

Services Marketing In Informal Sector: Prospects and Challenges

Mr. Ganpat Prajapati

PhD Scholar, Pacific University, Udaipur

I. Introduction

The manufacturing sector is yet to mature in India and combined with the relative backwardness of its service sector, the service sector development should assume an equal priority for future economic growth in India while planning infrastructure development for growth and productivity gains in manufacturing sector. The objective of this study is to look at some developments in service sector in India as well as elsewhere with reference to the current service sector scenario so as to assess its potential to serve as an engine for inclusive economic growth in India. The services sector is a primary provider of jobs in India but the scope exists for productivity gains along with expanding the breadth of the service sector canvas in the long run.

There is a structural difference in service sector in India which reflects in services' high contribution to GDP (close to 65%) vis-a-vis close to 25% share in total employment in the economy in that this contribution mainly comes from employment in organized sector while within services sector, the share of unorganized employment is over 80%. This implies the need for bringing about changes in the employment pattern in terms of services covered, organizations involved in delivery of services, value generation, social infrastructure to be made available and creating awareness about importance of services product consumption for human wellbeing particularly of lower income group consumers. Thus, they have basic needs such as primary education and health care, nutrition, sanitation, hygiene at minimal level, there are equally essential needs like skill development, open spaces for sports, fresh air, cultural activities and performing arts, hobbies and crafts from the perspective of human empowerment and getting access to better standard of living. At an advanced level, child care, old care, crèches, family counselling, affordable housing and being part of extended urban space becomes equally important. This broad base of service products menu is required to be looked at from policy perspective such that urban living space becomes a service-scape wherein services are co-produced and consumed, creating a broad canvas of service sector and in the process, the productivity gains that an advanced economy need to have attained with well developed human resource. At the present stage of economic development, though, the ability to pay for these services being very low, the effective demand does not translate into matching supply. Also, a limiting factor for a service producer is to make an economically viable delivery option. By nature of a service sector, it being labour intensive and many cases, physical infrastructure requiring high investment, there never really a possibility that a viable economic model can be put in place. The process of creating more competitive and vibrant services landscape requires a wide range of internal and external policy framework, investments in physical infrastructure even on a standalone basis as multi-faceted human capital development assumes a vital role.

The share of agriculture in output and employment falls and the share of manufacturing and services correspondingly rise during the industrialization process. However, in India, because of low labour productivity in unorganized service sector, the shift in sector wise growth is not seamless. Though India has emerged as the world's leading information and communications technology-business process outsourcing (ICT-BPO) exporter since the liberalization process began in later part of 1980s benefiting from technological advances and lower wage cost. In a way, India presents a unique case as compared to experience of other advanced and emerging economies of South East Asia as the manufacturing sector is also unable to generate additional employment growth at a higher wage level, the migration of labour to service sector is not at any advantage to labour in terms of wage levels particularly in organized service sector. Thus existence of partially employed and unemployed manpower in rural sector plus low paid industrial labour force in industrial sector, the supply side pressure of labour makes it easy for services sector as a whole to absorb this surplus labour even at a lower productivity level for which we will have to look at opportunities in heterogeneous services.

Eichengreen and Gupta (2009) argue that the broad aggregation of services obscures two distinct "waves" of service sector growth. The first occurring in "traditional" service sectors (such as personal services) early in the development process at relatively low levels of income and the second occurring later in the development process at higher incomes in activities such as communication, computer, technical, and business services that are more intensive in the use of information technology and possess greater scope for cross-border tradability. Partially India has gone through this trajectory of services growth. However, considering India's

demographic profile, with low income, unskilled, literate but non-employable and young population in the age group of 18-35 years being at 55% of total, there is an urgent need to create employment opportunities in service sector and going back to 'traditional' service sectors but with an institutional framework such that 'personal' care is morphed into socially relevant and personally empowering services with better service delivery process and service-scape ensuring fair wages. Thus, while India may continue to focus on a more limited subset of service activities such as business to business and business to consumer services where the prospects for high-wage employment and cross-border trade through private capital are high as per the experiences of developed economies, a focussed and simultaneous efforts need to be directed towards service delivery for empowerment of lower stratum of prospective labour market.

This clearly demarcates ITE and IT based business and consumer services from other heterogeneous services in determining their role in employment generation and being driver for income growth. In second stage of development of the service sector, thus export-push stage of development will have to give way to creation of and catering to domestic demand, especially since services account for much of private consumption. Service sector development is thus the supply side of the new equation in which despite low productivity accompanied by lower share in GDP, this sub-sector holds greater promise for business development. This development can facilitate extension of employment opportunities and penetrate to hitherto unexplored labour market and can help horizontal growth in service sector.

Some well identified service industries such as education, health, financial services, tourism, communication, entertainment, transportation, communication, business processes, retail and e-tail distribution and housing will continue to contribute to this growth process aided by technological and IT advances feeding up on each other as demand and supply sides as growth momentum continues. These service products have a tradability advantage and are established as marketable products with an efficient revenue model in India which can be organized by private capital.

To reemphasize the point, what is currently a basket of non-tradable, low-productivity, low-skilled services needs a focussed approach calling for policy framework to attract private initiatives and public sector support in terms of creating social infrastructure. In order to create road map for this sector in India, I propose that classification of preset heterogeneous sector which helps decide the area of priority for policy makers.

Heterogeneity Of Service Sector

The service sector has not attracted much attention as regards growth potential beyond organized service industries such as finance (banking and insurance), ITE, telecommunication, transportation and tourism. Even education, health, hygiene, and nutrition are considered more as social objectives rather than services products. Electricity, clean water are considered as utilities and transportation (roads, ports and railways) is considered more relevant as infrastructure rather than services as in some economies. Distribution (wholesale and retail) is only recently emphasized as a service calling for a greater role for warehousing and cold storage. Government service is not looked at as governance service and defence is not looked as internal and external security services. Housing as a service does not attract rental and leasing in its fold. Thus the sheer diversity and heterogeneity of the sector which encompasses a wide range of industries and activities diverts policy makers from focussed decision making while in fact, unattended service sector as a whole offers a fertile ground in India for growth with productivity and employment opportunities which is also dispersed, unorganized and decentralised.

Unorganized sector mainly consists of owner-run units and some units with very few employees. These units also specialize in skills and craft based service delivery. Most of the retail distribution service is delivered by them. They also depend on personal contacts. Their training needs for the trade they carry out is met on the job. Sheer variety of tasks undertaken by the informal sector is enormous. Units being tiny with mostly life-sustenance model in place, they do not generate any additional resource for future growth, nor can they invest in keeping up with contemporary best service delivery practices. The units are unable to pay economic and competitive wages to the employees. They also depend up on other members of the family many times at the cost of education of the children in the family. The units would disguise under-employment, depend upon seasonal demand and are left with spare capacity. At the same time, they also are potential consumers of services offered in the locality. Purpose of this study is to analyse variables influencing migration from unorganized sector to organized sector such as infrastructural support and intervention from public and private institutions. Such migration can definitely help in uplifting their incomes.

Compared to agriculture, mining, and most of all, manufacturing, the service sector has long occupied a diminished place among policymakers and planners. Whereas a manufacturing job is protected sometimes at

irrational economic cost, services sector job is not created with similar consideration. This lacking is as much prevalent in public imagination. One reason is the sheer diversity of the sector, encompassing an enormous range of industries and activities which discourage simple mental association or easy categorization or classification (see Table 1).² The intrinsic heterogeneity of the service sector is compounded by the enormous heterogeneity across countries. Each country being at different stages in the level of their service sector as also overall economic development, this heterogeneity has long term policy implications—policy solutions for fostering the service sector must necessarily be country-specific and industry-specific. Another reason for the neglect of service sector by planners is the absence of physical product at end of the service delivery. There is also a hangover of ‘utilities’ and ‘welfare service’ where economically feasible model of service delivery were not in vogue. Added to this list of service products, there are some services which are categorized as community services.

Social Capital of an Economy

The challenge is to make heterogeneous service sub-sector economically viable. In urban areas, the initial investment in infrastructure renders it economically non-feasible to begin with. Secondly, the consumers do not have buying power. Motivating consumers to partake in this service is many times a challenge considering low paying work pressure on leisure time. However, the impetus for growth of these services has to come from policy makers. The reason is two fold, economic as well as personal and social development. The consumer of one service is also the producer of the other service. For a consumer of means and leisure, the consumption of the service is natural. However, it is only because either the prospect consumer is economically weak or that he is such a marginal and subsistence level producer that he is unable to partake in service consumption though that would add to his persona – economic empowerment that is human capital development and emotional and social development. These are the services which empowers him, enlivens him and enables him in his day to day life so that he is better able perform as an economic unit and also that existentially he leads a fulfilled life. These services build up human capital at an individual level and a collective level as the knowledge is added, talents, skills and abilities are acquired with training and experience, making an individual intelligent and rational decision maker. Individually and collectively these resources forms human capital or wealth which can be put to productive use enhancing individual’s earning capacity and collectively the growth of economy. Collective gain is what is of utmost interest to the planners.

He is able to access some of these services as available to economically weaker sections of the society through government delivery system. The proposition is that supply of these services table 2 is essential to guarantee a minimal human resource development in an effort to improve the productivity and employability as social objectives. Creating social infrastructure for facilitating service delivery and improving standard of living of those engaged in heterogeneous services might not happen if left to private capital alone. However as the revenue model is weak, the ways must be found to marry private initiative and enterprise with infrastructure support from whoever can provide the same. As service sector is labour intensive, the growth in this sector can also make a big contribution to employment generation and becomes a socially desirable objective for business organizations.

Employment growth resulting from widening the coverage of services to economically weaker sections will help in reducing income disparities and creating inclusive growth which is an economic objective by itself. This makes for a strong case for provision for social infrastructure support as it is a facilitating factor for services as well as industry. In fact in all project evaluation, this perspective has to be added.

II. Objective

1. I propose to study that in order to give renewed and focussed vigour to fully realise potential of service sector as a growth driver in primarily urban areas, also a holistic solution to multi-faceted problems of modern day urban ghettos, a beneficiary relationship be established and used to take a census of informal service sector units with official recognition for the purpose of providing infrastructure, financial as well as institutional marketing support with organizational help from social entrepreneurs, trusts, community organizations, social organizations, co-operatives, societies, informal organizations, associations, groups coming together to provide education, skill development, marketing, networks, special training, applied arts, crafts, home-made products, street vendors in notified areas, personal care, errands-running, also sub-contractors for transportation, restaurants, tourism, clothing, fashion designing, personal grooming, home-service and house-keeping, cultural activities, performing arts, dance, music, painting, teaching and coaching at home. One of the infrastructure support can be made available is provision of open spaces and built up space for creating facility centres or

community centres, establishing infrastructure connectivity and telecommunication connectivity. This will help extend recognition of the sector and not spurning of the inhabitants of the informal sector.

2. I propose to study that the services of informal sector be broadly classified as helpful in building up human capital and so, providing state support at this stage in India's economic policy regime, as compared to product subsidization, provision of these services will help in improving productivity and income levels of individual and economic system. State support in social infrastructure will thus facilitate supply and demand side of informal sector services. Despite increasing awareness of the growth potential and size of informal economies with entrepreneurial diversity, ignoring the same while globally tradable services rule the reform driven agenda of the developing economies where the emphasis is on formal, organized economies for the objective of capital intensive, technology driven productivity and thus debt driven foreign capital, catering to global market with cost competitive supply of goods and services by exploiting cheap, supply heavy labour, not only would it ever make it impossible to catch up with developed world's standard of living, it would only further worsen the situation for the inhabitants of informal sector. This only would fortify the need for state support to the investment in delivery of social and community services for development of informal sector human resource.

3. I propose to study that marketing of informal sector services can be more effective if the linkages between the formal and informal sector can be facilitated. It is proposed that formal-informal linkages can improve the distribution of costs and benefits, and so are conducive to empowerment if necessary regulatory and external auditing can be ensured if enumerative beneficiary relationship is extended to cover financial as well as marketing support. I propose to study the linkages specifically from status of informal service sector in India and suggest ways to overcome the challenges of exploitation of labour available from informal sector and make this human resource capable of bettering their standard of living as social objective and provide marketization of services supplied by informal sector so that resources, organizational support and efficient management can be made available.

Objectives Based Framework for Service Sector Marketization

1. Collaborative and co-operative structure of organization for attaining economies of scale, pricing power, distribution of profit, extension, quality assurance and technology support, training facilities and creating a sense of community participation. A classic example is of Amul Co-operative Milk Dairy society.
2. Help through government institutions for providing common facilities as applicable to needs of diverse services and manufacturing services which could be extension centres, IT and communication hub, networks, inputs at reasonable rates, buying and selling platforms with associated credit facilities.
3. Trade association specifically catering to informal sector facilitating inputs, supply chain and information infrastructure, the role that can be complementary to that of government.
4. Social and community organizations e.g. SEWA
5. CSR initiatives from organized sector
6. Organized sector including Trusts in commercial operations tailor-made to the informal sector with business ethics and social responsibility as credo e.g. educational institutions catering to informal sector.
7. Partly supported by government grants,

The linkages between formal sector and informal sector does exist now even in developing economies like India which can be termed as formal-informal linkages. The challenge is to widen the linkages for the purpose of 1) mapping of resources mainly existing as social capital 2) system to tap these resources 3) so that they can be productively vested 4) and institutional design for governance effects so that output can be equitably distributed. What these implies is that some sort of collective bargaining power is invested with an intermediary between formal economy which has strength of global resource base of labour, capital, technology and market which will want to establish linkages for the purpose of cost effective outsourcing of services of the kind available from informal services sector. The balance in the bargain comes if informal sector is empowered with education, training and skill development, technology base to attain the standard of quality expected for global market. Whether this empowerment comes through global buyer or supplier in a commercial linkage or through government or community programmes will be one more way to decide the after effect of the linkages. Thus the organizational alternatives of formal-informal linkages for mapping, tapping, vesting resources and the distribution of service output from informal economies are also to be looked at with a focus on developing countries. (Kate Meagher, April 2013) considers how the realities of globalization, market reforms, and the

crisis of the global (formal) economy have reshaped the geographical, sectoral and regulatory scope of formal-informal linkages that focuses not only on patterns of linkages and whether they are beneficial or not, but also for whom, and with what impact on the governance structures of formal as well as informal economies. I propose strongly that in Indian context of urban informal economies, greater stress need to be placed on indigenisation of the formal-informal linkages facilitated by internal resources backed by varied kinds of external sector represented by governmental intervention, private organizations to social, community, trusts, trade and associations for informal network to public-private partnerships for sustained and incremental uplifting of the sector. In this scenario, there is also a scope for internal business to business and business to customer as well as collaborative production and service delivery, Essentially, the approach is to make the services provided by informal sector as tradable as possible apart from raising the level of total supply of otherwise tradable services.

This way, informal services sector can generate inclusive growth opportunities as an antidote to these linkages generated processes of outsourcing and labour informalization leading to exploitative wage-bargain rather than empowering. Innovative processes of collaborative, co-operative co-production and co-consumption. Creating the specific distributional and sourcing networks aided by social, communitywide and public sector participation is important to an impact on informal economy actors with voluntarism to make it self sustaining and effective as well as efficient.

The role of government in terms of policy formulation, facilitating differentiated and distinctive needs of entrepreneurial informal actors who have evolved with survivalist ethos by providing cluster centric policies and infrastructure to encourage localised synergistic model of development rather than only globalized linkages which may be exploitative. The policy framework need to create monitoring system for multi stakeholder network of producer and consumer in what could be termed hybrid governance arrangements.

<http://wiego.org/sites/wiego.org/files/publications/files/Meagher-Informal-Economy-Lit-Review-WIEGO-WP27.p> Unlocking the Informal Economy: A Literature Review on Linkages between Formal and Informal economies in Developing Countries by Kate Meagher, Published by Women in Informal Employment Globalizing WIEGO, Cambridge, Working paper no. 27, April 2013

Methodology

Marketization of services supplied by informal sector is the core issue. I enumerate some case studies obtained from literature study. I also collected data about two cases. One case is related to leisure activity for citizens made available with private public-private partnership. Second one is about providing old age care services by a private trust on payment of nominal fees.

1. Brihanmumbai Mahanagarपालिका's development policy for open spaces in partnership with private sector developers: The case of public-private partnership in delivery of Urban Community Service

As has been argued in this paper, provision of some services is not feasible economically even while need exists and thus some support mechanism is required to be in place. In the context of crowded urban settlements alongside planned housing, there is an economic need to provide open spaces in the form of recreation ground, playgrounds for which health conscious inhabitants in the neighboring areas are prepared to pay a certain price for the access and use. Simultaneously, a social need exists to extend the similar facilities to others who cannot afford to pay. There are still others who need to be motivated. For this an infrastructure needs to be created and made available. Greater Mumbai Municipal Corporation took an initiative to provide one such service as part of its development plan.

1. In order to meet huge expenditure for implementing Development Plan, some novel provisions were proposed and implemented in Development Control Rules for Greater Mumbai, 1991 for acquiring/developing reserved lands without putting pressure on funds from civic finances. As the availability of land is a major limiting factor, municipal corporation decided to create infrastructure on land in its own possession or to get it from private developers by offering them incentives in terms of additional development rights at other locations that they could be having land in possession. BMC had in the past acquired and developed open spaces facilities and reserved many plots in revised DP plots reserved for the purposes. In the past corporation has acquired many plots reserved for recreation ground and play ground and acquired from private owners and from Government and semi-Government organizations. Some plots have come into possession due to implementation of Town Planning schemes

2. Finance to raise the physical facilities and efficient management were the next concerns. There is a huge growth in population in Mumbai city and in comparison with infrastructure facilities and housing facilities; there is a lack of growth in open spaces like recreation ground, play ground, parks and gardens which are lungs of city. Though Development Policy has provided for such vitally needed open spaces, due to limited financial funds BMC finds it essential to invite participation of organizations interested in the subject for development of open spaces.
3. The guidelines for this initiative were framed under Proposed Policy for permitting Development of plots reserved for public purposes such as Gymnasium / Gymkhana , Club, Stadium, Swimming Pool, Recreation Ground, Playground, Gardens and Parks in 2011 In order to incentivize private participation Brihanmumbai Municipal Corporation (BMC), framed the guidelines in consonance with Development Rules, 1961 and Maharashtra State Government order of 2006 which aimed at ensuring transparency in the bidding process gave priority to local housing societies and associations on 'first right of refusal' and if none of them were interested, participation from others was invited by auction process. The above two important regulations have been included for speedier development.

The developer has to bear the capital expenditure, in case the facilities are not developed already or to an extent additional facilities are developed. The bidding is based on minimum fees that could be charged of the user with a provision that some concession would be offered to children, old age persons. Some area would also be kept apart where there would be provision for free access. In case of facilities such as swimming pool, some % of membership would be made available at concessional rate. Bidding process would be decided on the basis of financial competence of developer, his ability to raise funds on his own or through donations. If the plot was his own on which this facility is developed, he will be offered tradable development rights. Basic objective of getting the help of a developer is by appealing to his social responsibility and commitment. He may be creating goodwill for himself or his organization. It is possible that intangible benefits like networking, goodwill, social prestige, social leadership, political influence, responsible citizenship will definitely outweigh any tangible benefits like indirect use of infrastructure created on which he is hopeful of keeping control for lengthy period than initial lease period.

In some cases, there would be a possibility of differentiated services at premium rate. Recreation ground that I surveyed had run into revenue loss on account of maintenance expenditure and capital charge. This place was very well maintained and on two days, of 27 patrons interviewed, on a scale of 1 to 3 to indicate fair, good and excellent, average rating obtained was 2.4. 55% appreciated BMC policy of development of this facility by private organization and pay per use policy on the ground that maintenance was better than in public gardens while they also appreciated exclusiveness created among patrons. 44% were willing to pay higher fees whether some improvement was offered or not offered. Only 22% were expecting better maintenance, particularly cleanliness of tracks and toilets. There were suggestions that additional services like yoga, laughing club, gymnasium, children's play area, fitness and sports training be offered for which they were prepared to pay additional fees. Organizers were providing these services on open plot developed as sports ground which was not developed as part of jogging track and garden and was offered to eligible participants from weaker section of the society without charge.

Quality of development and maintenance of facility was appreciated in terms of 44% liking space and track, 78% liking garden layout, 63% liking flowers, plants etc., 67% liking ambience, 85% liking air quality. 100% respondents thought it was value for money and their own time spent.

Profile of the users of the service indicated 85% were minimum graduate. What emerges is that pay per use service was actually targeted at middle income and above group of citizens. However, the provision of the free facility does attract participants from inhabitants of informal sector in the neighborhood. In one to one talk, the manager of the facility centre enthusiastically recounted how he is managing sports training and tournaments of football, kabaddi and kho, particularly the kho and kabaddi on international pattern for which he procured special mats with the help of CSR funds and how he organized coaching by international coach and how he does not let those mats lie unused.

Overall, the success of public-private partnership depends on resourcefulness and motivation level of organization providing service. The role of BMC's monitoring and auditing can not be underestimated considering how much leeway the organizer enjoys. Some regular patrons also suggested participation in consultative process for betterment of service delivery.

Presence of such infrastructure in the neighborhood does have a demonstration effect. Whether that is enough by itself is doubtful, there is need for some propagation to motivate citizens to take part such services for a life style change and personal empowerment. One suggestion is to make wider range of services such as old care, child care and library and reading room and some programmes specifically directed at women.

Case 2 HLL - The lead Social Marketing Organisation (SMO) with Ministry of Health and Family Welfare & National Aids Control Organisation: The case of private organization combining objective of profit with welfare service delivery

NACO Condom Social Marketing

Ministry of Health and Family welfare (MoHFW) and National Aids Control Organisation (NACO) which is spearheading the drive for responsible parenthood AIDS control particularly among vulnerable sections of the society and rural segments would like to engage Social Marketing Organisations and marketing organizations in extending access and use of condoms which obviously would result in increase in demand. The programme is marketing and distribution centric interventions to make availability of condoms extend through non-chemist outlets while training condom retailers in sales communication and to be a link between local and the national mass media generic promotion for condoms by National Aids Control Organisation and National Rural Health Mission. The objective of this public-private partnership will be to provide condoms at subsidised price.

HLL's vast experience in promoting condoms in the commercial as well as subsidised category is a core competence which local market specific strategies have helped in achieving the challenging benchmarks. Social Marketing Programmes have enabled HLL test and fine-tune some of the concepts and ideas across functional areas. Scaling-up some of these e.g. the plan to communicate with stockists / retailers directly, develop cost-effective communication with consumers and developing alternative self sustaining distribution model is what MoHFW and NACO benefits from through HLL's partnership in welfare service delivery. HLL is simultaneously promoting condoms in the commercial and subsidised category. This helps to integrate the NACO Condom Social Marketing Programme with their Consumer Business Division (CBD) operations and make the product category as a whole profitable. Thus condom marketing helps combine objective of Social marketing in India.

HLL's distribution and marketing programme matching up with Social Marketing Programme

HLL extended its distribution channel to include new category of outlets to reach out to target customer base. It worked on specific communication module to train dealers and salesmen at retail outlets to reach out to hesitant, diffident customer base. In order to balance the objective of profitability with social welfare, it adapted Piggyback strategy for communication, sales and demand generation through the same channel for sustainability. HLL expanded primary market of target social service products with healthcare products and premium condoms. It applied creative strategies in communicating e.g. through packaging.

HLL's Social Marketing Programme is unique in the sense that it is not funding / Subsidy driven, stand alone programme which are benchmark focused without considering the cost of servicing and sustainability. Whereas for social marketing, long term public sector support in terms of viability gap funding or infrastructure support is essential and in case of state or public institutional support, financial and performance audit is needed.

Distribution may not be effective in delivering results for rural areas. and hence need to explore unconventional and innovative methods. The retail driven model that is widely practiced in the commercial / subsidised condom distribution needs to be strengthened and reinforced with additional infrastructure available which will deliver results and sustainability. To bring about synergy and long term sustainability HLL can definitely look at current Social Marketing Programme in context of. partnerships for community participation and engagement of local opinion leaders.

With the addition of new products like Sanitary Napkins, Blood Glucometer etc. in HLL product range the social project experience helps the company to evolve various models in partnership with various state government departments, commercial organisations and NGOs.

3: A case of welfare service delivery by a Trust run by a community association

I studied a community centre run by a trust run by a community association. The centre was housed in a four-storey building of approximately 15000 square feet area offering services such as old age house and day

care, orphan care, day school as well as facility as a community meeting place and social functions venue. The trustees were inspired by the idea of giving back to society as they benefited from society in their own journey of life. Striking feature about this place was the idea of optimum utilization of the place and balancing of revenue generating activities such as leasing of community hall for social functions and offering some services on payment of nominal charge while offering orphan care facility free of charge. The trust does not receive any government funding. The funding support comes from voluntary contributions and capital corpus.

In an in-depth interview with managing trustee, what emerged was that trust could survive mainly because of dedicated members of the community offering honorary service in management on a continuous basis and supporting funding activities. This trust came into being when developing space was not such a capital intensive issue. However, it does point to availability of dormant organizational leadership in service delivery if the space problem is tackled in urban centres like Mumbai. Inspired organizational leadership is a must for welfare service delivery when profit motive is absent.

I conducted a group interview in a hall where day care centre for senior citizens was located. There are several round tables with chairs. The games such as carom, cards, billiards was in progress with mild chatter among members. They all seemed relaxed and conveyed their sense of satisfaction at being able to pass time in company of like minded senior citizens. There was a small cafeteria offering tea, coffee and dry snacks. They were content with what was on offer. Having retired from active life, now they want to beat boredom and not be burdensome to their families during the day. Of close to 80 members, on an average, 20 members would be normally coming every day. Convenient location, genial atmosphere with a qualified sociologist in supervision of the centre along with other activities of the trust, moderate charge kept to keep them motivated to come is what was appreciated by the members. Supervisor was also available for counselling if required.

Those who stayed on premises in the old age home were also a part of the group. There was a provision of clean lodging and simple but healthy food and breakfast. The charges for home accommodation was on no profit, no loss basis covering maintenance expenditure.

The scope for expansion lay in utilizing leadership of such dedicated persons who are available for taking on greater responsibility for which social infrastructure need to be made available with state support. Such leadership can also be reinforced with professional social service management. The service delivery process generate employment and ensure healthy development of social capital.

III. Conclusion

I admit to some limitations in this study which mainly focuses on current trends in service sector as a whole with reference to India. Perception of service sector as certain modern, technology based services needs to be changed to effectively issues arising out of linkages with intensely competitive globalized market place leading to informalization of service sector, adding to informal economy otherwise existing in a developing economy like India and still growing as capital intensive nature of production of goods and service fail to create enough employment opportunities which absorb, in addition, migrating rural labour rendered surplus because of survival issues, there is now need to extend the basket of service sector job offerings by including, till now what was considered non-tradable services, as productive and marketable services by a process of marketization, which in its present subsistence nature of production and consumption would definitely need a sustained state support in terms of creation of social infrastructure and recognition of these services as essential human resource development service generating wellbeing as intangible and jobs and economic growth as measurable output where state can obviously justify policy intervention and resource allocation instead of finding easy way in subsidizing consumption goods as a major policy thrust for under privileged. For the study of this nature, I suggest to work with large sample size of service producers of informal economy.