

**OPPORTUNITIES FOR INCREASING EMPLOYMENT IN THE SERVICE SECTOR  
BASED ON FOREIGN EXPERIENCE**

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**Abstract:** The purpose of this study is to identify opportunities for increasing employment in the service sector by studying foreign experiences and to develop practical recommendations in the conditions of Uzbekistan. The study analyzed foreign and local sources and identified effective strategies for increasing employment in the service sector. The results of the study show that the development of small and medium-sized service businesses, the introduction of digital technologies, and the training of qualified personnel are effective means of increasing employment. At the same time, it was found that it is possible to increase jobs by creating special support mechanisms in the tourism, healthcare, and education sectors. The results of the study serve as a scientific and practical basis for developing the service sector of Uzbekistan, increasing economic activity, and ensuring employment.

**Keywords:** service sector, employment, foreign experiences, small and medium-sized businesses, digital technologies, qualified personnel, tourism and hotel sector.

**Introduction.** Currently, the service sector is recognized as one of the most important components of the economy of each state. The service sector provides an opportunity not only to develop the domestic market, but also to increase employment, create jobs and improve living standards. Especially in the processes of global economic integration, the growth of the service sector provides a competitive advantage for countries.

Foreign experience shows that effective policies and innovative approaches in the service sector help to significantly increase employment. For example, job creation strategies in service sectors such as tourism, healthcare, education, finance and transport have been successfully implemented in developed countries. At the same time, supporting small and medium-sized businesses, introducing digital technologies and training qualified personnel are recognized as effective means of increasing employment in the service sector.

In the conditions of Uzbekistan, the issue of developing the service sector and increasing employment is relevant, and the study and implementation of foreign experience is of great importance. In this context, the purpose of this study is to identify opportunities for increasing employment in the service sector and develop recommendations based on an analysis of foreign experiences.

**Literature review.** Scientific research on the issue of increasing employment in the service sector has been widely studied worldwide. Studies show that the service sector makes a significant contribution not only to economic growth, but also to social stability and employment. The OECD (2021) report emphasizes that the services sector plays a strategic role in economic development and increasing employment. According to the report, in developed countries, the services sector accounts for 60–70% of GDP and provides the bulk of jobs.

The World Bank (2020) shows that there are effective mechanisms to increase employment by supporting small and medium-sized businesses in the service sector. The experiences of South Korea, India, and Singapore are cited as examples.

Bartik and colleagues (2017) emphasize that the introduction of digital technologies in the service sector is an important tool for creating jobs and increasing employment.

Abdullaev, 2019 and Islamov, 2021, studying the opportunities for developing the service sector in Uzbekistan, emphasized the need to focus on the tourism, healthcare, and education sectors to increase employment.

Rustamov, 2020 showed that there are effective mechanisms for creating jobs and increasing economic activity through the development of small and medium-sized service businesses.

The analysis shows that the experience of foreign countries can be used as a basis for developing a strategy for increasing employment in Uzbekistan. At the same time, it is necessary to develop special policies and support mechanisms in the service sector, taking into account local conditions, economic and social factors.

The literature review shows that increasing employment in the service sector can be achieved based on foreign experience, with the development of small and medium-sized businesses, the introduction of digital technologies, and the training of qualified personnel as the main tools. Scientific and applied research in these areas serves as an important source for formulating a strategy for increasing employment in the conditions of Uzbekistan.

**Analysis and results.** In analyzing the possibilities of increasing employment in the service sector, foreign experience was first studied. The results of the study showed that: Structural growth trends in the service sector:

In developed countries, the share of the service sector in GDP reaches 60–70%. For example, in the USA and Germany, the service sector is the main driver of economic activity.

Employment growth is especially noticeable in the tourism, healthcare, education and finance sectors.

Strategies for increasing employment:

**Development of small and medium-sized businesses:** In foreign experience, the number of jobs has increased significantly by supporting small service firms. For example, in South Korea, as a result of subsidies for small travel agencies, employment increased by 12% in 2015–2022.

**Introduction of digital technologies:** It has been shown that it is possible to expand the activities of the service sector and create remote work opportunities using online platforms and mobile applications. For example, in India, more than 2 million new jobs have been created through the digital services sector.

**Skilled Personnel Training:** Skilling employees through vocational centers and professional training helps to increase efficiency and employment in the service sector.

Opportunities for developing the service sector in Uzbekistan:

There is an opportunity to increase employment of the local population through the development of tourism and hotel services. For example, additional jobs can be created as a result of tourism development in the cities of Samarkand and Bukhara.

There is an opportunity to increase the number of personnel, along with improving the quality of services in the healthcare and education sectors.

It is possible to increase employment and expand economic activity by supporting small and medium-sized service businesses.

Foreign experience has shown that effective ways to increase employment in the service sector are the development of small and medium-sized businesses, the introduction of digital technologies, and the training of qualified personnel.

In Uzbekistan, by implementing these strategies in practice, it is possible to increase employment and contribute to economic development.

It is also necessary to develop special support mechanisms for the service sector, taking into account local conditions.

The results of the study show that the service sector is an important tool not only for economic growth, but also for increasing employment. An analysis of foreign experience shows that:

Jobs can be created through the development of small and medium-sized service businesses. The introduction of digital technologies and the development of online platforms expand remote and new job opportunities in the service sector. Training qualified personnel and professional training contribute to increasing employment, while improving the quality of services. Effective policies in sectors such as tourism, healthcare, education and finance can help significantly increase employment.

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