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INCREASING THE SMALL BUSINESS AND PRIVATE ENTREPRENEURSHIP IN TRANSFORMATION ERA

Abstract: The success of any business depends on the right choice of entrepreneurial activities. It represents effective functioning along with proper definition of market strategy and tactics. There is another way to success. Usually, entrepreneurship starts with an idea. Making a business successful is bringing an idea to life. Entrepreneurship is considered broad-based on production, commerce and finance. Current research denoted on growing company's relationship in terms of taxation, export and three economic sectors and investment of Uzbekistan during 21 years' period. Main results show that for starting a new business and succeeding in it was required improvement agribusiness, industry and investment attractiveness in Uzbekistan.

Key words: small business and entrepreneurship, economic sectors, investment, transformation economic growth.

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Introduction

Elimination of excessive bureaucratic obstacles and pitfalls for the development of small business and private entrepreneurship, implementation of specific measures to reduce the functions of state administration and give more freedom to entrepreneurship, sharply reduce various permitting standards and restriction procedures implemented by state administration bodies. For ensuring openness and transparency in the interaction of business entities with state administration agencies, tax and control structures, radically simplifying the reporting system and the mechanism of submitting reports to finance, tax and statistics agencies by gradually transitioning to their electronic submission. And, providing small business and private business entities with additional benefits and preferences that help to rapidly develop business activities and increase their efficiency in terms of tax, customs and other payments.

Sometimes improvement and simplification of the mechanism of interaction of small business and private business entities with commercial banks, improvement of the quality of service to business entities, long-term loans allocated to them, first of all, directed to the organization of new production facilities, modernization of existing production facilities and technological upgrading increase the volume of loans. For a creation of favorable conditions for the wide participation of small businesses and private entrepreneurs in foreign economic activities, assistance in exporting their products to foreign markets, simplification and liberalization of the process of registration of export contracts and customs administration in general.

The results of entrepreneurial activity are private property and ownership Although it arose and developed with the formation of relations, its literal essence is clearly manifested in the decision-making of modern business in conducting entrepreneurship on the basis of economic freedom. Business is a productive activity related to profit (income) or a set of processes for personal gain (income). Those engaged in business activities are called businessmen or business entrepreneurs. Business object means, first

of all, a certain activity: entrepreneurship in the fields of production and service, trade entrepreneurship, entrepreneurship in the field of finance.

1. Literature review

To understand these complex event impacts on small businesses we conducted a national survey in the summer 2020 to address the intersection of socioeconomic vulnerabilities, natural hazards, and pandemic impacts on SMBs. In our study, SMBs include those with fewer than 500 employees at a single location. The following groups are included in the historically underrepresented group operator (HUGO) category for our survey: women, racial/ethnic minorities, and veterans. Our operator classification captures business owners and managers of SMBs(Helgeson et al., 2022).

Eventually also cultural aspects were identified as success factors for BPM projects. This is the only category that does not correspond to PMI knowledge areas. Organizational culture can support BPM project success if people describe their organization as exhibiting a 'can-do' attitude towards process management. A supportive organizational culture should provide creative freedom and a safe and secure environment of for change and experimentation. Respondents also reported that employees should be empowered and responsibility should be delegated (Lückmann & Feldmann, 2017).

Within these discussions there is limited alignment between the ecological benefits of GI and socio-cultural or aes- thetics reasons for use. This is common to a significant number of BID documents which focus predominately on street scenes and not the ecological composition of the area raising questions as to whether BIDs appreciate the full functions and/or ecosystem services that GI can deliver when compared to traditional approaches to place-making(Moore & Mell, 2023).

Within the collected papers, 20 papers provide quantitative data on how the use of IoT in CBMs can reduce environmental impacts. These papers provide 23 cases. We included them in our quantitative analysis for they mainly use energy savings as the primary measurement(Ding et al., 2023).

The SME sector of the agri-food industry has a specific industrial character. For example, there are strict environmental regulations, mature industrial conditions and government subsidy policies for this industry. The agri-food industry is dominated by small family farms where management and control of the business are not separated. Their business processes are driven by economic goals based on strong family business traditions(Wicaksono et al., 2021).

Stream of research that examines i-deals has not focused on small firms' perfor- mance at the level of objective revenue data. Second, the conceptuali-zation of i-deals relies mainly on social exchange theory and conservation resources theory. We propose

that psychological capital is the underlying theory that explains i-deals' effects on SBMs' job satis- faction. Additionally, not only is psychological capital theory consistent with the nature of i-deals' positive effects on manager-owner relation- ships, but it also can be extended to explain how SBMs' job satisfaction positively influences firms' performance(Velasco Vizcaíno et al., 2023).

Despite these essential contributions SMEs make to economic development and growth, they often face several obstacles that hinder their innovation performance. Most of these obstacles to SMEs' innovation activities emanate from the external environment, which in transition and developing countries are characterized as weak. Weak business ecosystems can significantly increase the cost of introducing new products, and services, making the returns on investments in new services, technologies, and products more indeterminate(Odei & Hamplová, 2022).

International innovativeness is a significant dimension of international business competence, as a nuanced understanding of innovation and international business necessitates a multidisciplinary approach to reveal their multifaceted aspects. Having this in mind, the aim of this study is to improve the current knowledge on the relationship between innovation and international business, that is to say, to identify trends for companies to know better the opportunities and challenges of innovation development in the international business context.(Fernández, 2023).

Although the cleaning sector is an important contributor to employment in many countries, the research on OSH in this sector is limited. A larger share of businesses in the cleaning industry are SSEs and in SSEs the OSH management is less developed compared to larger enterprises. Occupational conditions among SBO themselves are complex with many work-related tasks(Landstad et al., 2022).

Family businesses and related practi- tioners. Hence, persistent false positives in the family business literature could be disproportionally damaging, as managerial and policy recommendations based on nonreplicable findings may enter the practical arena directly and thereby encourage real-world development (Brinkerink et al., 2022).

2. Methods

In today's market, none of the producers, consumers and suppliers of goods operate alone. Therefore, during the implementation of business activities, the entrepreneur is in business relations. Current paper analyzed based on 2000-2021 data obtained from stat.uz time series data. We used OLS model with lin-log model. For Gaus-Mfrkow assumption we passed normality distribution test and hettest.

3. Results

Currently, private enterprise is recognized as one of the organizational and legal forms of entrepreneurship. A commercial organization created and managed by a single individual, that is, an owner, is called a private enterprise. Private enterprise is an organizational and legal form of business entities. A private enterprise has separate property in its own property, can have property and personal non-property rights in its own name, and can exercise them, fulfill its obligations, be a claimant and be liable in court.

Table 1. Descriptive Statistics of the research

Variable	Obs	Mean	Std. Dev.	Min	Max
export sme	21	1991.824	1449.729	224.3	4714.8
tax	21	14409.716	15707.45	407.6	45575.797
unemployment	21	4.165	3.189	.243	10.549
agriculture	21	40687.309	46782.743	978.5	151250.94
service	21	56592.232	64419.279	1210.9	216711.74
investment bln	21	41452.535	61513.688	744.5	210195.1
industry	21	80998.105	105317.76	1888.9	367078.9
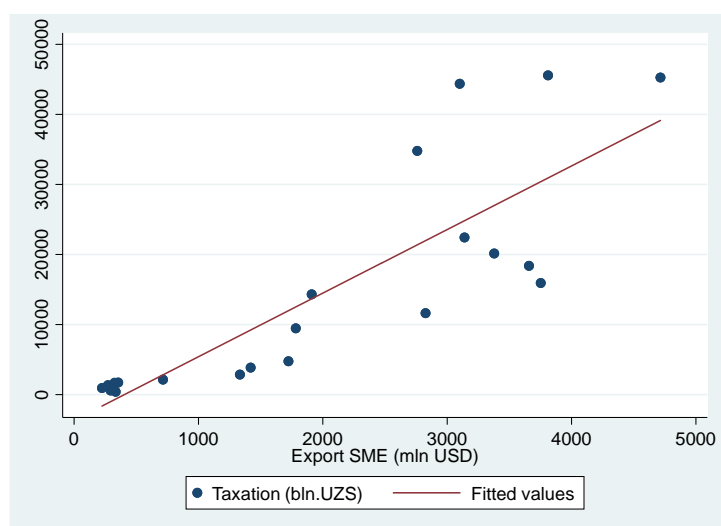
Fig.1. Scatter plot of taxation and SME export
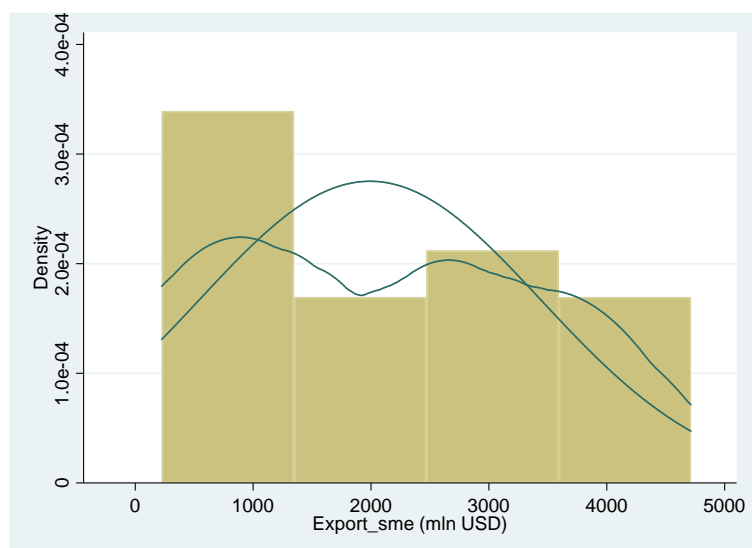
Fig.2. Histogram of SME export

A private enterprise is liable for its obligations with all its assets. The owner of a private enterprise shall be subsidiarily liable for the obligations of the private enterprise with his own property in accordance with the law, if the property of the enterprise is insufficient.

The development of small business and private entrepreneurship is one of the important objects of state regulation of the economy. Therefore, it has been considered an integral part of the state economic policy in most countries.
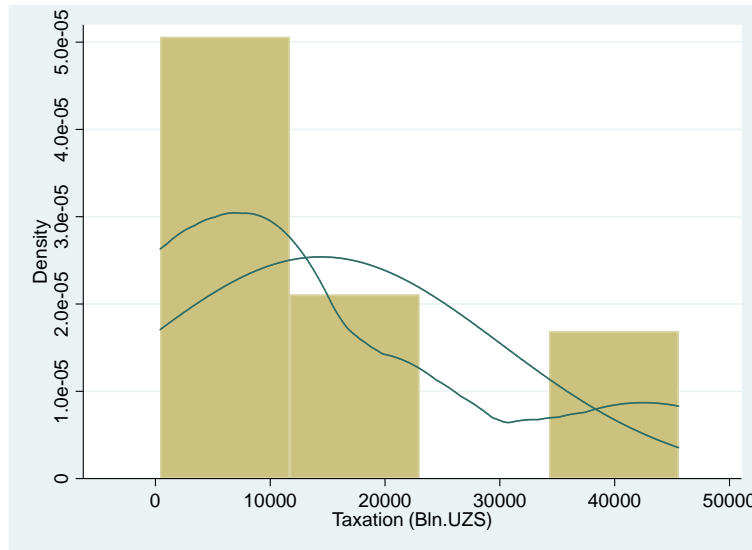

Fig.3. Histogram of taxation

Joint ventures are a form of mixed ownership, in which state, community and private ownership are combined. The enterprise itself is formed on the basis of the agreements of the founders of several countries. Here, the founders are state enterprises and organizations, collective farms, may be cooperative societies and public organizations. In addition, some citizens (individuals) also have the right to be founders.
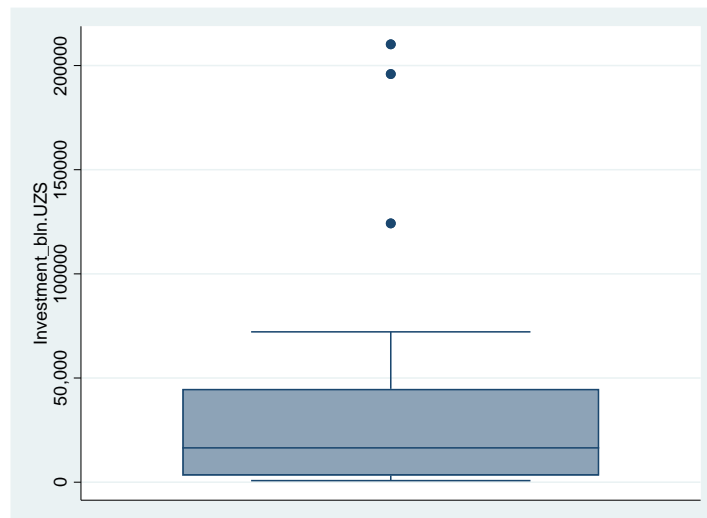

Fig.4. Graph box of investment

To ensure the rapid development of small business and private entrepreneurship, to further strengthen the legal mechanisms for the protection of private property and guarantees of its inviolability, to eliminate bureaucratic obstacles to the development of entrepreneurship, to improve the investment and business environment in the republic and additional measures to improve the quality of the business environment.

Table 2. Pairwise correlations

Variables	(1)	(2)	(3)	(4)	(5)	(6)
(1) sme	1.000					
(2) tax	0.838	1.000				
	(0.000)					
(3) unemployment	0.853	0.867	1.000			
	(0.000)	(0.000)				
(4) agriculture	0.821	0.986	0.858	1.000		
	(0.000)	(0.000)	(0.000)			
(5) service	0.820	0.979	0.868	0.998	1.000	
	(0.000)	(0.000)	(0.000)	(0.000)		
(6) investment_bln	0.706	0.927	0.818	0.952	0.965	1.000
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	

In particular, according to the Unified State Register of Enterprises and Organizations, as of July 1, 2019, the number of registered small business entities (without farmers and farms) is 520 in Dostlik District.

Of the total number of registered enterprises, 11.1% are state-owned, the rest - 88.9% are non-state-owned enterprises, of which 22.4% are private, 0.7% are foreign-invested enterprises, and 65.8% are other enterprises did.

As of July 1, 2019, the number of registered enterprises with foreign investments and investments is 5, and all of them are operating.

As of July 1, 2019, a total of 56 family enterprises were registered in the district. This indicator has increased by 19 compared to last year. It was observed that the number of those who are active is 54, and it has increased by 20.

The volume of industrial products produced in the district in January-June 2019 was 273.3 billion. shows that the soum has increased by 102.6 percent compared to January-June 2018. Of this, the share of small business is 13.9 percent, the volume of consumer goods is 120.2 billion. soums, compared to January-June 2020, it was 104.3 percent.

Table 3. Linear regression results

SME export	Coef.	St.Err.	t-value	p-value	[95% Conf	Interval]	Sig
tax	.182	.073	2.51	.024	.027	.336	**
unemployment	9.784	110.999	0.09	.931	-226.805	246.373	
agriculture	-.244	.091	-2.68	.017	-.439	-.05	**
service	.195	.064	3.03	.008	.058	.332	***
investment_bln	-.047	.012	-4.02	.001	-.072	-.022	***
Constant	187.954	225.796	0.83	.418	-293.32	669.227	
Mean dependent var		1991.824	SD dependent var			1449.729	
R-squared		0.889	Number of obs			21	
F-test		24.013	Prob > F			0.000	
Akaike crit. (AIC)		330.143	Bayesian crit. (BIC)			336.410	

*** p<.01, ** p<.05, * p<.1

In this, the share of small business is 39.2 percent, the volume of agriculture, forestry and fisheries is 395.6 billion. soums, the total volume of investments in fixed capital in national currency - 89.8 billion. soums (USD equivalent amount - 10.7 million US dollars) or the growth rate compared to the corresponding period of 2018 - 216.5 percent. In these

indicators, the share of small business is 64.7 percent, the volume of construction works is 33.4 billion. soum compared to January-June 2020, it was 119.8 percent. Retail turnover is 111.4 billion. soums, 106.3 percent compared to January-June 2018, the volume of market services is 109.4 billion. soums, compared to January-June 2020, it was 111.4 percent.
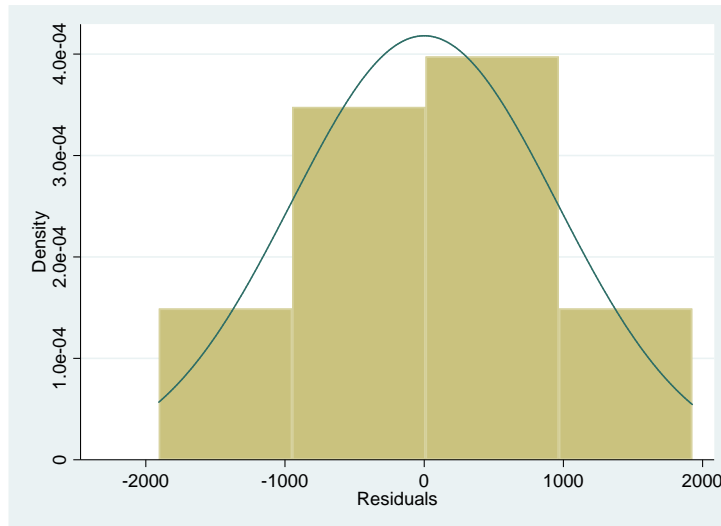
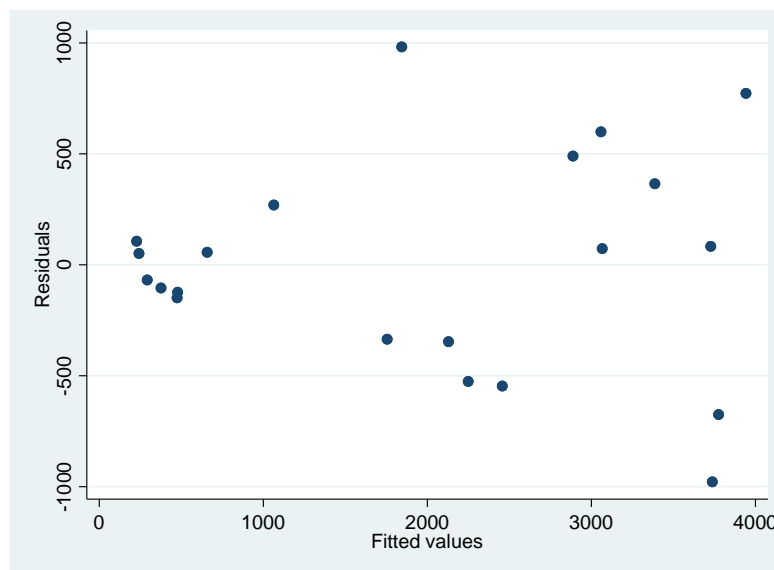**Fig.5. Histogram of ehat in small business**

Fig.6. Scatter plot of ehat in small business

Breusch-Pagan / Cook-Weisberg test for heteroskedasticity Ho: Constant variance Variables: fitted values of export_sme. Chi2(1) = 5.07 prob > chi2= 0.0244. The administrative regulation clearly defining the relations of business entities with state, tax and control agencies, commercial banks has not been fully developed. Many authorization procedures still remain that lack transparency. There are cases of illegal interference of control agencies in the activities of business entities. A practical mechanism for exporting small business products to regional and world markets has not been created.
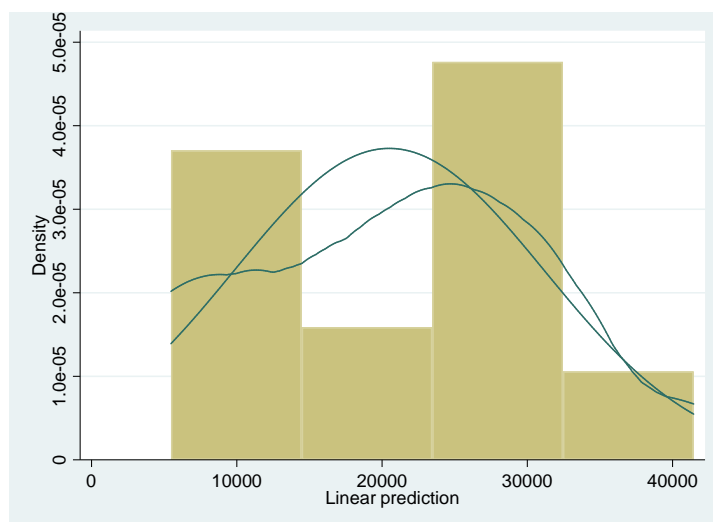
Fig.7. Histogram of yhat in small business

To further fundamentally improve the business environment, to accelerate the liberalization and deepening of market reforms, to give more freedom to entrepreneurship, to eliminate obstacles and obstacles to the development of small business and private entrepreneurship, to increase the role and share of small business and private entrepreneurship in the country's economy, to develop export potential, population employment and income.

Table 4. Skewness/Kurtosis tests for Normality

Variable	Obs	Pr(Skewness)	Pr(Kurtosis)	adj_chi2(2)	Prob>chi2
investment~n	21	0.001	0.020	13.010	0.002
unemployment	21	0.651	0.537	0.620	0.735
industry	21	0.002	0.047	10.910	0.004
agriculture	21	0.026	0.601	5.140	0.077
service	21	0.016	0.329	6.220	0.045
tax	21	0.035	0.892	4.560	0.102
yhat	21	0.883	0.370	0.890	0.642
ehat	21	0.601	0.568	0.630	0.729

It should also be noted that foreign investors can participate in the establishment of all forms of small crowns. In addition, foreign investments on the basis of 100% foreign capital are fully protected in the territory of our republic, their order must be compatible with the order of our enterprises and be convenient.

Table 5. Natural logarithm of Linear regression results

lnexport_sme	Coef.	St.Err.	t-value	p-value	[95% Conf	Interval]	Sig
tax	.10	0	2.22	.042	0	0	**
unemployment	.173	.061	2.81	.013	.042	.304	**
agriculture	.210	0	-2.96	.01	0	0	***
service	.130	0	3.52	.003	0	0	***
investment_bln	.0010	0	-5.69	0	0	0	***
Constant	5.682	.125	45.44	0	5.415	5.948	***
Mean dependent var		7.186	SD dependent var			1.061	
R-squared		0.936	Number of obs			21	
F-test		44.157	Prob > F			0.000	
Akaike crit. (AIC)		15.200	Bayesian crit. (BIC)			21.467	

*** p<.01, ** p<.05, * p<.1*

The volume of agricultural products produced by farms in January-June amounted to 125,847.3 mln. organized soum. The share of farms in the total volume of agricultural products is 32.8 percent. As of July 1, 2021, there are 1,419 heads of cattle in the district, including 305 cows, 2,621 sheep and goats, 53 horses, and 6,149 poultry. These numbers are also increasing every month.

4. Conclusion

In conclusion to attract capital is relatively good approach for generating income. Due to the use of foreign investment participation, studying the world market and gaining experience and using it widely in future cooperation should be reformed in new transformation age in Uzbekistan.

Small companies are considered the most widespread form of small enterprises in modern practice. In this form of ownership, partners buy shares in existing businesses or issue their own shares by listing a new company as followings:

– providing small business and private business entities with additional benefits and preferences that help to rapidly develop business activities and increase their efficiency in terms of tax, customs and other payments;

– further improvement and simplification of the mechanism of interaction of small business and private business entities with commercial banks, improvement of the quality of service to business entities, long-term loans allocated to them, first of all, directed to the organization of new production facilities, modernization of existing production facilities and technological upgrading increase the volume of loans;

– creation of favorable conditions for the wide participation of small businesses and private entrepreneurs in foreign economic activities, assistance in exporting their products to foreign markets, simplification and liberalization of the process of registration of export contracts and customs administration in general.

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