

## Ways to Increase Competitiveness of Small Enterprises and Private Enterprises in Uzbekistan

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**Abstract:** Small business in Uzbekistan occupies an important place in the structure of the country's market economy. Small business and private entrepreneurship make a significant contribution to solving many problems: creating jobs, developing and competitiveness of industries, increasing tax revenues to the country's budget, etc. Small businesses and private entrepreneurship in order to increase profits and increase their activities should, in modern conditions, increase their potential and increase competitiveness. This requires a carefully calibrated development strategy with a study of competitive advantages, a study of the work of competitors and ways of further development, taking into account risks. It is on the level of competitiveness of a small business that its future depends.

**Keywords:** analysis, competitiveness, competitiveness assessment, enterprise, entrepreneurship, small business, ways to increase competitiveness.

One of the most important conditions for improving the market foundations of the economy and its integration into the world economic space is to increase the competitiveness of goods and services of each country. The active pace of economic development today is forcing many enterprises to actively reconsider their competitive advantages both in positioning and in terms of goods and services offered. This is especially true for the development of small enterprises and private entrepreneurship in Uzbekistan.

Small enterprises operate and develop according to the laws of a post-industrial society: a society of knowledge, constantly changing information and economic processes and phenomena that ensure the competitiveness of manufactured products.

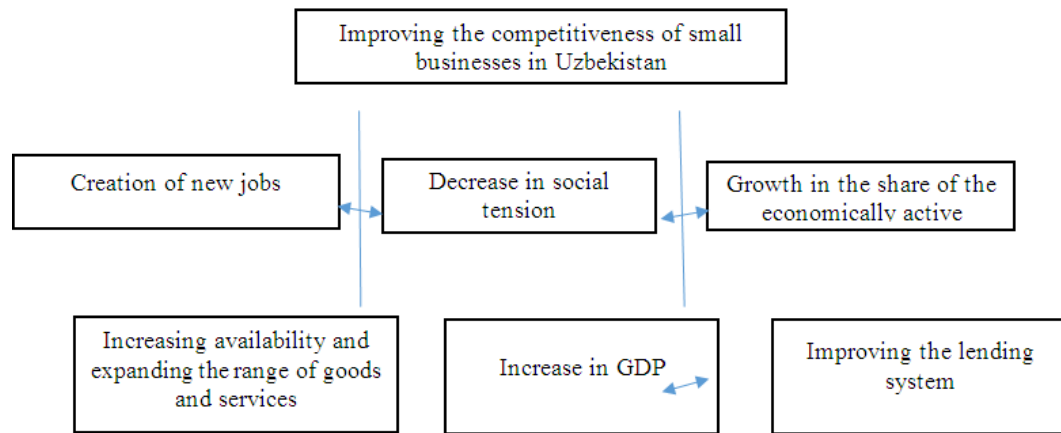
In fact, the competitiveness of a small business refers to the competitiveness of a particular small business entity in a particular market.

Small business, being one of the fundamental foundations of the country's development, is able to create and increase macroeconomic indicators in rather difficult conditions. At the same time, increasing the level of competition of small enterprises, acts as one of the main conditions for their activities.

The main directions of development of Uzbekistan through increasing the competitiveness of small businesses can be represented in the form of a diagram shown in Figure 1.

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**Figure 1 - The impact of the growth of competitiveness of small businesses on the development of the country's economy**

**Source:** compiled by the author

Small business is a factor in the sustainable development of Uzbekistan, therefore it is necessary to increase the level of competitiveness of small enterprises, striving for:

- ✓ increasing the share of small businesses;
- ✓ increasing the share of small businesses in tax revenues;
- ✓ an optimization of the sector structure of small business by increasing the number of small businesses operating in the production sector;
- ✓ increase in the number of employees in the sector of small business and employment.

It should be noted that the determining factors of the competitiveness of small businesses are:

- quality of small business management;
- the efficiency of production and economic activities, and consequently, the quality of the goods produced (work performed, services rendered), the price of the goods, the quality of customer service and consumption costs.

In the system of competitiveness of a small enterprise, methodically, competitiveness is on the same level with the quality of process management in a small enterprise, with the quality of products (work performed or services rendered), customer service and operating costs.

The main method of competition for small enterprises is a method based on improving the efficiency of small enterprises, based on improving quality, reducing prices, improving the quality of customer service, reducing production and distribution costs, and increasing the profitability of products.

If during the analysis it turned out that the company has a low level of competitiveness, then it is worth actively looking for ways to increase it.

The main methods of increasing the efficiency of competition of small businesses include:

- ✓ implementation and use of the achievements of scientific and technological progress and modern marketing solutions in a short time;
- ✓ development of personnel potential with the use of elements of on-site training and under the guidance of mentors in the process of work;
- ✓ increase in the volume of output, including the launch of the production of new goods;
- ✓ a significant increase in the quality of manufactured goods with a slight change in the selling price;
- ✓ increasing the material interest of employees and improving working conditions;
- ✓ use of domestic and foreign experience in the field of increasing competitiveness;



- ✓ use of an effective system of labor motivation;
- ✓ conducting marketing research of the market, in order to establish the needs of buyers;
- ✓ reducing the cost of manufacturing products;
- ✓ application of benchmarking.

Using these ways, the enterprise will be able to increase both its competitiveness and strengthen its financial stability [1].

In the issue of ways to increase the competitiveness of small businesses in Uzbekistan, one should also take into account the competitive advantages of such enterprises.

Competitive advantage is the use of price changes and the overall strategy of the enterprise, as well as the differentiation of products: sellers technically diversify homogeneous products, changing their quality and design. This advantage applies specifically to such forms of management. But it is not possible to implement, because one of the above directions "carrying out marketing research of the market in order to establish the needs of buyers" is primary and without it this competitive advantage is not feasible.

With all the variety of competitive advantages, their implementation requires a well-organized marketing management system.

The more a small organization has competitive advantages, the higher its competitiveness, vitality, efficiency and prospects. To do this, it is necessary to increase the scientific level of management and build up new competitive advantages [2].

A sustainable increase in the competitiveness of a small enterprise can only be ensured under the condition of long-term, continuous and progressive improvement of all competitiveness determinants.

Thus, the prospects for the development of small business in Uzbekistan are directly related to the increase in the level of competitiveness of small enterprises. Increasing the level of competitiveness of small enterprises, the country's GDP rises, tax revenues to the budget increase, and many social issues are resolved. These areas are a priority, especially in the current conditions of the development of the world economic space.

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