

Evaluation of Social and Economic Efficiency of Service Enterprises

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ABSTRACT: The article considers the essence of the concept of efficiency, various methodological approaches to the problem of determining efficiency in the service sector, the description of indicators of the effectiveness of the activity of the enterprise, the description of the main criteria and indicators for determining socio-economic efficiency in the service sector.

KEYWORD: service, efficiency, social indicators, economic indicators, service process, social criteria, economic criteria.

Introduction

At present, in the context of economic transformation, it is especially important to improve the socio-economic mechanism for sustainable development of service enterprises and increase efficiency in ensuring the intensity of services. Accordingly, in order to increase the efficiency of service enterprises and improve the socio-economic mechanism of their activities, issues related to increasing the intensity of labor processes and labor productivity, efficient use of resources, ensuring labor efficiency, improving the quality and efficiency of services, more fully meet consumer needs are important issues of industry development. Also, improving the quality and competitiveness of services of enterprises in international markets and increasing the volume of exports of services are important in achieving economic growth in the country.

The effectiveness of service enterprises directly depends on the validity of the strategy, and its formation is one of the main tasks of managers at the top management. Improving the socio-economic mechanism for the development of service enterprises is of particular importance in the constantly changing external and internal environment, which allows to maintain a leading position in the market.

Therefore, in order to develop a rational mechanism for the management of service enterprises, it is important to study the role and importance of the activities of service enterprises for end users, in particular individuals and legal entities, and the economy as a whole.

Literature review

Fundamental study of problems related to economic development, the formation of a service economy, increasing efficiency in the service economy, improving the quality and competitiveness of services, improving service processes, regulating socio-economic relations, developing modern

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service industries, increasing labor productivity, innovation J.M. [9], Marshall A. [13], Shumpeter Y.A., [18], Müller D.K. [14], Xaksever K., Render B., Russell R., Merdik R. [11], Abduraxmanov K.X. [1].

Issues of assessing the effectiveness of service enterprises in the post-industrial stage of industrial development in developed countries, increasing socio-economic efficiency in the field, achieving labor efficiency, ensuring the intensity of production (services), the relationship of quality of services in the industry with their consumption, Criteria and indicators for evaluating the effectiveness of services, the formation of services in relation to consumer motivation, the specifics of the development of the service sector, research on the organization of service processes in enterprises Kravchenko S.A. [10], Axmedjanov A.R. [6], Avanesova G.A. [5], Dudakova I.A., Gladkova Yu.V. [7], Saxaryan P.C. [8].

In developed countries, special attention is paid to the study of the evaluation of the effectiveness of enterprises in the service sector with the implementation of the service economy in the post-industrial stage. We also focus on these issues in the research process. To do this, it is expedient to first focus on the essence of the efficiency category. In the works of the above authors, the impact of various socio-economic factors on the development of the service sector is studied. In these studies, the directions of socio-economic efficiency assessment in the service sector have not been systematically studied. Accordingly, in this article, we examined the social and economic indicators of performance appraisal of service enterprises.

Research Methodology

The study used a dialectical and systematic approach to the study of economic systems and ratios, complex assessment, comparative and comparative analysis, statistical and dynamic approach and grouping methods to ensure economic socio-economic development in service enterprises.

Increasing social and economic efficiency in the service sector reflects the results of the activities of entrepreneurs, and social efficiency reflects the social efficiency of economic entities, its impact on various aspects of society. In doing so, social and economic efficiency were found to be somewhat interrelated. Also, services in the service economy are classified into separate groups.

Analysis and results

The new socio-economic relations that are emerging as a result of the ongoing socio-economic reforms in our country are creating favorable conditions for the development of the services sector. The ongoing structural changes are creating conditions for the development of the service sector, the emergence of modern forms, types and methods of service. This has led to the transformation of the economy today, along with the traditional types of services, as well as the widespread use of digital services. Therefore, as a result of the expansion of the services sector and the development of modern services based on information and communication technologies, it is important to study the criteria for evaluating the activities of economic entities and their social and economic indicators.

The concept of efficiency as a complex, comprehensive category has several interpretations in the scientific literature (efficiency - English), which is interpreted as efficiency, mobility, productivity, mobility, efficiency [14], based on the common phrase "efficiency". There are many definitions of efficiency in the economic literature today.

In the economic literature, the category of "efficiency" is expressed in a broad and narrow sense. In a broad sense, the concept of 'Efficiency' is defined as the ability to approach the environment effectively and adequately [12], relative efficiency, operations and projects [1].

If we look at the above definition of efficiency, we can understand that there are several resources of this concept. Because this category is evaluated on the basis of various criteria, indicators and characteristics. At the same time, efficiency occurs in terms of content, both consumer satisfaction and the purpose of production (services), as well as the effective operation and efficiency of enterprises.

The concept of "efficiency" is an extremely broad concept that reflects the ratio of efficiency obtained to expenditure. Efficiency is the search for the best solutions in order to achieve higher results in one or another area of work and reduce costs per unit of these results [1].

The category "Efficiency" narrowly refers to the general classification of the results of potential and real activities, focusing on the results obtained. These definitions reflect important features of the concept of 'efficiency', firstly, that this category is a complex socio-economic term and it is evaluated on the basis of certain criteria. Second, 'effectiveness' is a relative category that is subject to a clear set of goals. That is, determining performance represents activities that result from key objectives [6].

Important indicators of efficiency are quantitative indicators of activities that help to measure the level of achievement of goals or the optimality of processes.

It is important to determine the overall state of efficiency, including socio-economic efficiency. Socio-economic efficiency is the increase of the social, economic, socio-economic level of the population, achieved through the rational use of limited resources. Work is reflected in the growth of human maturity, the growth of material and social well-being, cultural and spiritual development. The higher the level of human well-being and maturity, the higher the socio-economic efficiency [2].

Economic efficiency of the service sector is a component of social labor efficiency and is characterized by certain criteria and indicators.

Approaches to determining service efficiency have been studied by many economists. Therefore, G.A. Avanesova divides efficiency into the following groups [5]:

- cost-resource (economic efficiency);
- goal-orientation (effective efficiency). Survival in a competitive environment, leadership in the fight against competitors, growth of economic potential, growth of production and sales, maximizing profits and minimizing costs are assessed in terms of achieving achievable goals;
- Comprehensive economic analysis, based on which the results achieved are evaluated, the factors of its change, unused opportunities and resources to increase it are identified;
- efficiency of the management system.

Within the framework of this approach, IA Dudakova and Yu.V. Gladkova distinguish the following indicators of efficiency [7]: the volume of services provided; profit, implementation of investment projects; availability of reliable partners; availability of customer base (group of regular customers); participation in social and government programs; the reputation and image of firms; staff turnover; the number of litigation with clients.

The effectiveness of services can be classified into economic indicators, organizational indicators, social indicators and individual-psychological indicators.

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There are different methodological approaches to the problem of determining the efficiency of the service sector, and services can be divided into the following groups:

- Improving the efficiency of services based on the efficient use of resources and full satisfaction of consumer demand through the provision of quality services;
- Increased efficiency by increasing the ratio between the results achieved and the costs incurred on different resources;
- efficiency of services in terms of satisfaction of market participants;
- goal-oriented approach.

In the first approach, the authors believe that the essence of increasing the efficiency of the service sector is to fully meet the needs of the population by reducing the cost of social funds and efficient use of labor and resources to ensure high quality and culture of services [8].

Service efficiency is determined by achieving maximum results in the public interest in the minimum amount of means of production and labor. However, in this case, the efficiency of services can not be associated only with an increase in services provided and a decrease in costs. An important role in determining effectiveness belongs to its social consequences. In this regard, we can talk about the socio-economic efficiency of service organizations.

In the study of methodological problems in the analysis of the state of the service sector, most economists focus on the following aspects of efficiency analysis (efficiency criteria):

- the dynamics of changes in the relative cost of services provided;
- financing of services;
- changes in accounts payable and accounts receivable;
- Analysis of prices and tariffs for services;
- Proportion of population payments for services.

The second approach to assessing the effectiveness of the services sector describes the relationship between the results achieved and the costs (resources) at the disposal of society (cost-resource approach). Such an approach to evaluating the efficiency of services is reflected in the views of classical economists on the efficiency of production. It covers the “cost-production” problem, which reveals the relationship between production results and costs. In this case, the greater the amount of products produced per unit of time, the higher the cost-effectiveness.

The economy achieves maximum satisfaction of the infinite needs of society in the study of the problems of limited resource use. However, the assessment of resources, in particular labor resources, is complicated by the widespread popularity of incomplete employment, small business, family entrepreneurship, and so on. It also complicates the calculation of intangible products, especially their quality characteristics. In a number of industries (primarily in the socio-cultural spheres) it is not an easy task to not only measure a product, but also to define its concept.

The third approach considers the efficiency of services as the degree of their satisfaction. Each market entity presents its own requirements for the effectiveness of different types of services. On the one hand, the consumer sees their quality as a key indicator of the effectiveness of the services consumed. Manufacturers, on the other hand, refer to technical and economic indicators as performance criteria, i.e., quality modified based on consumer-based socio-economic indicators.

Also, service efficiency management is the coordination of the parties provided, achieving the optimal ratio between them.

Fourth, the goal-oriented approach allows a comparison of the extent to which an enterprise has achieved its originally set goals. Typically, such a list of goals would include:

- survival in a competitive environment;
- leadership in the fight against competitors;
- avoidance of major financial failures and losses;
- maintaining a stable positive image;
- growth of economic potential;
- increase in the volume of production (services) and sales;
- Minimize costs and increase profits;
- growth of enterprise profitability.

Scientists often study the problems of evaluating and enhancing efficiency in relation to a particular type of service.

Given the diversity of types of services, it is very difficult to assess the effectiveness of their individual types. Targeted indicators for one type of service may not accurately reflect the effectiveness of other types. In order to create generalized methods for evaluating the effectiveness of services, it is necessary to classify them according to their target indicators (Table 1).

Table 1: Performance indicators of the enterprise¹

№	Classification marks	Indicator group
1.	According to the level of management	global
		local
2.	On the content of expenses	costly
		resources
3.	On a full account of the results and costs	generalizer
		private
4.	According to the object of calculation	efficiency of total activity views
		resource efficiency
		efficiency of capital investments
		effectiveness of new techniques
5.	According to the calculation stage	efficiency of operations (transactions)
		projects
		planned
		real
		directly
6.	According to the calculation method	reverse
		resource-intensive approach
7.	According to the general signs	goal-oriented approach

In the process of efficiency analysis, it is necessary to take into account internal and external factors that affect the activities of the enterprise. Internal factors include: enterprise property, personnel, and so on. External factors are determined by those around the enterprise, ie the various groups involved in its activities (regional or city administration, banks and financial institutions, partners, consumers, tax authorities, etc.).

¹Developed by the author.

The goals of the representatives of these groups are usually different, they contribute to the stability and effective formation of the enterprise. At this time, each group will have its own clearly expected result from the effective work of the enterprise.

The multidimensional dynamic model for evaluating the efficiency of service enterprises includes:

- productivity (level of resource minimization in achieving efficiency);
- efficiency (the level of satisfaction of consumer expectations and needs in the process of service, ie the development of the desired product in the right place at the right time);
- Flexibility - the flexibility of service processes in order to adapt it to the needs of consumers in the future.

It should be noted that most of the services are provided by people, so the consumer and the service provider have to interact. The result obtained depends on their overall actions and the perception of the buyer. For example, a beauty salon, law firm or consulting firm will provide services that are different for each client.

On the one hand, this means that even if one person serves multiple customers in exactly the same way, different customers may have different perceptions of ²what they receive. So they have different feelings about meeting their needs. On the other hand, as long as the employee provides the same service, they can change their behavior with each individual instruction. In this, his professional knowledge, physical and psychological condition, which may not be the same every day, play an important role.

The main result of this is that most services do not conform to standardization attempts, as it is not possible to standardize the final product if each customer differs in their preferences both before and during service. In most cases, the order of service is determined by the person performing it (for example, a consultant, realtor or doctor): the person providing the personal service must first pay attention to the needs and desires of the client.

Therefore, the study of socio-economic efficiency leads to an understanding of the multilevel and multifaceted relationships in the "service-consumer" system. This requires the use of a number of additional, in addition to economic indicators, organizational, social, psychological and other features that represent the multifaceted activities of the service enterprise.

² Developed by the author.

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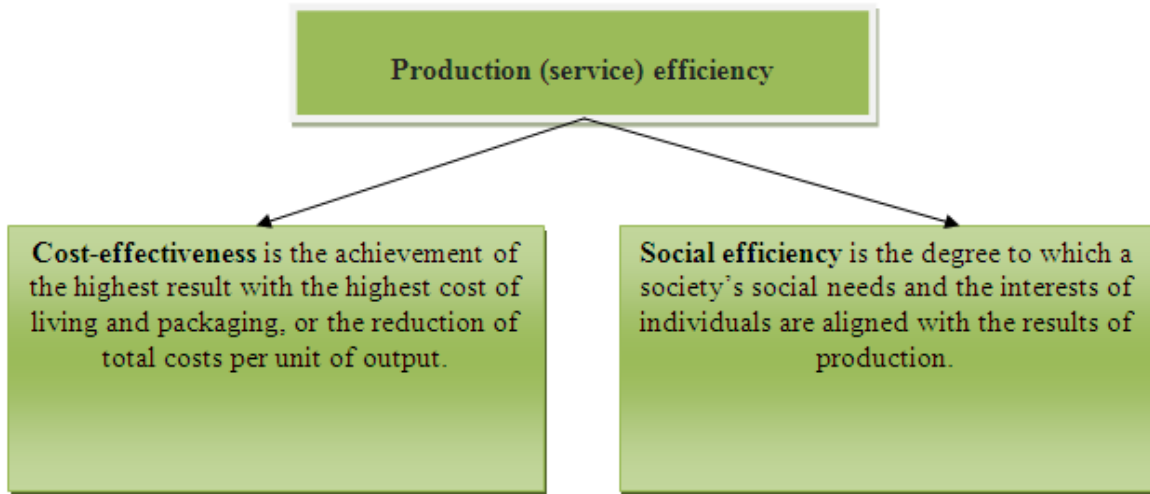


Figure 1. Production (service) efficiency classification²

According to the classification of production efficiency, it is divided into indicators of economic efficiency and social efficiency (Figure 1). Cost-effectiveness is the achievement of the highest result with the highest cost of living and packaging, or the reduction of total costs per unit of output. Social efficiency is the degree to which a society's social needs and the interests of individuals are aligned with the results of production.

Within the framework of the third methodological approach to the problem of determining the efficiency of the service sector, it is possible to highlight the social component of service efficiency indicators.

Social efficiency of the service sector means the full satisfaction of the population's need for services.

However, it should be noted that the indicators for assessing the quality of services and increasing their social effectiveness have not been fully studied.

The methodology for evaluating the effectiveness of customer service includes the following indicators: quality of service, quality of after-sales service, quality of administrative relations, quality of commercial relations, ease of access to information that allows to implement all stages of services, which should be focused on consumer values at all stages of life.

A comprehensive methodology for assessing the effectiveness of services provided by enterprises regulated at the regional level should be included in the quality management system and should be an indicator for assessing the effectiveness of management.

Increasing the socio-economic efficiency of the service sector will ensure the growth of a particular area through the following indicators: regional gross domestic product; tax revenues to the budget; wages of the individual employed population; ensuring the employment of able-bodied people.

Successful management of service enterprises requires systematization of areas, criteria and indicators of complex assessment of socio-economic efficiency, based on the characteristics of their formation, as well as grouping and classification by individual characteristics. This will create conditions for the effective use of the real and potential capabilities of its quantitative and qualitative indicators, based on the development of conclusions and recommendations to improve the efficiency of economic resources in the service process, ensuring the optimal service process [6].

Criteria that allow the evaluation of economic processes can be one or more. The criteria serve to determine the direction of the level of coverage of processes and events. The word "criterion" means "scales, a measure." The word refers to the meaning of the word "criterion" [13] used in Russian. The criterion defines its essence and main tasks to increase the efficiency of the services process. In determining the main objectives of the criterion, it is important to pay attention to the final results of service efficiency. The final result is determined by a number of socio-economic indicators. In this case, it is necessary to describe the important features of the industry in determining the criteria and indicators of development of service enterprises.

The criterion of efficiency of business entities in the field of services determines the essence and main tasks of increasing efficiency.

Evaluation of the effectiveness of economic entities in the field of services is divided into social and economic criteria (Figure 2). In the study of socio-economic efficiency in the field, it is important to determine its essence and classify its criteria and indicators.³

Table 2: Description of the main criteria for determining socio-economic efficiency in the service sector³

№	Efficiency description	Description of criteria
1.	Basic criteria of economic efficiency in the service sector	Improving service efficiency based on efficient use of resources.
		Increasing the profitability of business entities in the service sector.
		Increasing labor productivity in enterprises.
		Decrease in the relative level of costs for services (production).
2.	Basic criteria of social efficiency in the service sector	Full satisfaction of customer demand through the provision of quality services
		Ensuring the effectiveness of services in terms of satisfying market participants.
		Improving the content of labor in the service process.
		Development of human capital in the field of services.

In our opinion, economic efficiency in enterprises means the efficiency of their activities, and social efficiency - the social efficiency of enterprises, their impact on various aspects of society and the full satisfaction of society's needs. Socio-economic efficiency are interrelated concepts. Achieving social efficiency in enterprises serves to improve the social life of people, increase its level and ensure economic efficiency.

The new content of the organization of activities in the service economy can be expressed as follows: the achievement of efficiency is assessed on the basis of its social and economic indicators. These indicators have a broader meaning than the indicators of economic efficiency of the enterprise. It is necessary to assess the effectiveness of enterprises as a result of changes in quality indicators that determine efficiency. The assessment of social effectiveness in enterprises cannot be reduced to a

³Developed by the author.

clear quantitative scale. At the same time, efficiency in the traditional way determines only the economic nature, it is much more difficult to quantify its social and economic aspects. This approach is now common in economics. Research on the assessment of socio-economic efficiency in the service economy is also particularly relevant.

For a comprehensive and comprehensive analysis of the efficiency of service enterprises, in addition to its specific indicators, generalized indicators are also used. Generalized indicators in the economic literature include such indicators as the profitability of the enterprise, the relative level of costs, the efficiency of fixed and circulating funds, the fund efficiency of all resources spent [6].

An important criterion of social efficiency in the field of services is the reduction of consumption costs, which indirectly affects the achievement of production (service) efficiency.

Indicators that fully meet the needs of consumers are: the amount of gross services per capita; volume of services per capita; service growth rate; coefficient of reduction of time spent by consumers in enterprises and organizations of service; indicators characterizing the reduction of service time; time spent by each consumer on a return visit to the service organization; time spent per consumer.

Indicators characterizing the working conditions and the nature of the service sector in economic entities include: automation of service processes (the level of introduction of new techniques and technologies); modern buildings and structures; the degree of use of advanced labor experience; qualifications, education and professional level of employees engaged in the service sector; level of technical and technological, equipment and mechanisms; the level of organization of training and retraining of personnel required for the service sector.

If one of these indicators is introduced, it does not represent the overall efficiency. Because any indicator represents a smaller direction of social efficiency. If all these indicators are used, it will be possible to make a comprehensive assessment of the social efficiency of enterprises.

Conclusions and Recommendations

1. There are different methodological approaches to the problem of determining the efficiency of the service sector, services can be divided into the following groups:

- Improving the efficiency of services based on the efficient use of resources and full satisfaction of consumer demand through the provision of quality services;
- Increased efficiency by increasing the ratio between the results achieved and the costs incurred on different resources;
- efficiency of services in terms of satisfaction of market participants;
- goal-oriented approach.

2. The multidimensional dynamic model of performance evaluation of service enterprises includes: productivity (the degree of minimization of resources in achieving efficiency); efficiency (the level of satisfaction of consumer expectations and needs in the process of service, ie the development of the desired product in the right place at the right time); flexibility is the flexibility of service processes in order to adapt it to the needs of future consumers.

3. Indicators of efficient use of resources have a special place in the system of indicators of social and economic efficiency of service enterprises. Accordingly, in the system of indicators that reflect the

efficiency of resource use in service enterprises, a special place is given to statistical indicators of increased labor productivity, reduced product capacity, profitability and social efficiency.

4. Automation of service processes as a social indicator of the working conditions and nature of service enterprises, increasing the level of use of advanced labor experience; education, professional level and qualifications of employees, technical and technological, level of advanced equipment and machinery, the level of organization of training and retraining of personnel required for the service sector.

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