

The 7P model of self-employment

Mamayunus Qarshibaevich Pardaev¹, Pardaeva Ozoda Mamayunusovna²

¹Professor of Samarkand Institute of Economics and Service, Samarkand, Uzbekistan

²Independent researcher at the Samarkand Institute of Economics and Service, Samarkand, Uzbekistan,
ozodapardaeva@yahoo.com

Correspondent author: pardaev_mk@mail.ru DOI 10.31150/ajebm.Vol3.Iss2.153

Abstract: The article looks at the 7R model of self-employment. It reveals the seven directions of the 7R model of self-employment and their content. The content of the 7R model is explained by the inclusion of seven interrelated words to ensure progress. This model was first developed by the authors and tested in the mahallas of our countries. In the mahallas where this model has been introduced, the number of people who have started self-employment has increased.

Keywords: self-employment, entrepreneurship, permitting, resource, planning, profitability, incentives, inspiration, development, employment.

Introduction

The Action Strategy for the five priority areas of development of the country for 2017-2021, provided by the Decree of the President of the Republic of Uzbekistan dated February 7, 2017 "On the Strategy for further development of the Republic of Uzbekistan", the President of the Republic of Uzbekistan for May 24, 2017 Decree of January 5, 2016 "On measures to encourage the expansion of cooperation between production and services" Decree of the President of the Republic of Uzbekistan dated May 24, 2017 "On measures to create favorable conditions for further development of home-based work", Decree of the President of the Republic of Uzbekistan dated

June 7, 2018 "On the implementation of the program" Every family is an entrepreneur ", Resolution of the President of the Republic of Uzbekistan dated June 11, 2018 "On organizational measures to stimulate employment of the socially vulnerable population", July 14, 2018 Resolution of the President of the Republic of Uzbekistan "On measures to improve and increase the efficiency of employment", President of the Republic of Uzbekistan July 14, 2018 "On measures to improve and increase the efficiency of employment", President of the Republic of Uzbekistan 11 September in the normative legal acts such as the resolution "Measures for the organization of accelerated implementation of business initiatives and projects in the regions" This scientific article will serve to a certain extent in the implementation of the assigned tasks.

Based on the above normative documents, the urgency of this topic is to substantiate the need to create appropriate conditions for the population to operate on the principle of self-employment, based on today's requirements. Because:

- + the presence of the unemployed in all regions of the country, especially in rural areas, and the need to create new jobs;
- + the formation of a desire for family members to create their own jobs and operate on their own, rather than thinking of hiring someone else;
- + the need to solve the problem of unemployment by self-employment of able-bodied, graduates;
- + the need to develop the economy, to serve the needs of society as a result of production (work, services), to benefit the state through the sale of products (works, services) through the implementation of various taxes and mandatory payments;
- + the need to ensure that every able-bodied family member is able to provide for his or her family through self-employment, to earn a living, and thus to increase the well-being of the family;
- + the objective necessity of forming an entrepreneurial and creative spirit for self-sufficiency, free from dependence (employment) of family members in exchange for strengthening the educational value of self-employment;
- + understanding the need to ensure not only the legal but also the economic independence of families as a result of the elimination of factors associated with the

spirit of indifference and dependence on family members, which is an obstacle to the growth of socio-economic life.

The purpose of the scientific work is to develop the spirit of self-employment of family members, to instill in them a sense of indifference and dependency, to improve their socio-economic life, to develop them using their inner potential. and shaping initiative and creativity to increase efficiency..

Analysis of the literature on the subject

Adoption of the Law of the Republic of Uzbekistan "On Family Business" (1) (adopted by the Legislative Chamber on March 16, 2012. Approved by the Senate on March 23, 2012. Last amended on June 26, 2015) is the first legal basis for direct family business. was. However, the issue of self-employment was not explicitly stated. The Resolution of the President of the Republic of Uzbekistan Shavkat Mirziyoyev dated June 7, 2018 "On the implementation of the program" Every family is an entrepreneur "(2) clarified this issue. The issue of employment is also identified in the Action Strategy (3) for the five priority areas of development of the country for 2017-2021, provided for in the Decree of the President of the Republic of Uzbekistan dated February 7, 2017 "On the Strategy for further development of the Republic of Uzbekistan." The problem of employment in the classical literature Keynes Dj. Obshchaya teoriya zanyatosti protsenta i deneg (4), was also considered in the works of Y.Shumpeter's Theory ekonomicheskogo razvitiya (5). In the monograph of scientists of our country GH Kudratov, MK Pardaev, UH Khudoiberdiev, OM Pardaeva "Economics of family business" (6), GM Shodieva "Improving the welfare of the family: Problems and their solutions "(7), practical recommendations of MK Pardaev, Sh. Oltaev, OM Pardaeva, NB Tagirova "Entrepreneurship in every family - an opportunity for self-employment "(8) published.

Research methodology

We found it expedient to use the methods of logical analysis, analysis and synthesis as a methodological basis in the process of self-employment. Because in the rapidly developing economy, the development of each entity depends on certain factors. Due to this, the main directions of the 7R model used in the self-employment process were highlighted using logical analysis methods.

Analysis and results

The content of the scientific work is to show the main directions of development of measures for the implementation of large-scale programs aimed at self-employment, one of the issues of economic and social significance in our country. Indeed, the fact that these measures are directly aimed at self-employment of the population has its own characteristics in comparison with other areas of employment. These features are manifested in the operation based on the principles of self-employment.

In the current situation, almost all processes, including scientific research, require an innovative approach. It is necessary to overcome the complications of the current crisis and move to a stage of rapid development. To this end, along with many measures in our country, the issue of self-employment requires priority. There are many ways and means to do this. As one of them, we recognize that the 7R model developed by us is one of the most effective methods. Due to this, today, at a time when our foreign relations are also a bit weakened, we recommend using this method. The content of this model is important in that it expresses the interrelationship of the factors that provide self-employment.

Self-employment requires the use of a number of objects in its implementation, as well as the relevant processes. Due to the fact that the initials of all the terms involved begin with a single "R", their sequence is formed in a unique way. These include seven words related to permission, resource, planning, profitability, incentive, inspiration, development. Since all seven of these start with the capital letter "R", we called it the "7R model" of self-employment. An explanation of this is given in the table below (Table 1).

Table 1. Directions of the 7R model of self-employment and their content

Number	Directions	Note
1.	Permission	In order to start a business in self-employment, they must obtain permission from the relevant organizations (public services).

2.	Resource	It must have the necessary amount of its own resources (material, financial, intellectual) to start and continue its activities.
3.	Planning	No matter what the activity, a business plan should be developed, which should clearly answer the questions of what to produce (service), how much, when and how to produce.
4.	Profitability	Of course, if the result of the activity does not provide a certain amount of profit, the work will continue to be complicated. Because of this, it is necessary to have as high a level of profitability as possible.
5.	Incentives	An entrepreneur who achieves profitability will definitely have the opportunity to be rewarded. The uniqueness of a self-employed entrepreneur is that he is, first and foremost, self-motivated.
6.	Inspiration	A self-employed person is certainly inspired when the owner of property and labor encourages himself at the same time. This inspiration ensures that their activities continue more effectively.
7.	Development	All this effectively carries out the activities of the self-employed entity and thus ensures its rapid development.

People first get the proper permit to be self-employed. Once he has the appropriate resources, he plans his activities perfectly. The plan will definitely benefit. when this is achieved, such people will be self-rewarding, creating personal satisfaction. So, one of the peculiarities of this process is that it organizes the work itself, works on its own and, if necessary, uses others as well, encourages itself financially in return for the income made, the benefits received. As a result, in

addition to gaining material wealth, it also creates spiritual satisfaction. It ensures his enjoyment, his satisfaction with life. In the activities of such people, productivity is strong and ensures appropriate development. Let us briefly comment on this.

First, for self-employment currently requires obtaining certain permits (licenses) from the relevant business agencies of his choice, ie public service providers. But in many cases, there are also a lot of people who run their own businesses without permission. However, if they operate with the appropriate registration and payment of taxes and other mandatory payments, they will be included in the official employment and will be provided with a State pension in the appropriate order the next day. In order to achieve this without difficulties, it will be necessary to take appropriate measures to raise the morale of the population. At the same time, they should understand that the property belongs to Allah, that it is a trust, and that a certain part of it (taxes, zakat, etc.) is someone's right. Only then will the shadow economy that still exists in our country be eliminated, and people's faith and spirituality will be restored.

Second, one of the peculiarities of self-employment is that it will also have to find and provide the appropriate resources to ensure its free operation. In such a situation, a self-employed person is required to have his or her own resources in the first place. If he is engaged in agriculture, he must have land resources, if he is engaged in other areas of entrepreneurship, he must have material, financial, labor resources. What resources are available for self-employment depends on their performance. They will need a building, appropriate equipment, knowledge of the employee - an intellectual resource, equipment. If these are not enough, you will need funds to buy some. If these funds are not enough, they can get loans from various sources. This will require appropriate investment. It is well known that the term "invested capital" refers to the expenses incurred by a self-employed person in organizing his or her business. This will satisfy the owner only if the costs are covered quickly and efficiently. It should be noted that among the many self-employed people in Samarkand are the families who produce "Samarkand bread". Their profession and employment are passed down from generation to generation. All this is his own, that is, from capital to profit.

Third, one aspect of the principle of self-employment is to plan one's activities independently. A self-employed person can apply his knowledge, skills and abilities in any way he wants. As a result, based on its capabilities, it is necessary to have a clear business plan for the field

of activity, including what to produce (service), how much to produce (service), when and how to produce (service). should be specified. In this regard, self-employed people will have more freedom than other hired workers. Because in a work organized on a voluntary basis, based on its own capabilities, voluntariness, that is, freedom, reigns.

Fourthly, another direction related to this principle is manifested in the continuous increase of the profitability of this person in return for more profit. This is part of the income that remains after covering all expenses. The benefit remains with the person who organized the business. In many cases, it requires the person who organized the work to spend more time and more effort. This situation is also pleasing because it is built on a voluntary basis. However, it is well known that such a situation can rarely occur when a person works for someone else. It is important to note that people who work for someone wait until the end of a certain working hour. In the work he organizes, working time is not important, the main focus is on efficiency.

Fifth, one of the important aspects of self-employment is self-motivation. Self-employed people, to a certain extent, motivate themselves not only materially but also spiritually. After all, his position is also high because he is not subordinate to anyone. Self-motivation is manifested in the fact that the after-tax portion of all the profits received by such persons remains with them. Of course, the more it is, the more convenient it is undeniable. In addition, the relationships established by self-employed people with consumers, if heard by consumers, are verbally praised, and their activities are covered in the media, attracting public attention and gaining recognition. As a result, they have a higher position than many other employees, from which they can receive personal satisfaction and spiritual encouragement while enjoying the results of their profession. A person can achieve spiritual satisfaction until self-employment achieves material and spiritual results. Because if he worked in another company, he might not be rewarded as he introduced himself. Because of this, the fact that everyone is doing what they want and choose is itself an incentive. Such people reward themselves every day. If an activity was performed in a work team, it could be encouraged based on the results of a particular period, i.e. the reporting period. As a result, it is also a great opportunity for people to mobilize their available resources as a result of self-employment.

Sixth, each of these principles has its own meaning. One of them is self-inspiration. Inspiration results in personal satisfaction. It is the nature of man, no matter where he works or

where he lives, to strive first and foremost for personal satisfaction with an uplifting spirit. But even working very well in work teams may not achieve this. Because the spiritual environment in labor communities is not always healthy. But when a person does what he wants to do and is given a certain amount of interest in it, great personal satisfaction is created. Such a situation inspires a person and can be the basis for doing great things. Self-employment allows a person to spend each working day and time properly doing his job with pleasure, which he enjoys. For example, someone who loves to take pictures can set up a private photo studio. Each time a client expresses satisfaction with his or her photo portrait, he or she feels personal satisfaction from his or her work and receives a certain amount of payment for the service and uses it to his or her advantage. This can be seen in the fact that self-employment also provides material gain and a certain degree of spiritual satisfaction.

Seventh, all the words related to the six letters “R” mentioned above are factors aimed at ensuring the effective implementation of the activities of the self-employed entity. Having access to a specific activity, having the appropriate resources, if it is carefully planned and achieving high returns by achieving the intended benefits, of course, the employee will be self-motivated in such circumstances. It is well known that any stimulus inspires a person to a certain extent. Inspired by his work and life, a person strives to expand and develop his activity in his field. This will ensure rapid development in each area. Another important aspect is that a self-employed person is guaranteed employment and loses the risk of becoming unemployed tomorrow. This situation is very important for people because many businesses cannot fully guarantee employment. If the workload is reduced, if the company goes bankrupt, it will certainly not be possible to retain employees. As a result, people are more likely to be permanently employed. However, this cannot be achieved in hired labor. This makes people want to be self-employed. Self-employed people will not be fired, fired from their jobs, or forced to retire at a certain age. This means that if people provide themselves with jobs, their jobs will be guaranteed. There may be many such people in life, but people like artisans, godfathers, landowners, manufacturers of national goods, carpet weavers, satin, adras makers are the ones who provide themselves with a guaranteed job. It determines the need to develop an involuntary inner feeling in them..

Conclusions and suggestions

A number of scientific-theoretical and practical conclusions have been drawn by studying the 7R model of self-employment.

1. Given that the relevant processes also take place in self-employment and its implementation using a number of objects, all terms begin with the capital letter "R", ie permission, resource, planning, profitability, incentives, inspiration, development directions We have developed the first self-employment "7R model" and submitted it for practical use.
2. Self-employment is based on the need to obtain permission from the relevant organizations (public services) to start a business and have the necessary resources (material, financial, intellectual, ie labor) to start and continue their activities.
3. A business plan should be developed for any activity, with a clear plan of what to produce (service), how much, when and how to produce, to ensure a certain amount of profit as a result of the activity, to achieve the highest possible level of profitability. the question of the need to have was also substantiated.
4. An entrepreneur who has achieved profitability will certainly have the opportunity to be self-employed as well as self-motivated. As a result, a self-employed person will inevitably develop a sense of inspiration as both a property and a labor owner. We have come to the conclusion that this inspiration ensures a more efficient continuation of its activities, all of which ensure the effective implementation of the activities of the self-employed entity and thus its rapid development..

References

1. Law of the Republic of Uzbekistan "On Family Business". Adopted by the Legislative Chamber on March 16, 2012. Approved by the Senate on March 23, 2012. The last change was made on June 26, 2015.
2. Resolution of the President of the Republic of Uzbekistan Shavkat Mirziyoyev dated June 7, 2018 "On the implementation of the program" Every family is an entrepreneur "://" People's Word "newspaper. June 8, 2018. 1-2 pages.
3. Action Strategy for the five priority areas of development of the country for 2017-2021, provided by the Decree of the President of the Republic of Uzbekistan dated February 7,

- 2017 "On the Strategy for further development of the Republic of Uzbekistan." - T .: Uzbekistan, 2017.
4. Keynes Dj. Obshchaya teoriya zanyatosti protsenta i deneg. –M .: Progress. 1948, -S. 238-240;
 5. Shumpeter Y. Theory of economic development. –M .: Mysl 1982, p. 159 .;
 6. Qudratov G'.H., Pardaev M.Q., Khudoyberdiev U.X., Pardaeva O.M. Family business economics. Monograph. - T .: "Economy", 2012. - 232 p.,
 7. Shodieva G.M. Improving the well-being of the household: problems and their solutions. Monograph. - T .: Fan, 2006. - 243 p.,
 8. Pardaev M.Q., Oltaev Sh., Pardaeva O.M., Tagirova N.B. Entrepreneurship in every family is an opportunity for self-employment. Practical advice. Samarkand, SamISI. 2018. - 214 pages.