



Article

Advantages Of Organizing Outsourcing In Uzbekistan

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Abstract: In this article, based on the implementation of the latest changes and reforms program, the development of entrepreneurship in the service sector, in particular, outsourcing, a relatively new form of business is entering Uzbekistan. Outsourcing is a modern form of business and the economic and legal basis for its implementation in Uzbekistan is given, and the advantages and disadvantages of outsourcing to business entities are described in detail.

Keywords: Entrepreneurship, Competitive Personnel, Service Show Field, Economy, Outsourcing, External Contract, Saving Resources, Commercialization.

1. Introduction

All over the world, in the modern conditions of rapid scientific and technical development, great attention is paid to the development of innovations, without which further development in society would not be possible. Modern business is dynamic and requires sufficient flexibility. The level of development of entrepreneurship and its pace require the development and adaptation of new procedures that are required in our country today for service entities. That is why the old forms of enterprise organization are being replaced by new and flexible forms of activity organization. It is no exaggeration to say that outsourcing has become one of the modern forms of business organization in the digital economy.

Outsourcing services have appeared in the economy of Uzbekistan in recent years. This is a new service area for local organizations and companies that have begun to actively enter into outsourcing contracts. In our opinion, one of the factors limiting the spread of such services in local practice is the lack of a developed proper mechanism for their use. In this regard, we consider it necessary to study this area, to determine the most important points of evaluating the quality use of outsourcing services so that the managers of organizations and companies do not make mistakes and shortcomings. We would like to propose to preschool educational organizations to consider this as a logical and specific system of actions that allows this type of service to be used in practice.

The analysis of developments in the organization of outsourcing services and their implementation, as well as the study of the problem of the mechanism of using outsourcing services, have been researched by foreign and domestic economists. Despite the theoretical research conducted in the field of outsourcing and very little practical experience collected by the organizations of the Republic of Uzbekistan, the mechanism of quality use of outsourcing services is on the way of development.

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Scientific developments on the characteristics of the formation and development of entrepreneurial activity in our young economy are also available in domestic literature. General theoretical, regional and sectoral problems of development of small business and private entrepreneurship in the conditions of the transition to a market economy in our republic are widely covered in the scientific works of a number of scientists of our republic, such as Abdullayev Y., F'ulomov S., Khodiyev B.Yu., Muftaydinov Q.

At the current stage of economic development, the formation and development of a new approach to business activity and the laws of this process requires a certain degree of adaptation. In our opinion, it is necessary to study the entrepreneurial activity in the service sector, which is turning the economy into a leading sector, taking into account the existence of its own characteristics.

2. Materials and Method

Methods such as monographic observation and comparative analysis, inductive and deductive, comparative and systematic analysis were used to improve the methodical support of using the opportunities of outsourcing services in business entities and to improve their implementation.

3. Result and Discussion

In Western countries, outsourcing has been successfully used for several decades and is one of the factors of business competitiveness growth and economic development. According to statistics, the USA - 36%, Western Europe - 29%, and Japan - 13% are the leaders in terms of consumption of outsourcing services in the world market. The percentage of US companies that outsourced any function or business process was 52% in 2019, up from 86% in 2020. Sales in the US outsourcing market more than tripled in 2020.

Outsourcing (English "outsourcing" - external contract) is the transfer of certain types or functions of production-business activity by the organization to another company operating in the required field on the basis of a contract. Considering that outsourcing is a relatively new form of business in Uzbekistan, preliminary legal documents for the development of this business in our country have been adopted by the government. The introduction of outsourcing technology is not only a demand of the time, but also in a number of regulatory documents, including the Law of the Republic of Uzbekistan dated December 6, 2001, No. 310-II "Limited Liability and Additional Liability Companies", Republic of Uzbekistan PF-5185 of the President of September 8, 2017 "On approval of the concept of administrative reforms in the Republic of Uzbekistan", PQ-5087 of the President of the Republic of Uzbekistan dated 04/21/2021 "Improving the business support system", also regulated in the Decision on additional measures to further improve the business environment.

The use of outsourcing in business is its costs and revenues for the enterprise

and in terms of risk management, it is an innovative management approach. Outsourcing will cause the service sector of our country to rise to a new stage of development. We can recognize that outsourcing is organized in the following areas in our country:

- marketing and PR
- accounting ;
- jurisprudence ;
- personnel ;
- office cleaning;
- transport ;
- information technology;
- logistics ;
- use of real estate objects;
- customer support;
- secretaries , office managers;

- translators ;
- assistants ;
- catering and others.

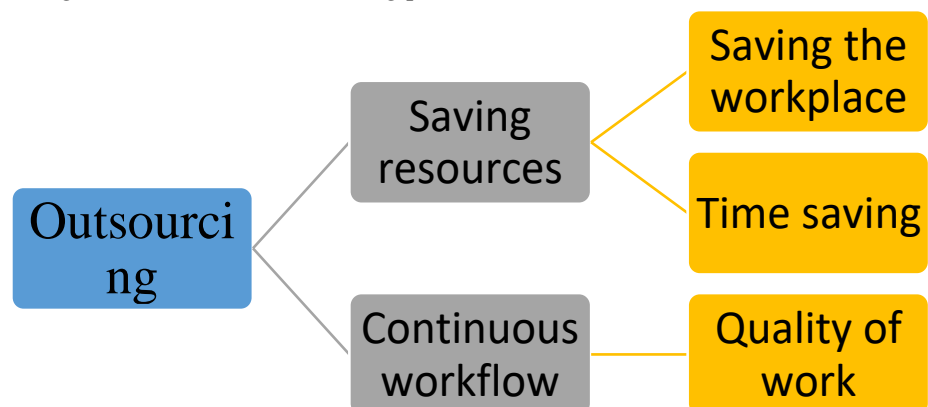
of outsourcing in business as the outsourcing of any process activity, the term often refers to narrower areas of outsourcing. Thus, in service delivery, it is often distinguished as a separate type of service outsourcing. The term outsourcing is rarely used to describe the outsourcing of service processes for organizations such as cleaning or catering. In most cases, the abbreviation outsourcing usually refers to the outsourcing of high-level processes related to financial management, personnel management, marketing or legal support of organizations. In particular, outsourcing of business processes refers to the transfer of functions related to the management of information technologies and corporate information systems.

At present, every business entity tries to save its funds. At the expense of the saved financial resources, measures will be taken to expand and renew activities to reach a higher margin. Under such conditions, the entrepreneur considers it appropriate to reduce the operating expenses in order to reduce the overload.

When is outsourcing necessary?

- the company does not have enough funds to hire new employees (after all, in addition to wages, costs include social package , payment for vacation and sick leave, regulation of workplaces, etc.) ;
- The employee's services are not needed constantly: for example, preparation of financial statements only once a quarter;
- the company has many main divisions that are not profitable, and this reflects badly on the financial statements;
- you need to temporarily replace absent specialists - for example, on maternity leave or long-term sick leave for a permanent employee;
- the company must reduce staff or costs.

and convenient to hire a third-party company that performs work under an outsourcing contract . Therefore, it is appropriate for business entities to transfer certain types of services to the outsourcing system . These include cleaning the internal premises and surrounding areas of the enterprise, technical maintenance of buildings and their protection, organization of transport and general catering services, or marketing and accounting work.business outsourcing provide to these businesses ?



1 – picture . Advantages of outsourcing

Saving of resources, i.e. no salary is calculated, no allocations to state trust funds, no sick leave payments , awards and financial assistance are not paid. Saves work space. For example, allocation of additional areas, office equipment, stationery, directory - legal systems, software are not purchased.

It will have a continuous and unchallenged work system. It is not required to wait for an employee to leave from vacation or sick leave . Time is saved, that is, it takes time for the enterprise to find and select the necessary qualified specialists. In outsourcing, work is started immediately.

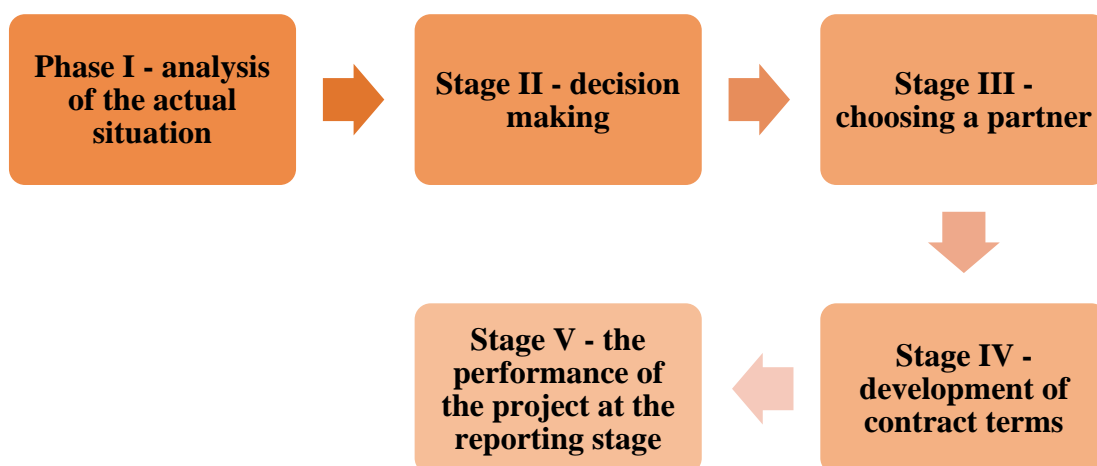


Figure 2 . Process transfer scheme for outsourcing. Step by step instruction

Based on our practice of implementing similar projects, we divide the process into several stages and try to present a scheme for introducing outsourcing in the organization.

Phase I - analysis of the actual situation

You should start the implementation of any project with evidence that proves its feasibility, preferably not expressed in emotional form, but in the form of dry and objective numbers. In other words, you need to carefully assess the state of the organization. To do this, it is necessary to analyze the goals of the organization and the competitive environment; choosing the strategic priorities of the organization's development; identifying problems in the organization's development; to identify work that can be outsourced and to determine its forecast size.

and size of the equipment used to implement it , a certain number of workers salary fund necessary for);

At this stage, a working group is formed, which collects the necessary information and discusses the received information, because in any case "brainstorming" is much more effective than a single decision.

Stage II - decision making

Making a decision on outsourcing is possible after analyzing the pros and cons, opportunities and risks of outsourcing; to compare the cost of functions or business processes when performed internally and by outsourcing to service providers, and to determine the outsourcer's performance indicators.

Also, at this stage, the goals and objectives of the project are determined, a project manager is appointed, a working group is formed, the scope of outsourced functions and requirements for the outsourcing company are agreed with the company's top management. organization

Of course, the ultimate decision-making point for a particular organization to outsource or not should be determined by the CEO or business owner.

Stage III - choosing a partner

Choosing a partner is a very important stage in the process of transition to outsourcing, because failure leads to the need to change the partner and , as a result, repeats a much longer process of restructuring the organization to work in new conditions.

In order to reduce the risks associated with unreasonable selection, as well as to eliminate subjective factors, it is necessary to analyze the market of outsourcing services and check the reputation of market participants.

After that, naturally, a range of companies determined that it made sense to connect by comparing based on parameters such as:

the speed of responding to requests when travel , remote management or consultation is necessary;

- what services are included in the contract and what is/is not paid for separately;
- how a change in the number of companies affects the contract price;
- how the outsourcing company supervises its employees;
- how to interact with the outsourcer in unexpected situations;
- what is the qualification level of the potential partner's employees;
- What is the procedure for canceling the contract for the provision of outsourcing services?
- How does the security system work in an outsourcing company?

To facilitate the use of the information obtained by the evaluation criteria proposed above, you can create a table in which you can enter information about each of the potential partners. In general, the "table" method allows you to make a suitable choice in any situation.

Stage IV - development of contract terms

Then you need to work out the terms of the contract with new partners. It is necessary to convey to them the tasks and goals set before them with great precision and, of course, to set the transition periods. Don't be afraid to constantly ask specific questions to make sure that the client and the service provider have a common understanding of the current situation and its future development, because it is communication errors that can lead to errors in the implementation process. of the project . It should be remembered that formulating the request is the most difficult stage of outsourcing.

You should be prepared for the fact that partners may offer their own solutions to the problem. If the outsourcing company has more experience in the practical implementation of projects, it makes sense to listen to their advice.

A lawyer should be included in the working group when drafting the contract. If the organization does not have its own lawyer , consult with an outsider. The contract must contain the main elements defining the structure of cooperation with the outsourcer.

When concluding a contract, you should keep in mind that the functions may be outsourced in whole or in part.

Stage V - transition to a new work format

When outsourcing, psychological aspects and the mood of the team are taken into account. It is recommended to conduct explanatory work in the team, to provide employees with all the necessary information about the transition to the new work format, to familiarize themselves with the content of documents against the signatures of all employees.

Special attention should be paid to the employees in whom the company is interested and the employees who do not need the services of the company should be carefully informed about the dismissal.

Also, at this stage, the necessary documents and regulatory documents are developed: a work plan for the implementation of the project and a new staff schedule. As necessary, new job descriptions are developed or existing job descriptions are amended.

Stage VI - project performance at the reporting stage

A working group is no longer needed, and the main one becomes an employee who provides reports to the management of the organization at a predetermined frequency.

Summarizing the results of the reporting period includes: analysis of the performance of the outsourcing system based on feedback from employees, managers and partners; comparison of the results of the outsourcer's activities with the planned indicators; collective discussion of the intermediate results of project implementation by process participants.

If problems are detected in the development of the business system, they can have two causes: incorrect execution of the contract or incorrect planning. It is necessary to determine the causes of errors and start work on their correction.

The performance of outsourced functions must be continuously monitored like any other. The extent of control depends on the importance of the process being carried out, the risks involved and the qualifications of the supplier's personnel.

Quality of work is guaranteed by outsourcing firms. The organization - the outsourcer, usually has highly qualified specialists who have the experience of performing the necessary tasks in their state. The outsourcing form of business has its advantages as well as its disadvantages, it is worth mentioning such things as the decrease in information security, the dependence of the company's activity on other enterprises, and the loss of management of the enterprise. But world experience has proven that the use of outsourcing in business shows that its advantages outweigh its disadvantages. Of course, the ultimate decision-making point of whether or not to outsource in a particular organization should be determined by the CEO or business owner.

4. Conclusion

It is worth saying that the use of a new form in the development of entrepreneurship in Uzbekistan will lead to creation of new jobs in our national economy, reduction of costs of enterprises and increase of their competitiveness, reduction of ineffective expenses of entrepreneurs. Our country has all legal and economic opportunities for establishing outsourcing enterprises. The introduction and development of this form of business is an important factor in the development of our national economy

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