

ROLE OF SMALL BUSINESS IN SOCIO-ECONOMIC DEVELOPMENT

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Annotation: The article is devoted to the characterization of the components of the socio-economic efficiency of small enterprises. The need to establish an adequate management system and, above all, planning to ensure the efficiency of small enterprises was emphasized. It is shown that in the framework of the strategy and tactics of small businesses, uncompensated costs for achieving social goals should be provided.

Keywords: small enterprises, the concept of socio-economic efficiency, planning, management, business activity.

In the context of globalization of the economy, innovative and development enterprises play an important role, since they are not only economic entities that solve the problems of business development, but also a democratic movement that contributes to the achievement of social goals of society. The activities of small enterprises contribute to the creation of civil society, which ensures their support at various levels of government and close cooperation with local government administrations. At the same time, the socio-economic orientation entails uncompensated costs for the implementation of the assigned tasks in accordance with the Program of the Action Strategy of the Republic of Uzbekistan in five priority areas [1]. The dual nature of the action strategy of such entities, while being a source of competitive advantage, at the same time creates significant problems, making them vulnerable in harsh market conditions. Thus, in small enterprises a contradiction arises, which is not typical of either commercial organizations or foreign-style private enterprises.

Resolving this contradiction is an important problem facing every small enterprise. The importance of solving this problem is determined by the fact that not only success in economic development in the short term depends on it, but also its development and existence in the distant future. It seems that the solution to this problem will depend on two conditions:

1. Definitions of strategically active forces, on whose position and opinions the development strategy of small enterprises depends.
2. Establishing performance indicators to judge the degree to which their goals are achieved.

In our opinion, small enterprises, being at the same time a commercial and economic entity, are influenced by two independent and strategically active forces: the entrepreneur and the employee. All these forces have their own sphere of interests, powers and responsibilities, implemented in the process of functioning and development of small enterprises. They all have certain expectations towards small businesses and, in turn, are objects of expectations on their part.

Each of these groups has interests that are sometimes contrary to the interests of other forces of

influence. For example, entrepreneurs or founders are interested in low prices, high-quality products, fast and high-quality service, friendliness of staff, and close proximity of stores. Entrepreneurs or founders are the backbone of small businesses. This, as foreign experts of small businesses in market-developing countries note, is a unique phenomenon. Many private firms try to imitate this distinctive feature of foreign small businesses, trying to convince their customers that they belong to a single club or family, etc. foreign countries, and thereby overcome the impersonal and temporary nature of market relations. Entrepreneurs defend the interests of their clients as consumers. Private firms cannot act on behalf of their employees or customers in specific transactions. The existence of membership sets them apart from their competitors. The driving interest of participating in small businesses is to reduce costs when purchasing goods, as well as increase income. Moreover, income for entrepreneurs or their founders means saving his personal funds, which means that income is generated in the sphere of consumption, and not the circulation of goods.

Hired personnel are interested in high wages, labor safety, long vacations, convenient short working hours, and job satisfaction. Hired workers are interested in helping the poor, increasing savings, paying taxes to budgets of various levels, maintaining break-even enterprises, and ensuring full employment even in the future.

The opposing interests of these influence groups ultimately determine the contradiction of economic indicators in the sphere of pricing and efficiency of resource use, incl. labor. The interest of hired personnel in high wages and low workload objectively leads to the establishment of high prices for goods, a decrease in turnover, and a decrease in profits. Hired personnel always give priority to short-term business goals. The population's interest in the availability of goods at price and quality requires the establishment of low prices, and therefore accelerated turnover of goods (products, services), which, other things being equal, ensures increased profitability. In these conditions, in order to ensure their material aspirations, hired personnel need to constantly increase their labor productivity.

Society, demanding from small enterprises high territorial advancement of activities (services), ensuring the fullest possible employment and significant financial participation in the formation of budgets, puts small enterprises in conditions where they must take into account opposing mutually exclusive economic interests. The society in its legislative acts defines small enterprises as commercial entities that should not have large tax burdens [4]. At the same time, the authorities consider small enterprises as commercial entities capable of organizing cost-effective activities and, through this, supporting their employees under any risky circumstances. For example, during the coronavirus pandemic.

In addition, any enterprise, as an economically isolated participant in market and social relations in society, has its own independent and separate interests, which cannot be reduced to the interests of any of the forces of influence. The dominance of one force or another not only reduces overall efficiency, but also changes the essence of small enterprises. Depending on the predominance of certain groups of influence, the following strategies for the development of small enterprises in the republic in the context of the coronavirus pandemic can be considered.

Small businesses seeking to achieve only intangible goals can transform into a non-profit enterprise. Thus, it will be impossible to fulfill the main tasks of services - selling goods (products, services) at low prices and providing high-quality services to the population. In this case, the activities of small enterprises will have to be financed externally, since they will not have their own resources, which will ultimately lead to bankruptcy and their disappearance [3].

Small private enterprise, which sets itself only economic goals - profit, can turn into an ordinary commercial small enterprise. In this case, they must partially lose state support and will not be offered financial government services.

But to say affirmatively that the state will not directly support them would be wrong. The state has always supported and will support private enterprises, especially during the coronavirus pandemic.

Private enterprises focused on solving the problems of hired personnel can turn into some kind of trade union. This option will also lead to the neglect of the interests of the private owner. In addition, private enterprises may go bankrupt, since hired personnel are usually interested in solving short-term problems, such as increasing personal income, usually to the detriment of long-term investment activities [2].

The business activity of the owner, which sets itself only political goals and seeks to conquer the domestic market by putting pressure on local authorities, is impossible.

Based on the foregoing, we can conclude that small businesses must develop and implement strategies that will allow them to correctly navigate and simultaneously respond to the influence of all strategically active forces. Survival and their success depend largely on the position and behavior of the private entrepreneur and hired personnel. Therefore, it is in relations with these strategic forces that it is necessary to look for an adequate concept of the effectiveness of entrepreneurship development. Each of these groups has its own understanding and its own criteria for effectiveness. It seems that they can be considered effective only if the achievement of social and economic goals is ensured. Thus, the concept of efficiency of small enterprises should include significantly more components than just economic criteria.

From the above, one of the most important fundamental conclusions follows: small enterprises should be characterized by a variety of target indicators, which, due to their non-additive nature, cannot be reduced to a single integral indicator. To ensure the efficiency of small enterprises, an adequate management system and, above all, planning must be established. Unlike non-profit enterprises, planning in small enterprises - within the framework of a business plan - must solve not only the problems of achieving the designated profitability, but also uncompensated costs for achieving social goals must be provided for, a strategy and tactics for relations with strategically active small business entities must be developed.

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