

## **The Goal of establishing Public Sector Enterprises and their roles in Society**

**Roshan Baa**

Assistant Professor. Department of Commerce.  
St. Xavier's College, Ranchi, India  
Email: [roshansjranchi@gmail.com](mailto:roshansjranchi@gmail.com)  
Orcid:<https://orcid.org/0000-0002-6582-4372>

**Dr. A.K. Chattoraj**

Associate Professor. University Dept. of Commerce and Business Management, Ranchi University;  
Former Acting Chairman JPSE.  
Email: [drajaykrchattoraj@gmail.com](mailto:drajaykrchattoraj@gmail.com)  
Orcid:<https://orcid.org/0000-0003-2576-945X>

### **Abstract**

The study sheds light on the public sector enterprises and their roles in society's upliftment in India. Economic condition of the public sector of India has a great impact on the financial condition of the country. The study is focused on evaluating the roles of Indian public sector enterprises in developing the social conditions. Different pieces of literatures have been reviewed for gather adequate information about the factors associated with the public sector enterprises of India which contributes to social developments. Public welfare is managed by this sector in the Indian market to maintain its position and development successfully. Employment rate, gender discrimination, financial condition, and health conditions of employees in public sector enterprises are essential factors for upliftment of society. In this study, secondary quantitative data have been collected to analyse and interpret the data in a successive manner. Employment rate in public-sector enterprises is the highest (8.3 million) in the year 2021. This is beneficial for Indian economy to improve unemployment rate successfully.

**Key words:***Public sector enterprises, India, GDP, economy, upliftment*

### **1. Introduction**

Public sector enterprises have a great role in developing the economic condition of Indian society. The government of India always tries to engage private enterprises in the economic activity of the country to develop its financial condition successfully. Public sector enterprises mainly consist of public services and enterprises that are beneficial for Indian citizens. Primary objectives of public sector enterprises are to promote economic development, support weaker portions of society and provide creative and innovative products to Indian citizens. Regional development of the society is maintained properly by public sector enterprises. This development can encourage communities to improve social, cultural, and generic professional environments significantly. Work processes and strategies of the public sector are developed with the help of engagement of more employees. Public sector enterprises have a responsibility to generate employment successfully in the workplace. As a result, the goal of public-sector enterprises is achieved in a successive manner. Economic and wealth power of public sector enterprises is improved through primary objectives.

Public welfare should be maintained by public sector enterprises sometimes that are ignored by the sector in the Indian market. Public sector enterprises are classified into three categories like departmental, non-departmental, and financial sectors in the market. These sectors play an essential role to create quality products and services at a reasonable price. Public sector enterprises always try to develop rural and backward areas in India. Consequently, this sector tries to create employment opportunities in the workplace, and as a result, every citizen gets an opportunity to maintain a healthy and happy lifestyle. A strong industrial base is created properly in a country by public sector enterprises. Economic growth and development of India are increased by the role of this sector. A

large amount of capital is generated in the Indian economy by public sector enterprises and this is beneficial for the sector to develop employability successfully in the Indian market.

## 2. Rationale and Objective of Study

Wrong and inappropriate investment decisions create a negative impact on industrial development and performance of public sector enterprises. As a result, work processes and strategies of public sectors are hampered due to wrong and irrelevant decisions in the workplace. Pricing strategy has a great impact on consumer satisfaction and development of quality of life. The public sector enterprises of India play a great role in fixing prices of goods and products. The use of modern technologies is quite common among different industries which require effective technological skills. Adoption of advanced technologies in the public sector enterprises of India might help to boost the productivity and profitability of the industry. The study aims to understand the role of the public sector in social improvements in the country. In regard to this, objectives of this study are

- To understand the role of public sector enterprises to increase employment opportunities in India.
- To identify the challenges faced by public sector enterprises to reduce gender inequality.
- To evaluate the influence of public sector enterprises on the financial condition of India.

## 3. Review of literature/research gap

According to [Adjei-Bamfo et al. \(2019\)](#), global efforts in development activity mainly promote sustainable establishment and procurement in the public sector of any country. Public procurement is the main economic activity of the government for raising the rate of national revenue. The government has provided many wellness activities for citizens, which often created perfection in standard development through perfect action among the great demand. “Contemporary public procurement is used for promoting the quality of good governance, sustainable development, and public services. In his concern, governance has suggested that highlighted the communication technology and information technology, which is used for controlling procurement processes.

As mentioned by [Qing et al. \(2020\)](#), ethical leadership is an important aspect in the establishment of sustainable development which hikes the organizational growth positively with implementation of the public sector. This leadership is crucial for business practice, which can maintain the ethics of the business. Ethical leaders use systematic approaches. This approach is influential for job attraction and commitment development, which create potential growth in the public sector.

In the viewpoint of [García-Juan et al. \(2020\)](#), public employee management has taken a measurement for observing the role of the workforce, which plays an improvement in the workplace. The performance-based reforms have aimed at reviewing good approaches in detecting all risks in order to increase the demand within the market. Psychological attributes in these sectors consider the behaviour and attitude of employees.

### Research gap

This review has clarified major goals for establishing the public sector enterprises and roles in social upliftment. In the first review of this literature, social upliftment is the major limitation. In the second review, the development of goals in public enterprise has not been mentioned. In addition, in the third review, factors of establishing the goal of the public sector had remained as a gap, which allows it to state in the further chapter.

## 4. Methodology

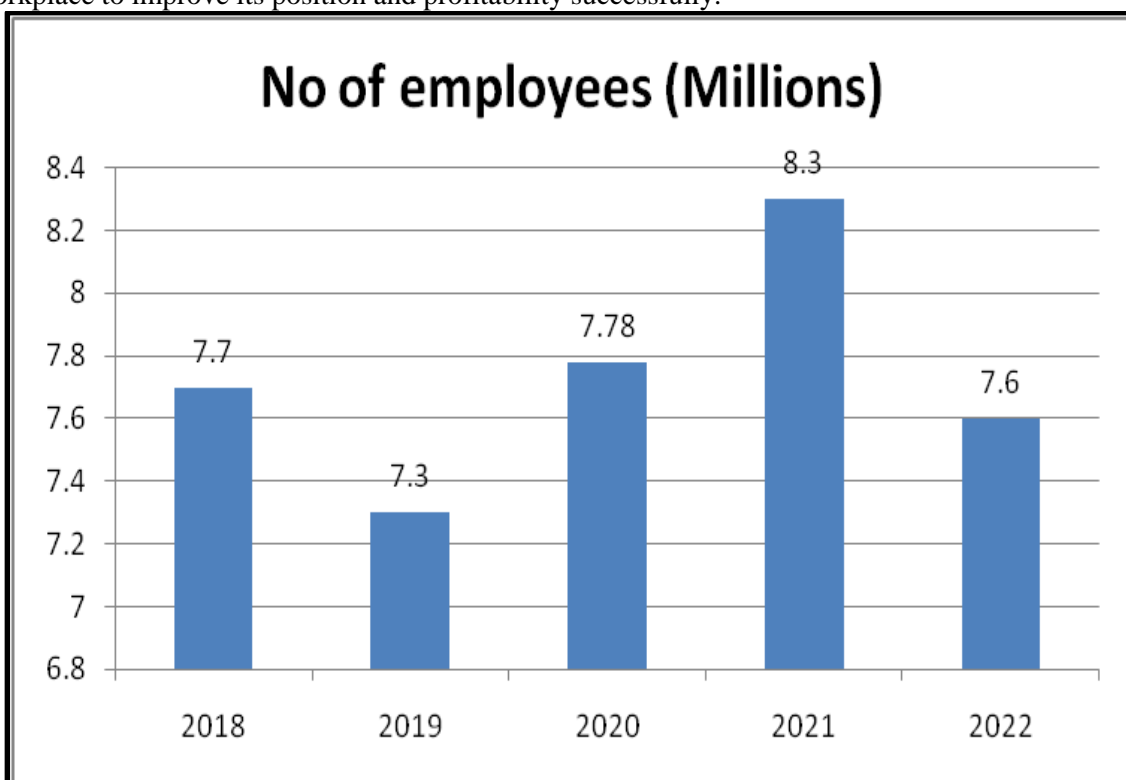
A way of explaining to carry out research work is improved by this methodology chapter. Different types of processes and strategies are available to maintain authenticity of research work. These processes are research philosophy, research design, data collection, and data analysis process. Interpretivism research philosophy has been selected for this sturdy to maintain a logical and coherent way of research work. A conceptual base for common philosophical paradigms is provided by Interpretivism research philosophy ([Alharahsheh and Pius, 2020](#)). Research design is helpful for research work to finish in an organised manner. Different types of designs are available in qualitative, quantitative, and mixed methods. A quantitative research design has been adopted for this particular

study. Numerical data are collected for this study to improve its quality successfully. Secondary data has been collected from various kinds of online books, websites, and journals. Thematic data analysis has been chosen for this study to finish work effectively. This is beneficial to analyse and interpret numerical data successfully in India.

## 5. Discussion and Analysis

### 5.1 Role of public sector enterprises in uplifting employment rate in India

A significant change in the employment sector of economy is enhanced by public sector enterprises in India. This sector provides citizens many employment opportunities in various sectors of economy. As a result, employees of public sector can easily maintain a healthy and safe lifestyle. Unemployment rate of India is decreases with engagement of public-based sector in the market. Number of employees increases in Indian market on a yearly basis. Hence in 2022, the value decreases due to a lack of skilled and experienced employees. Employment rate of India is represented by graphical representation for five years in this study. Employment rate is 7.7 million in the year of 2018 and this value increases gradually in Indian market (THE WIRE, 2023). Public sector enterprises provide relevant opportunities to their employees to improve enhancement of workers in Indian market. This is beneficial for the sector to develop industrial growth and operational costs significantly. Public-based sector employs more than 20 million employees in the workplace to improve its position and profitability successfully.



**Figure 1: Graphical representation of no of employees in India**

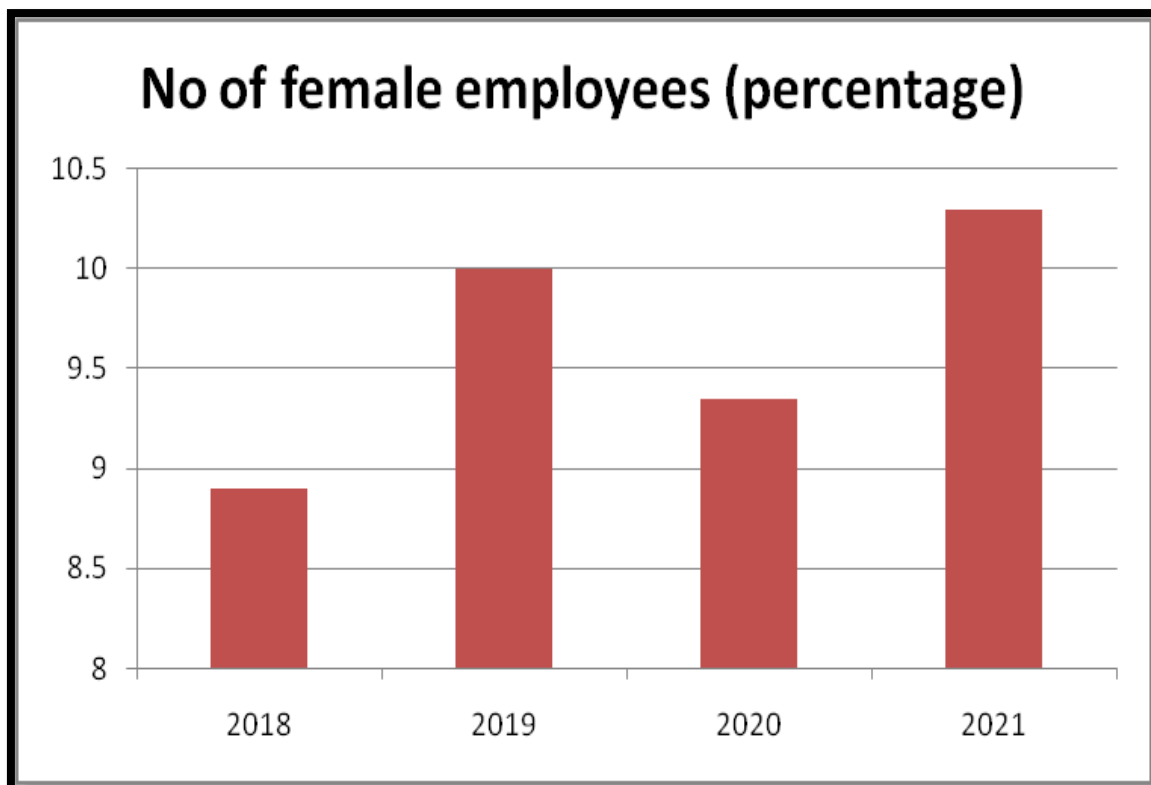
(Source: Self-developed using MS Excel)

Role of employment rate of society increases upliftment process of society development. This is beneficial for Indian society to improve its position and development in the Indian society. Consequently, employment rate increases in the public based sector to develop its profitability and productivity in the Indian market. Engagement of more employees in the workplace is beneficial for the public based sector to enhance rate of profits and production. Public sector enterprises always try to engage domestic and local; employees in the workplace to understand the demand of local customers and markets successfully. This is effectively beneficial for this sector to earn more profits

from the market. The number of employees is 8.3 millions in the year 2022 within the public-based sector enterprise in the Indian market. The employment rate decreases to **7.6 million** in the year 2022 and this creates a negative impact on employability and profitability of public based sector enterprises.

### 5.2 Impact of public sector enterprises on reducing gender discrimination in Indian Society

Development of society is maintained by impact of public sector enterprises on gender discrimination. Gender inequality-related issues are faced by each and every woman in Indian society. Women face different types of sexual harassment-related issues in the workplace and for this reason, these individuals may not be able to provide better performance during working hours. Public sector enterprises have a responsibility to reduce gender discrimination in the upliftment of society in the Indian market. This sector always tries to empower women significantly. As a result, these individuals provide their best efforts during working hours to provide better products and services to the customers. Personal and professional development of women personnel are managed by this particular sector in the market. Gender discrimination in Indian society creates a positive impact on the development and position of society. Women employment is increased in the year 2019 and the value is 10% (Kumar, 2020). Women employment decreases to 9.35% in the year 2020. Gender discrimination plays an essential role in Indian society to enhance its position and profitability successfully. In case public sector enterprises are not capable enough to enhance engagement of female employees in workplace. Several female employment opportunities are provided by this particular sector in Indian scenario.



**Figure 2: Graphical representation of no of female employees in public sector enterprises**  
(Source: Self-developed using MS Excel)

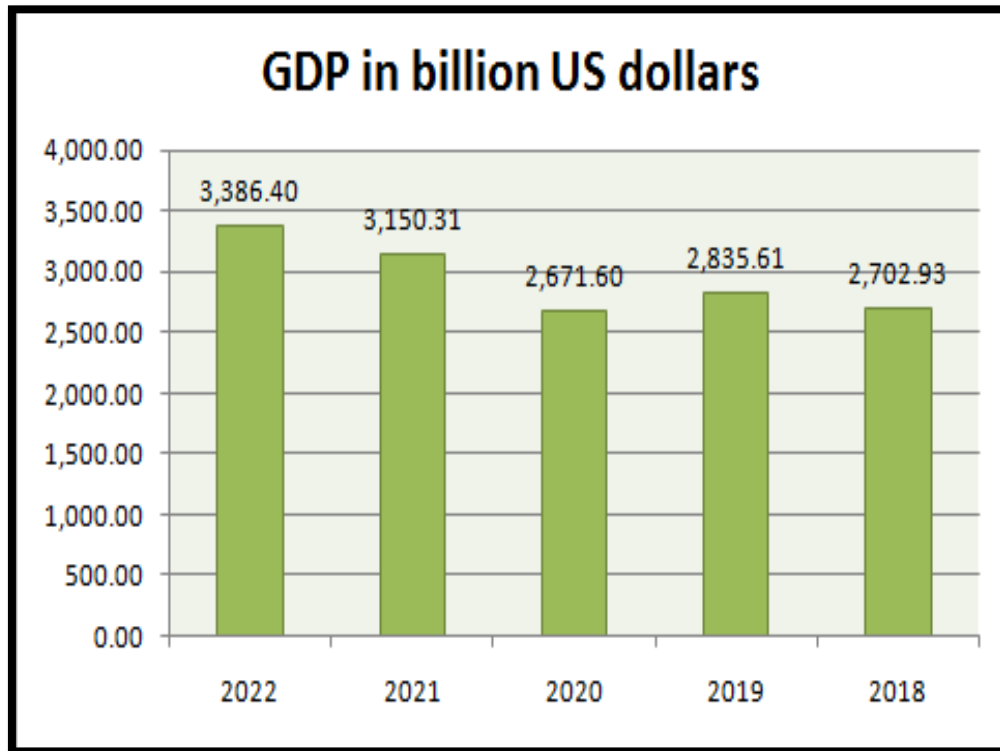
Female employees can think critically for the development of public sector enterprises in the Indian market. These individuals can solve any issues successfully in the workplace and for this reason; females can easily develop their skills and knowledge with the help of employment opportunities. Sexual harassment related issues are totally eradicated by the public sector enterprises

in the Indian market. For this reason, this sector can easily earn more profits and develop its position successfully. This is beneficial for the economic development of the Indian scenario in the market. Relevant and authentic work processes and strategies can be maintained by this sector in the market with help of engagement of female employees. Society development is increased by the engagement of female employees during working hours. Consequently, public sector enterprises have a duty to engage more female employees in the workplace. Ideas and thoughts of these individuals are totally different from others. Several new and creative ideas are provided by women personnel in the market to maintain quality and quantity of products significantly. This is beneficial for public sector enterprises to develop upliftment of society in the Indian market. Public sector enterprises of India create a positive impact on gender discrimination in Indian society.

### **5.3 Influence of public sector enterprises on the economic growth of India**

The public sector enterprises mainly estimated major economic growth in India and this has made a chance on accelerating the rate of revenue. Increasing the rate of population is the major demand for market expansion which is possible with high employability, and proper awareness of social development. The national economy has been clarified by highlighting the value of GDP. GDP is mainly the indicated value of the market of all goods and services which is measured with all final goods and services. This is figuring out a reliable tool which has estimated the direction of the economy within the country. The rate of inflation is also indicated by the growth rate, which mainly highlighted less effective growth in economic aspects, and public enterprises are badly affected by such inflation in the recent period.

The GDP growth in India has created a better impact on the economy from 2018-2022. The recent report has highlighted GDP growth in the recent period, which depicts major development within the country. The GDP growth rate in 2018 has been highlighted with 2,702.93 US dollars (O'Neill, 2023). This is the period in which the public sector has established at a great range and the highest rate of inflation also occurred. The GDP growth rate in the year 2019 is highlighted with the value of 2,835.61 US -13824 dollars. This period has created a hike in GDP growth rate, which shows an increasing rate of inflation. The highest inflation rate starts in the year 2019. The GDP growth rate has created value in future development and this activity has highlighted the impact on the public sector to develop.



**Figure 3: GDP Growth in India**

(Source: Self-developed using excel)

The GDP growth rate in this graphical presentation has been highlighted with the 3,250.31 billion US dollars in the year 2021. This rate has given better results on procurement of public sector in this country. In 2022, this rate has been depicted as the highest degree of economic growth; this growth rate has created proper growth in every sector in this period in India (O'Neill, 2023). However, inflation has not been reduced in this section. The GDP rate has had the highest effects at the time of the pandemic as the manufacturing sector has been drastically affected at this time. On the other hand, the lack of proper employability and lack of resources in the manufacturing sector has created major challenges in the public administration. In this concern, the “logistics performance index” has created knowledge of the action of the central government.

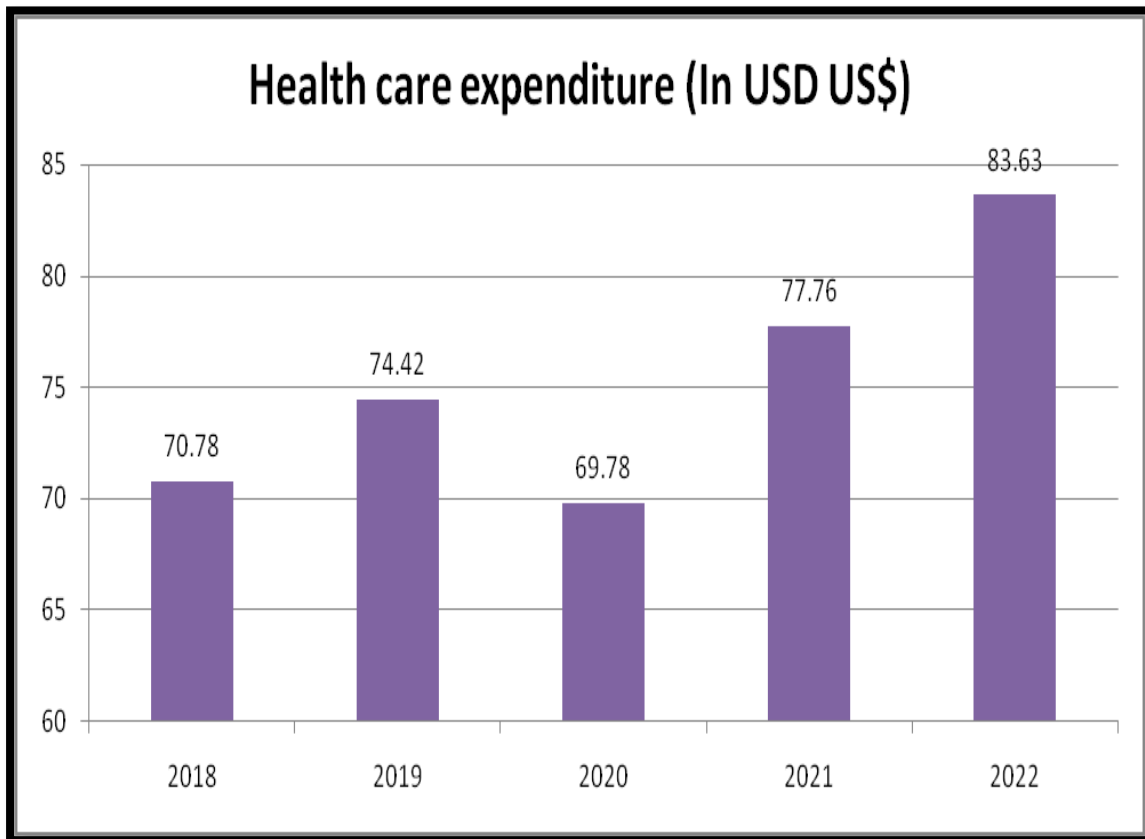
Economic infrastructure mainly depends upon development through the infrastructure, which has created major action on generating financial resources. This mainly assures the quality of income and wealth and this can easily balance regional development. The rapid rate of economic growth through the creation and expansion of infrastructure facilitates the growth of the region and can extensively mitigate the region's imbalances. Core development is mainly concerned with the assistance of the establishment of the public sector and enterprises. Industrial development has taken place at the time of 2021 to 2022, which has created an action among the development within each state of the country.

#### **5.4 Role of the public sector in improving the health quality of Indian Society**

The Role of the Public sector is mainly improved with the requirement of many resources, which accelerate the growth of the public sector in this country. The contribution of good and authentic resources for the environment has created a value among regularity within the global procedure. The exchange rate in recent times has stated the current exchange of major market indicators. This has been carried out with the depiction of the Russia-Ukraine war. This action has created the best creativity with the market indicator. The market replacement has been updated with the healthcare expenditure. This activity still reflects the social establishment. The following

representation has been highlighted as the major scenario of health expenditure between 2017 and 2025.

Healthcare expenditure has been created to highlight better productivity and this is depicted as proper upliftment among societal creativity. In 2018, the rare healthcare expenditure in India has been depicted as 70.78 USD US\$ as citizens in India have an effect on unpredictable change in weather in this country. On the other hand, 2019 healthcare expenditure has been depicted as 74.42 USD US\$. This rate has increased rather than the previous year. In addition, the rate of major establishment has been dictated within the healthcare sector and in a way, business has also been developed with the establishment of this sector. In 2020, the health expenditure has stated a value of 69.78 USD US\$ (Public Sector - India, 2023). This rate has created less effective development in the health care expenditure, which stated a low level of proper action in the health care sector. In the next year, this rate has depicted as 77.76 USD US\$ which may create an action among the implication of the healthcare sector. This sector has created value in facilities among all the citizens in India. The Indian citizen has gotten better facilities in health care at a huge rate from the year 2020 to the recent period as the huge pandemic situation has hiked in expenditure on healthcare materials.



**Figure 4: Health care expenditure in USD US\$**

(Source: Self-developed using Excel)

The healthcare sector has hiked the growth of major development after the pandemic time, which has created major value for the healthcare sector. The major action has been depicted in the healthcare sector and all the staff has seven better services for affected people within the period of 2019 to 2022. In 2023, the rate has been hiked with resource requirements, which can affect the overall progress of this country. This is to estimate that further years have been stated that many people get better services from a healthcare organization. The Report has estimated that the healthcare sector has created better value in the healthcare expenditure, which is stated as the value of 103 USD US\$.

## 6. Results and Findings

It has been identified that the public sector of India has a great role in improving social aspects. The study examines several factors associated with Indian society and the crucial influences of public sector enterprises on social factors. The study examines quantitative data regarding employment, gender discrimination, healthcare expenditure, and the GDP contribution of the public sector of the country. The findings of this study suggest the public sector of India plays a critical role in developing the economic condition of the country. The major findings have shown a properly increasing rate of female employees in the perfect growth within the healthcare sector. This growth is possible with the increasing rate of the public sector. Small and medium enterprise could not perform better in society. It has been investigated that 2020 is the best time for the upliftment of enterprises. This activity has hiked the economic development in this country.

The feasibility in the public sector is expected to grow in the future, however, the rate of employee engagement in the Public sector has reduced in 2022, and this rate has hiked in previous year. Less maintenance of organisational norms may impact this. On the other hand, the health care sector has hiked in recent times.

## 7. Conclusion

Overall study has stated the establishment of the public sector with a major goal and its role in social upliftment. The public sector in India has uplifted in recent times as the facilities have been hiked in the recent time. On the other hand, the entire study has showcased the major perspective of the country India, in which growth has especially been depicted in recent times. Gender discrimination has been highlighted in this study which highlights the male and female differentiation rate which creates serious societal issues. On the other hand, the role of the public sector has created better activity among the upliftment of society.

The social upliftment has hiked the goal of the public sector. Indian society has been drastically challenged at the time of the pandemic situation which has resulted in less effectiveness in reaching the goal within the public sector. The major effect has been depicted after the pandemic in which economic development also started after 2020. Hence, the major goal of the public sector as depicted in recent times, and healthcare expenditure has been depicted at the highest range. Investigating all the factors in the society of India, this is to interpret that the revenue has been hiked after 2020, due to the highest range of public enterprises establishment.

## References

- Adjei-Bamfo, P., Maloreh-Nyamekye, T. and Ahenkan, A., 2019. The role of e-government in sustainable public procurement in developing countries: A systematic literature review. *Resources, Conservation and Recycling*, 142, pp.189-203.
- Alharahsheh, H.H. and Pius, A., 2020. A review of key paradigms: Positivism VS interpretivism. *Global Academic Journal of Humanities and Social Sciences*, 2(3), pp.39-43.
- García-Juan, B., Escrig-Tena, A.B. and Roca-Puig, V., 2020. Psychological empowerment: Antecedents from goal orientation and consequences in public sector employees. *Review of Public Personnel Administration*, 40(2), pp.297-326.
- Kumar, C. 2020. PSU women staff shrink at twice the rate of overall dip; they are now only 8% of total staff. *THE TIMES OF INDIA*. Available at: <https://timesofindia.indiatimes.com/india/psu-women-staff-shrink-at-twice-the-rate-of-overall-dip-theyre-now-only-8-of-total-staff/articleshow/74150453.cms>. [Accessed on: 8th May 2023].
- O'Neill, A., 2023. Gross domestic product (GDP) in India 2028. *Statistics*. Available at: <https://www.statista.com/statistics/263771/gross-domestic-product-gdp-in-india/>. [Accessed on: 8th May, 2023]
- Public Sector - India, 2023. Healthcare Spending. *statistics*. Available at: <https://www.statista.com/outlook/co/public-sector/india#healthcare-spending>. [Accessed on: 8th May, 2023]

Qing, M., Asif, M., Hussain, A. and Jameel, A., 2020. Exploring the impact of ethical leadership on job satisfaction and organizational commitment in public sector organizations: The mediating role of psychological empowerment. *Review of Managerial Science*, 14, pp.1405-1432.

THE WIRE, 2023. Public Sector Job Creation Fell by Nearly 8.8% in 2022: Report. *THE WIRE*. Available at: <https://thewire.in/labour/public-sector-job-creation-fell-by-nearly-8-8-in-2022-report>. [Accessed on: 8th may 2023].