

1.1 Introduction

The Indian Economy has moved from being dependent on agriculture to services, which are now the key driver of the Indian Economy. The Service Sector is important for accelerating the growth process in the economy as it helps in agriculture and industry. Also the employment elasticity in this sector is high. Economists say that as the economy develops the share of the primary sector in GDP declines that of secondary and tertiary sector increase. The growth of the service sector and its contribution to income and employment generation are indices of rural development. The Service Sector provides a tremendous scope for employment at the present stage of India's development, where the manufacturing sector with its preoccupations of modernizations. And technological up gradation, can be best provide only a limited solution to develop the rural areas. The technology in turn influenced the society, development and social environment. Today the way people do the shopping, banking, booking of tickets, planning travels and so on in the developed world is entirely different from that exercises a couple of decades earlier. That is to say that in this age of information revolution,, information technologies are being used in almost all walks of life. Today in every walk of life, computer, internet, mobile, global stationary fax, e-fax, video text, tele text, Video conferencing, teleconferencing, digital camera etc, are turning out to be extremely important.

The service sector has been growing in importance in all regions recently. This includes activities such as transportation, storage, communication, real estate, public administration, trade, hotel, restaurants, railways, hairdressing, tourism, retailing, banking and insurance, etc., The greatest share comes from trade, hotels and restaurants at around 30 percent of the service sector. Service sector has been defined as” that part of the economy concerned with the provision of a wide variety of personnel and business services”. The service sector together with the primary and industrial sector form an interlocking chain of economic activities that constitute a modern economy. Services are widely used by people today in practically all aspects of life from education to entertainment, finance to fast food, travel to telephone, advertisement to amusement park, market research to maintenance services, retailing to recreation and so on. Service now-a-days are increasingly being used by the corporate as well as the household sector.

Traditionally, most services were performed in the home (cleaning, education, hair dressing, medicine, etc.,) and therefore no statistics for services were maintained. As services started to move out of the home and became commercialized, they were also recognized as significant contributors to the economy and marketers also started considering them more seriously. Today, more and more people in India are taking advantage of leisure and recreation services such as eating in restaurants, visiting the museums and galleries, going to

the movies or traveling to places of tourist interests. These are all things that many people would not have done in the past.

The service sector of Indian Economy contributes to around 57.60 per cent of India's GDP during 2009-10. This sector plays a leading role in the economy of India, and contributes to around 68.60 per cent of the overall average growth in GDP between 2005-06 and 2009-10. There has been a 9.40 per cent growth in the Indian economy during 2009-10 as against a rise of 9 per cent in the same during 2008-09. During this growth in Indian economy, the service sector has witnessed a rise of 11 per cent in the year 2009-10 against the 9.8 per cent growth in 2008-09. The service sectors of Indian economy that have grown faster than the economy are as follows: Information Technology (the most leading service sectors in Indian economy), IT-enabled services (ITeS), Telecommunications, Financial Services, Community Services, Hotels and Restaurants. There has been a 13 per cent hike in the service sectors of trade, hotels, transport and communication in India's economy as compared to the 10.40 percent rise in the previous year. The financial services that comprise of banks, real estate, insurance, and business services have witnessed a rise of 11.10 per cent during 2009-10 against the 10.90 per cent growth in the previous year. Service sectors including community, social, and personal services have experienced a growth of

7.80 per cent during 2009-10 as against 7.70 per cent growth in the previous year.¹

The service sector of India has also witnessed a remarkable rise in the global market apart from the Indian market. It has experienced a rise of 2.70 per cent in 2009 from that of 2 per cent in 2007. The broad-based services in the trade sector have undergone a large-scale rise. Statistics concerning the growth of India's service sectors are listed below:

- The software services in Indian economy increased by 33 per cent which registered a revenue of USD 31.4 billion
- Business services grew by 82.4 per cent
- Engineering services and products exports grew by 23 per cent and earned a revenue of USD 4.9 billion
- Services concerning personal, cultural, and recreational had a growth of 96 per cent
- Financial services had a rise of 88.5 per cent
- Travel, transport, and insurance grew by 23 per cent

The software services in Indian economy along with the export of products are growing at a massive pace and thereby witnesses an alarming rise of 35.5 percent and reaches a lumpsome amount of USD 18 billion. The ITeS and BPO

¹*Economic Survey, 2010-11*, Government of India Publication, New Delhi, 2010-11.

sectors have grown by 33.5 percent and earn a revenue of USD 8.4 billion. The service sector of Indian economy has been the most high-powered sector in India's economy. It has also been focusing in various investments of late. As Indian economy is looking forward for more liberalization, sectors like banking are on its way to loom large and occupy a more significant position in India's economy.

The Indian economy has moved from being dependent on agriculture to services, which are now the key driver of the Indian economy. The service sector is important for accelerating the growth process in the economy as it helps agriculture and industry. Also the employment elasticity in this sector is high. Economists say that as the economy develops the share of the primary sector in GDP declines that of secondary and tertiary sector increase. The growth of the service sector and its contributions to income and employment generation are indices of rural development. The service sector provides a tremendous scope for employment at the present stage of India's development, where the manufacturing sector with its preoccupation of modernizations. And technological upgradation, can be best providing only a limited solution to develop the rural areas. The technology in turn influences the society, development and social environment. Today the way people do the shopping, banking, booking of tickets, planning travels and so on in the developed world is entirely different from that exercises a couple of decades earlier. That is to say that in this age of information revolution, information technologies are being used in almost all walks of life. Today in

every walk of life, computer, internet, mobile, global stationary fax, e-fax, video text, teletext, video conferencing, teleconferencing, digital camera, etc., are turning out to be extremely important.²

1.2 Role of Women

Women are at the heart of development. They control most of the non-money economy (subsistence agriculture, bearing and rearing children, domestic labour) and take an important part in the money economy (trading, the 'informal sector', wage employment). Everywhere in the world women have two jobs - around the home and outside it.

Women are half the world's population, receive one-tenth of the world's income, account for two-thirds of the world's working hours, and own only one-hundredth of the world's property. The process of industrialisation, urbanisation and the increased educational and employment opportunities for women have brought about changes in the traditional attitudes and values of urban women in India.

The role of women in our society even as career women, not to speak of householders is not insignificant. They have played a significant role in the socio-economic and political development of our country. The old order which confined

²*Annual Economic Report 2009 – 2010*, New Delhi, May 20th, 2010

women to the home as servants, and helpers to their men folk, is being replaced now by a new one in which women increasingly undertake to fulfil many roles, within the home as wives, mothers and home makers and outside it, as partners and co-workers of men in all types of enterprises. The few fortunate women who have the benefits of higher education seem to be quite obvious of their immense responsibilities for the emancipation of the women in the country side and of the working and middle class families in urban areas. The production side of women's work at home is gradually decreasing leading to a reduction of woman's role at home. Women perceive more and more clearly that if they really want to contribute to the welfare of their family and society the most effective way is to go out of home and earn money (Sumit Gupta and Mukta Gupta, 1989).

Besides, soaring prices and rise in materialism make man work against time in his attempt to survive in the fast changing society, and also to accumulate more and more goods. If he cannot do it alone, his wife has to provide more, either by bringing in a fat dowry or by going out to work. Thus we have a working woman.

Today, the state has accepted women's empowerment, and women as active agents participating in their own development. Most of the countries now recognise the need for gender justice and equality. Women can change the nature of power rather than power change the nature of women. Women try to devote

most of their time for maintaining their living standard with the help of earnings through employment in urban areas.

Emancipation of women is one of the indicators of economic development and social changes. The position of women in a society is an index of its level of civilisation. Women constitute one half of the population, that is one half of the country's human resources. Apart from the fact that they constitute one half of the country's 'man power', women play an important role in shaping the personalities of the nations' young human resources.

The position of women has changed not only in the sphere of marriage and family but also in the spheres of education, employment and political life. Women's employment has an important role in women's empowerment. Employing of women particularly in the organised sector ensures better living conditions for herself and her family.

If women are to empower themselves they have to be provided with wholesome opportunities and rights, access to basic civic amenities, right to education, right to earn a livelihood, right to equal wages, right to question, and fight for justice, right to decision-making to live way they want, protection against violence and injustice to them. They need the strength to free themselves from the oppressive and dependent conditions of living. If national development and women's development have to be purposive and relevant, women have to be equal

partners with men and participants. The powerful and deep rooted cultural forces, outdated value systems, discriminatory socialisation process, and oppressive social structural forces that obstruct such an access need to be confronted and reversed.

Women have achieved only limited access to some fields of life. More often they are the implementers of decisions, and not the decision makers for their own cause or any other related cause. She is under constant pressure on the home front and at the work place. The dual roles and responsibilities have resulted in a lot of tension, stress and strain for the women. She is therefore hard pressed in finding time to devote to herself, for her own personality development.

At present, women occupy positions in every field of activity, and command honour and respect similar to men. Thus it may be understood that some of the sociological, economic, and psychological characterization of women have been changed because of education and employment.

Mahatma Gandhi referred to women as the nobler sex. According to him, "If she is weak in striking, she is strong in suffering." In Indian society, the women are visualised in two extreme positions. On the one side, Indian women are celebrated as 'Sakthi', the source of power. On the other side, from the sociological set up, women are being considered as the weaker sex and hence they are left with closed commitments only. In modern society women are said to be

equal to men. The actual situation is far from this. The fact is that in modern society women constitute its disadvantaged, if not depressed, section. Irrespective of their social status, women play a very active role in the economic activity either as workers, or as producers of various goods and services or in the domestic side as house-maids..

Indian women are patient in nature and do have the capacity to accept every thing. Normally they do have more confidence in the male members of the family. Our culture makes them good subordinates and executors of decisions made by the male members. Moreover in general women are capable of working hard physically on all occasions and mostly at all ages. The women's uplift depends upon two requisites, self-reliance and economic independence. Women's participation in the economic activity is important for their personal advancement and improvement of their status in society. Women must join the labour force of the country on an equal footing with men and get integrated into the system (Kalpana Roy, 1999).

Strandt said that, 'setting resources into women's hands, integrating women in the wage labour force and securing female rights to enable and empower women for other actions are deemed significant in themselves". Urbanisation, higher education, recognition of talents and abilities and meaningful employment have provided women with new avenues to express and assert themselves. The rural women have been working for a living in the fields alongside of their men.

The middle class Indian working women in the cities have stepped out in search of economic gains as well as the fulfillment of their personal hopes and desires. Now, it is admissible even for married women to take up gainful employment. The upper and middle class women are finding a purpose in their lives. Women with education and employment make a mark for themselves in society by the flowering of their personality while retaining their essential womanliness. Their mental orientation is more prepared than a typical household. In the event of working outside, the traditional division of labour has been rearranged to meet the situation.

Educational, political, economic and social changes have changed women's status, their roles and way of life. But this could also change their feminine character a little. Indeed they work, but they work for the family that too from economic impulses. They work to support their family. The working women, on the whole, never sought to sublimate or bypass the demands of family life. Rather their homes and families have either come first, or have stood at par with their work.

This role is very significant, as far as the art of maintaining a stable family life and thereby a stable society is concerned.

1.3 Women Work Force in Labour Market

The primary sector still provides employment to bulk of the women workforce in India. In spite of some gradual decline in the percentage of women workers, their share compared to men in agriculture remains significant and has in fact risen due to the shift away from agriculture by men. In rural areas, women workers have shifted into manufacturing; construction; trade, hotels and restaurants; and community, social and personal services, while urban women gained employment in manufacturing and finance, insurance, real estate and business industrial sectors. The increase in the number of women in the labour market signifies an important trend regarding women's employment. This has been occurring alongside increases in labour force and workforce, especially for urban women, although rural women workers predominate in terms of participation rates and overall magnitude. The increasing share of women's participation in the labour force and its significant contribution to household income as well as GDP require some policy attention be paid to the gender dimensions of employment. The eleventh Five Year Plan document for the first time in the history of Indian planning recognizes women not only as equal citizens but as 'agents of sustained socio-economic growth and change' (GoI, 2008, p. 5). Increase in female workforce participation is desirable in order to reduce the higher incidence and intensity of poverty faced by women and the social practice of early marriages. In addition to the unequal burden of poverty, women are also

faced with inequality of resource distribution and poor ownership as well as access to economic resources, land, property, etc. Given the dependence of women on forests and village commons to fetch fuel, fodder and minor forest products, the reduction of common property resources adversely impacts women's lives as well as their livelihoods. The additional time deployed in the collection of fuel, water and fodder restricts the time available to women for productive employment³.

1.4 Performance of Services Sector in India

a) Sectoral Composition of GDP Growth

Indian economy stands today as one of the influential and attractive economy. The liberalization move by the Indian Government in 1990s has given a boost to the Indian economy and put her into a fast track economic growth route. With the beginning of the new millennium, India was considered as an emerging super power. In 2009, Indian GDP based on purchasing power parity (PPP) stood at USD 3.5 trillion making it the fourth largest economy. India's service industry accounts for 62.5% of the GDP while the industrial sector contributes 20% to the GDP. The agricultural sector which was the back bone of Indian economy post-independence took a back seat in 21st century and contributed only 17.5% to the GDP. India growth rate has been an average of 7% since 1997 and has maintained

³ Preet Rustagi, "Employment Trends for women in India", *International Labour Organization*, ILO Subregional Office for South Asia, New Delhi, 2010.

a growth rate above 5% even in times of global recession. The Information Technology and IT outsourcing services has been the biggest contributor to India's growth. India's per capital income (PPP) is not too attractive and stands at USD 4542. India currently accounts for 1.5% of the total Indian trade as per WTO, 2007 publications.

TABLE 1.1
GROWTH PERSPECTIVE IN SERVICE SECTOR OF INDIA

Year	Agriculture, forestry & fishing, mining and quarrying	Manufacturing construction, electricity, gas and water supply	Trade, hotels, transport & Communication	Financing, insurance, real estate & business services	Public administration & other services	Total services	Gross domestic product at factor cost (2 to 6)
1950-51	56.70	13.66	11.34	7.69	10.61	29.64	100.00
1955-56	54.83	15.40	11.94	7.52	10.30	29.77	100.00
1960-61	52.48	17.09	13.05	7.03	10.30	30.43	100.00
1965-66	45.17	20.75	14.94	7.20	11.93	34.08	100.00
1670-71	46.00	20.41	14.74	6.82	12.03	33.59	100.00
1975-76	44.26	20.24	16.06	7.01	12.43	35.50	100.00
1980-81	39.93	22.03	17.45	7.49	15.10	37.89	100.00
1985-86	37.17	22.18	18.29	9.04	13.31	40.65	100.00
1990-91	34.05	23.24	18.34	10.58	13.78	42.71	100.00
1995-96	29.88	24.33	20.49	11.97	13.33	45.79	100.00
2000-01	26.18	23.51	22.30	13.04	14.98	45.79	100.00
2005-06	20.80	25.27	25.11	15.13	13.70	53.93	100.00
2008-09	18.03	25.61	26.11	16.88	13.37	56.36	100.00

Source: Panorama of Indian Economy

TABLE 1.2
SECTORAL SHARE IN GDP (in Percentage)

Year	Agriculture & allied activities	Industry	Services
2005-06	18.3	28.0	53.8
2006-07	17.4	28.6	54.0
2007-08	16.8	28.7	54.5
2008-09	15.7	28.1	56.2
2009-10	14.6	28.1	57.3
2010-11	14.4 e	27.9 e	57.7 e

Source: Economic Survey, Various issues; Union Budget, RBI Monthly Bulletin, Annual Report & Weekly Statistical supplement; Ministry of Finance, Ministry of Commerce & Industry, CSO; Institute of International Finance (IIF); EIU; NASSCOM; WEO, IMF

E - Estimates

India stands out for the size and dynamism of its services sector. The contribution of the services sector to the Indian economy has been manifold: a 55.2 per cent share in gross domestic product (GDP), growing by 10 per cent annually, contributing to about a quarter of total employment, accounting for a high share in foreign direct investment (FDI) inflows and over one-third of total exports, and recording very fast (27.4 per cent) export growth through the first half of 2010-11. By services sector we mean the tertiary sector, which is the largest of the three constituent sectors in terms of contribution to Gross Domestic Product (GDP) in India. The service sector comprises trade, hotels and

restaurants, transport, storage, communication, financing, insurance, real estate and business services, community services (public administration and defense) and other services. This sector provides services of final consumption nature as well as intermediate nature, the latter accounting for a major share. Substantial parts of services such as transport and communications are in the form of intermediate inputs for production of other goods and services.

India has gained a brand identity as a knowledge economy due to its IT and ITeS sector. The IT-ITeS industry has four major components: IT services, business process outsourcing (BPO), engineering services and R&D, and software products. The growth in the services sector in India has been led by the IT-ITeS sector which has become a growth engine for the economy, contributing substantially to increases in the GDP, employment, and exports. This sector has improved its contribution to India's GDP from 4.1 per cent in 2004-05 to 6.1 per cent in 2009-10 and an estimated 6.4 per cent in 2010-11. The industry has also helped expand tertiary education significantly. The top seven States that account for about 90 per cent of this sector's exports have started six to seven times more colleges than other States. The Indian IT-ITeS industry has registered robust growth since 2004-05. According to NASSCOM, the year 2010-11 is characterized by broad-based growth across mature and emerging verticals. The overall Indian IT-ITeS revenue has grown to US \$ 63.7 billion in 2009-10 and an

estimated US \$ 76.1 billion in 2010-11, translating into a CAGR of 22.5 per cent from 2004-05 to 2010-11.⁴

The contribution of the Services Sector has increased very rapidly in the India GDP for many foreign consumers have shown interest in the country's service exports. This is due to the fact that India has a large pool of highly skilled, low cost, and educated workers in the country. This has made sure that the services that are available in the country are of the best quality. The foreign companies seeing this have started outsourcing their work to India especially in the area of business services which includes business process outsourcing and information technology services. This has given a major boost to the Services Sector in India, which in its turn has made the sector contribute more to the India GDP.

b) Women in Service Sector

The Indian IT-ITES Industry with revenues of us\$ 39.6 billion has emerged as the largest private Sector employer in the country with direct employment of 1.6 million Professionals and indirect employment for over 6 million people in different Sectors. This fast expanding IT and ITES sector in India has opened new doors of opportunity for women. The participation of women in the IT- BPO Workforce is seen as a critical enabling factor for continued growth of the

⁴*Economic Survey, 2010-11*, Government of India Publication, New Delhi, 2010-11.

Industry. Generally, companies are recognizing that having women on board at all levels in the organization makes good business sense. IT-BPO companies are therefore, considering ways to involve and develop Women for higher roles and functions. Their increased professional Participation will result in changing the socio-economic status of women within the employing organization and will also contribute towards the breakdown of gender disparity. Therefore, Gender empowerment through ICT should be a regular feature during the Eleventh plan and efforts should be made to support schemes of gender empowerment through ICT for reducing digital divide. [Report of Planning Commission, India,2008]

A majority of middle-class families want their children to work in the service sector. With best jobs, best incomes and best talents, the service sector is now the showcase of the Indian Economy. [India Today, 2001]

c) Employment Scenario

Current manpower resource rate of the BPO-ITES industry has Indian IT and IT enabled industries will not be sufficient to meet the country's aggressive growth targets [S.Jegadees Pandi, 2006]. The IT export services industry can employ approximately 0.97 million people by 2012 compared to 0.2 million in 2003, while the ITES industry can employ approximately 2.7 million by 2012 compared to 0.17 million in 2003. However, based on current human resources supply trends, these two sectors will face a shortfall of over 0.5 million people by 2009, roughly 23 percent of their collective requirements this year. Failure to

address this gap means that India's target share of the export on IT and ITES market would fall short accordingly. The available literature on Service Sector throws light on the past trend and also focuses the bright very near future.

TABLE 1.3
SECTOR-WISE SHARE OF EMPLOYMENT (IN PERCENTAGE)

Sector	1999-2000	2004-05	2006-07
Agriculture	56.64	52.06	50.19
Mining and quarrying; manufacturing; electricity, gas and water etc.; and construction	17.58	19.47	20.38
Services	25.78	28.47	29.43
Total	100	100	100

Source: Ministry of Finance, Government of India, Planning Commission,
Government of India

1.5 Statement of the Problem

Employment among women from the lower middle class and the poorer socio-economic groups is more common than it is among the elite. Female employment is essential both for national economy as well as for the domestic economy. Employment of women down the decades show the fact that the impact of unemployment falls more heavily on women than on men. There has been a good deal of discussion in recent years over the question of employment opportunities for women.

The status of women is closely associated with their economic position, which in turn, depends upon their access to productive resources of the country, and the opportunities for participation in economic activities.

At present the economic stresses and strains in the modern society bring forth and compel many women to come out to augment their family income. Their participation in gainful employment is mostly governed by the economic conditions of the family income. The reasons advances in favour of employment of women are inadequacy of the income of the husbands and also husbands' irresponsibility in family management. And hence this research work has been attempted to study the prestigious role of service sector in developing the nation through providing better livelihood for the socially disadvantaged group of women.

1.6 Objectives of the Study

The following specific objectives are:

1. To study the relationship between the level of job satisfaction and the socio-economic background of the working women in public and private sectors.
2. To examine the variation in income between public and private section women employees and assess the women workers contribution towards family income.

3. To identify the factors determining the job satisfaction of women employees in public and private sectors.
4. To analyse the extent to which women work participation empower them through decision-making.
5. To examine the factors which influence the empowerment of working women in public and private sectors.

1.7 Hypotheses of the Study

The following are null hypotheses:

1. There is no significant relationship between the socio-economic characteristics variables such as age, religion, marital status, type of family, family size, education, income and their total family income and their level of job satisfaction among the women employees in private and public sectors organisations.
2. There is no significant relationship between the socio-economic characteristics variables and their level of empowerment of women employees in private and public sector organisations.
3. There is no variation in income among the women workers in public and private sector organisations.

1.8 Limitation of the Study

The study is restricted to Tirunelveli district where the female working population is sufficient in number for the study purpose and belongs to different sectors. Though a number of governmental organisations are functioning in Tirunelveli district, the researcher has selected women employees working in public and private sectors. Hence, the results of the present study are to be viewed with the above limitations.

1.9 Chapter Scheme

The present study entitled **“An Economic Study of Women in Service Sector with Special Reference to Tirunelveli District”** is organized in seven chapters.

Chapter I introduces the subject, role of women, women work force and empowerment in the labour market, statement of the problem, objectives of the study, hypotheses of the study, limitations and chapter scheme.

Chapter II reviews the earlier studies relating to women working in organized sector, theoretical perspectives of women labour participation are discussed in this chapter. Further, concepts and methodology is adopted, in this chapter.

Chapter III describes the profile of the study area.

Chapter IV analyses the characteristics of the sample women employees, the relationship between the characteristics of women employees and their level of job satisfaction in private and public sector organisation.

Chapter V deals with women work participation and empowerment of women through decision making and the variation in income between public and private sector women employees and the women workers contribution towards family income.

Chapter VI analyses factors which influence the empowerment of women in private and public sector organisation.

Chapter VII presents the summary of findings along with conclusion and suggestions based on the study.