

PROSPECTIVE ECONOMIC SECURITY IN SMALL ENTERPRISES IN UZBEKISTAN

BY

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Abstract

Real sector branches and enterprises in the country's economy that it has a very large place, stable economic growth and economic security. It is well known that the provision is largely related to their development became more evident in the financial and economic crisis. In this article it has been studied small company's economic effectiveness from social protection issues. For an empirical analysis it is used secondary source data Statistics Agency under the President of the Republic of Uzbekistan. Main results can be denoted that few statistically significance relationship $p < 0.05$ level. In conclusion it can be clarified that for a share of the total GDP, and export of the country small companies contributes social benefits to employers. For the statistically analysis we used OLS model and Pearson and Spearman correlation tests. While it has been used Swilk normality test for distribution.

Keywords: Small business, economic security assurance, economic sectors, social protection, well-being.

Introduction

Economic security of industrial enterprises problems can include: security in the economic literature system, the place of economic security of industrial enterprises in them and that the significance is not disclosed; the concept of economic security and its types that there is still no consensus among the scientists of our country. Economic security of the country, region, economic entities, each lack of development of a scientifically based classification system for the person. Principles of ensuring economic security of industrial enterprises insufficient justification; economic security of enterprises.

The main tasks of provision are sufficiently in the economic literature lack of lighting; ensuring the economic security of industrial enterprises lack of development of conceptual directions; economic of the enterprise safety issues as a direction of science it is possible to enter such as unformed. Legal provision of economic security of industrial enterprises the following can be included in the problems: economic of industrial enterprises regardless of the paramount importance of ensuring the safety of In our country, the Law "On Economic Security" is still under

development failure to issue; each to ensure the economic security of the enterprise of the set of regulatory documents based on the characteristics of the enterprise lack of development; on ensuring the economic security of the enterprise it is possible to include such things as the lack of development of the organizational and structural system. His solution for ensuring the economic security of industrial enterprises Some of the practical challenges ahead include: industry the system of indicators for assessing the economic security of enterprises

Materials & Methods

Furthermore, like any other businesses, agricultural small and medium enterprises (agri-SMEs) operations are not exempted from implementation of best Financial Management Practices (FMPs) for their efficiency and good performance. And poor financial management leads to flawed financial decisions whose effects are manifested in poor performing and failure status of many agribusi- ness enterprises at different nodes of value chains(Mang'ana et al., 2023).

The study used qualitative and quantitative data from both primary and secondary sources. The primary

data was obtained from the sample MSEs (both defaulters and non-defaulters) using semi-structured inter- view. Pre-testing of the questionnaire was carried out, and a few amendments were made to the questionnaire. The questionnaire contains numerous questions about the socio-economic, and institutional characteristics of the sample enterprise which include the age of the enterprise, amount of loan obtained, suitability of loan repayment period, collateral security, distance to a lending institution, loan scheme etc. were collected through a face-to-face interview(Endris, 2022).

The rate of postharvest losses of different categories of foods is different depending on the nature of the foods, climatic conditions and postharvest management practices. Unprocessed foods can broadly be classified into two categories: perishables and durables. Foods with higher moisture and readily hydrolyzable nutrients (such as fats) are more likely to undergo postharvest losses that are manifested in the forms of weight losses and quality loss(Teferra, 2022).

The great unemployment crisis in the 1980s led policymakers to concentrate on small and medium-sized enterprises in the member countries. It was thought that large enterprises' production, employment, and investment problems could be solved by taking advantage of SMEs. SMEs were handled with sensitivity in all economic arrangements, incentive policies and legislative implementations made after 1990. In the European Research Area (ERA) framework programs, SME support and grant funds were increased every four years(Erdin & Ozkaya, 2020).

The implementation of digital technologies in enterprises is also extremely important from the point of view of the development of national and regional economies. This is due to the technological and social pressure that is exerted by the authorities aiming to build a knowledge-based economy and, consequently, a competitive advantage. It is also associated with changes in the labor market and the market of consumer goods, closely related to the implementation of new technologies. The process of digitalization identified with modernity and innovation is becoming a guarantor of economic growth, changes in the labor market as well as modern organization and management of production processes. These changes

also affect the development of science and education, which creates very favorable conditions for the development of individual countries and regions(Brodny & Tutak, 2022).

Formation of a system of ecosystem performance indicators and development of a mechanism for analyzing and evaluating both each actor and all systems from the perspective of ecosystem interaction. To evaluate management decisions within the ecosystem, it is necessary to develop a unified system of indicators. There are many approaches to analyzing enterprises from the perspective of digital reality. One of the most well-founded is the MacKinsey study which identified the main promising areas of industry development in the digital economy(Tolstykh et al., 2022).

The study used a systematic review to explore factors affecting the adoption of Data Management-as-a-Service in Small and Medium Enterprises (SMEs) during the period 2008-2020. The published articles were analyzed to gain insights into factors affecting SME adoption. The study results show that there was a general increase in research output on factors affecting the adoption of DMaaS in SMEs for the period under review. The results indicate that America had the highest frequency and Africa had the least of the published articles. The results show that security was the highest mentioned technology factor and compatibility the lowest factor that affects the adoption of DMaaS in SMEs(Zide & Jokonya, 2021).

It should be noted that for the purposes of risk management in combating money laundering and terrorism financing, tax administration is an important aspect of developing and maintaining the integrity of the economy, both national and international. Now, neither in Russian nor in international practice there is a single mechanism for regulating transfer pricing in terms of preparing transfer pricing documentation, which allows corporations to establish transfer prices that are beneficial for themselves and justify them in their favor, which leads to tax evasion(Leonov et al., 2021).

Lack of development; impact on the economic security of industrial enterprises calculation of the uncertainty of the system of contributing factors and their impact due to the lack of development of methods of internal security opportunities are not used;

economic security of the enterprise lack of systematization of provisioning service and their management it is possible to include problems such as the incomplete resolution of the issues.

Current article is about ensuring the economic security of small enterprises of Uzbekistan scientific and comparative analysis in studying problems based on Stat.uz data source. Main indicators used to ensure the economic security of the enterprise induction and deduction assessment OLS method were used. Also, develop ways to ensure the economic security of the enterprise used marginal effect and residuals against the fitted values of the dependent variable. For scientific observation it has been used Gaus-Markov theorem.

Results & Discussion

In the conditions of market relations, the center of economic activity is the total economy the main link

is transferred to the enterprise. It is a necessary product for society at this time is created, service is provided. Enterprises have highly qualified personnel and efficient use of resources, use of high-performance equipment and technology issues are resolved. Production and transaction costs in enterprises reduction to the minimum possible (reduction) is achieved. Business plans is created, marketing is applied, effective management is implemented. All this requires deep economic knowledge from entrepreneurs. Determine the market requirements in a competent and comprehensive manner in the conditions of the market economy who receives, creates and organizes the production of products based on demand, high qualified employees will have a large income.

Table 1. Pairwise correlations test results

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
(1) Industry	1.000							
(2) Construction	0.968 (0.000)	1.000						
(3) Employment	0.713 (0.000)	0.637 (0.001)	1.000					
(4) Export	0.758 (0.000)	0.673 (0.000)	0.884 (0.000)	1.000				
(5) Import	0.931 (0.000)	0.901 (0.000)	0.789 (0.000)	0.877 (0.000)	1.000			
(6) Trade	0.993 (0.000)	0.985 (0.000)	0.714 (0.000)	0.747 (0.000)	0.929 (0.000)	1.000		
(7) Services	0.992 (0.000)	0.979 (0.000)	0.743 (0.000)	0.773 (0.000)	0.937 (0.000)	0.998 (0.000)	1.000	
(8) social_contrib~s	0.274 (0.444)	0.055 (0.881)	0.534 (0.112)	0.518 (0.125)	0.433 (0.211)	0.187 (0.604)	0.204 (0.571)	1.000
(9) credit_private~c	0.029 (0.945)	0.297 (0.475)	-0.476 (0.234)	-0.179 (0.671)	-0.048 (0.911)	0.142 (0.737)	0.133 (0.753)	-0.660 (0.075)

The direct contact of the worker with the means of production is the product in enterprises occurs during the production process. An independent industrial enterprise means production production has technical unity, organizational-administrative and economic independence production steam is

understood. The enterprise independently organizes its activities, products production, profit after taxes and other mandatory payments manages. In the conditions of market relations, the small companies plays great role.

Table 2. Shapiro-Wilk test for normal distribution

Variable	Obs	W	V	z	Prob>z
Industry	23	0.810	4.962	3.257	0.001
Construction	23	0.757	6.364	3.763	0.000
Employment	23	0.870	3.408	2.494	0.006
Export	23	0.912	2.310	1.702	0.044
Import	23	0.892	2.821	2.109	0.017
Trade	23	0.825	4.579	3.094	0.001
Services	23	0.851	3.898	2.766	0.003
social_con~s	10	0.970	0.460	-1.239	0.892
credit_pri~c	8	0.975	0.350	-1.500	0.933

Economic security is multifaceted, it involves all of humanity, represents the state of protection from unpleasant, negative, harmful effects, dangers for the normal functioning and development of the state or economic system. This concept is specific to the life activity of people and society will have its own characteristics in its fields. Security in what area, in what shape and form no matter how they appear, they all have one thing in common.

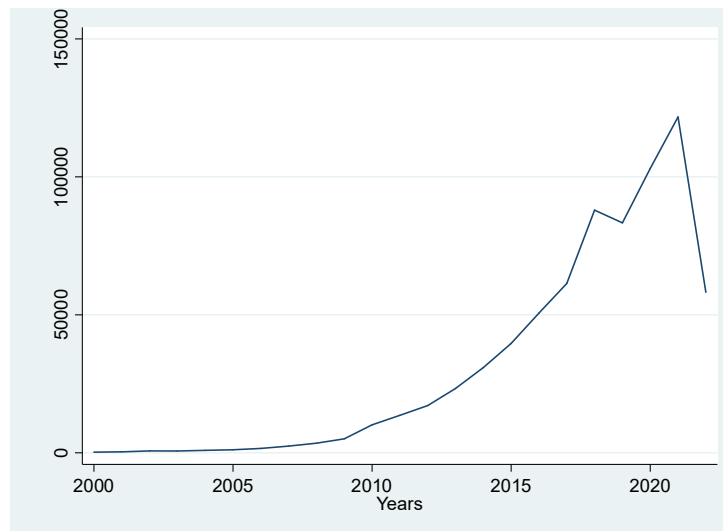


Figure 1. Line graph of manufacturing goods in SME

In general, security as a condition and strategy for protection against danger is a social system, normal functioning of the economic effectiveness will be tested in Swilk test (table 2). Subjects of security are individuals, social groups of the population, associations and unions of people, the state and society.

Table 3. Linear regression

social_contributions	Coef.	St.Err.	t-value	p-value	[95% Conf	Interval]	Sig
credit_private_sec	-.938	.319	-2.94	.06	-1.953	.077	*
unemployment	-1.647	.473	-3.48	.04	-3.151	-.142	**
tax	.0001719	0	3.12	.052	0	0	*
industry	.0000734	0	2.67	.075	0	0	*
Constant	32.261	1.462	22.07	0	27.608	36.913	***
Mean dependent var		22.487	SD dependent var			3.070	
R-squared		0.981	Number of obs			8	

F-test	38.037	Prob > F	0.007
Akaike crit. (AIC)	18.014	Bayesian crit. (BIC)	18.411
*** $p < .01$, ** $p < .05$, * $p < .1$			

Economic security of enterprises when analyzing their production, service, financial, commercial and non-commercial and It is appropriate to categorize them from the point of view of their functioning as public organizations. Depending on the specialty of the enterprise, the features of ensuring security are also different is natural.

Table 4. Linear regression

Linear regression

unemployment	Coef.	St.Err.	t-value	p-value	[95% Conf	Interval]	Sig
social_contributions	-.487	.14	-3.48	.04	-.932	-.042	**
credit_private_sec	-.404	.25	-1.61	.205	-1.199	.392	
tax	0	0	3.34	.044	0	0	**
industry	0	0	1.76	.177	0	0	
Constant	16.099	4.099	3.93	.029	3.056	29.143	**
Mean dependent var		6.860	SD dependent var			2.333	
R-squared		0.990	Number of obs			8	
F-test		75.001	Prob > F			0.002	
Akaike crit. (AIC)		8.265	Bayesian crit. (BIC)			8.662	
*** $p < .01$, ** $p < .05$, * $p < .1$							

Also, in the direction of customs payments, a total of 860 billion will be paid to imported goods during the 12 months of 2019 based on the rates set by the law. Customs fees in the amount of 82.0 million soums were calculated, of which 812 billion. 347.2 mln. 47 billion soums or 97.9% of customs fees were granted, and 5.6% of the estimated customs fees were 47 billion. Customs fees in the amount of 734.8 million soums were collected. We will not be mistaken if we say that this is a clear expression of attention and opportunities for business entrepreneurs.

Table 5. OLS regression test results

credit_private_sec	Coef.	St.Err.	t-value	p-value	[95% Conf	Interval]	Sig
social_contributions	-1.887	.041	-46.16	.014	-2.406	-1.367	**
Industry	0	0	-5.67	.111	0	0	
Employment	.003	0	7.96	.08	-.002	.007	*
Export	.006	0	37.84	.017	.004	.008	**
Import	0	0	-10.80	.059	-.001	0	*
Trade	0	0	-0.52	.694	0	0	
Constant	-15.305	3.699	-4.14	.151	-62.309	31.699	
Mean dependent var		14.500	SD dependent var			2.449	
R-squared		0.7902	Number of obs			8	
F-test		975.394	Prob > F			0.025	
Akaike crit. (AIC)		-19.429	Bayesian crit. (BIC)			-18.873	
*** $p < .01$, ** $p < .05$, * $p < .1$							

Average interitem covariance is 7.23e+08 for number of items in the scale: 10. Scale reliability coefficient is 87 percent. In addition, the positive results achieved in the field of monitoring of foreign trade operations and customs statistics should be highlighted. During 2019, the total value of economic entities was 2.46 billion. 2,229 foreign trade contracts equal to US dollars were entered into, which increased by 3.2% or 75.7 million US dollars compared to 2018, and when counted in numbers, it increased by 363.

Table 6. Marginal effect regression test

Conditional marginal effects Number of obs = 8
 Model VCE : OLS
 Expression : Linear prediction, predict()
 dy/dx w.r.t. : social_contributions Industry Employment Export Import Trade
 at : social_con~s = 6.25 (mean)
 Industry = 75739.16 (mean)
 Employment = 10224.09 (mean)
 Export = 3295.313 (mean)
 Import = 9304.688 (mean)
 Trade = 120040.1 (mean)

		Delta-method				
	dy/dx	Std.Err.	t	P>t	[95%Conf.	Interval]
social_contributions	-1.887	0.041	-46.160	0.014	-2.406	-1.367
Industry	-0.000	0.000	-5.670	0.111	-0.000	0.000
Employment	0.003	0.000	7.960	0.080	-0.002	0.007
Export	0.006	0.000	37.840	0.017	0.004	0.008
Import	-0.000	0.000	-10.800	0.059	-0.001	0.000
Trade	-0.000	0.000	-0.520	0.694	-0.000	0.000

Of these, the total export value is 93.7 mln. USD and customs clearance of goods under contracts equal to US dollars was carried out. During the 12 months of this year, the foreign trade turnover of the department (excluding special exports and services) was 413.9 million. 185.9 million USD compared to the same

period last year (228.0 million USD). USD or increased by 81.5%. The volume of export of goods is 84.4 mln. amounted to US dollars. At this point, the main part of exports consists of cotton yarn, textiles, cotton and cotton products, agricultural products. While Durbin-Watson d-statistic (7, 8) = 2.839911

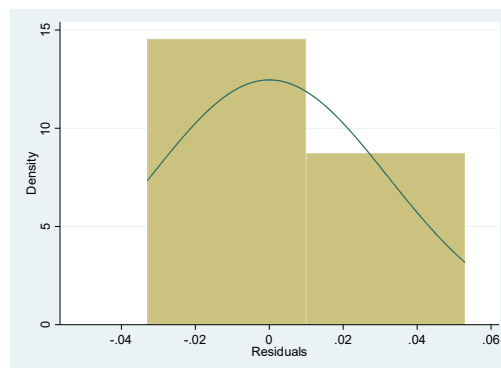


Figure 2. Data normality histogram for ehat

In such conditions, the country's enterprises are competitive in foreign markets to ensure that there is, to produce products that meet the demands of world market production, promotion of exports, competitiveness of the national economy increase is important. By testing yhat competitiveness of the economy and it is an important factor of ensuring the country's economic security. Both economic security of the small companies test results yhat is normally distributed.

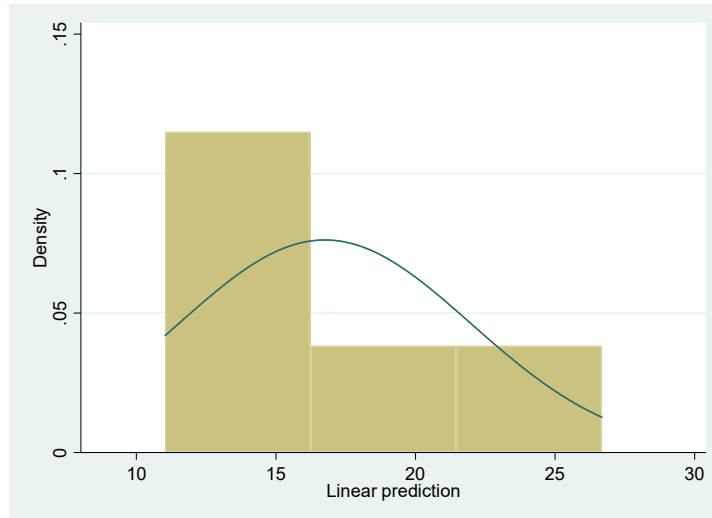


Figure 3. Data normality histogram for yhat

In any field of economic security for production, foreign trade, scientific and technical cooperation, etc., of all countries there are certain limits, based on scientifically based norms can be determined. To the current situation in some countries to talk about the existence of a universal indicator that fully evaluates it won't be quite right. Because economic security is influenced by many factors It is considered a permanent phenomenon, and it is a continuous change of national production reflects the sum of internal and external conditions

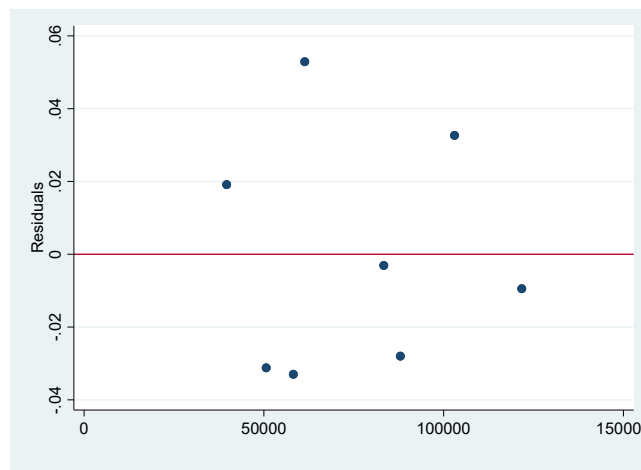


Figure 4. Line graph of fitted values against DV

The rvfplot command plots the residuals against the fitted values of the dependent variable. The state of economic security of the country through a system of criteria and indicators is evaluated. Based on these criteria and indicators, the economic system operates dangerous limits are determined. Economic security in the country weakening of the condition can be allowed within a certain limit. It is not the indicators themselves for economic security, but their threshold amount is important. Failure to comply with these limits will result in reproduction prevents the stable development of various elements.

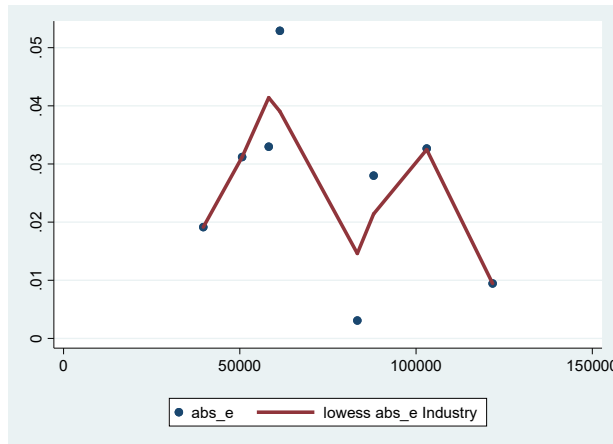


Figure 5. Line graph of manufacturing goods in SME

As for the Breusch-Pagan / Cook-Weisberg test for heteroskedasticity H_0 : Constant variance Variables: fitted values of credit_private_sec $\chi^2(1) = 0.73$, Prob > $\chi^2 = 0.3933$. Economic threats to the development of the country's economy, directly to the economic interests of the state, economic entities. These threats derail social reproduction, leads to a decrease in the standard of living of the population, tension in the life of society causes situations, harms social stability.

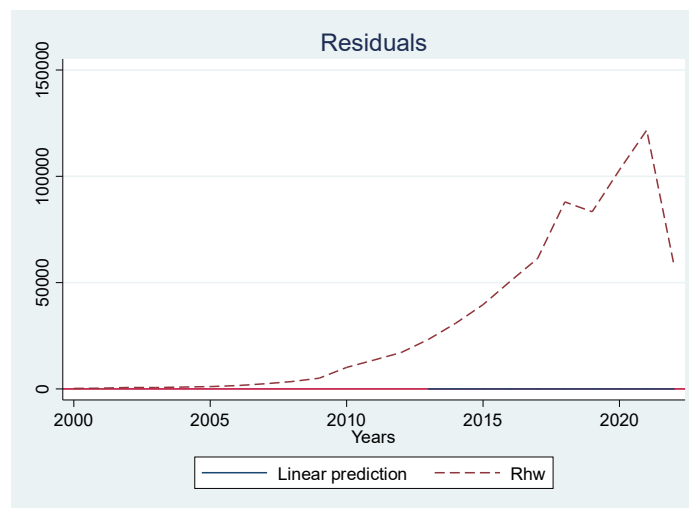


Figure 6. Line graph of prediction against RW

The need to increase the competitiveness of the small companies are determined by special indicators. For example, the limitation of the domestic market increasing production efficiency by using modern technologies also somewhat limits its possibilities. Any country outside of that will have to buy a certain part of consumer goods from foreign markets. In such a situation, increasing the company's export potential means ensuring imports guarantees life balance economic development.

Acknowledgments

Summing up the results, it can be concluded that an economic security is an important component of local companies. Main material as a basis, statehood was formed as an economic category which realized their interests. Economic security guaranteed protection of the company effectiveness. However, social orientation of development is sufficiently provided even under the circumstances. But, transport is economical with the mobilization of material, human and financial resources provides growth.

Improving the process of cargo and passenger transportation, reducing costs of enterprises. While increasing trade opportunities, markets deepening integration, strengthening competition, social relations is an important factor in expanding social contributions.

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