- The state administration and the finance industry has coexisted in Today's industrialization up until recently, with the first holding a more prominent role in certain industries than the latter. The current trend is plainly toward a bigger role again for private market, with new public investments being somewhat confined to a select few strategic but also essential major infrastructure areas. This is the case despite the fact that there is a noticeable tendency toward a bigger role again for private market. Although private ownership inside the context of such a handover of both the most of from its shareholding or complete shareholding does not yet can become openly specified policy, the current regime is now also implementing a strategy of underinvestment of equity throughout state corporations outside of those limited situations and diffusion among its holding thru fresh concerns to the audience. This is despite the fact that privatization does not yet really be an openly specified policy.

The bulk of the world's largest companies are still owned and operated by nation firms, massive family conglomerates, and multinational companies. However, such dominance had begun to be weakened with the advent of successful 1st entrepreneurs who were not resident in Pakistan and Indian government bureaucrats who worked outside of the country.

KEYWORDS:- *Work Force, Service Sector*

The founders of a significant number of enterprises with in private market possess small minority of such company's shares but are nonetheless able to maintain ownership of the company as a result of the widespread distribution of the remaining shareholdings. The governmental financial organizations in India possess significant stakes in a number of the most important private enterprises in the country, although they adhere, for the most part, to a non-intervention policy.

In addition, there is a strong foundation of tightly owned small and medium-sized companies in India that service local and international markets, compete with major manufacturers on such a national level, and provide employment opportunities for the country's population.

The Planning Department takes the view that the Integral Capital Adequacy (ICOR) is significantly lower inside the agricultural part of the industry in comparison to the ratios found in other parts of the industry. If this is the case, then it follows that agriculture is the sector in which one should place one's money for the greatest potential return in terms of economic expansion. This had further strengthened the belief that India's development and job opportunities could be maximized only via the agricultural and craft sectors.

Despite their plausibility, the arguments that had been presented had resulted in difficult questions. Very first question to ask is whether or not this focus on farm will be able to sustain a strong growth rate, much alone the 8percentage - point growth that is targeted for the following plan. Second, given that there is currently a grain available, is it possible for the nation to accommodate an even greater rise in agricultural output? Third, will work in agriculture be able to fulfill the hopes and dreams of today's young people, who are generally more educated than previous generations and yearn for well-paid fair skinned jobs? Finally, is it truly difficult for business and industry to grow such that there are more prospects for full time work? The fifth question is whether or not the projected scenario adequately explains and addresses the genuine flaws inside this Indian economy.

The situation now stands such that India's farmers were able to generate enough food not just for themselves but also for others. However, a lot of people who aren't farmers have indeed been going hungry since their incomes aren't high enough to cover the cost of the amount for what the farmers sell their excess grains are being auctioned. As a result of the fact that the state buys their whole excess at comparatively higher prices, there is no incentive for farmers to reduce their prices.

If indeed the solution that was offered by the Planning Board is implemented, then those who are not farmers will be able to generate even more foodstuff for oneself and for additional people as well. It is not quite obvious where these newcomers to the agricultural industry would locate the land on which to produce their crops. If they are successful, the market share of the farmers who are already in existence will decrease. In such scenario, the government either needs to increase its spending on subsidies and it has to accept the fact that current producers will become fewer prosperous. Another option is to sell the extra product on the international market. Unfortunately, the rates of grain on the global market are now at a rather low level. Even if 10,000 to 20 metric

tons of grain crops were exported, the revenue generated by this action would be far lower than that which the Indian computer sector had been making.

TABLE

WORK FORCE PARTICIPATION IN TOTAL SERVICES SECTOR

Year	Total services employment	Total employment	Ratio
1980-81	109.59	154.84	0.708
1981-82	111.50	158.09	0.705
1982-83	113.44	161.41	0.703
1983-84	115.42	164.80	0.700
1984-85	117.43	168.26	0.698
1985-86	119.48	171.80	0.696
1986-87	121.57	175.40	0.693
1987-88	123.70	179.09	0.691
1988-89	125.87	182.85	0.688
1989-90	128.07	186.69	0.686
1990-91	130.32	190.61	0.684
1991-92	134.47	190.57	0.706
1992-93	136.84	191.56	0.714
1993-94	138.35	193.26	0.716

1994-95	138.93	194.45	0.714
1995-96	138.92	194.66	0.714
1996-97	141.33	194.29	0.727
1997-98	141.09	194.59	0.725
1998-99	141.73	194.18	0.730
1999-00	141.44	194.15	0.729
2000-05	141.53	193.14	0.733
2006-10	139.74	191.38	0.730
2011-15	139.25	187.73	0.742
2016-20	141.63	185.80	0.762
2021-22	144.06	186.73	0.771

Sources: Compiled by the Researcher

From the Table it is clear that the share of the services sector employment to total employment in India had shown stability during the study period. In 1980-81 the ratio of the services sector employment was 70.8 percent which declined to the level of 68.4 percent in 1990-91 and it gradually increased to the level of 77.1 percent in 2021-22. The pull in reforms in the 2000s were the strongest through business services, information exchange, and finance and insurance, followed by local services but also restaurants and hospitality. Over moment, the development of all support sub-sectors throughout India had outpaced the development of both the Economic output, but still the pick-up throughout growth in this same 1990s had occurred strongest in professional services, connectivity, and finance and insurance. which again was followed by increase in work force participation in the services sector; these activities together had accounted for the entire acceleration in the growth of services' in the 1990s. The growth in public administration and defence, real estate, storage, transport, and personal services in the 1990s had been broadly similar to that of the previous decades as the role of private

people investment had increased and Multi National Companies had entered into the picture when the economy had underwent through the “Globalisation Era”.

TABLE

RATIO OF WORK FORCE PARTICIPATION IN VARIOUS COMPONENTS OF TOTAL SERVICES SECTOR

Year	Trade, hotel, transport and communication employment	Finance insurance and real estate and business services employment	Public administration, defence and other services employment
1980-81	0.2468	0.0689	0.6844
1981-82	0.2472	0.0683	0.6846
1982-83	0.2459	0.0678	0.6863
1983-84	0.2446	0.0674	0.6880
1984-85	0.2433	0.0670	0.6898
1985-86	0.2420	0.0665	0.6915
1986-87	0.2407	0.0661	0.6932
1987-88	0.2394	0.0657	0.6949
1988-89	0.2381	0.0653	0.6966
1989-90	0.2368	0.0649	0.6984
1990-91	0.2355	0.0644	0.7001
1991-92	0.2342	0.0640	0.7018
1992-93	0.2250	0.0888	0.6862
1993-94	0.2233	0.0915	0.6853
1994-95	0.2229	0.0920	0.6851
1995-96	0.2236	0.0923	0.6841
1996-97	0.2226	0.0921	0.6853
1997-98	0.2188	0.0916	0.6897
1998-99	0.2186	0.0913	0.6901
1999-00	0.2176	0.0914	0.6910
2001-05	0.2175	0.0916	0.6908
2006-10	0.2149	0.0905	0.6946
2011-15	0.2153	0.0880	0.6967
2016-20	0.2111	0.0989	0.6901
2021-22	0.2096	0.0984	0.6920

Sources: Compiled by the Researcher

TABLE 4.12

REGRESSION RESULTS FOR WORK FORCE PARTICIPATION IN TOTAL SERVICES' SECTOR

Model	Period	Year	a	b	t	R ²	Absolute Growth rate
Linear	Pre reform	1980 –81 1991-92	102.73	2.142	44.9	.99	2.14
	Post reform	1992-93 2021-22	137.90	.353	3.470	.52	.3537
	Whole period	19 80-81 2021-22	108.44	1.495	15.05	.90	1.49

Sources: Compiled by the Researcher

The Table clearly shows that during the magnitude of the path coefficients was 2.142 millions at the time before the reform was implemented. This had shown the truth that throughout the course of a period of thirteen years immediately prior to the implementation of structural reforms in India, literally the entire workforce inside the service sector had expanded by 2.1426 millions on average. This value of R - squared value was discovered to really be 0.99, indicating that 80 per cent of both the fluctuations in the signals are received were due to the dependant variable.. This was illustrated by the fact that the number of R² was discovered. It was determined that there was a reasonably significant correlation between b and the other variables. The pace of growth that was equivalent before the liberalization period was found to be 2.14. The reason for the growth of the work force participation in India in the services sector was due to the new entrance of the multinational companies and due to the increase in foreign investment. The main advantage for India was that it was a low-cost destination for foreign investors and, more important, has a large, English-speaking talent pool. The investors had recognised India as a robust service-based economy; services contribute around 55 per cent of the GDP and account for a significant share in world's service exports.

CONCLUSION

The term "services" refers to all of the economy's components that are not classified as either "primary industries," such as farming and mining, other "secondary industries," such as manufacturing (manufacturing). That definition term services that the Expert Panel uses, and that is employed in this study, spans a very broad range of different business types and types of activities. A few of these businesses are what most people think of when they hear the word "services," including those in the retailers and wholesale trades, such as those in the interpersonal, educational, and health provider sectors. Construction, energy, energy and water service (EGW), repair and administration, and telecommunications are some examples of other businesses that produce tangible or moderately output and share several similarities with products generating sectors.

Among the causes for the decreasing share of industrial production and the farming in the Economic output and the increased role of the amenities' were the topics of extensive talks in the European countries that already had encountered similar trends. Facilities' represent the greatest and the quickest increasing component. The research presented earlier demonstrated the existence of a slow but steady rise in the activities market as a result of the economic prosperity of the populace, an improvement in the quality of life of the populace, a change in information technology that had taken occurred as a result of offshore, economic liberalization, and other factors like these. In recent years, our nation has been transitioning away from an agricultural economy and toward one that is focused on information.

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