

EFFECTIVE MANAGEMENT OF THE LABOR PROCESS IN THE SERVICE SECTOR

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Annotation. The article examines the issues of effective management of labor processes in the service sector and its role in ensuring socio-economic development. It analyzes the theoretical and practical foundations of labor organization, with a focus on labor productivity, employment, and motivation factors affecting service quality. Analytical, statistical, and comparative research methods were used, and official data from relevant ministries and the State Statistics Committee of Uzbekistan were analyzed.

Key words: labor process, service sector, productivity, employment, management efficiency, motivation, labor organization.

Аннотация. В статье рассматриваются вопросы эффективного управления трудовыми процессами в сфере услуг и их роль в обеспечении социально-экономического развития. Проанализированы теоретические и практические основы организации труда, уделено внимание производительности труда, занятости и мотивационным факторам, влияющим на качество обслуживания. В исследовании использованы аналитические, статистические и сравнительные методы, а также официальные данные соответствующих министерств и Государственного комитета по статистике Республики Узбекистан.

Ключевые слова: трудовой процесс, сфера услуг, производительность, занятость, эффективность управления, мотивация, организация труда.

INTRODUCTION

The level of socio - economic development of many countries is determined by how effectively existing enterprises and economic entities operate, as well as by the standard of living achieved by members of society. Therefore, the socio-economic reforms being implemented in the service sector of our republic are aimed at ensuring the development of society and improving the well-being of people. This, in turn, depends on increasing labor productivity in the service process and the level of employment of the population.

In this regard, the President of our Republic, Shavkat Mirziyoyev, emphasized: “Although there is a need to employ 1.5 million people annually in our country, last year the Employment Support Centers managed to employ only 248 thousand people, or 16.5 percent. The main reasons for this are the outdated forms and methods of work, as well as bureaucracy in solving employment problems. In particular, many cases of falsification in the implementation of tripartite agreements on the employment of vocational college graduates have not yet been eliminated. Eliminating these problems should become a top priority task for the entire Macroeconomic Complex and personally for the Minister of Labor.”

Achieving economic efficiency in the service sector and ensuring its sustainable development is considered the main goal of our state’s economic reforms. The economic reforms carried out in

service enterprises have ensured the formation of various types of goods and services, as well as corresponding forms of economic management, and have contributed to the creation of a competitive environment. As a result, labor relations in enterprises have changed, and producers' interest in the effectiveness of their own labor has increased.

Today, the sustainable development of the sector directly requires organizing production and service provision, as well as labor relations, in accordance with the requirements of a market economy. Under market economy conditions, increasing the efficiency of production and service provision in enterprises primarily depends on the effective use of all types of resources and on improving labor productivity. From this perspective, developing scientifically and practically grounded proposals and recommendations to increase labor productivity in enterprises operating in various forms of service under market economy conditions is one of the most pressing issues of the present time.

LITERATURE REVIEW

The issues of properly organizing labor processes and effectively managing them in the service sector have been extensively studied abroad by F. Taylor, G. Emerson, A. Fayol, D. McGregor, E. Mayo, R. Likert, M. Porter, and B. Barnard. Among scholars and specialists in our country, these issues have been theoretically examined by Q.H. Abdurahmonov, A. O'Imasov, Sh. Zaynutdinov, A. Vahobov, A. Zokirov, and S. Turg'unov.

METHODOLOGY

The research is aimed at studying the theoretical and practical aspects of effective management of labor processes in the service sector. Analytical, statistical, and comparative methods were employed in the course of the study.

Based on official data from the Ministry of Employment and Labor Relations, the Ministry of Economy and Finance, and the State Statistics Committee of the Republic of Uzbekistan, labor productivity, workforce composition, and employment levels in the service sector were analyzed. In addition, sociological surveys were conducted to examine factors related to employees' working conditions, motivation, and service quality. Based on the results obtained, priority directions for the effective organization of labor processes in the service sector were identified.

DISCUSSION AND RESULTS

In the service sector, the term "Organization of the labor process" can be interpreted broadly or narrowly when applied to a particular enterprise.

In a broad sense, it encompasses all issues related to organizing labor, production, and management. Proponents of this interpretation approach the organization of labor activity in an enterprise as a unified whole. According to other authors, although this understanding of the concept of "organizing labor processes" is correct from the perspective of its social significance, it complicates a full and comprehensive study of living labor in the production process of enterprises.

In a narrow sense, organizing labor refers to the set of practical measures that include the organization of living labor, labor division and cooperation, workplace arrangement, rationalization of labor methods, conditions and rest schedules, labor standardization, employee training and skill development, material incentives, and strengthening labor discipline.

In the service sector, the organization of labor activity is one of the key indicators. In production relations, interconnections arise between the workforce, labor tools, and objects of labor. Such interconnections and interactions are the result of how labor activity is organized. Organizing labor activity involves, on the one hand, the formation of its foundations (legal, moral-psychological,

economic, and social) and, on the other hand, the development of the mechanism of labor activity.

Legal foundations refer to the legal criteria that serve the organization of labor activity in production relations (civil, administrative, ownership rights, and enterprise-related legal documents).

Moral - psychological foundations arise in the process of forming relationships between parties in production relations (including relations among employees, between managers or enterprise owners and employees, and among teams).

Economic foundations constitute the basis of labor organization. They involve criteria for organizing labor activity, such as the material incentives of individuals and the degree of satisfaction derived from their work.

Social foundations in production relations concern the content of labor activity, including the professional skills, business abilities, and entrepreneurial competencies of each individual.

The role of organizational support for employee activity within the enterprise work system and the elements of such organizational support are illustrated in Figure 1. According to this figure, labor division, which forms the basis for organizing any enterprise activity, should be carried out before providing organizational support for enterprise and employee activities.

In the current context, it is necessary not only to establish interactions between the materialized elements of labor and human activity but also to address issues such as forming labor relations between participants in cooperative activity (“human - technology”) and increasing the efficiency of living labor. Labor division involves distinguishing various types of labor activity and establishing quantitative ratios between them. Labor cooperation is an integral part of labor division, manifested as the interconnections between different types of labor activity within the production process. Addressing labor division and cooperation at the enterprise level, as well as developing organizational structures, should be carried out before forming employees. The content of organizational support for employee activity is determined by its structural elements and directions. In service enterprises, the elements of organizational support for employees are illustrated in Figure 1, each of which is of particular importance.

The effective organization of labor processes in the service sector has several distinctive features, which are as follows:

Labor division and cooperation: Within an enterprise, labor division is carried out, and after careful planning of its cooperation, labor can be thoroughly divided and coordinated within the enterprise - this includes allocating labor among separate units, placing employees appropriately, and ensuring interconnections and synchronization of their activities.

Organization of labor processes: Providing organizational support for labor activity involves organizing labor processes, i.e., determining the methods to be used in performing specific tasks. Studying labor processes and identifying the required time to perform them allows for selecting the best work methods and rationally distributing workplaces.

Labor standardization: Labor activities cannot be organizationally supported without defining labor standards. Standardization serves as a tool to evaluate various options for organizational support of employee activity. Since any organizational change affects work time to a certain extent, standardization allows for quantitative assessment of these changes and selecting the most rational option.

Workplace organization: Labor processes take place within specific times and spaces. The workplace serves as the spatial object of labor application and forms the primary unit and organizational - technical basis of the production process. It is where the three main elements of the process converge, and the primary goal is to achieve material transformation of the labor object. Therefore, each

workplace must be organized according to the nature of the work to ensure timely and quality completion of production tasks.

Working conditions: Creating appropriate working conditions is an integral part of organizational support for employee activity. Working conditions are crucial factors affecting health and work capacity. Improving working conditions increases job satisfaction, promotes creative engagement in labor, and fulfills significant social functions.

Work and rest schedules: Some authors consider improving work and rest schedules as part of rationalizing working conditions. While this approach is generally correct, due to their specific characteristics and relative independence, these issues are considered a separate element of organizational support for employee activity.

Selection, training, and skill development of employees: Addressing organizational tasks requires training employees and enhancing their engagement. The development of market relations has fundamentally changed the approach to employee training and skill improvement. In the new context, flexibility in working with employees is required, i.e., the professional structure must adapt as the technical basis of production evolves.

Labor incentives: Creating a system of material and moral incentives involves using various types of wages and salaries, as well as developing reward systems.

Labor discipline: The overall labor outcomes of an enterprise's employees depend on the individual performance of each worker. Therefore, to ensure effective collective activity, it is necessary to maintain a certain order, adhere to the scheduled start and end of work, observe breaks, and follow other established procedures. In addition, a clear mechanism for maintaining labor discipline is required. In the era of a market economy, one of the key factors for overcoming competition is to increase production efficiency in enterprises across the macroeconomic, social, and private sectors. This is primarily achieved through the rational utilization of the available workforce. Effective use of labor often depends on the correct distribution of various tasks among different performers according to their skills, experience, and capabilities, ensuring that work is assigned proportionally. To address this issue effectively, labor must first be carefully and rationally allocated in the production process. This organizational matter is referred to as labor division.

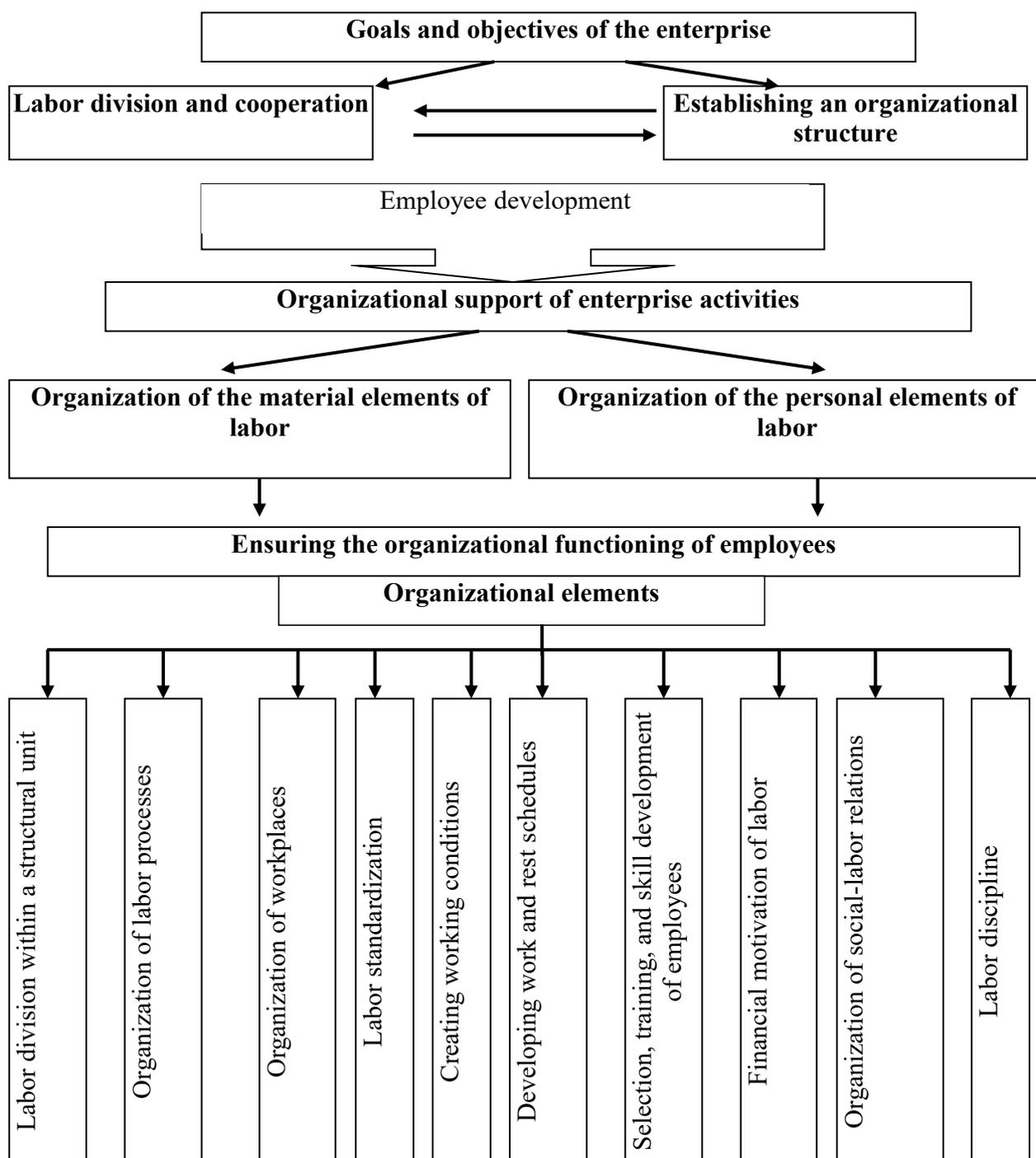


Figure 1. Organizational support of employees' labor activities within the enterprise system ¹

Labor division refers to the separation of various types of labor from one another, ultimately resulting in different groups of people participating in production being engaged in diverse labor activities.

¹ Q.H.Abduraxmonov.Mehnat Iqtisodiyoti.Inson Taraqqiyoti.T.:2013 y.46-b.

One of the main advantages of labor division is that a worker specializes deeply in a specific type of work, masters the techniques and procedures required for its execution, acquires the necessary skills, and improves work methods and approaches. Special tools and equipment are used in this process. Additionally, labor division facilitates the preparation of employees for the work process.

There are three types of labor division in production: general labor division, specific labor division, and partial (or individual) labor division.

General labor division includes the division of labor between productive and non-productive sectors of human activity, as well as within these sectors - such as industry, agriculture, transport, communications, trade, education, science, state administration, culture, and others. The allocation of employees across these sectors represents general labor division and can serve as a classification of societal and regional socio-economic development.

Specific labor division refers to the distribution within sectors and industries of the general labor division. For example, the industrial sector can be divided into branches, sub-sectors, associations, and individual enterprises; agriculture can be divided into crop farming and animal husbandry, which are further subdivided into specialized branches (wheat, cotton, potato cultivation, horticulture, meat, milk, wool production, etc.). Just as in industry, the final stage of specific labor division is represented by specialized enterprises. This type of division is also found in non-productive sectors such as education, healthcare, and public administration.

Partial labor division refers to the allocation of tasks and labor functions among employees within a single enterprise or organization, including workshops, units, teams, groups, and individual workers, as well as across professional skill groups. This type of labor division is more complex and crucial, as specific labor processes occur within it. The economic outcomes - such as workers' specialization, skill development, use of specialized high-performance equipment, and increased labor productivity - are realized accordingly. It is no exaggeration to say that modern technology and socio-economic progress are impossible without labor division at all levels.

Various forms of labor division are applied in production and service enterprises.

Skilled labor division is based on the worker's specialization and the complexity of the task performed.

Stepwise labor division aims to optimize the number of workers according to their professional specialization.

Technological labor division depends on the processing stages and cycles of the production process, ensuring technological uniformity in task execution.

Functional labor division involves some workers specializing in primary tasks, others in auxiliary work, and others in preparation or service - related tasks.

Qualified labor division involves the separation of complex tasks from simpler ones, taking into account the complexity of preparation functions, execution of labor processes, and monitoring of product quality and services.

Economic aspect considers increasing labor productivity and improving product quality at macro and microeconomic levels.

Physiological aspect ensures that the labor process is organized in a way that prevents unequal load on different body parts and avoids fatigue from repetitive movements over long periods (months or years).

Social aspect requires structuring operations so that physical and mental work alternate or are combined in a way that makes labor enjoyable, meaningful, and reduces the physical burden while balancing mental and physical labor.

In organizing and effectively managing labor processes in enterprises, it is often beneficial to use the "Likert coefficient." This approach reduces enterprise costs while simultaneously increasing employees' motivation and commitment to their work and the enterprise. The essence of the Likert coefficient is that a manager's ability to persuade employees should be almost twice as effective as

coercion. Specifically, when the ratio reaches 1.9, management efficiency is achieved. This requires the manager's persuasive capacity to be twice as strong as their capacity for enforcement.

CONCLUSION

Based on the data obtained and analyses conducted in the article, several conclusions have been drawn:

1. Labor is a complex process resulting from the integration of socio-economic, technological, intellectual-emotional, physical-chemical, biological, and other lawful phenomena. In the labor process, a person interacts with the object of labor using labor tools, expending live labor to achieve the intended goal, thereby creating a new product necessary for life. All three components of the production process - raw materials and materials, labor tools and instruments, and live labor expenditure - combine to produce the labor output.
2. In service enterprises, the organization and effective management of labor processes largely depend on employees' intellectual potential and the management's rational use of managerial methods. This requires individuals working in a given field to engage in purposeful activity by applying both their mental and physical abilities. In revealing the specific characteristics of labor processes in the service sector, it is important to consider key factors such as "service," "intellect," and "motivation" that emerge within labor and labor processes.
3. Organizational factors affecting labor productivity include the organization of production at the level of enterprises, sectors, and the national economy. Specifically, this involves the geographical placement of enterprises within the country, establishing domestic and international transport connections, specialization of enterprises and their subsequent cooperation, provision of material-technical and energy supplies, repair services, and other support mechanisms. These factors are of critical importance.
4. The comprehensive development of the service sector is one of the key issues for ensuring sustainable economic growth, raising the population's living standards, and achieving effective employment.

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