

THE IMPORTANCE OF INNOVATIVE DEVELOPMENT OF SMALL AND MEDIUM BUSINESS

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Abstract:

The article examines the conditions and features of the use of simulation innovation in small and medium-sized businesses (SMEs) in Uzbekistan. Indicators of the level of economic development of the regions are indicated.

Keywords: small business, medium business, innovations, index, integral index, technological innovations, process innovations, joint innovations, the level of economic development of the region.

The importance of small and medium-sized businesses in socio-economic development is recognized all over the world, especially in the economy of developed countries, small and medium-sized businesses have a worthy place and are an important sector. Small and medium-sized businesses attract local raw materials to production, create jobs, provide income to a large part of the population, determine the state of socio-economic development of the entire country and its regions. Small and medium-sized businesses strengthen integrative relationships within the network and with other networks.

In our opinion, it is appropriate to use the experience of the European Union (EU) countries in dividing enterprises into micro-enterprises and small enterprises in our country. Because these criteria apply to 28 EU countries. Determining the number of employees at 1-9 people in micro-enterprises, 10-49 people in small enterprises, and 50-249 people in medium-sized enterprises ensures that the state's policy of supporting small and medium-sized businesses will be more specific and targeted.

Currently, the establishment of innovative activities is gaining importance in increasing the efficiency and competitiveness of small and medium-sized businesses enterprises. Creation of new types of products and services, development and introduction of new technological processes into production remains the most important factor of sustainable development of small and medium-sized businesses



enterprises. Reserve opportunities related to improvement of quality and competitiveness of products, economy of material and labor resources, increase of labor productivity and improvement of enterprise activity organization and management are related to innovative activities.

The purpose of introducing innovations in small and medium-sized businesses industrial enterprises:

- increase profit;
- increase product quality;
- reduction of product cost;
- mastering a new type of product;
- increase the volume of product sales in the domestic market;
- increase the volume of product sales in the foreign market;
- economy of raw materials and materials;
- improvement of workers' workplaces;
- reduction of toxic waste.

Obstacles to engage in innovative activities in small and medium-sized businesses are as follows:

- lack of financial resources;
- innovations are associated with high costs;
- low level of technical base;
- high loan percentage; – lack of qualified personnel;
- high risk, etc.

State support measures for small and medium-sized businesses (defined on the basis of foreign and domestic experience):

- tax privileges;
- state grants;
- concessional debt by the state (if the project is implemented, a certain part of the debt will be waived);
- providing subsidies;
- loan subsidization;
- giving advice;
- support infrastructure (business incubator, technological park, etc.);
- use of public-private partnership in purchasing new equipment and technology.

The type of technological innovation can be viewed from different perspectives.



In the conditions of Uzbekistan, the use of imitation innovations in small and medium-sized businesses enterprises depends on the level of development of the economic, industrial and innovative competence of the regions, in addition to the above-mentioned factors. In developed regions, cooperation between enterprises develops well, there is an opportunity to attract specialist personnel. The presence of scientific research institutes and universities in the regional centers, especially in the city of Tashkent, accelerates the implementation of innovative activities in KUB enterprises.

Small and medium-sized businesses enterprises operate in a certain area. In this regard, the level of economic development of the region affects the innovative development of small and medium-sized businesses. The level of development of the region is determined by the following indicators:

- region's share in the country's gross domestic product (GDP), gross regional product per capita;
- the share of industrial output in the country's industrial output, regional industrial output per capita;
- products of small and medium-sized businesses operating in the region, their number;
- investment activity in the region;
- attracted foreign investments.

The above indicators are used in the analysis of the level of economic development of the regions.

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