

EDUCATIONAL SERVICES AS AN ECONOMIC INDICATOR: THE ROLE OF THE HUMAN FACTOR

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Abstract. *The article examines the importance of educational services as a significant economic indicator and a factor in the formation of human capital. It substantiates that, under modern conditions, education should be considered not only as an element of the social sphere, but also as a strategic resource for the socio-economic development of the state. Special attention is paid to the role of the human factor in the system of educational services, including students' motivation, teaching quality, social environment, and individual characteristics. Using the Republic of Uzbekistan as an example, the article analyzes selected indicators of the development of the education sector, including education expenditure, literacy rate, the number of higher education institutions, as well as the volume and dynamics of educational services. The article concludes that the effectiveness of educational services depends not only on quantitative indicators and the level of financing, but also on the ability of the education system to form high-quality human capital that meets the needs of the modern economy.*

Keywords. *Education, educational services, education sector, development of the education sector, human capital, investing in human capital, investing in the future, qualified labor force, labor market, subjects of educational services, objects of educational services, price of labor, personal development, state educational institutions, paid educational services.*

In modern conditions, it is becoming increasingly evident that the economy cannot be considered solely as a system of rational use of resources, technologies, and production capacities. At its core is the human being, and the level of knowledge, professional competencies, ability to innovate, and adaptability to change largely determine the quality of socio-economic development. In this regard, educational services acquire importance not only as an element of the social sphere, but also as an important factor in the formation of human capital, influencing the sustainability of economic growth and the competitiveness of the state.

Although the results of education are mainly manifested in the long term, its influence on current and future economic processes is fundamental. Through the education system, qualified labor resources are formed, the intellectual potential of

society develops, labor productivity increases, and prerequisites for innovative development are created. This issue is especially relevant for the Republic of Uzbekistan, where in recent years there has been an active expansion of the educational services sector, modernization of the education system, and increased attention to the training of competitive personnel.

For a deeper analysis of the role of educational services in socio-economic development, it is necessary first of all to reveal their essence and determine the economic nature of this phenomenon. In the scientific literature, educational services are considered as a special type of socio-economic activity aimed at forming knowledge, skills, competencies, and the professional potential of an individual.

Educational services represent the process of transferring knowledge, skills, and competencies, which in the future is transformed into economic return. Unlike traditional goods, they have a number of specific features:

- ✓ intangible nature;
- ✓ delayed effect;
- ✓ high dependence on the quality of teaching;
- ✓ close connection with the personality of the learner.

From an economic point of view, education is an investment. Moreover, it is a special type of investment: it is directed not at equipment or buildings, but at human development.

Thus, the effectiveness of educational services is determined not only by the volume of financing or the number of educational institutions, but also by the human factor, which includes students' motivation, teachers' professionalism, the social environment, and the individual abilities of a person.

In the context of the transition to a knowledge-based economy, the importance of educational services is significantly increasing.¹ While in the industrial economy the main factors of development were natural resources, capital, and production capacities, in the modern economy knowledge, competencies, innovative thinking, and a person's ability for continuous learning play an increasingly important role. Therefore, the level of education of the population begins to directly determine:

- labor productivity;
- innovation activity;
- income levels;
- the competitiveness of the country.

In the Republic of Uzbekistan, the development of education is considered one of the strategic directions of state policy, since the quality of personnel training is directly related to economic modernization, increasing employment, and strengthening

¹ OECD. The Knowledge-Based Economy. Paris: OECD, 1996.

human capital. The growing attention to this sphere is confirmed both by institutional reforms and by the dynamics of certain macroeconomic indicators.²

For a more visual assessment of educational services as an economic category, it is appropriate to consider the main indicators characterizing the development of this sphere in the Republic of Uzbekistan (Table 1).

Table 1. Main Indicators of the Development of Educational Services in Uzbekistan

№	Indicators	Values	Economic significance
1	Education expenditure	4,9% of GDP	Shows the priority of education in state policy
2.	Adult literacy rate	about 99%	Reflects a high basic level of human capital
3.	Number of higher education institutions	222 units	Characterizes the expansion of higher education infrastructure
4.	Volume of educational services	30,4 trillion soums	Shows the economic scale of the educational services sector
5.	Growth of educational services	6,8%	Indicates positive dynamics in the educational services market
6.	Share of educational services in the total volume of market services	about 3,7–4%	Confirms the importance of education as an independent sector of the economy
7.	Share of higher education in the structure of educational services	около 46–49%	Reflects high demand for higher education and qualified personnel

Source: compiled by the author based on data from the UNESCO Institute for Statistics, the Statistics Agency under the President of the Republic of Uzbekistan, Invest Uzbekistan, Kursiv Uzbekistan, One.uz, and Podrobno.uz.

Thus, according to the UNESCO Institute for Statistics, education expenditure in Uzbekistan amounts to about 4.9% of GDP, which indicates the high importance of this sphere in the system of state priorities. In addition, the adult literacy rate, according

² Decree of the President of the Republic of Uzbekistan dated September 11, 2023, No. UP-158 "On the Strategy 'Uzbekistan — 2030'".

to officially cited estimates, is about 99%, and in the 2024/2025 academic year the number of higher education institutions operating in the republic reached 222 units.³

These indicators reflect not only social development, but also the economic strategy of the state aimed at forming high-quality human capital, which in turn serves as the basis for socio-economic development.

To assess educational services as an economic category, it is appropriate to refer to statistical data reflecting the volume, dynamics, and structure of this sector.

According to statistical bodies, in January–October 2025 the volume of educational services amounted to 30.4 trillion soums, while the growth rate compared to the corresponding period of the previous year was 6.8%.⁴ The share of educational services in the total volume of market services is estimated at approximately 3.7–4%.⁵ This makes it possible to consider education not only as a social sphere, but also as an independent and dynamically developing sector of the national economy.

An analysis of the structure of educational services shows that a significant part of expenditures falls on higher education. According to separate estimates, its share amounts to about 46–49% of the total volume of educational services.⁶ As can be seen from the figure, a significant part of educational services is associated with higher education. This reflects the growing demand of the population for professional knowledge, advanced training, and expanded employment opportunities, as well as the desire of households to invest in future income and social mobility. The positive dynamics of educational services in 2025, as well as the preservation of high growth rates in the subsequent period, confirm the strengthening role of education as one of the promising drivers of the services sector.

At the same time, quantitative indicators do not fully reveal the content of educational services. Behind statistical data stands the main subject of the educational process – the human being, whose motivation, abilities, value orientations, and development conditions determine the final effectiveness of education.

The human factor manifests itself in several aspects:

Students' motivation. Even under equal educational conditions, learners may demonstrate different results, which is related to their level of motivation, personal responsibility, learning goals, and ability for self-development. This affects the final effectiveness of educational services.

Quality of teaching. The professionalism of the teacher plays an important role not only in terms of mastery of the subject matter, but also from the standpoint of

³ UNESCO Institute for Statistics. Government expenditure on education, total (% of GDP) — Uzbekistan.

⁴ Statistics Agency under the President of the Republic of Uzbekistan. Statistical data on the volume of market services and educational services for January–October 2025.

⁵ One.uz. Dynamics of growth of educational services in Uzbekistan; Statistics Agency under the President of the Republic of Uzbekistan. Data on market services for 2025.

⁶ Kursiv Uzbekistan. Analytical data on the structure of expenditures on educational services in Uzbekistan.

pedagogical skills, communication culture, responsibility, and moral and ethical qualities. Educational outcomes are formed not only through the transmission of information, but also through interaction between the teacher and the learner.

Social environment. Family, surroundings, and cultural values shape attitudes toward education either as a value or as a formality.

Emotional aspect. Education is not only an intellectual process, but also a psychological one, the results of which are directly influenced by emotional state, stress level, inspiration, confidence, and the learner's internal motivation.

Thus, the effectiveness of educational services cannot be assessed only quantitatively; it largely depends on human potential.

The economic effectiveness of educational services is manifested through:

1. growth of household income;
2. reduction of unemployment;
3. increase in labor productivity;
4. development of innovations.

Global studies show that countries with a high level of education demonstrate more sustainable economic growth.⁷ This is due to the fact that knowledge becomes the main resource in the modern economy.

In the context of Uzbekistan, this is especially relevant, since the country is undergoing active economic development and modernization.

Despite the positive dynamics in the development of educational services, a number of problems remain in this sphere that limit their socio-economic effectiveness. These problems include:

- ✓ mismatch between education and labor market requirements;
- ✓ unequal access to quality educational services;
- ✓ regional disparities;
- ✓ “brain drain.”

In addition, the human factor can sometimes become a source of problems:

- low motivation of students;
- formal approach to learning;
- professional burnout of teachers.

To overcome these problems, it is necessary to strengthen the interconnection of educational services with modern directions of economic and social development. In particular, digitalization of education, individualization of learning, integration of educational institutions with the labor market, development of international

⁷ Becker G. S. Human Capital: A Theoretical and Empirical Analysis, with Special Reference to Education. Chicago: University of Chicago Press, 1993; World Bank. World Development Report 2018: Learning to Realize Education's Promise. Washington, DC: World Bank, 2018.

educational programs, and increasing the practical orientation of personnel training are of great importance.

Special importance should be attached to the development of soft skills, which are directly related to the human factor: communication, critical thinking, and adaptability.

In conclusion, it should be noted that educational services represent not merely a separate sector of the economy, but one of the fundamental factors in the formation of human capital and the long-term development of society. They influence the quality of labor resources, the level of employment, innovation potential, and the competitiveness of the national economy.

The example of Uzbekistan shows that education is becoming an important economic indicator:

1. the volume of services is growing;
2. their share in the economy is increasing;
3. the role of higher education is strengthening.

However, the key element remains the human being. It is precisely a person's motivation, abilities, and conditions that determine whether educational services will be transformed into a real economic result.

Thus, education should be considered not only as an investment in the economy, but also as an investment in the human being and, consequently, in the sustainable future of society and the state.

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