

EFFECTIVE USE OF HUMAN CAPITAL IN THE DEVELOPMENT OF SMALL BUSINESS AND PRIVATE ENTREPRENEURSHIP

Soxadaliyev Abdurashid Mamadaliyevich

Associate Professor of Namangan Institute of Engineering and Technology, Candidate of Economic Sciences, Namangan, Republic of Uzbekistan

Abstract: In this article, the improvement of efficiency based on the effective use of human capital in the development of small business and private entrepreneurship is studied, and the goals and main directions of its further development are indicated. In addition, a scientific proposal and conclusions were given in this regard.

Keywords: Small business, human capital, robotization, voice technologies, Industry 4.0, production.

According to world experience, the development of small business, especially small innovative business, not only ensures socio-economic efficiency, but is also reflected in the political programs implemented in the countries. The development of small business is an important factor in increasing the share of the middle class in society, as well as ensuring economic, social and political stability in the country. Small business is of great importance in stabilizing the economy in developed countries such as USA, Germany, China, France, Japan, Italy. "According to the International Small Business Council (ICSB), small business entities make up more than 90% of all enterprises, 60-70% of the employed, and 50% of the gross domestic product." These enterprises form the basis of the economy of the developed countries of the world, they play an important role in stimulating economic development in the employment of women and young entrepreneurs and disadvantaged population groups.

Today, the scientific and practical research of small business development trends in our Republic by the scientists of our country, thus increasing the effectiveness of investments in the field, is not enough, or most of them are devoted to the theoretical problems of entrepreneurship. Therefore, scientific-theoretical problems such as identifying and evaluating trends in the development of small business in our republic, determining the interrelationships and imbalances in the development of the economy and property sectors, determining the priority directions of institutional changes in the development of small business with a scientific analysis, policy to fight against monopoly, etc. there is a real need for problem solving and practical implementation.

Special attention is being paid to strengthening macroeconomic stability and maintaining high economic growth rates in the Republic of Uzbekistan. In particular, by encouraging the development of small business and private entrepreneurship, special attention is paid to the comprehensive and proportionate socio-economic development of regions, districts and cities.

However, there are still some problems, shortcomings and imbalances in forming the competitiveness of small business entities, increasing the efficiency of small business entities, and effective use of their existing material and technical, labor and financial resources. This requires determining the possibilities and ways of effective use of internal and external factors to ensure the competitiveness of small business entities and increase their efficiency. In the conditions of the modernization of the economy of our country, the development of scientifically based proposals and practical recommendations on the ways of forming the competitiveness of small business entities and effectively using competitive advantages is very relevant and important.

Small business is an enterprise that has characteristics characteristic of the activity at the entrance to the business, is based on the internal relations of the firm, and is integrally connected with the external environment. "Small business" (English Business - in the sense of work, profession, enterprises) is an activity aimed at making a systematic profit. In Western European countries, Japan, the concepts of "small and medium-sized business" are used in India and Asian countries with the names "small production".

In the big economic dictionary of A.N. Azriliانا, "small business is an organization or enterprises consisting of private and small organizations, which have not reached the level of a single monopoly and are necessary for all sectors of the economy. V. Shepelev defined that the main forms of entrepreneurship and business are divided according to sources of origin, according to administrative and legal forms, according to the aspect of legal regulation, according to the level of innovation of goods and services. In our opinion, small business enterprises are compact, rapidly changing, compact enterprises with additional production and service lines, quickly adapting to changes in the market economy. In modern industrial countries, small business is an institution with dynamic development characteristics, competitive products are produced through the production of products rich in innovative innovations.

In the socio-economic development of regions, through the rapid development of small business sectors, positive changes will occur in the distribution of labor in the regions, cooperative relations with medium and large businesses will be established (Fig. 1).

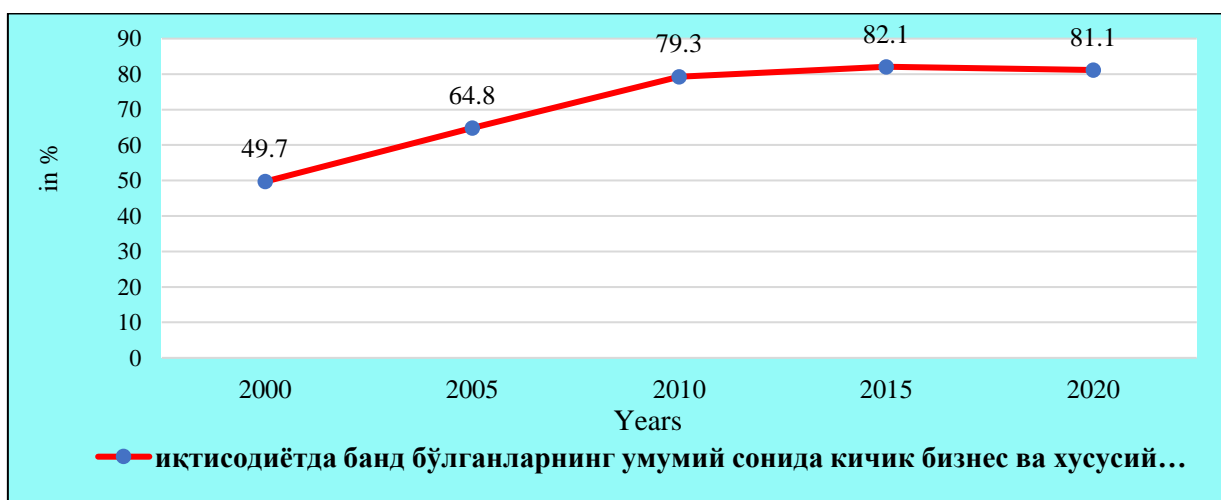


Figure 1. The share of small business and private entrepreneurship in the total number of people employed in the economy

If in 2000 the share of small business and private entrepreneurship in the total number of people employed in the economy was 49.7 percent, in 2005 it was 64.8 percent, in 2010 it was 79.3 percent, in 2020 it was 81.1 percent, and it increased by 31.4 percent compared to 2000. . Despite the fact that the share and importance of small business in the economy of our country is increasing, the value of these indicators is becoming equal compared to developed and developing countries (more than 57 million employees work in more than 32 million small businesses in the United States, In the European Union, small businesses account for 99.8% of total enterprises and 85% of jobs) can be noted.

Small businesses quickly adapt to changes in the market economy, quickly specialize based on market requirements, quickly absorb new innovations in the economy. Since the 1990s, modern innovative systems have begun to form, which include technology parks, business incubators, engineering centers, scientific research organizations, and nanotechnology centers. In order for small business enterprises to develop in accordance with the requirements of the market economy, it is desirable to introduce more innovations into the industry.

It is necessary to accelerate the implementation of the achievements of the fourth industrial revolution by widely applying the principles of "Industry 4.0" to the small business sector, like all other sectors. It is necessary to develop a new innovative small business system compatible with the digital economy based on innovation from traditional production in all economic sectors.

The fourth industrial revolution, in turn, will shape the digital economy, creating a single virtual system connecting computer technologies to all production sectors and consumers. During its formation, it led to the development of "online service, products", electronic payment, electronic commerce, electronic trade, internet products (Iot - Internet of Things), crowdfunding, internet banking. The formation of new digital platforms based on new digital technologies, Big Data technologies, the

development of neurosets (artificial intelligence), creates a solid foundation for the emergence of intelligent technologies

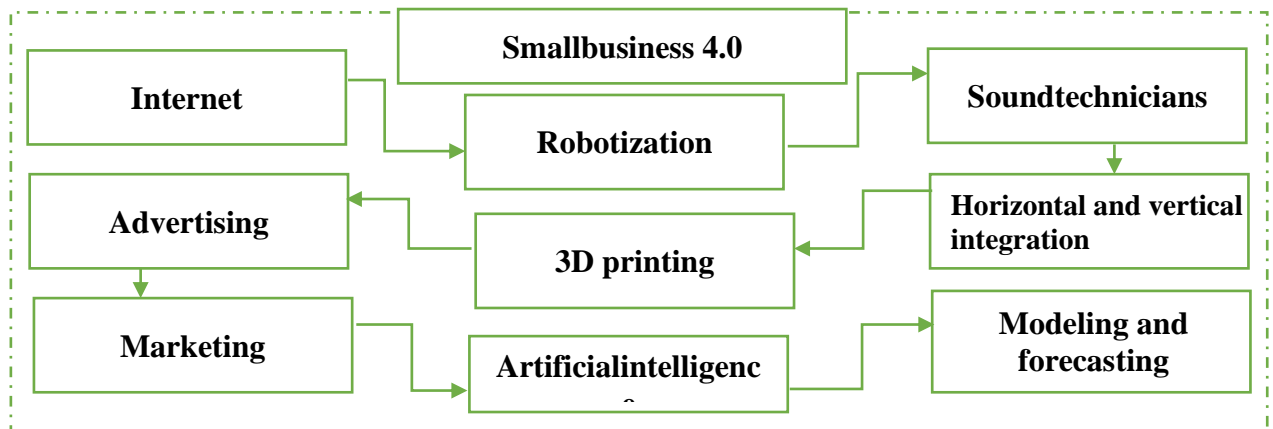


Figure 2. Algorithmic model of the digital platform "Small Business 4.0".

Year after year, the world economy undergoes reconstruction processes based on digital technologies. In this sense, in our opinion, it is appropriate to develop a digital platform "Small Business 4.0" for the digitalization of small business, taking into account foreign experiences and available opportunities, and for this, based on the achievements of the fourth revolution mentioned above and based on its scientific conclusions and recommendations, as a first step, "Small Business We believe that it is appropriate to create an algorithmic model of the 4.0" digital platform.

Based on the study of the data in Figure 2 above, it can be said that the algorithmic model of the "Small Business 4.0" digital platform serving the development of small business in the Republic of Uzbekistan was developed after studying the experiences of digitalization of the small business sector in a number of developed countries. In order to develop the algorithmic model of the "Small Business 4.0" digital platform, it is desirable to solve several issues. Including:

- automation of all entities;
- increase the speed of the Internet throughout the republic;
- extending the life cycle of products and services developed by small business enterprises;
- launching products and services developed by small business enterprises in the virtual system.

New technological revolutions change human working and living conditions and provide new opportunities. Such changes lead to the formation of new business models and ideas, and serious structural and innovative changes occur in companies operating in a traditional state. At the beginning of the new millennium, new production and service systems have developed against the background of the increase of digital technologies, the activation of the mobile Internet, the increase in the production of small-scale production equipment, and the rapid penetration of artificial intelligence into the production and service industries.

"A virtual system, a virtual economy has begun to form in the course of providing the unlimited needs of billions of people through today's mobile communication tools. At the heart of such changes, new business models have fundamentally changed the production, transportation, consumption, and delivery systems of traditional companies. These innovations serve to replace outdated and dysfunctional mechanisms, radically change them, and start reforms anew".

In conclusion, the rapid development of new technologies and their implementation will lead to the formation of new industries in the long term. With the development of digital technologies, the deepening of integration between countries and enterprises, the transformation of the country's economy into a global economy has developed.

REFERENCES:

1. . S.A.Mamadaliyevich, M.B.Bulturbayevich, A.M.SHokirjonovich «Ways to increase the competitiveness of national goods in domestic and foreign markets». International Engineering Journal For Research& Development 5(6), 6-6 2020.

2. А.М. Сохадалиев «Социальные и правовые аспекты развития экономики Узбекистана». Экономика и социум, 1301-1304, 2017.
3. А.М.Sohadaliyev «Importance of economic globalization in the context of globalization». Теория и практика современной науки, 42-44,2017.
4. S.A.Mamadaliyevich, S.G.Ahmadjanovna, K.R.Mahmudovna «The role and importance of advertising in service sphere». Достижения науки и образования, 2020.
5. А.М.Sohadaliyev, В.А.Sohadaliyev « Location of small business and private business in the country” s economic development». Экономика и социум, 65-67, 2018.
6. А.М.Sohadaliyev «Application of the process method in teaching economic disciplines». Теория и практика современной науки, 775-778, 2018.
7. Х.Ё. Ёкубжонова, А.М.Сохадалиев «Foreign experience in the development of ecotourism in Uzbekistan». Молодой ученый, 858-861, 2016.
8. . S.A.Mamadaliyevich, B.I.Abdushurovna «Use of cluster mechanisms to increase the efficiency of agricultural enterprises». Journal of Critical Reviews 7 (12), 90-93, 2020.
9. . А.М.Sohadaliyev «Innovativeness as a personal factor successful innovation». Мирская наука, 87-89, 2018.
10. Bulturbayevich, M. B. (2022). TAXES AND THEIR TRANSFER. LOSS OF "DEAD" CARGO WHEN TAXED. *INTERNATIONAL JOURNAL OF SOCIAL SCIENCE & INTERDISCIPLINARY RESEARCH* ISSN: 2277-3630 Impact factor: 7.429, 11(05), 22-31.
11. Bulturbayevich, M. B. (2022). IN PRIVATE ENTREPRENEURSHIP EMPLOYEE INCENTIVES ISSUES. *ASIA PACIFIC JOURNAL OF MARKETING & MANAGEMENT REVIEW* ISSN: 2319-2836 Impact Factor: 7.603, 11(04), 21-27.
12. Bulturbayevich, M. B. (2021). Challenges of Digital Educational Environment. *Academic Journal of Digital Economics and Stability*, 4, 54-60.
13. Bulturbayevich, M. B. (2021). Development Of Innovative Activities Of Enterprises On The Basis Of Vertical Integration Processes. *Turkish Journal of Computer and Mathematics Education (TURCOMAT)*, 12(10), 5020-5031.
14. Bulturbayevich, M. B. (2021). CHALLENGES IN DEVELOPING A DIGITAL EDUCATIONAL ENVIRONMENT. *Academic Journal of Digital Economics and Stability*, 2, 1-9.
15. Bulturbayevich, M. B. (2021, February). IMPROVING THE MECHANISMS OF STRATEGIC MANAGEMENT OF INNOVATION PROCESSES IN ENTERPRISES. In *Archive of Conferences* (Vol. 15, No. 1, pp. 130-136).
16. Bulturbayevich, M. B. (2021). CHALLENGES IN DEVELOPING A DIGITAL EDUCATIONAL ENVIRONMENT. *Academic Journal of Digital Economics and Stability*, 2, 1-9.
17. Bulturbayevich, M. B. (2021, February). IMPROVING THE MECHANISMS OF STRATEGIC MANAGEMENT OF INNOVATION PROCESSES IN ENTERPRISES. In *Archive of Conferences* (Vol. 15, No. 1, pp. 130-136).
18. Bulturbayevich, M. B. (2020). Management of innovation processes-An important factor for increasing the competitiveness of enterprises. *European Journal of Molecular and Clinical Medicine*, 7(7), 712-719.
19. Mullabayev, B. B. (2020). Theoretical and Methodological Bases of Assessment of Innovative Potential of Industrial Enterprises. *International Journal of Progressive Sciences and Technologies (IJPSAT)*, 22, 11-18.
20. Mullabaev, B. B. (2018). Econometric Analysis Of Vertical Integration Of The Light Industry Enterprises Of The Namangan Region (On The Example Of The Republic Of Uzbekistan). *Scientific Review: Theory and Practice*, (8), 22, 36.
21. Mullabayev, B. B. (2018). Economic analysis of vertical integration integration of the Namangan region (on the prerogative of the Republic of Uzbekistan). *Science of theory: theory and practice*"-8.