

## ROLE OF ECONOMY IN SMALL BUSINESS DEVELOPMENT

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### ABSTRACT

Small business is the foundation and component of a competitive market economy. Small business is the most popular, dynamic and flexible form of entrepreneurship in our country. The process of digitization as the basis of the digital economy is determined by the requirements of objective reality and relies primarily on the use of digital technologies in the activities of its subjects. Digital technologies are changing the way organizations are organized. Digital news and technology serve as part of the solution. Known as the "Fourth Industrial Revolution" (Industry 4.0), Blockchain envisages the introduction of digital technologies such as the Internet of Things, artificial intelligence into several fast-changing economic sectors, thereby transforming an entire economy into a digital economy. At present, digitalization has covered all business entities.

Decree of the President of the Republic of Uzbekistan dated February 7, 2017 "On the Strategy for further development of the Republic of Uzbekistan", July 3, 2018 "On measures to develop the digital economy in the Republic of Uzbekistan " Presidential Decree No. PP-3832, November 21, 2018 Resolution of the President of the Republic of Uzbekistan No. PP-4022 " On measures to further modernize the digital infrastructure for the development of the digital economy " issues of implementation of tasks set by other normative legal acts in this area.

As part of the strategic plan, expanding the thinking of local entrepreneurs from the local to the global scale requires a complete change in the behavioral principles of business development. In today's globalized world, small business is seen as an integral element of interethnic cooperation. Therefore, when talking about a business support environment, it is important to keep in mind the global development support environment. Such a motion must conform to the influence of the principle of synthesis when a large mechanism is assembled from individual elements.

In our opinion, it serves as a key platform for the introduction of innovations in various areas of activity of small businesses, which are leaders in the field of services and manufacturing. Therefore, the use of digital technologies, mobile internet can be a source of development of modern small business.

Involving small businesses in the digital economy can be done in the following ways:

- Digitization of small business based on the use of information and communication technologies, leading to the formation of new business models;
- Production of digital technologies by small enterprises;
- As a result of development and implementation of state programs on digitization of small business.

Initially, the introduction of digital technology[6] was a priority for large and medium-sized enterprises, as it required large investments. However, today it is possible to observe the introduction of modern information and communication technologies by small businesses, which will increase efficiency, open the way to new markets, allow to fully realize the potential of innovation. Small businesses use a variety of digital technologies in their operations that

reduce the cost of doing business: financial instruments for online payments; targeted advertising tools on social networks, accounting software, SRM systems and more.

The most common means of using digital technology by small businesses include:

- Customer relationship management (SRM ) customer relationship management systems;
- Enterprise resource planning ( ERP ) - enterprise resource management (the concept of resources includes: materials, equipment, labor resources, etc.). ERP - systems provide control, management and transparency of financial, personnel and inventory flows in the company;
- Cloud computing service - perform complex calculations, data exchange, data storage, access to artificial intelligence capabilities, etc. used for. Cloud solutions provide mutual functional transparency and data consistency, speeding up the process of updating information platforms with minimal or no cost.

Another way to digitize small businesses and attract them to the digital economy is to produce and market digital products. One of the options for small business development in the field of digital technologies is the production laboratories ( Fab Lab ), which initially operate in educational institutions and serve student projects.

The process of active involvement of small business in the digital economy will be possible through participation in pilot projects aimed at identifying effective approaches to the introduction of digital technologies in various fields and will provide up-to-date information from both companies.

In short, the digitalization of the economy, especially small business, has many advantages, first of all, facilitates manual labor, improves the condition of the land with timely assessment of land reclamation, identifies new consumer markets based on product quality, competitiveness and, most importantly, efficiency.

#### LIST OF USED LITERATURE

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2. Resolution of the President of the Republic of Uzbekistan dated November 21, 2018 " On measures to further modernize the digital infrastructure for the development of the digital economy " Resolution No. PQ- 4022
3. Resolution of the President of the Republic of Uzbekistan dated July 3, 2018 No PP-3832 "On measures to develop the digital economy in the Republic of Uzbekistan"
4. Frolova E.A. Development of small business as a reserve of economic growth in Russia // Actual problems of management: theory and practice . –2016. –S. 186-190.
5. The term "industry 4.0" originated in Germany and has been applied to rapid changes in the design, manufacture, operation and maintenance of production systems and products (European Parliament, 2015a).
6. EURASIAN JOURNAL OF LAW, FINANCE AND APPLIED SCIENCES: 2 pp. 60-66 (4). STATISTICAL ANALYSIS OF SUSTAINABLE DEVELOPMENT OF TERRITORIES IN THE DIGITAL ECONOMY (ON THE EXAMPLE OF KHOREZM REGION) Urunov Ravshanbek Sadullaevich <https://doi.org/10.5281/zenodo.6476182>