
RESEARCH ANALYSIS OF SMALL BUSINESS AND ITS SUSTAINABLE DEVELOPMENT

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Abstract:

The article presents the concept of small business, its specific aspects. At the same time, scientific studies of foreign and domestic scientists related to the concept of sustainable development, as well as the sustainable development of small businesses, were studied and analyzed. On the basis of the analysis carried out, the author's definitions of these concepts are given.

Keywords: small business sustainable development, efficiency of small business, exports, economic and social stability, employment, state support for business, taxes, finances, investments, infrastructure.

Introduction

The growth and development of small business in the national economy fills the domestic market with high-quality and competitive goods. It will also ensure the expansion of the service sector, increase the structure of exports in line with the requirements of the world market and create new jobs. This sector will increase employment, incomes and well-being of the population. This interconnection, in turn, is the source of sustainable economic development. As the President of the Republic of Uzbekistan Shavkat Mirziyoyev noted: "In such conditions, no matter how difficult it is, we will resolutely continue economic reforms, increase support for the private sector, fully mobilizing domestic capabilities for this. And first of all, we will accelerate reforms to further improve the business environment" [1].

Sustainable development of society is an urgent problem for every country. Sustainable development has three dimensions. These are: economical and rational use of nature and resources; social equity and health; efficient functioning of the economy. These processes are closely related to the activities of economic units. Indeed, the scale of economic entities is treated as large and small business. Given that small businesses operate on a low-resource consumption basis, this is inextricably linked to the sustainability of society.

In turn, a small business entity must also ensure the sustainable development of its activities. In particular, on the basis of improving the quality of goods and services, reducing their cost, meeting the needs of customers, sustainable growth of their business and thus sustainable development will be achieved. In this study, we explored the concepts of small business and sustainability, as well as the relationship between them.

The concept of "sustainable development" was introduced in 1987 by the International Commission on Environment and Development (Brundtland Commission).

"Sustainability" is about meeting current needs without compromising the needs of the next generation. In A.P. Kuznetsov's research, the achievement of environmental goals of the concept of sustainable development is understood [2]. According to another source, the sustainability of an enterprise is determined by its innovative potential and activity [3]. Innovation and sustainability are inextricably linked. After all, the introduction of innovations will ensure the rational and optimal use of resources. That is, the main condition for sustainability is to ensure a regular and systematic increase in the efficiency of factors and resources.

"Sustainable development" is a process of economic and social change in which natural resources, the direction of investment, the direction of scientific and technological development, personal development and institutional changes are mutually aligned, strengthen the present and calculate the future potential to meet human needs and aspirations (Figure 1) [4]. In this regard, the focus is on ensuring the quality of life of people.



Figure 1. Components of sustainable development [4].

In our view, sustainable development is the efficient use of available resources, taking into account the future needs of society. So the role of small business in solving this problem is of particular importance. In particular, in other words, sustainable development is a system of measures based on the efficient use of resources to improve people's living standards.

The development of small business is considered to be one of the main areas that ensure the economic and social stability of each country [5].

As the experience of developed countries shows, it is necessary to develop small business taking into account the nature of optimal and rational use of resources. When studying the foundations of small business development, it is advisable to systematically study the views associated with this concept [6]. Studies related to the small business sector have been conducted by many academics and researchers. They defined this concept in different directions.

In the study of G. Imaeva, special attention is paid to state support for business. In particular, she believes that business performs economic functions in the state and society, providing its participants with the products necessary for life. Business is always conducted with a high degree of risk [7]. In fact, regardless of the size of the business, i.e., whether it is small or large, there is a risk associated with the same capital expenditures. At the same time, the institutional environment created by the state is a positive factor in reducing the level of risk.

One of the unique features of small business is the development of a competitive environment. That is, the industry does not create a monopoly or oligopoly due to the small size of the market. On the contrary, the achievement of high positions in the market is ensured only on the basis of the quality and competitiveness of the product. Therefore, small business plays an important role in the development of competition [5].

A.A. Kabulov's research states that small business and private entrepreneurship are a source of income for a significant part of the population and a sector of labor supply [8]. Also, according to the author, this area is effective in the social protection of the population. In particular, in providing jobs for women, youth, and unskilled labor resources. In this approach, the author focuses on a social problem.

In their research, Karimova and Sharifhojaeva focused on the economic aspects of small business. In particular, in their opinion, small business and private entrepreneurship are an integral part of the market economy, the fundamental basis of economic activity, and one of the most important catalysts for the development of the state [9].

In another source, the authors describe small business as a form of economic activity characterized by versatility, a wide range of activities, compactness, and quick adaptability to conditions [10].

Summarizing the above views on small business, we conclude that many studies focus on the scale of this industry. Separately, the relationship between the descriptive features of the industry and regulatory legal acts is studied. Thus, a small business is an entrepreneurial activity that has limitations, based on certain regulatory documents in terms of scale.

In small business studies, special attention is paid to the organization and development of the industry. In particular, according to research, the development of the industry is a priority. Foreign scholars describe the development of small business based on its share in socio-economic indicators. Scientists from the CIS countries interpret this concept in different ways. In particular, according to E.S. Kozma, the development of small business is a high reflection of the share of small business in the main economic

indicators [11]. In this definition, the size of the industry in the economy is interpreted as a criterion. The author focuses on quantitative aspects. The development of the industry requires changes not only in quantity, but also in quality.

According to V. Gorfinkel and V. Shvandar, the development of small business will create a favorable environment for economic recovery, develop competition, create additional jobs, accelerate structural reforms, expand consumption, saturate the market, increase exports, and use local raw materials wisely [12].

Sh.Sh. Boltaev and A.A. Rakhmatov describe the development of small business as an activity related to innovation [13]. According to the authors, innovative development of entrepreneurship is the process of producing new products through the practical application of innovative ideas, inventions and discoveries in production and services. In this definition, the authors link the development of entrepreneurship directly with innovation.

In N.I. Sultanova's study, the level of small business development is characterized by the system of financing and its implementation [14]. The process of small business development really depends on financial resources. However, when talking about the development of this direction, it is appropriate to take into account the criteria that represent the result.

Thus, the development of small business is a positive change in indicators in the national economic system, in its industries and sectors, as well as the share of economic indicators of the regions. At the same time, the development of small business is expressed by the impact on the development of industries at the macro level, with a positive change in its share in economic and social indicators. The development of small business should include not only quantitative, but also qualitative issues, as well as ensure the continuation of positive trends. This requires studying its sustainability. Therefore, it is pertinent to study research related to the sustainable development of small businesses.

Authors who have studied the sustainability of the industry focus on two issues. In particular, representatives of the first and main group drew attention to the economic policy measures implemented by the state in the field of sustainable development of small business. The second group of scholars gives priority to social issues.

According to G.V. Petruk and I.S. Ustich, sustainable development of small business is carried out on the basis of state support and increasing the role of local and regional authorities. The authors also note that the development of the industry depends on the level of provision with special programs and production factors and information resources [15].

According to A.V. Tsoi, the development of small business and its sustainability depend on measures and programs to support entrepreneurship by the state. The practice of supporting small innovative enterprises varies: the state covers 50% of the costs of loans and subsidies in France and the United States, in Germany 50% of the cost of innovation on non-repayable loans. In addition, Austria has created a number of privileges for state duties and loans [16].

In the studies of R. Khusainov and M. Davlatova, it was noted that the economic stability of small business is associated with the tax system[17]. In their opinion, the difference between the tax system of large and small businesses, the differentiation of benefits, affects the sustainability of small businesses. In our opinion, for any type of activity, taxes are part of the main cost structure, which naturally affects their revenues and, ultimately, their effectiveness.

Therefore, it is advisable to link the sustainability of small business not only with tax benefits, but also with the mechanisms for collecting them.

According to M. Umarova, the conditions created by the state and its support are the basis for the sustainable development of small business. Based on the study of the experience of a number of countries, she emphasizes that the state should always create the necessary conditions for the development of small business [18]. However, the conditions created by the state must be targeted in order for the measures taken to bring effective results.

L.M. Shakshaeva notes that the sustainable development of small business is determined by its ability to adapt to a rapidly changing environment[19]. Sustainable development depends not only on the domestic environment, but also on government programs to support entrepreneurship. To ensure the sustainability of small businesses, the following socio-economic conditions are required: social measures implemented by the public and private sectors; sufficiency of the resource base; availability of investment funds; qualification of an entrepreneur; effective interaction of economic and social infrastructure in regional and local governance. The author approaches the sustainable development of entrepreneurship from the point of view of management. That is, he characterized the sustainable development of entrepreneurial activity by its resistance to changes in the internal and external environment.

In addition to the above views, studies have been carried out that take into account social aspects. In particular, T. Turenko associates the stable development of small and medium-sized businesses with the workforce. In his opinion, it is necessary to form employees based on their ability to replace each other. This ensures not only the sustainable development of the industry, but also the competitiveness of products [20]. According to E.S. Kozma's definition, the sustainable development of small business is interpreted separately from a social and economic point of view. According to the author, the sustainable development of small business from the social point of view is the formation of the middle class of the population, the level of income and changes in employment, and from the economic point of view it is a change in the contribution to GDP and the trade balance of the country [11]. The definition given by the author is mainly explained by the share of small business in indicators, although efficiency issues should be taken into account as the basis for sustainable development.

I. Choriev and A. Mamatkulov characterized the sustainable development of small business as development based on the stabilization of social indicators [21]. In this approach, the authors focus on labor relations. At the same time, the issue of effective employment remains out of their attention. This is directly related to the sustainability

of small businesses. As stated above, the development of small businesses is associated with an increase in employment and income. In particular, the development of small business is one of the main directions of structural transformations in the economy of Uzbekistan, forms a competitive environment, creates new jobs and leads to an increase in incomes of the population.

Studies have also been carried out on one of the factors considered important for entrepreneurial activity, related to the state of financial resources. The successful development of small business largely depends on the level of availability of financial resources necessary for private entrepreneurs in the long and relatively short term. As a result of the development of small business, including sustainable development, the incomes of the population will grow and a middle class will be formed. Employment will also increase and the scope of entrepreneurship will expand.

Based on our research conducted above, let's summarize. Sustainable development of small business means a positive change in the quantitative and qualitative aspects of indicators in the long term. It is also based on the efficient and rational use of factors of production.

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