

## WAYS TO DEVELOP ENTREPRENEURSHIP THROUGH INNOVATION

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**Abstract:** This article describes in detail the creation of innovative ideas and innovations to increase the efficiency of entrepreneurial activity and their application in practice. It also highlights a number of systemic issues that hinder the further improvement of conditions for the development of active entrepreneurship and innovation in our country.

**Keywords:** Entrepreneurship, innovation, innovative activity, innovative idea, innovation market, innovative projects-startups, infrastructure institutions.

### Introduction

The rapid development of small business and private entrepreneurship is a key element in ensuring the sustainable growth of any country's economy and a priority of ongoing economic reforms. Ensuring and supporting the sustainability of small business and private entrepreneurship in our country has been identified as one of the main priorities of socio-economic development of the country. The important role of small business in the economy is to ensure a competitive environment in the economy, supply products and services to large enterprises, create new jobs, increase the flexibility of the market system, accelerate scientific and technological progress, mobilize resources for production. , ensuring an increase in tax revenues, stabilizing the level of income of the population. At the same time, small business and private entrepreneurship as a form of economic activity are characterized by a high degree of versatility, a wide range of activities, compactness and quick adaptability to any conditions. Therefore, it is no exaggeration to say that the development of small

business and private entrepreneurship is a guarantee of social stability and economic prosperity.

### **Analysis and results**

On May 5, 2018, the President of the Republic of Uzbekistan adopted Resolution No. PP 3697 "On additional measures to create conditions for the development of active entrepreneurship and innovative activity." According to him, the results of the analysis show that there are a number of systemic problems that hinder the further improvement of conditions for the development of active entrepreneurship and innovation in the country [2]: first, taking into account the existing resource base and potential of the regions There is no systematic analysis of the market of advanced and modern innovative developments, technological projects-startups and innovations;

secondly, the work on attracting investments to innovative projects-startups, promoting and coordinating the activities of talented entrepreneurs who actively introduce innovations in the field of production and services is not carried out; third, there is a lack of entrepreneurs in the field of innovative development, especially in the field, with a low business environment, as well as the necessary skills to develop and promote innovative and successful technological projects; fourth, there is no database of innovative ideas, developments and technologies, and the practice of creating new resources and transferring experience to businesses remains underdeveloped; fifth, the mechanisms for supporting the market of innovative developments are poorly developed, the coordination of the effective use of innovative ideas is not established, and the quality of innovative developments does not meet market requirements; sixth, insufficient attention is paid to the involvement of graduates of technical universities and talented youth in the field of innovative developments, technological projects-startups, as well as the creation of business incubators; seventh, the promotion of innovative entrepreneurship among the population is not carried out effectively, and technical and psychological barriers to attracting to the development and promotion of innovative products and services remain. The importance of innovation in small business development is enormous. Timely and timely application of innovative innovations in enterprises leads to a sharp reduction in costs and increased productivity. We can see this in the experience of developed countries. For example, countries such as Japan, America, and Germany are among them. [3] —According to Forbes magazine, almost 10% of the world's top innovative companies are based in Japan. Many of the world's greatest inventions were made in Japan. For example, pocket calculator (1970), android robots (2003), express trains (1964) and others [4]. As for Germany, National Geographic describes Germany as "Europe's strongest economic and industrial power" because Germany spends so much time and effort on research, technology and science. According to the Goethe Institute, in 2016, the German government allocated 80 billion euros for the development of scientific

research. Germany is the second largest global investor after the United States. Germany is among the top ten countries that invest heavily in research and development. It is also in the top ten for new innovations. We know that Germany is a small and medium business country. Any business in Germany with up to 500 employees is a small business, and 99% of the companies there are of this type. This represents 3.6 million companies in real numbers, or 80 percent of all jobs in Germany. From this it is clear that in developed countries, small business is a key factor in determining the fate of the country's economy. As a developing country, Uzbekistan is also working hard to develop small business and entrepreneurship. The development of small business and private entrepreneurship in various sectors of the economy is one of the important macroeconomic factors in ensuring the stability of our national economy. This can be explained by the fact that in recent years, as a result of the development of small businesses, their share in the country's GDP is growing.

The share of small business and private entrepreneurship in GDP in the Republic of Uzbekistan in 2000 was 31%, in 2017 this figure reached 53.3% and increased by 1.7 times compared to 2000. This result is primarily due to the constant support of small business and private entrepreneurship by the state, the rapid development of small business and private entrepreneurship in the country due to the establishment of infrastructure and improving the quality of services. suitable.

Comprehensive measures taken to ensure reliable protection of small business and private entrepreneurship, their comprehensive support and removal of obstacles to their rapid development In 2017, more than 38.2 thousand new small businesses subjects or increased by 122.0 percent compared to 2016. The largest share of these small businesses was in industry (27%), trade (21%), agriculture, forestry and fisheries (13%) and construction (10%).

As of January-September 2018, 38.1 thousand new small enterprises and micro-firms were created, an increase of 23.6% over the same period last year. The largest number of small enterprises and micro-firms is in trade (23.1%), industry (22.4%), construction (12.9%), agriculture, forestry and fisheries ( 11.8 percent), accommodation and meals (7.6 percent), transportation and storage (4 percent). The main feature of small business and private entrepreneurship is that for it, regional factors, as a rule, prevail in terms of their impact on the process of attracting investors. It should be noted that the analysis of the investment climate should be conducted by industry. Because positive investment factors have their own characteristics for different industries. Therefore, measures are being taken to create favorable conditions for the development of small and private entrepreneurship in the economy of the Republic of Uzbekistan and to improve the working environment. This, in turn, increases the share of small business and private entrepreneurship in the regions.

The creation of innovative innovations and their application in practice is very important for increasing the efficiency of entrepreneurs. In this regard, a number of works

are being carried out in our country. In particular, 92.4 billion soums will be allocated for financing scientific and technical projects implemented within the framework of scientific and technical programs, 15.7 billion soums for innovative projects in further development of scientific, scientific and technical potential of the country, modernization of the economy. , plays an important role in the development of small business and technical and technological re-equipment of production. It is known from national and international experience that the level of development of the economy and society depends in many ways on innovative activities. Consequently, efficiency in the economy increases due to the introduction of innovative technologies and inventions into production.

### **Conclusion/Recommendations**

In conclusion, in the context of radical changes in the economy, it is important to develop the activities of innovative businesses. Given the role of small business and private entrepreneurship in the economy of the country, the opportunities for improving the welfare of the population, the following proposals can be made:

to regularly study the problems that hinder, hinder or may hinder the effective operation of small business and private entrepreneurship and take timely measures to eliminate them;

effective organization of the process of obtaining accurate information on vacant or inefficiently used buildings and structures in the regions as soon as possible and their provision to small businesses and private entrepreneurs;

identify the specifics of each region and mobilize all available resources to create a more favorable environment for small business and private entrepreneurship;

elimination of any bureaucratic obstacles to the organization and implementation of small business and private entrepreneurship in the regions;

to pay attention to the process of connection of small businesses in the regions to energy, gas, water and sewerage, heat supply and other similar engineering and communication networks, and to apply best practices in this area;

application of measures to improve the structure of small business and private entrepreneurship in the regions, in particular, in the field of industry, the development of small business and private entrepreneurship based on advanced scientific achievements in the organization of modern high-tech industries to find different ways and means of encouragement;

expand their participation in foreign economic activity by providing clear and effective support to small businesses and private entrepreneurs exporting products in the regions; It is also necessary to provide full support to small business and private entrepreneurship in the country, to ensure that they become a strong economic sector that can

compete in domestic and foreign markets, consistently produce quality products and services.

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