

Article

The Importance of Effective Management of Small Business and Entrepreneurial Activities in Construction Enterprises

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Abstract: The scientific article analyzes the networks of organizational structures for the effective management of small business and entrepreneurship in construction enterprises, the activities of small businesses in the construction sector based on statistical data, and provides suggestions and recommendations for the future development of this sector.

Keywords: Construction, construction enterprises, small business, entrepreneurship, organizational structure, management networks, organization of entrepreneurship, commodity, small businesses, development of entrepreneurship and small business in neighborhoods.

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1. Introduction

The growth of small businesses and private entrepreneurship is currently one of the top priorities that is being considered as a driver of our nation's economy. In order to enter the market with their goods and services, create new business partnerships in the production and service sectors, enhance the development of the property class, and raise the standard of living for the populace, specific attention is given to the efficient management of small businesses and private entrepreneurship while construction companies are in competition. Specifically, in our Republic, the development of small business and private entrepreneurship is essential to the implementation of effective management of small business and private entrepreneurship. This is necessary to change construction enterprises fundamentally, increase demand for manufactured construction products, increase the number of competitive products, and improve their efficiency. When President Sh.M. Mirziyoyev met with business owners, he said the following. First, cities and districts were separated into five groups, and 60 districts were given their own tax, credit, and financial aid policies. Consequently, throughout the last six months, enterprises in these regions received advantages of almost 1 trillion soums. As a result, 20 districts' entrepreneurs' incomes rose 1.5–2 times over the previous year. That is, it went from 7 trillion soums to 11.5 trillion soums in the first half of this year. Second, the deadline for value-added tax refunds was shortened, and 6,000 businesses received 20 trillion soums in refunds over the course of the previous year, from August 1, 2022, to August 1, 2023. "Create conditions for organising entrepreneurial activity and forming permanent sources of income, increase the share of the private sector in GDP to 80 percent

and its share in exports to 60 percent" [1] is one of the primary objectives of the third priority area of the new Uzbekistan Development Strategy for 2022-2026, or "Intensive development of the national economy and ensuring high growth rates." Given the aforementioned factors, one of the most pressing issues of our day is the growth of small business and entrepreneurship in the construction industry.

Literature review

The organisation of small businesses and private entrepreneurship in construction firms has been the subject of several scientific studies and published papers. According to A.N. Asaul, entrepreneurship is specifically defined as "a unique form of economic activity, the essence of which is to stimulate and satisfy the specific needs of society, to obtain competitive advantages by disrupting the market balance, and its members use such an important feature in business as innovation, which leads to disruption of market balance." [2] A.V. Busigin, G. Gross, M.G. Lapusta, Yu.L. Starostin, R. Khizrig, M. Peters, Yu.M. Osipova, B.A. Reizberg, and V.A. Rube are among the foreign and CIS economists who have made contributions to the theory and practical implementation of small business and private entrepreneurship [3]. In the construction industry, domestic economists N. Yo'ldoshev, R.A. Alimov, R.A. Ubaydullaev, N.M. Makhmudov, N.M. Yusupova, B.K. Abdusamatov [4], and others discussed some theoretical and practical aspects and challenges of developing efficient methods of managing small business and private entrepreneurship. According to certain standards set by laws, state authorities and management bodies, or other representative organisations, market economy entities can effectively manage small businesses and entrepreneurial activity in construction companies [6].

2. Materials and Methods

The Republic of Uzbekistan's laws pertaining to small business and private entrepreneurship, presidential decrees and resolutions, cabinet of ministers' resolutions, foundational research on the growth and enhancement of small business and private entrepreneurship, and the works and studies of both domestic and international scientists and economists on the advancement of small business and private entrepreneurship in the construction industry will all serve as the basis for the scientific article. Analysis and findings.

3. Results and discussion

Regarding entrepreneurship and small business in construction companies, it can be claimed that the most crucial element in effectively resolving the following issues is the steady growth of small businesses:

- improvement of the state's material and moral support of small business and entrepreneurship;
- expansion and improvement of the range of goods, works, and services for builders;
- the advantages of small businesses in attracting personal funds from the population for the development of production;
- the formation of competitive improved market relations that help to better meet the population's needs for goods and services through the development of small business and entrepreneurship in construction enterprises;
- the growth of small business and entrepreneurship in the construction sector improves the ability of capable investors to invest in the sector;
- the advantages of small business in attracting personal funds from the population for the development of production;

The development of the economic and social functions of small business and entrepreneurial activity in construction enterprises is one of the most important state tasks, according to all of the aforementioned points. As such, it is an essential component of the reform of the regional economy in general and regions in particular. The Samarkand region has seen a steady increase in the number of small enterprises in recent years. Therefore, let's increase the efficient administration of small businesses and

entrepreneurial activity in building firms in order to explore the networks of organisational structures.

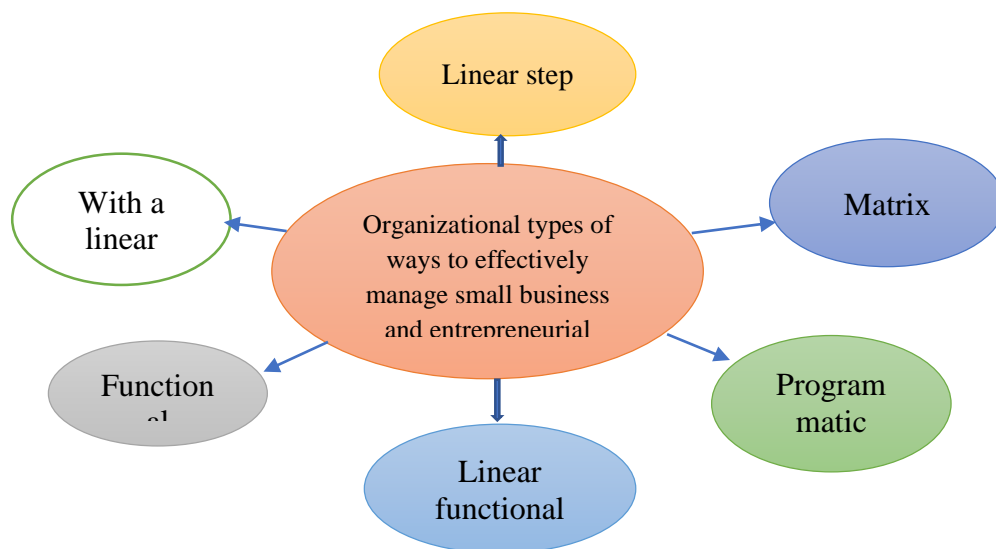


Figure 1. Types of organizational structures for managing the activities of small businesses and entrepreneurial enterprises in the construction sector

Management of small business and private entrepreneurship in the construction process based on a linear (step-by-step) structure. A linear (step-by-step) structure is the simplest type of management structure. In this case, the tasks and functions of managing small business enterprises are concentrated in the hands of the head of the enterprise, and all subordinate managers and production cells are subordinate to him. Each manager manages the activities of the unit entrusted to him on a solo basis and makes the necessary decisions independently.

Management of entrepreneurship and small business enterprises based on a linear-staff structure. A linear-staff structure is organized by creating specialized employees, advisory councils, that is, staffs under the line manager of each entrepreneur. Using the networks of this organizational structure under consideration, we can learn about the role of small business and entrepreneurship in the construction sector.

The scientific article states that the increasing number of construction enterprises in the Samarkand region creates many advantages for the development of small business and entrepreneurship in the process of managing the construction sector. In recent years, the establishment of new small business and entrepreneurship enterprises has been growing sharply in a developed market economy.

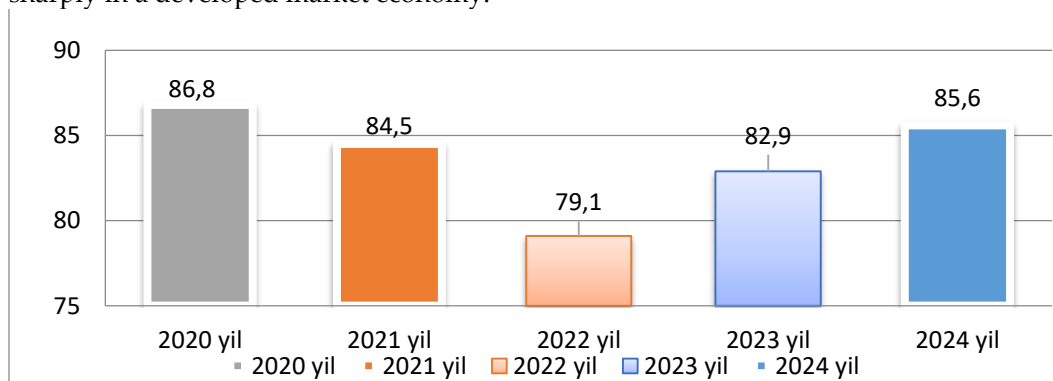


Figure 2. Share of small businesses and private entrepreneurship in Samarkand region (as a percentage of the total)

In particular, the number (percentage) of small businesses and private entrepreneurship in the construction sector by economic sector in the region was 84.5 percent in 2021, and 79.1 percent in 2022, which means that it decreased by 5.4 percent in 2021 compared to 2022, and increased by 82.9 percent in 2023, and increased by 85.6 percent in 2024.

4. Conclusion

We can make the following findings in this scientific study because, according to scientific research, small businesses and entrepreneurship have played a significant role in the development of the construction market in the area:

Free labour resources, the introduction of new economic relations, the emergence of new forms of ownership, which will lead to more people laid off from production participating in social production, and the development of development goals and a detailed plan for the implementation of activity projects are all necessary for the successful growth of small businesses in the construction sector.

- it will be possible to create an active position for the creation and development of cooperative production relations, which will create a reserve for long-term activity prospects, guaranteeing the stability of the development of effective management of small business and entrepreneurial activity in construction enterprises;

- the complex will contribute to the development of innovative activities through the use of innovative technologies and developments in the construction process and the participation of small business entities in the projects of large enterprises in the construction market;

- it will be possible to allocate loans for the implementation of projects for the effective management of small business and entrepreneurial activity in the construction sector;

- to implement measures to create a system for financing investment projects, taking into account the payback periods of entrepreneurial projects;

- the active position of small businesses and private entrepreneurship in the field of permanent construction allows for the development of the technological and production foundations of economic activity based on the provision of a wide range of quality services, the creation and development of sustainable production relations in the long term.

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