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THE NATURE AND MEANING OF SMALL BUSINESS AND ENTREPRENEURSHIP



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Abstract: The word "business" is an English word, and it is an entrepreneurial activity, or in other words, an activity aimed at making people profit. Business covers the relations between all participants of the market economy and includes the behavior of not only businessmen, but also consumers, hired workers, and government officials. In this case, they are synonyms of the word business, and in a certain sense, such concepts as commerce and trade are considered. In general, business is the work and activity of a person in the system of market relations.

Keywords: business, economical relations, management, e-business.

Introduction

It is necessary to connect the definition of small business with its content. As mentioned above, the nature of small business is compatible with entrepreneurship. According to the Law of the Republic of Uzbekistan "On Guarantees of Freedom of Entrepreneurial Activity" adopted on May 25, 2000, entrepreneurship is an initiative activity aimed at obtaining income (profit) carried out by subjects of entrepreneurial activity in accordance with legal documents, taking risks and under their own property responsibility. A small business entity never aims to remain in the same scope of activity, on the contrary, it strives to develop and expand its activities.

Although it is stated in scientific sources that entrepreneurship is developed and scientifically based, first of all, in the West, this activity was appreciated much earlier as economic values of the peoples of the East. Suppose that commodity-money relations first developed in the East and gradually moved to the West. Our study, approached from the point of view of the subject being studied and researched, also shows that even in today's 3000-year-old "Avesta" it is repeatedly emphasized that it is possible not only to engage in entrepreneurship, but also to achieve the intended goal with the results of the activity. It is taught that "it is necessary to plow the land not once, but a hundred times in order to use the land, to plant wheat, and to achieve the results."

A number of features of our national entrepreneurship are also expressed in the work of the great scientist Farabi "The City of Virtuous People". In this work, he calls people to become owners, that is, entrepreneurs, and as a result of this, people do not live in poverty, and to follow order and standards in spending both for production needs and for personal consumption. Farabi explains that possessing property is not a bad habit, as opposed to hoarding it for nothing, because wealth is better than living in poverty if it is

accumulated honestly. He states that "If someone accumulates the property for himself without putting it into circulation for profit, he will cause great harm. "Temur's Laws" is of particular importance in studying the theoretical foundations of entrepreneurship from the features of Eastern mentality.

Materials and methods

The reason for all the universal victories of Amir Temur is that he works with entrepreneurship, he made entrepreneurship the motto of his thinking and action. In his time, Amir Temur was able to see not only the characteristics of entrepreneurship, but also the principles of its implementation and defined them as:

- it is necessary to provide assistance from the state treasury to entrepreneurs who have lost their investments for certain reasons , so that they can restore their previous potential;
- caring for intelligent people engaged in entrepreneurship and crafts, appreciating their service and thereby encouraging them to creativity and meritorious work;
- fair distribution of income subject to rules such as purity, faith and justice;
- believed that it is enough to invest in people who are engaged in business activities.

In defining entrepreneurship, ardent patriot and enlightener Abdulla Avloni thought: "A person observes until it becomes clear to him which of his actions are useful and which are harmful, and he selects and adopts the useful ones, and rejects the harmful ones and avoids them." Today, this idea is a certain foundation stone for following the rule of economic choice with entrepreneurship, choosing activities by spending on what it is economically desirable to produce them in the conditions of limited resources.

In fact, entrepreneurship is primarily an intellectual activity of an active and enterprising person who uses more or less wealth in his hands to engage in business. That's why "entrepreneurship" means not only earning money, but earning income through creative activity.

The famous economist Joseph Schumpeter (1883-1950) in his book "Theory of Economic Development" defined an entrepreneur as an innovator, that is, a person who creates new things. "The entrepreneur's task is to reform (update) the production method by implementing new discoveries. In a broad sense, the task of an entrepreneur is to use new technologies to produce new goods or modernize old ones based on a newly opened market or raw material base.

At the core of entrepreneurship is an independent initiative based on the idea of entrepreneurship, focused on profit, goal-oriented, responsibility-based activity. There is still no universally recognized definition of entrepreneurship either abroad or in our country. American scientist R. Khizrich, "Entrepreneurship is the process of creating something new that has its own value, and the entrepreneur spends all the necessary time and day for this, takes all the financial, psychological and social risks, and in return receives money and achievements as a reward. a satisfied person," he says. English professor A. Hoskin explains that "a person who conducts work at his own expense, is personally involved in business management, has personal responsibility for providing necessary tools, and makes independent decisions, is an individual entrepreneur."

Based on the above considerations, small business can be characterized as a form of entrepreneurial activity, the level of production scale of which combines the main

elements of entrepreneurship, such as risk-taking, initiative, innovation, organization, striving for maximum profit with minimal expenses, the criteria of which are determined by legislation. This level of scale is the main factor in determining its criteria. The main reason why the concept of "small business" is defined differently is that these criteria are different.

Criteria for representing a small business. The criteria representing a small business can be divided into two large groups:

1. Quantitative or numerical approach to small business activity and organizational status. They include the number of employees, the value of the authorized capital, the value of assets, the volume of production, the volume of realization of products and services, etc.

2. By quality indicators or quality approach. These criteria include the monopolistic nature of the activity, the form of ownership, differences in the organization of economic activity within the network, and the interaction between small and large production.

Discussion

According to the Law of the Republic of Uzbekistan "On Promotion of the Development of Small and Private Entrepreneurship", the main subjects of small and private entrepreneurship include enterprises engaged in entrepreneurial activities and the number of employees during the reporting period does not exceed the following levels:

- up to 50 people - small enterprises in the field of industry and construction;
- up to 10 people - in science and science service industries;
- up to 25 people - in agriculture and other industries;
- Up to 5 people - in retail production.

In international practice, the following (criterion) indicators are often used to determine the scale of small business entities:

- number of employees;
- applicability to economic sectors;
- size of charter fund;
- ownership;
- total assets;
- turnover, etc.

In 2017, the share of small business and private entrepreneurship in the gross domestic product was 53.3 percent or 119,301 billion soums. (In Japan - 55%, in Germany - 54%, in the USA - 52%, in Kazakhstan - 25.6%, in Russia - 20%)

78.3 percent of the employed population in the country are engaged in small business, while in 2000 this figure was 49.7 percent.

The share of small business in the production of industrial products was 12.9% in 2000, while in 2017 this indicator was 39.6%, in agriculture - 99%, in construction - 65.1%, retail trade turnover - was 88.4%. The share of small business in the total export of the country was 27%, in import - 50%, and in investment - 32%.

According to the current legislation, the annual average number of employees in agriculture, forestry and fisheries - up to 50 people, depending on the type of activity in

industry - from 100 to 270 people; in the field of trade and service - subjects with 25 to 50 employees are classified as small enterprises.

The following conditions have been created for the development of small business and private entrepreneurship in our republic:

1. Registration time of small business entities is 30 minutes. Only one document is required for registration as an individual entrepreneur, and two documents are required for registration of a small enterprise as a legal entity.

2. The single tax payment rate, which is an important factor in creating favorable conditions for the development of small businesses in almost all sectors, is 5% of the volume of goods and services sold. In addition, the effective rate of the single social payment for small business entities is 15%.

3. Newly established production enterprises with participation of foreign investment are given the right to apply the rate of taxes and compulsory payments on the day of their registration for five years. Starting from 2018, it was established that small enterprises with a land area of more than 1 hectare will pay a single land tax.

4. Financial support of small businesses is implemented in the following ways: granting loans by banks at preferential rates; guarantee in the amount of 50% of the loan funds granted to business activities of the state fund for business support and cover interest costs calculated on loans from commercial banks.

5. Business interests are protected by the institution responsible for protecting the rights and legal interests of business entities. In Uzbekistan, unscheduled inspections of small business entities have been canceled, and business entities have been exempted from all types of administrative fines for financial and economic offenses committed for the first time.

6. In all regions of the republic, entrepreneurship support centers have been established in centers operating under the principle of "one-stop shop" providing state services to business entities. "Business incubators" have been established for entities that are just starting their business activities to draw up their business plans, provide legal and practical support, as well as receive the necessary information for their activities.

7. Clusters for young entrepreneurs were organized through business training courses for entrepreneurs across the republic, implementation of projects on the basis of privatized facilities, allocation of land areas on the basis of zero rent for a period of 5 years.

As of April 1, 2018, the number of small business entities operating in the republic (excluding farmers and farms) was 238,500 (99,400 in 2001). Among them, 8.2% are small enterprises and the remaining 91.8% are micro-firms.

If we analyze this indicator by sectors, 9.1% of small business entities are active in agriculture, 20.9% in industry, 11% in construction, 34% in trade and general catering, 5.2% in transportation and 19.7% in other sectors. we can see him walking.

Conclusion

The attention to small entrepreneurship, which is being strengthened more and more, comes from its specific features:

- the ability to quickly adapt to market demand and produce quality products;
- able to meet the demand for goods and services necessary for the needs of the

population in a relatively short period of time;

- the fact that the initial investment is relatively small;
- the possibility of creating new jobs soon and helping to solve the employment problem;
- direct participation of the business owner (entrepreneur) in the implementation of activities in this regard.

The development of small business and the factors affecting it depend in many ways on the unique characteristics, advantages and disadvantages of entrepreneurship.

It is also worth noting that it is important to provide financial support to successful and promising small enterprises that have sufficient export potential, but at the same time do not have enough capital for further development.

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