

Theoretical And Methodological Foundations Of The Formation Of The Organizational And Economic Mechanism Of Business Management

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ABSTRACT

Improving the management system of business activity is an important task for every enterprise, regardless of the form of ownership, the result of activity, and the organizational structure. Successfully solving this task allows small enterprises, firstly, to increase the efficiency of the management system, and secondly, to reduce costs and improve the economic performance of production activities.

Keywords:

Business activity, organizational-economic mechanism, industry competitiveness, small business and private business activity, management apparatus.

Introduction

In international practice, the main areas of improvement of the organizational and economic mechanism of managing small business and entrepreneurial activity are the formation of a complex mechanism of management, the creation of conceptual bases for the mechanism of effective organization of relations between the state and business entities, the organizational and economic mechanism of managing entrepreneurial activity, network Studies have been conducted on the issues of rational use of effective methods such as improvement based on modern management principles based on strategies to further increase competitiveness [1-4]. Today, several scientific studies on the improvement of the organizational-economic mechanism of business management on a global scale, including the development of the organizational-economic mechanism of management taking into account the potential of regions and industries, the creation of a management mechanism based on the

principles of creative, outsourcing and franchising flexible to market requirements, scientific researches are being carried out in priority areas such as the formation of clusters in the management of entrepreneurial activity [5-9].

Materials and methods

In world practice, scientific research aimed at improving the organizational-economic mechanism of business management, including the introduction of the innovation system in the organizational-economic mechanism, its improvement, and the effective organization of the infrastructure for the development of entrepreneurship. Forming an organizational-economic mechanism based on modern principles, and developing suggestions and recommendations for improving the scientific-methodological foundations of the development of the use of the cluster system in the effective management of the activities of business entities is considered one of the urgent issues of today.

Entrepreneurship is of particular importance in the context of the targeted support of the economy by the state, because the growth of the share of small businesses and private entrepreneurship in the economy will fill the domestic market with high-quality and competitive goods, expand the service sector, meet the requirements of the world market, increasing exportable products, creating new jobs, first of all, employing women and young people, and on this basis, increasing the income and well-being of the population is one of the main factors [10-14].

Reducing the initial costs for opening a new enterprise in the Republic, obtaining construction permits, electricity connection, property registration procedures, and reducing the number of tax payments, even when compared to the 10 countries with the highest rating indicators for doing business positive results can be witnessed. In the updated ranking of economic development, which is determined by the volume of GDP calculated by purchasing power, published by the World Bank, Uzbekistan rose from 72nd place in 2010 to 66th place in 2017 among 190 countries of the world. In 2017, our country moved up 8 places in the rating for business conditions, and 61 places in terms of taxation. According to the assessment of the United Nations Development Program, Uzbekistan was among the top ten countries in terms of reforms implemented in the field of ease of doing business in the last year. In Uzbekistan, the state administration bodies take measures for the organizational aspects of all-around support in improving the business environment (Fig. 1).

The principle of the priority of entrepreneurs' rights should be followed in the interaction of business entities at all levels with state administration agencies, law enforcement and control bodies, and commercial banks, that is, in accordance with it, all conflicts that cannot be resolved in regulatory and legal documents and it was determined that inaccuracies are interpreted in favour of entrepreneurs [15-19]. Today, further improvement of support for small business and private entrepreneurship is the main solution to solving existing problems in the field of entrepreneurship. In developing

countries, the development of small businesses and private entrepreneurship mainly serves to form the layer of middle owners in the country. In this regard, the following works are being carried out today.

Today, the following trends are emerging in the field of improving the management system in small business and entrepreneurial activities: strengthening the target description of management activities; creating flexible management structures and improving the functioning of the management apparatus, including reducing redundant management links; the growth of the role of teams in production management and their orientation to achieve high results; improvement of social conditions of work activity [17-20]. Based on these trends, directions for improving the structures of management bodies of small business enterprises were determined, and quality indicators were taken as a basis for them. These indicators include:

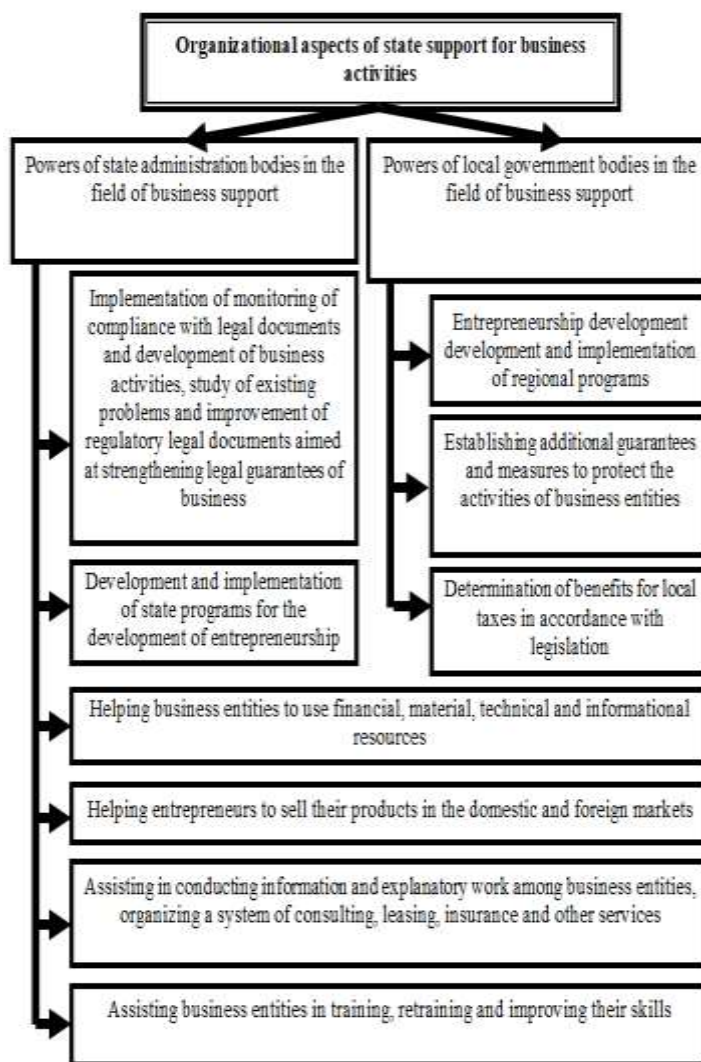


Figure 1. Organizational directions of state support for business activities and their implementation mechanisms

Convenience is the reasonable establishment of interconnections between structural units with the least number of control links. For this reason, reduction of multi-jointness is one of the main requirements for improving the management system.

Speed (operativeness) - accurate communication to ensure timely and high-quality execution of management decisions of all functional units, and, if necessary, production units. Reliability ensures the timely delivery of information and timely delivery of management decisions to implementers and execution sites. Reliability and speed are important drivers of current and future management system effectiveness.

The economy is mainly to reduce the management apparatus and its costs while achieving maximum efficiency in the management system in small business and entrepreneurial activities, i.e. to achieve an increase in production efficiency. Needless to say, there is no one-size-fits-all path to improving enterprise team and production management. This task arises and is solved based on certain conditions, situations and opportunities. However, there is an invariable rule, according to which every change, improvement and form change must be thought out and scientifically justified. For example, At present, as one of the important directions of improving the management of small businesses and entrepreneurship, the creation and implementation of an automated management system (ABT) and a computer that helps to prevent loss of working time, reduce idleness of equipment, and rational use of labour and material resources the use of techniques can be demonstrated. It is known from practice that the genderless structure of enterprise management is highly effective and plays an important role in reducing the centralization of management and increasing the importance of small and medium-sized enterprises in the development of social production. One of the important directions of improving the management system is to coordinate the activities of functional services and departments of the enterprise by eliminating redundant structural units, facilitating service departments, simplifying primary accounting and billing and other management operations. Here, the use of new management techniques, and various calculation and analysis tools with high production indicators, which allow automation and mechanization of many functions of rapid production management, is of great importance.

In improving the management system, technical tools, mechanization of management processes, including activities based on the automated management system (ABT), management studies and projects do not automatically or automatically lead to the desired results. Here, a lot depends on the

performance of people, especially managers. For this reason, the development of social factors, and the strengthening of the role of the production team in production management are important, especially at the moment when enterprises are given ample opportunities to choose rational forms of management.

The expansion of independence and the growth of the role of the production team in the management of production serves to direct the economic thinking in the right direction and defines the improvement of management as the task of the entire team, except the head of the enterprise.

In addition to modern technical tools and new methods, the formation of the necessary socio-psychological environment in production teams is also of great importance in the management of enterprises. Practice shows that the socio-psychological environment can destroy or, on the contrary, strengthen the results and practicality of management.

The psychological environment in the activities of small businesses and entrepreneurial entities is rare and irreversible. No two communities can have the same psychological environment: each person in the community enriches the community and at the same time enriches it, giving it rarity and irreversibility. Through the psychological environment, the necessary production mentality is formed and the target functions of management are successfully implemented.

The advantages of small business and private entrepreneurship are: freedom of movement; strong relationships with consumers; flexibility and ability to make quick decisions; it is a "training ground" where employees undergo initial training; quickly adapts to local conditions; small business and private enterprise use local raw materials and labour resources more effectively; low operating costs; simplicity of management; in the future, if the work goes well, he can sell his work at a large profit; in small labour teams, workers have a sense of ownership of the means of production; combining and combining several professions and tasks; advantages in specialized and privatized conditions;

In our opinion, small enterprises are effective in small-scale production and auxiliary production (processing of secondary raw materials), providing various types of services to enterprises and residents, certain types of transport, and retail trade. The need to establish a network of small business and private business entities is also determined by the following circumstances:

First of all, in the conditions of transition of the economy to the market, many enterprises and organizations fell into an economic situation and began to limit or stop their activities. As a result, the creation of small businesses and private enterprises created opportunities for millions of unemployed people to get jobs again.

Secondly, the emergence of small businesses and private entrepreneurship entities allows limiting the monopoly of large enterprises, forms the consumer goods market, and accelerates the development of infrastructure facilities.

Thirdly, small business and private business entities are the basis of the innovation complex of the economy.

Small, narrowly focused enterprises are engaged in the introduction and sale of innovations and their delivery to consumers. Fourthly, the foreign investments attracted with the help of joint ventures are mainly invested in small venture firms with small capital.

Pensioners, students, housewives, disabled people and other able-bodied citizens who want to work after the main working hours can be attracted to production, especially in the service sector, through small businesses and private entrepreneurship entities.

The organization of additional workplaces in small business entities is very important in areas where labour resources are relatively surplus.

Conclusion

In the conditions of modernization of the economy, to study the unique scientific and methodological bases of the management system of small business and private entrepreneurship, to determine the main

directions of activity in this field, to create an effective management system in the network, as well as to form management activities and structures, to effectively manage business activities requires the development of a mechanism. Ensuring the effectiveness of management mechanisms in the development of small business activity in the Fergana region should be considered the main direction.

The fundamental basis for increasing the efficiency of business entities is explained by the extent to which the organizational-economic mechanism of their management is formed and used. In the formation of the organizational-economic mechanism, it is necessary to consider the elemental, that is, the mechanism as a system of interrelated elements of the organizational structure, and the functional, that is, the mechanism as a set of activities aimed at achieving specific goals.

Improving the organizational and economic mechanism of business activity will create an opportunity to improve their management system, activate investment and innovation processes, modernize production, and increase employment and productivity. The results of the analysis made it possible to conclude that effective organization of the organizational and economic mechanism of business activity management in the Fergana region and the economic mechanism aimed at development based on the economic activity should be carried out based on ensuring the balance of influence of investments based on the characteristics of the sector.

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