

CRITERIA AND ACTIVITY ENVIRONMENT OF BUSINESS STRUCTURES

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ABSTRACT

This article discusses issues such as the criteria for the business structures activities in the service sector and the business environment. In particular, the author's views on improving the business structures efficiency in the service sector, the development of domestic and foreign economists in the service sector, the criteria for evaluating their activities and the author's views on this topic are reflected.

Keywords: entrepreneurship, business, small business, economy, service, business environment, private property, competition, entrepreneur.

INTRODUCTION

The drastic reforms being carried out in our country have laid the foundation for all economy sectors development, including business structures activities. Improving the business structures development mechanisms based on the domestic potential of the country remains urgent. There are a number of problems that need to be addressed in the study ways to increase business structures efficiency in the service sector.

Improving the business structures efficiency in the services in the economy modernization and improving the population welfare is one of the most important issues facing the country's economy today. In particular, it is important to determine the prospects for improving the business structures efficiency in the service sector, which is recognized as the main driving ownership force, improve organizational and economic mechanisms and develop scientifically based proposals and practical recommendations in this area. Because in improving market relations, further liberalizing the economy, the of business structures, as a result of which the country's budget is stable, gross domestic product (GDP) development, employment is being addressed. As a result of certain conditions creation for this sector development, the benefits establishment for taxes, customs and other payments, the effective use of bank loans in a short period of time, the number of business entities is growing. According to official data, in 2019 it reached 59.3%. However, this figure was 1.5% in the early years of independence, and 31.0% in 2000. However, there are some problems in this regard. The main reason for this is the lack of economic mechanisms for the business entities activities, the use of economic instruments in their activities, the lack of economic relations with other business entities and relations with public authorities. At the same time, the issues related to improving the business entities efficiency in the service sector, in particular, the ways to identify and analyze the indicators system that represent them, are still unresolved, which indicates this study urgency.

RESEARCH METHODS AND MATERIALS

There are a number of scientific works of domestic and foreign economists dedicated to the business structures development in services, the criteria for evaluating their activities.

Theoretical bases and social significance of small business and private entrepreneurship studied by economists such as A.Smith, J.B.Sey, D.J.M. Keins, I.Shumpeter, A.V.Chayanov, K.A.Raitsky, I.A.Juravleva {1}, A.P. Kiselev {2}. They contributed to the small business development and private entrepreneurship theory.

During the years of independence, our country scientists have conducted a number of scientific studies on this topic. In particular, The researches as S.S.Gulomov {3}, G.Kh.Kudratov {4}, Yo.Abdullaev {5}, M.S.Kosimova {6}, B.Khodiev {7}, A.Abdullaev {8}, D. Suyunov {9}, M.K. Pardaev {10}, S.K.Salaev {11}, B.A.Abdukarimov {12}, G.S.Sevlikyants and E.N.Khodjaevlar {13}, B .B. Mardonov and AM Saidov {14} should be noted.

Today, the economic reform and modernization processes in the socio-economic life of the republic are aimed at ensuring the further development of the service sector. This industry share in GDP, the number of people employed in the economy, taxes paid to the state budget, the creation of new jobs, filling the domestic market with consumer goods is growing rapidly, and a legal framework has been created to continue this process.

RESEARCH RESULTS AND THEIR DISCUSSION

It is known that ensuring the rapid development of entrepreneurial activity in the Republic of Uzbekistan, protection of private property and strengthening its inviolability guarantees, elimination of bureaucratic barriers to entrepreneurship development, investment and business environment improvement in the country, wide freedom of entrepreneurial activity, radical reduction of government interference in their activities, ensuring the offenses prevention, further development of entrepreneurial activity have been identified as an important priority of state policy and a priority task of government agencies. For this reason, there is a great need for research on the formation and prospects of the management system of business structures in the Republic of Uzbekistan.

Therefore, in our study, the service sector is devoted to the theoretical and methodological study basis of the management system of the business structures competitiveness.

For this purpose, the following issues will be considered:

- criteria for the business structures activities in the services and the business environment;
- functions and features of small business in the service sector;
- introduction of institutional environment and innovations based on effective business structures - as important conditions for the entrepreneurship development in the Republic of Uzbekistan.

The formation and prospects of the management system of business structures competitiveness in the Republic of Uzbekistan is one of the most important and therefore one of the most pressing issues of economic development, which attracts the attention of many researchers.

In order to clarify the criteria for the business structures activities in the services and the business environment content, we found it necessary to follow a certain logical sequence in the study: initially the entrepreneurial activity essence and business concepts is scientifically explained, then the features of the existing business structures in the country will be disclosed within the current legislation framework and finally, a scientific and methodological interpretation of the necessary elements of their management process concept based on the theoretical interpretation of the activities of business structures in the services and the economic systematization rules, based on the author's new approach to the socio-economic content of the service sector.

On April 17, 2018 on the basis of the Presidential Decree №1957 "On additional measures for the accelerated development of the service sector in rural areas in 2018-2021" on April 17, 2018, the Governor's Resolution № 92-K was adopted.

This is evidenced by the fact that the "Program for the accelerated development of services in rural areas in Andijan region in 2018-2021" has been developed and approved.

As a result, the share of the services sector in the country's GDP reached 52% in 2018 and 53% in 2019, which is positive trends evidence in the economy. Today, however, in developed countries, this figure is 60-70 percent of GDP. This means that the service sector in our country needs to develop faster than other sectors.

In addition, the service sector development will serve to increase the welfare of our people.

Theoretical issues of the business structures effectiveness in services depend on the economic content and essence of business activities, their activities results. Therefore, in the research course, we tried to cover the content and essence of entrepreneurial activity.

CONCLUSION

Today in economic literature and legal documents such concepts as "Entrepreneurship", "Entrepreneur", "Business", "Businessman" are widely used. Understanding their content and essence in a sense shapes the perception of small business and private entrepreneurship.

The concept of "entrepreneurship" is defined in the encyclopedic dictionary as "entrepreneurship" (visual enterprise) as an independent activity of citizens aimed at personal income, profit. This activity is carried out on its own behalf, at the expense of its own property liability and responsibility, the legal responsibility of the person.

An entrepreneur may engage in all economic activities not prohibited by law, including intermediation, sales, consulting, and dealing in securities." [16]

In other words, entrepreneurship is the human factor of the economy, the economic activity or activity of a citizen or citizens to achieve their goals through its intellectual activity.

Although the results of entrepreneurial activity arose with the formation of private property and property relations and later developed, its true essence is clearly reflected in the decision-making of modern business, entrepreneurship on the basis of economic freedom.

Entrepreneurship is a socio-economic phenomenon that encompasses social relations. It has legal, spiritual, organizational, economic and historical aspects. The immortal works inherited from our great ancestors serve as an invaluable source for us in the development of entrepreneurship. The economic thought formation in Central Asia is inextricably linked with the names of the great thinkers Farobi, Al-Khwarizmi, Al-Fargani, Abu Ali Ibn Sino, Abu Rayhan Beruni, Yusuf Khas Hajib, Alisher Navoi, Zakhiriddin Mukhammad Babur and others. In their works, they paid great attention to the economy, including the place of entrepreneurship in society.

Entrepreneurship is the most prosperous period of business is directly connected with the name of Amir Temur (1336-1405) [17].

Describing the "merchants" as one of the pillars of governing society in the "Temur's statutes", all the conditions for entrepreneurs and businessmen were created and protected by the government in the large state he ruled. Privileges were given and entrepreneurs and businessmen were rewarded. Amir Temur appreciated the loyal and enterprising staff. Amir Temur's entrepreneurship in governing the country has been a model for the world for almost seven centuries.

"I learned from experience that, as Amir Temur writes in his charters, what a hundred thousand cavalry could not do could be done with the right measures".

The activities of entrepreneurs were not initially the object of analysis of research work. English economists A. Smith (1723-1790) and D. Ricardo (1772-1823) accepted economics as a self-coordinating mechanism. There was no place for creative entrepreneurship in this mechanism. In his book, "A study of the nature and causes of the nations wealth" (1776), A. Smith focuses on the definition of entrepreneurship. According to him, the entrepreneur is the owner of capital. He implements a certain commercial idea and starts working with risk in order to make a profit, because spending capital on any business is always associated with risk.

Earnings from entrepreneurship, according to A. Smith, are a reward for personal risk. Entrepreneur plans, organizes production, owns the results of production activities. Therefore, A. Smith understood the central mechanism of the market system as a competition mechanism. Anyone who pursues their own interests will encounter people who walk in the market for that purpose. As a result, every entity operating in the market agrees to the prices offered by the competitor. In such a competition, it is no rap to lose a buyer from a manufacturer who puts too much price on similar goods. According to A. Smith, the entrepreneur wants to buy the society and produces the required amount of goods. At the same time, A. Smith showed that the market is a powerful force, it constantly provides society with the goods it needs, and that the system is self-coordinating. A. Smith was opposed to state interference in competition and profit affairs. According to him, a self-imposed market system will develop and the people wealth that has such a system will increase.

In this regard, we will focus in part on J.M. Keynes theory (1883-1946), the founder of a new trend in economic theory. In his view, there were two currents in economic theory - "regulated economy" and "free enterprise".

Business - work or activity. From the point of view of management, business is an economic activity, a system of business or a system of activities in which the organization of production of goods or services, their sale, factors of production, i.e. the owner of the property.

Business is a system of production of useful products and services, consisting of the production organization.

Information about when, by whom, and under what circumstances the concept of business was first used is almost non-existent in historical sources. Depending on the English origin of the word business, we may also recognize its Homeland as the United Kingdom. Another reason for this is that the industrial revolution, economic, social and political development of the eighteenth and nineteenth centuries also took place in Great Britain {18}.

In our opinion, a business is an activity aimed at making a profit with its own or borrowed funds, initiative and risk under its own responsibility. Small business is a small business entity with a limited number of employees, able to adapt to the rapid changes in the economy.

An object of entrepreneurship is, first of all, an enterprise that creates an opportunity to carry out a certain activity. They are: entrepreneurship in the production; business in services; trade entrepreneurship; entrepreneurship in finance.

Entrepreneurship is materialized in the developed goods (services) and, accordingly, in income. Income is the main criterion for evaluating entrepreneurial activity, which depends on the rational use of all factors of activity. If at the beginning of the business it is necessary to determine the possibility of operating a particular industry, then a new relationship of such resources becomes essential for the entrepreneur.

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