

The Importance of Entrepreneurship in the Development of Small Business in Construction Enterprises

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Abstract: In this article, the problem and its solutions in the development of small business and private entrepreneurship in the construction enterprises implemented in our country, as well as suggestions and recommendations about what can be achieved by developing entrepreneurship in the construction process and how to increase efficiency.

Keywords: small business, construction, entrepreneurship, competition, construction enterprises, construction products, strategy, innovation, risk.

INTRODUCTION: The importance of economic reforms in the development of small business and private entrepreneurship in our country is very great now. One of the ways to overcome the difficulties in the national economy in the conditions of the market economy is to develop entrepreneurial activities in the field of construction, also small business. It is especially important to establish and develop small business enterprises. Small business can make up a large part of the economy of our country. As a result of the establishment and development of enterprises engaged in entrepreneurship in the development of small business activities, their contribution to the gross domestic product produced in the territory of our republic will increase, and the amount of employment of the population will increase significantly. The establishment of small business enterprises, especially in the field of construction, is important for employment of the population in rural areas.

The development of the country's economy depends more on small business and private entrepreneurship. Because those engaged in business activities are flexible to market requirements, it provides various consumer goods of the people and employment of the population, increases the export potential of the state and increases our currency reserves. For this reason, today, many opportunities are being created for the development of small business activities in construction enterprises.

Our honorable head of state Sh. Mirziyoyev in an open dialogue with entrepreneurs on August 22, 2022" We are entering a very important and decisive stage on the way to building a new Uzbekistan. Your selfless work, innovative thinking and approach are more important today than ever, and I believe that you will be an example to all representatives of the industry in this regard, he said [1].

Based on the above considerations, according to the results of 2022, the volume of construction works in our republic has increased by 6.6% compared to last year. In particular, the growth rate

was 104.2% in the construction of buildings and structures, 102.9% in the construction of civil facilities, and 137.8% in specialized construction works.

In the process of implementation of these works, the share of small business and private entrepreneurship in the construction sector will be -84.5 (%) percent in 2021, 79.1 (%) percent in 2022, and 82.6 (%) percent in 2023.

In order to ensure the employment of the population, measures to attract entrepreneurship were implemented, and in 2022, 3,405, and in 2023, 3,665 new small business entities were established.

In our opinion, small business and private entrepreneurship is understood as the effective use of human resources and labor, consisting of the ability to use all factors of production..

Analysis of literature on the topic: A number of foreign and national economists have conducted theoretical studies in the areas of economic nature and characteristics of small business and entrepreneurship. I. Salamov, T. Kudratov, I. Kudratova say that "economic research of entrepreneurship and business has a long history. In particular, according to the recognition of scientists, in the 18th and 19th centuries, German scientists I. Tunen and G. Mangolf, American economist F. Knight, as well as great scientists such as R. Cantelon, F. Keene, A. Smith, J. Say, Y. Schumpeter studied the economic and social nature and characteristics of entrepreneurship.

American economists Campbell R. McConnell, Stanley L. Brew and M. Flain say that the modern market economy is mainly based on private ownership, entrepreneurship and freedom of choice, and the priority of personal interests of entrepreneurs.

According to V. Yu. Burov, "The experience of developed European countries shows that small business and entrepreneurship are of great importance for economic development. In Germany, Italy, Denmark and other developed countries of the European Union, the share of small business in the gross national product is 65-70 percent and even higher. As a result, small entrepreneurship in these countries not only solves the problem of employment and increases the income of the population, but also emerges as one of the important factors of ensuring macroeconomic balance¹.

From the given definitions, it is known that entrepreneurial activity in the development of small business is one of the main elements of the modern market economy, the main driving force for it.

Research methodology: relevant laws of the Republic of Uzbekistan, decrees and decisions of the President of the Republic of Uzbekistan, decisions of the Cabinet of Ministers, fundamental works on the development and improvement of small business and private entrepreneurship in the coverage of the scientific article, small business and private entrepreneurship in the construction of our country and foreign scientists-economists works and researches devoted to issues of further development.

Analysis and results: If we talk about entrepreneurial activity in the development of small business in construction enterprises, it can be considered that the consistent development of small business is the most important factor for successfully solving the following problems:

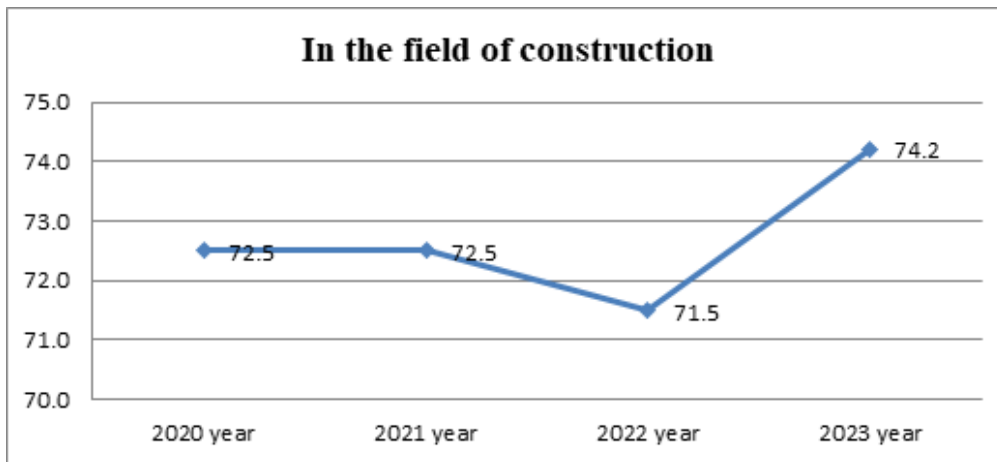
- formation of activities of small businesses and private enterprises that produce competitive products that help to better meet the needs of the population for goods and services in the field of construction;
- small business and private entrepreneurship activities provide mobility, flexibility and maneuverability to the economy;
- partners in small enterprises invest their capital in business with more interest than in large enterprises;
- reduction of the unemployment rate as a result of the creation of additional jobs;

¹Decree of the President of the Republic of Uzbekistan No. PD-60 dated 28.01.2022.

- the abundance of opportunities to use people's creative abilities and bring out their talents in entrepreneurship.

All these and other economic and social functions of entrepreneurship in small business activity make its development one of the most important state tasks, making it an integral part of regional economy reform in general, and regions in particular.

In recent years, the number of small businesses in Samarkand region has been constantly growing. In statistical data, the share of small business and private entrepreneurship in the construction sector in 2020-2023 is presented in diagram².

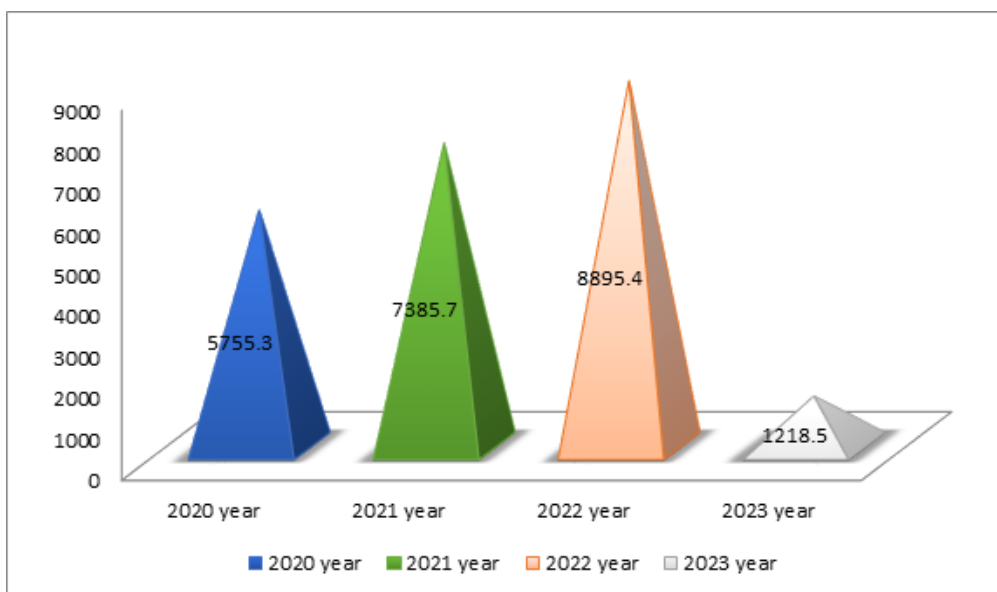


In 2020, small enterprises and firms had a 72.5% share of the total construction work, and by 2023, it had reached 74.2%.

In 2023, the volume of construction works performed by small enterprises and micro-firms is changing in the regions.

In 2023, compared to 2021, their share was 72.5% (percent) of the total construction works, which is 1.7% (percent) more than in 2021. Thus, the total amount of construction works performed by them amounted to 1218.5 billion soms, and the growth rate compared to the same period of 2022 was 87.9%.

This growth is due to the fact that it is difficult in the current economic conditions. Individual entrepreneurs enter into competition, so some of them merge, on the basis of which small or medium enterprises are created.



²Authors' work

The total volume of construction works performed by small enterprises and micro-firms and the demand for growth (billion soums)

One of the most serious problems that hinders the development of the small sector of the economy in Samarkand region is the incompatibility of a comprehensive legal system that takes into account the interests of business entities in small business activities to the current conditions.

The development of cooperative relations in small construction enterprises allows to achieve a certain stability in development despite the uncertainty of the construction market. It ensures flexibility of construction enterprises to market changes as a form of production and economic relations in market conditions, which leads to the economic stability of small enterprises, including the development of financial, organizational, and market components of production activities.

The production activity of small enterprises in the construction industry on the basis of subcontracting allows to achieve stability, which reduces the risks associated with production activity. [9].

In the context of the formation of the construction network market, the implementation of joint activities of small enterprises with large enterprises allows to achieve diversification of business risks, create reliable production and economic relations in the development prospects, distribute the level of responsibility, and implement flexibility.

In the development of small business in the construction industry, the general mistrust of market consumers towards small business plays an important role. Therefore, it is necessary to gain the trust of consumers by providing a wide range of high-quality construction services within the terms specified in the contracts.

Conclusions and suggestions: based on the research, it should be noted that the importance of small business and private entrepreneurship in the conditions of the formation of the construction network market in the region is very great, which allows us to draw the following conclusions in the scientific research:

- the market and gain a share in the market;
- an active position is necessary for the creation and development of cooperative production relations, which create a reserve for long-term business prospects that guarantee the stability of the development of small businesses in the construction sector;
- the use of innovative technologies and developments in the fields of the construction industry helps to develop cooperative relations and the participation of small business and private business entities in the projects of large enterprises in the construction market;
- it is necessary to carry out a state policy to support the development of small businesses in the construction.

One of the main goals of establishing a socially oriented market economy in Uzbekistan is the priority development of small business and private entrepreneurship forms in the region. These include the organization of business activity and legal and regulatory documents guaranteeing it, non-governmental organizations and enterprises assisting entrepreneurs. Therefore, we believe that it is necessary to develop entrepreneurship in construction activities in order to increase the efficiency of the economy, which is very important for every region.

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