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WAYS TO USE DIGITAL TECHNOLOGIES IN THE ACTIVITIES OF SMALL BUSINESSES IN THE DEVELOPMENT OF OUR COUNTRY

Abstract: This article examines the principles and methods of developing methods for the use of digital technologies by small businesses in our country. In the context of the development of the digital economy, proposals and recommendations have been developed on the need and ways to introduce digital technologies in small businesses.

Key words: digital economy, digitalization, small business, digital technology, innovation products, small business rehabilitation.

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Introduction

In globally advanced developed countries, small businesses provide about 90% of the total number of enterprises, up to 40% of national income, including 20% of jobs in the European Union and 18% of added value. The jobs created by small businesses, the organization of 7 of the 10 officially created jobs, further stimulate the further development of small businesses in the countries of the world, the sustainable development of their economic activities related to the effective organization of financial management and the efficient use of financial resources [1].

In particular, in accordance with the "Digital Uzbekistan – 2030" strategy in our country, comprehensive measures are being implemented in the system of public education, public services, Court, Finance and banking to digitalize sectors and regions of the economy, introduce State Information Systems and electronic services, as well as ensure the widespread use of digital technologies [2]. At the same time, the lack of an effective rating assessment system of the state of development of the digital economy and e-government, as well as an interdepartmental mechanism for its implementation,

prevents an in-depth analysis of the current state of digital transformation of sectors and territories of the economy.

However, the aggravation of competitive processes in the world economy testifies to the urgent issue of introducing modern financial management methods in the activities of small businesses, including optimal cash flow management and increasing the efficiency of the use of financial resources.

Analysis of sources on the topic

In the economic literature of the present time, there is no single scientific definition of the activities of small businesses and private businesses. For Example, A. Busigin describes the private sector as a special type of economic activity aimed at generating profit (income). As the purpose of this activity, it understands the production and sale of such a commodity, whether it is in demand in the market and should benefit the entrepreneur [3]. He considers small business as an economically active sphere, the basis of which is targeted activity aimed at profit, and entrepreneurial activity, in the form of self-understanding of activities for the production and sale

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of products in order to make a profit. As a result, the content of the concept of small business refers to the target activity for the production and sale of a product that is in demand in the market. Foreign economist scientist M. Jonah commented on the financial support of small businesses by stating that the focus should be on the social effect of lending to small businesses that are just beginning to operate [4]. The increase in demand for loans issued at market rates after the expansion of the financial capabilities of small businesses was noted by this scientist. F. Allen, D. Gales, on the other hand, recognize the existence of two systems of financing the activities of small and medium – sized businesses – a system based on the activities of banks and a system based on financial markets, in which the first system is relatively important [5].

Also, one of our local scientists J.K. Kamarov, N.J. Makhmudova, one of our local scientists for improving the process of informatization and digitalization in the field of economy, played an important role in their scientific works in defining the rules of industrial economy telecommunications, in defining technical standards, in supporting research and innovation, which in turn, he expressed the opinion that it helped the emergence of a new sector of the innovative economy - the digital market [6]. Therefore, the modern digital revolution is mainly associated with market and technological innovations. Most of the production activities and services were obtained through information technology. This century has become an age of informatization and digitization of information. Also, in the scientific article written by I. Yu. Umarov, proposals and recommendations were developed on ways to improve business efficiency in the digital economy in the context of innovative management [7]. L.V. Lapidus. In his research, he developed theoretical rules and practical recommendations for managing e-business and e-commerce in terms of changing business models under the influence of the evolution of digital technologies [8].

Also, in the state program for the implementation of the strategy for the further development of the Republic of Uzbekistan [2]: "The opinion is expressed that the key factor in the production of digital economy can significantly increase the efficiency of various production, technologies, equipment, storage, sales, supply of goods and services, compared with traditional forms of management, using the results of digital data, processing and analysis of large volumes."

Taking into account the opinions of a number of economists above, today it is necessary to further

stimulate the expansion of investment activities of commercial banks, strengthen their resource base in order to increase the volumes of financing long-term investment projects aimed at modernization of economic sectors, technical and technological re-equipment.

Research methodology

The preparation of this article was determined by regulatory legal acts, the formality of the literature used and the Internet Information, a comparative and critical analysis of the scientific and theoretical views of economists on the topic, the results of the study and generalization of advanced foreign experience and the introduction of proposals and recommendations into practice. In the course of the study of the topic, along with general economic methods, such methods as systematic analysis, generalization, abstract-logical thinking, statistical methods, correlation-regression and empirical analysis were used.

Analysis and results

Today, digital technologies are rapidly penetrating all fields and people's lives. The development of the digital economy has become the most important task in our country. The decision of the President of April 28, 2020 "On measures for the widespread introduction of the digital economy and electronic government" sets the task of increasing the share of the digital economy in the country's gross domestic product by 2 times, the volume of services in this field by 3 times, and their export to 100 million US dollars by 2023.

According to statistics, the share of the digital economy in the gross domestic product of countries is 10.9% in the United States, 10% in China, 5.5% in India. "Vouchercloud" portal researchers announced the list of 25 "smartest" countries in the world. According to the results of the conducted research, the first place was taken by Japan. This country also received the highest rating according to the main indicators of the research - the number of Nobel Prize laureates, the average IQ (intelligence) level of the population, and the mastery rate in schools [1].

Switzerland, China, the USA and the Netherlands took the next place. China ranked third because of its high population intelligence, while the United States ranked fourth thanks to the number of Nobel laureates. South Korea, Taiwan and Singapore are in the leading positions in terms of the number of educated (intelligent) young people, but they did not rank high only because of the small number of Nobel laureates.

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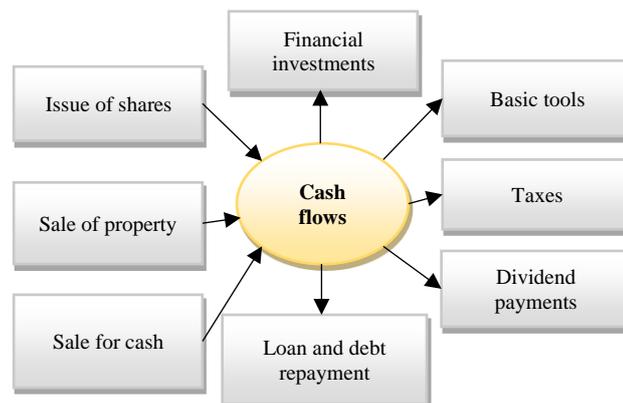


Figure 1. Cash flows in the activities of small businesses*

**Author processing*

According to McKinsey experts, digital assets currently account for about 10% of global GDP, while their development rate is equal to 30% of global economic growth. The development of digital assets is like an accelerator.

Obviously, the digital economy is the future. The competitiveness of the national economy is in many ways closely related to the adaptation to the revolution of Industry 4.0, which is considered an important component of the digital economy, to how short we can solve the introduction of digital technologies into all sectors of the economy, in particular in the activities of small businesses. The effective organization of digital technologies in the activities of small businesses goes back to mature personnel with sufficient competencies in the field of digital technology. It is also necessary to note that systematic measures have been established in this regard.

Also, an important indicator of the stability of small businesses today is the level of positive and negative flows, both in volume and time. This is especially important for small businesses, as they do

not have reserves of financial resources and funds, such as large enterprises. Their essence is to simultaneously ensure a sufficient level of solvency of enterprises in each range of the future financial period.

The growing role and role of small business and private entrepreneurship in the digital economy is evidenced by positive changes in the indicators of this sphere. As a result of reforms in the development of small business and private entrepreneurship, the share of small business and private entrepreneurship in the gross domestic product is produced by one third of the total industrial output, and 98.1% of agricultural products. More than 74 percent of our employed total population work in this network. As you know, among the main advantages of the activities of small businesses, one can single out such as mobility, the ability to quickly adapt to changing market conditions, and the high rate of capital turnover. All these characteristics have become inherent precisely in the sphere of trade, which is abundant in the activities of the entities operating in this area.

Table 1. The share of small business (business) in the economy and its main sectors [9]

Indicators	2017	2018	2019	2020	2021
GDP	65.3	62.4	56.0	55.7	54.9
Industry	41.2	37.4	25.8	27.9	27.0
Construction	64.8	73.2	75.8	72.5	72.4
Export	22.0	27.2	27.0	20.5	22.3
Import	53.6	56.2	61.6	51.7	48.7
Employment	78.0	76.3	76.2	74.5	74.4

From the data of the above table, it can be seen that in 2021 the share of small business (business) in industry in the sectors of the economy was 27.0 percent, Agriculture, Forestry and Fisheries – 96.7 percent, in construction – 72.4 percent, in investment – 47.9 percent, in trade – 82.1 percent, in exports –

22.3 percent, in imports – 48.7 percent, and in services – 51.5 percent.

By the type of economic activity, the largest number of small enterprises and micro-enterprises was established in trade by 38.459 units, in industry – by 19.285 units, in agriculture, forestry and fisheries –

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by 11.710 units, in construction-by 6.330 units, in living and eating-by 6.621 units, in transportation and storage-by 2.642 units. From the mentioned indicators, it can be seen that small businesses occupied an important place in their development, occupying the main share in important sectors and sectors of the national economy.

In addition to such traditional features as the mobility of small businesses, a simple organizational structure, a high rate of turnover of funds, a shortage of human and financial resources, the uniqueness of the owner and manager, we can additionally cite the limitations of the ability to diversify the business and conduct activities in the form of Start-ups. At the same time, some features have a positive effect on the financial management process in small businesses in some cases, and in some cases-negative.

In small businesses, the practice of business diversification is rare. As we saw above, the vast

majority of small businesses operate in the commercial sector. In addition, if small businesses are engaged in trade, then, according to the regulation, this is a trade in goods of a homogeneous group, which cannot be calculated as a complete diversification. On the one hand, work in one area of activity allows you to achieve high efficiency by studying in detail the market of this product, its characteristics and development opportunities. On the other hand, the limitation of the possibility of diversifying activities increases the risk of complete loss of business, and not one of its components, as in a large holding company operating in various manifestations and directions of economic activity. In addition, the absence of diversification is also manifested from the point of view of internal management among the main types of activities of the organization (Operation, investment, financial activity).

Table 2. Analysis of the characteristics of the activities of small businesses*

	Strengths	Weak sides
Internal environment	Mobility, quick adaptation to market situation changes	Lack of potential human resources in the field of financial management
	Simple organizational structure	
	High rate of turnover of funds	Shortage of financial resources
	Ownership of the property and the uniqueness of the manager	
	Limited ability to diversify business	
Carrying out activities in the form of Start-up		
	Opportunities	Threats
External environment	Possibility of state support	Presence of high competition
	Limited amount of external factors affecting activity	Higher tax burden

**Author processing*

For most small businesses, activities in investment and financial operations are not systematic, but one-time (if necessary). In this regard, the main focus in financial management is on operational (basic) activities. In addition, most of the newly created business projects called "Start-up" represent in themselves not only a newly created legal entity, but also some kind of innovative business idea (a new type of product, a New Sales Market, a new form of Service) belonging to small businesses.

Operating in the form of a "Start-up", similar to the characteristics discussed earlier, is in some cases a competitive advantage and has a positive effect on financial management or, conversely, can negatively affect the financial condition of a small business

entity. On the one hand, a successful business idea can be quickly implemented and accurately pay off due to its novelty for the market.

On the one hand, a successful business idea can be quickly implemented and bring effect due to its novelty for the market. On the other hand, the failure of a business idea is a high risk that a small business entity will face major financial difficulties due to the fact that the project will not be in demand.

Traditionally, one of the main problems of financial management in small businesses is the need to attract additional borrowed funds due to the lack of financial resources. According to numerous studies, debt capital in small businesses accounts for 85% of all sources of property formation (Figure 2).

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If we want the digitalization of the activities of small businesses to come in faster, Let various amenities appear in our lives under the influence of digitalization, then in the form of digitization, of course, a systematic approach is necessary. We have been striving to introduce a system of e-government into the activities of small businesses for ten years. The digitization programs implemented by our state allow us to correctly understand the wishes of our people, as well as entrepreneurs. Naturally, these programs need to be further expanded, improved. But

there are some problems, the solution of which is required to be found in a short time [10; 11; 12].

First of all, digitization is a "data warehouse", the data consists of a fairly large volume. Secondly, it is important for us to manage, store and process the flow of " huge data " to expand different platforms. Thirdly, while the implementation mechanisms and sources of financing are indicated in ensuring the implementation of these programs, we believe that it is important to strengthen public control in the monitoring process.

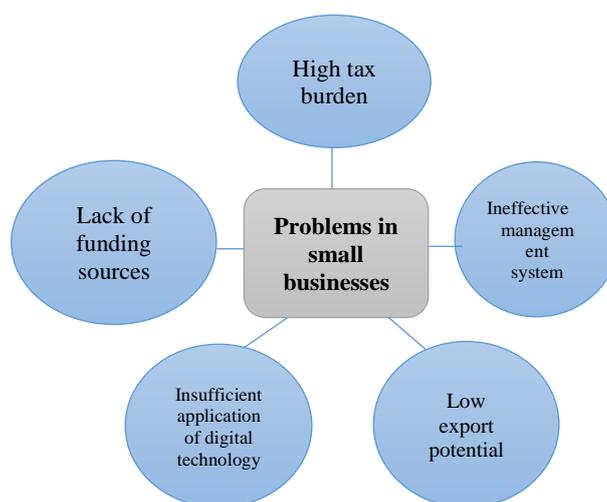


Figure 2. The main problems in small businesses*

*Author processing

The results of the World Bank's study "digital dividends" show how relevant and important the digital economy is in the development of the economies of countries. In particular, a 10% increase in Internet speed will also lead to a country's GDP growth. In developed countries, this figure is 1.21 percent, while in developing countries it is 1.38 percent. Hence, if the speed of the Internet increases by 2 times, the volume of GDP can also be achieved by an increase of about 15%.

In developed countries of the digital economy, both the volume of GDP and the share of GDP per capita are high. In this regard, the focus of the head of state on this issue at the state level pursues one goal, if it is also, firstly, to raise the living standards of the population, and secondly, to increase the Real incomes of the population.

Conclusions and suggestions

In the process of scientific research carried out in our country to ensure the development of the use of digital technologies by small businesses, the following conclusions were formulated:

1. Creating the necessary conditions for ensuring the well-being of our people through the development of the digital economy and the introduction of the use

of digital technologies by small businesses is undoubtedly necessary to be considered as an urgent and priority task of today. If the tasks intended for the digital economy are carried out, huge practical results are clearly visible in all areas, and the well-being of the population increases significantly.

2. The most important aspect and at the same time the most complex stage in the development of the digital economy is the simplification of the business environment and the maximum reduction in costs that will be spent on the communication of entrepreneurs and businesses with the state.

3. Due to the fact that the use of digital technologies by small businesses covers the whole world, any state project on informatization and digitalization should be studied in a comprehensive manner and on the basis of a unified coding system, identification of information related to economic and management.

4. The most active driver of the digital economy is the state. He is the main customer and consumer of the digital economy. For example, China has invested around \$ 9 billion for these purposes. Market capitalization is 210 billion. the Alibaba Internet resource, which is worth more than a dollar, has proven that these investments are spent correctly. The

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state, wishing to get the maximum benefit from digitalization, needs to create and support the market for the necessary high-tech products. At the same time, in parallel with the development of private applications for Public Administration, important industries and enterprises, it is also important to maintain in its imprint the instruments that control the main platforms of the electronic economy.

5. By introducing a unified rating assessment system for assessing the state of development of the digital economy and e-government in sectors of the economy, social sphere and regions, it is advisable to

introduce an effective system of interdepartmental coordination of assessment processes for the development of network and territorial programs of future digital development.

6. The attention paid to the development of the digital economy, which is considered an integral sphere of developed countries, returns its result several times more. To be a developed state in the field of small business, of course, the focus on the field of the digital economy is always important today, because the shortest path to growth is the digital economy.

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