MODERN TRENDS OF DEVELOPMENT OF SERVICE SECTOR IN UKRAINE AND IN THE WORLD

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Purpose. The purpose of the study is to identify the current trends in the development of services. The subject of the research is current trends in the development of services in Ukraine and in the world.

Design/methodology/approach. During the study, the classical methods of scientific knowledge (analysis, synthesis, grouping, graphic method, analytical, forecasting, studying of scientific and statistical sources) were used.

Findings. The article investigates modern trends of the sphere of services development in Ukraine and in the world. The service sector is considered as part of the dynamically developing domestic and world economic system. The article concludes that the development of various services depends to a large extent on the influence of the state. Allocation of budgetary funds promotes the development of medical services, education, and culture. However, these services have a limited impact on consumers due to the small amount of resources currently allocated to their maintenance and development in Ukraine. The article describes the classification of types of services on a professional basis and developed a scheme that reveals the interconnection between the components of the service sector and socio-cultural infrastructure.

Research limitations/implications. The obtained results and conclusions are the basis for in-depth scientific research of the problems of development of the national and world socio-cultural sphere.

Originality/value. Results and conclusions can be used in the development of national economy development programs, in the formation of a modernization strategy for modern economic systems. The practical value of the work consists in the fact that the provisions and practical recommendations make it possible to solve the broken scientific and practical problem, and the results of the research, which are of an applied nature, can have practical application in the activities of enterprises, organizations and service providers.

Keywords: services, development, trend, economy, state

У статті досліджено сучасні тренди розвитку сфери послуг в Україні та світі. Сфера послуг розглядається як частина вітчизняної та світової економічної системи, що динамічно розвивається. Метою дослідження є визначення сучасних трендів розвитку сфери послуг. Предмет дослідження – сучасні тренди розвитку сфери

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Formulation of the problem. The service sector occupies a prominent place not only in the development of human capital; but also affects the functioning and development of material production; helps increase free time; provides opportunities for deeper development and satisfaction of socio-cultural needs of individuals and population in general; it is a key element ensuring the formation of a new life quality; ensures the quality of the enhancement including...
the economic one and the competitiveness of the national economics and economy [6, p. 292].

Analysis of recent research and publications. A significant contribution to the study of the problems of development of services, the mechanisms of regulation of economic activity of its elements was made by scientists such as O. Batishcheva, Ia. Bystrushkin, M. Zhulinsky, B. Danylyshyn, A. Detyar, V. Kovalchuk, A. Kolot, V. Kutsenko, P. Levin, O. Malysheva, O. Melnitchenko, S. Mirvoda, M. Moiseev, V. Novikov, Ia. Ostafichuk, G. Osipov, G. Sklyar, V. Cherba, and others. Among foreign researchers it is worth mentioning the following authors: Alexander J., Baumol W., Benger R., Bourdieu P., Canepa-Koch G., Charon J., Kotter J. and others. In the works of the abovementioned authors the methodological, theoretical and practical aspects of the development of the service sector, the mechanisms of functioning and improvement of state regulation of the service sector in Ukraine and the world are studied.

Formulating the aims of the article. The purpose of the study is to identify the current trends in the development of services. The subject of the research - current trends in the development of services in Ukraine and in the world. During the study, the classical methods of scientific knowledge (analysis, synthesis, grouping, graphic method, analytical, forecasting, studying of scientific and statistical sources) were used.

Presenting main material. The analysis of features and factors of development of the sphere of services is a key aspect of research of the social and cultural sphere. The level of development of the service sector determines the well-being of the population, so in many countries governments give special attention for it. In addition, some areas of the social complex are among the most profitable, despite of the long-term payback period (tourism, health resort economy). An effective service sector is an indicator of the level of development of innovative processes in the state.

From the beginning of 30-ies of XX century, the production and provision of services in individual countries becomes the main object of commodity-money relations [5]. As a result, the service sector in its development is ahead of the sphere of material production. Taking into account the importance of the service sector and its impact on modern society, the United Nations proclaimed a period between 1990 and 2000 a decade for the development of the service sector. According to the classification of the International monetary fund, at the start of XXI century all available services are almost 70% of the value of the total output in the world, and international trade in services is growing dynamically [2, p. 41].

Foreign experience confirms that the growth of the service sector is one of the important directions of development of modern society. The share of services in the gross national product of developed countries is about 2/3, and in the USA the number of workers in the service sector reaches 80% of the total number of employed. According to world forecasts, the increase in the number of free workplaces in the future will be exclusively at the expense of this sphere [1].

The factors that contribute to the development of services around the world should be viewed from two opinions: from the position of the development of material production, and changes in the economic behavior of households.

According to the first position, scientific and technical progress is considered. In the second half of the twentieth century new technologies, including informative ones, significantly increased the requirements for the content and quality of the workforce, the development of management and marketing in existing enterprises. Training and release of the relevant specialists can be made exclusively through a highly developed service sector. In provision and results of material production, a key role moved to a complex technique and equipment, that led to an increase in the level of technical maintenance of production, the formation of service centers, as well as the expansion of external and internal activities in the service sector, an increase in demand for production (installation, engineering, leasing, etc.) and post-sale (service, repair) services. Automation of production processes has led to an increase in labor productivity, that, accordingly, led to the complete displacement of the labor force beyond the material production, there was its overflow into the service sector. These changes in social production have been called "softization" - it is the process of enhancing of the role of intangible resources in ensuring of the social reproduction.
This term is understood as the saturation of the management process with scientific and technical innovations, information, modern means of communication; the optimization and efficiency of management, growth of the value of consulting, engineering, etc. [7, p. 90].

On the other hand, we are talking about the growth of income of the population. This is one of the most important factors, which change the parameters and structure of development in the service sector. Accordingly, the well advanced service sector is an example of a developed society. This relationship is realized through the behavior of the consumer, who treats his profit as a source of purchase of goods or services.

This situation is clearly explained by the German economist E. Engel, who in the 80-s of the XIX century formulated the law, according to which "as the family's income increases, the share of its expenditures on food products decreases, while the share of expenditures on housing, electricity, clothing are almost unchanged, but the share of expenditures on services increases" [3].

A separate factor that forces the service sector to develop is the growth of the amount of free time which a person has. This trend belongs to all developed countries. If the number of people who need spiritual growth and physical improvement grows, it leads to the growth of the role and scale of educational, cultural, sports, health, touristic and other services.

Demographic changes play a key role in the development of services. That is, they objectively determine the sizes and scales of the service sector due to the changing in population, on other hand—cause the consistence and structure of the cultural sphere, because for example, an increase in the percentage of elderly people leads to an increase in demand for medical and recreational services.

A feature of the development of services during the development of market relations is the increase in the share of services provided for a fee, as well as the development of the commercial sector of the national economy. The paid services include household, housing and communal services, passenger transport services, communications, some services in the sphere of culture and education, health, physical culture and sports, legal, services of financial institutions, sanatorium-resort, tourist and excursion and others.

Services are classified as follows: production-engineering, leasing, repair of equipment and technique; distribution-services in trade, transport services, communications; consumer-utilities, tourism; public-television, radio broadcasting, education, health and culture; professional-banking, insurance, financial, consulting, advertising (Fig. 1).

![Types of services](source: created by the author)
The development of services in Ukraine largely determined the process of transformation of the economy in the early 90-ies of XX century. Firstly, because it has been causing the appearance of many new types of services, mainly intermediary ones (financial and credit, consulting, audit, brokerage, etc.). Secondly, because of decline in public financing, many services that were previously free, have become payable (education, health, television, etc.).

Another key factor for Ukraine in the development of the service sector has become the small amount of startup capital. It is for this reason that the market for services was and is attractive for small-sized entrepreneurs. That is, many types of services do not require significant startup capital, that implies a quick return of investments. Also, the development of the service sector provides favorable conditions for the use of skilled labor. Unfortunately, now, in Ukraine, the rapid development of the service sector is hampered by a narrow internal market for its products because of the total impoverishment of the vast majority of the population, sharp increase in prices for paid services and so on [4].

If we consider the development of the state from economic positions, the economic growth in Ukraine can not be achieved only through the development of heavy industry. During the last years all developed and some developing countries have shifted the structure of the national economy from the production of goods to the production of services. There are services which have become the source of long-term economic growth of countries. The insufficient level of development of the service sector is often defined as a “mismatch” of the structure of the domestic economy to the conditions of integration into the European space.

Three components of the service sector should be distinguished: material production services (transport, communications, household services), spiritual life services (education, culture), social services (trade, housing and communal services, health care). The relationship between the components of the service sector and socio-cultural infrastructure is shown in Fig. 2.

The spiritual sphere is considered as the sphere of relations of people concerning the creation, expansion and perception of spiritual values; as the wide complex of ideas, views, conceptions, that is, the whole spectrum of consciousness production (both individual and social), its transformation, conversion into the individual spiritual world of a person [9]; as the set of influences of national traditions, family, education, culture, religion, environment and other factors that make a person kinder (more humane) [8, p. 18].

Before the beginning of the crisis in the world economy, developed countries spent up to one third of their gross domestic product on social services. It is natural that as a result of crises in the countries unemployment grows, tax revenues and real incomes of households decrease, financial opportunities of the state to support the sphere of culture and promote development of cultural and artificial infrastructure narrow. In addition, households are beginning to save on cultural products, because basically such services do not belong to the benefits that satisfy the primitive daily needs of human.

Conclusions. The socio-cultural environment is becoming increasingly important for the developed world countries. The development of the social and cultural sphere is a vital condition for satisfaction of needs of human. The social and cultural sphere is one of the most important sources of job creation, it is one of the few areas where the attraction of new technologies does not lead to a rapid reduction of personnel. In Ukraine, the active development of the social and cultural sphere should become a source of achieving of a high level of employment, that, in turn, will contribute to improving of the standard of living of all citizens of Ukraine.

Ukraine needs to develop a holistic concept of changes in the state regulation of services. This concept should be based on the introduction of a new financial and economic strategy. The strategy should envisage diversification of sources of funding, involvement of marketing principles in the production process, attraction of modern technologies and innovative approach, clarification of factors of growth of competitiveness at the world level. Practical recommendations on improving the state regulation of the economic mechanism of the service sector in Ukraine will provide an opportunity to solve the modern scientific and practical problem of the effective development of the national economy.
The development of various services largely depends on the influence of the state. The allocation of budget funds contributes to the development of medical services, education and culture. However, these services have a limited impact on consumers due to the small resources that are now allocated for their maintenance and development in Ukraine. The sphere of culture should be more protected from foreign influence, because the penetration of foreign services in this
sphere can have a negative impact on its sovereignty and state security, so the cultural and artistic infrastructure requires enhanced control and regulation by state authorities and local self-government, state support in an economic development and management of the sphere of culture.

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