

THE EFFECT OF EXTERNAL FACTORS IN THE ACTIVITIES OF ENTITIES OF ENTREPRENEURSHIP ON THE WELFARE OF THE POPULATION

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Abstract: In this article is based on the development strategy of New Uzbekistan for 2022-2026 provides comments on the organization of the activities of entities of entrepreneurship and the influence of external environmental factors on it. The complex impact of external environmental factors on business entities is also analyzed.

Key words: entities of entrepreneurship, environmental factors, welfare of the population, competition, monopoly, national economy, export, macro environment, micro environment.

Introduction: Taking into account the rapid development of our national economy, one of the priority areas clearly defined in the development strategy of the new Uzbekistan for 2022-2026 is individual entrepreneurs, small enterprises with a turnover of up to 100,000,000 (one hundred million) soums, which are small and medium-sized entities of entrepreneurship today. The role of external factors is important in micro-firms and limited liability companies and private enterprises with turnover exceeding 100,000,000 (one hundred million) soums.

At the present time, the main goal of entities of entrepreneurship is to create cheap and high-quality goods or services under the influence of external factors, and to organize the sale of goods and services at prices suitable for the population's ability to pay. We know that external factors in any enterprise are all external economic and social factors affecting this enterprise. It is important to take into account the factors affecting the organization when creating a corporate strategy and Western European economists G. Johnson and K.Scholes proposed the following models. This model has the following steps:

Step 1: Determine the nature of externalities (is it variable or stable?);

Step 2: Identify the factors that have affected the venture in the past, are affecting it, and may affect it in the future;

Step 3: Create a systematic analysis plan that identifies the strengths of the company's close or competitive environment;

These steps define the main tasks. Then answers to the following questions:

Step 4: What is the company's position in relation to other organizations?

Step 5: What threats or opportunities do external factors create?

The Factors which are affected to the organization can be studied in several directions:

Global/Local: There are organizations that which are operated in the worldwide. They must be flexible to the domestic market of the foreign countries where they operate or export their products. In some cases, global factors can hurt to the ventures more than local factors¹.

¹ "Accounting in business" / Textbook. Part I. (official translation from English) A. Karimov, S. Mehmonov, N. Rizaev, Z. Solaeva - T.: "Economy-Finance", 2021, page 21

Macro (indirect)/micro (direct) factors: Macro (indirect) factors include all factors that affect the organization indirectly, general economic trends, population growth, new innovative technologies, in a word we say PEST factor analysis that it means PEST (P=Political factors, E=Economic factors, S=Social factors, T=Technological factors).

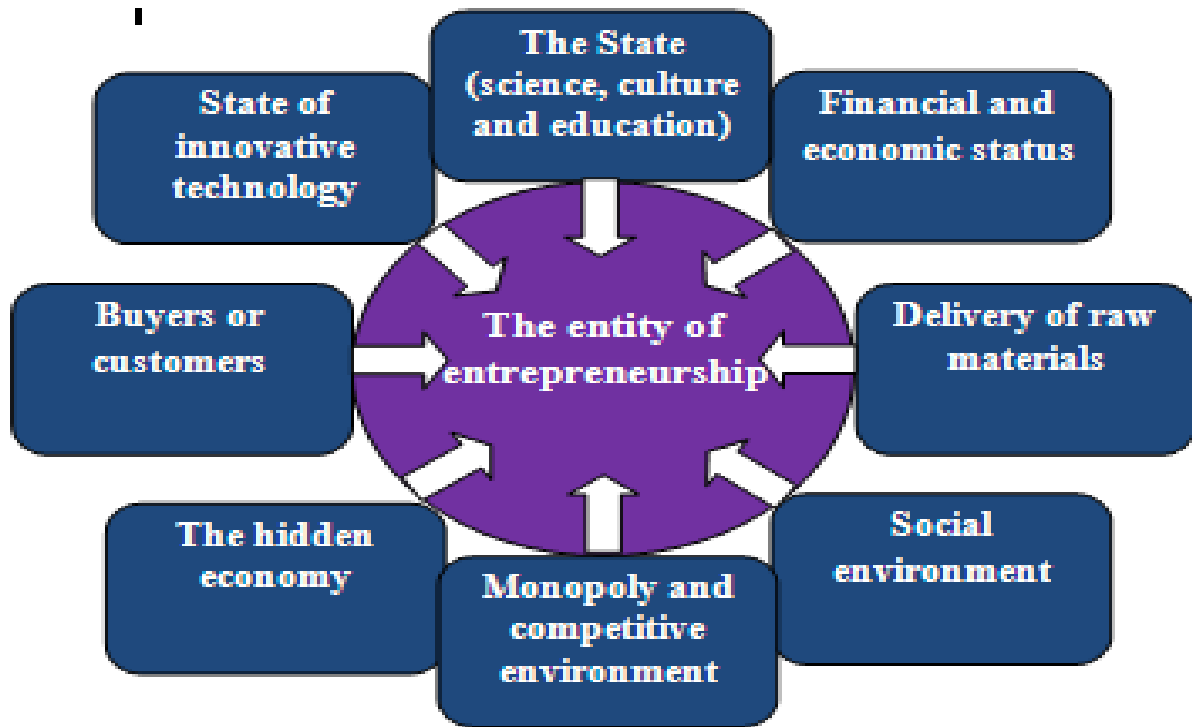


Figure 1.1 External environmental factors of the entity of entrepreneurship (author’s figure)

Research methodology: Microenvironment (direct): Covers areas that affect the entity of entrepreneurship directly: raw materials, competitors, purchasing capabilities of customers. The macro environmental (indirectly) studies government activities, natural phenomena, and a status of the society. We can see the external environmental factors of the entity of entrepreneurship in Figure 1.1 below:

As can be seen from Figure 1.1, 8 external environmental factors affect the entity of entrepreneurship, which are followed: 1. The state (science, culture, education) in this, training the professional staff needed for the entity of entrepreneurship and creating the necessary educational literature, providing various benefits to the enterprise and reducing the tax rate, providing preferential and low percent loans from commercial banks and financing entities of entrepreneurship, issuing a license (permit) to engage in certain economic activities, and providing employees of the venture with

the opportunity to use free medical services. 2. Financial economic activity. The product's cost accounting of the entity entrepreneurship, account of income and expenses, calculation of profit and loss, salary's calculation, taking measures to reduce debtor's and creditor's debts, analyzing cash flows, increasing labour productivity in the venture and taking measures to reduce employee of dissatisfaction are considered. 3. In supplying of raw materials, to find the companies that supply raw materials at low prices for the production of cheap and high-quality products to the venture, thereby winning in the competitive environment by taking measures to capture the market while reducing the cost of the product. 4. Social status. This status includes financial incentives for working employees of the entity of entrepreneurship, acceleration of the mechanism of payment of pensions and material allowances by the State, organizing concerts and entertainment cultural events to improve the mental and psychological condition of employees. 5. Monopoly and competitive environment. In this environment, the entity of entrepreneurship can occupy the market in a competitive environment by selling its manufactured products at dumping prices within the specified period, following the market price policy, and developing measures by the anti-monopoly authorities against monopolistic firms that purchase raw materials. 6. The hidden economy. In this case, cases of evading the payment of taxes, which is a compulsory payment for the entity of entrepreneurship, and conducting entrepreneurship and business without paying taxes at all, not opening an account in a commercial bank, not handing over the funds from the turnover of goods to the bank's cash register, and thereby stopping the circulation of money in our national economy are considered. 7. Buyers. In this factor, the ability of the entity of entrepreneurship to directly engage in marketing activities, the ability to pay for the goods and the interest of the buyers, consumers and buyers of the goods or services created by the entity of entrepreneurship through the introduction of its products to the market, following the price's policy, is considered. Of course, the knowledge and skills of the company's marketers, and specialists who conduct marketing research, are important in the business sphere. 8. Machine tools and equipment purchased and installed in the entity of entrepreneurship in an innovative technological state, robotics tools incorporating modern innovative technologies, computerized equipment and equipment working on the basis of software created on the basis of new innovative technologies and nanotechnologies that work without the human factor and meet the State standards are included.

Results and analyses: If we analyze the factors in the Figure 1.1 from a practical point of view, the factors of the external environment of entities of entrepreneurship directly affect the well-being of the population. Because the well-being of the population is a number of economic indicators: GDP (Gross Domestic Product), GNP (Gross National Product), IP (income of the population), RI (real income), CB (Consumer basket). PR (poverty rate) is measured by P (Profit). Employment of entities of entrepreneurship and the consumer basket today, entities of entrepreneurship operating in our Republic bring clothing or food products to the market and deliver products or services at low cost and high quality, depending on the income of the population and the ability to pay of the population of Namangan region of the Republic of Uzbekistan.

For example: "Ideal" LLC, located in Namangan city, manufactures and sells men's and women's suits, shoes, children's clothes at low dumping prices to residents and guests of our Namangan city. The main goal is to satisfy the needs of the population of our country for clothing. "Ideal" LLC is strengthening its export potential by organizing the production process based on local



raw materials, entering into competition with brands recognized by the world's population, and actively participating in the competitive environment of the World Market.

Today, 500 people are working in this entity of entrepreneurship. This company is one of the leading exporters. This company mainly exports to foreign countries (Russia, Germany, the Netherlands, Kazakhstan and Tajikistan) the products of suits and trousers necessary for the needs of the population, and faces several external obstacles. If we conduct a PEST analysis of "Ideal" LLC, if we cover the analysis of P (political factors) political factors, in which the entrepreneurial and business activities of the entity of entrepreneurship are directly coordinated with the Government decisions, PD (Presidential Decrees), PD (Presidential Decisions) and the Cabinet of Ministers the implementation of decisions and orders in the venture is reviewed and analyzed. E (economic factors) in the analysis of economic factors, the economic development and decline of the entity of entrepreneurship, stagnation or growth, fluctuations in exchange rates and changes in the value of money reserves related to this, reduction of unemployment in the venture, the level of globalization of the economy, wage growth in the venture, the budget of the enterprise, and the venture the analysis of income and expenses and taking measures to obtain preferential, low percent loans from a commercial bank will be considered. S (social factors) refers to socio-cultural and psychological factors in the entity of entrepreneurship in the analysis of social factors. In the analysis of these factors, we must start from several basic parameters, firstly, to monitor demographic growth (increase or decrease in the population), and secondly, considering that for the development of the venture, it needs professional workers or employees like water and air, potential personnel for the venture (skilled workers working in the enterprise and increasing the number of experienced personnel), T (technological factors) in the analysis of technological factors includes the technical configuration and usability of the main modern machines used in the promotion of the creation of products or services based on new innovative technologies of creativity, the introduction of new ways of doing business and the use of new raw materials, internet and mobile the level of influence of devices on industrial and market development, and placing advertisements and posts promoting the products or services created by the entity of entrepreneurship on social networks such as Telegram, Instagram, Facebook, YouTube, Twitter, and thereby introducing IT (Information Technology) innovations that allow the entity of entrepreneurship to compete effectively.

The external environment is the consumers of finished products (work, services), suppliers of means of production, banks and other financial organizations, the State bodies, and the labour force living around the venture. The process of analyzing the external environment of the venture is divided into 3 groups: 1. Economic 2. Political 3. Social; In the economic analysis, including the impact of several external environmental areas on the venture, the general state of the economic environment, the market, consumers, competition, and the labour force factor are considered as the basis of the external economic conditions and influence the strategy of the venture or organization.

In the political analysis, we can see that mainly international factors influence the venture's activity. In this case, especially in multinational companies, its leadership naturally attaches importance to this large environment. In the analysis of social or social ethics, the manager of the mental-psychological firm among the employees of the venture is able to take into account and use their positive effects or neutralize their negative effects.

Conclusion and offers: In conclusion, it is an important issue to create goods and services under the influence of external factors to the entity of entrepreneurship and to improve the welfare of

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the population in the activity of the entity of entrepreneurship. Taking this into the account, nowadays it is an urgent issue to increase the well-being of the population through the production of high-quality and affordable products from the entity of entrepreneurship, based on the demand and needs of the population, and the production of clothing and food products in the consumer basket, which is an important economic indicator of the well-being of the population.

Therefore, the entity of entrepreneurship operating in our Republic should pay attention to such issues and create goods and services. This, in turn, is one of the priorities clearly defined in the development strategy of New Uzbekistan for 2022-2026. In addition, it helps the rapid development of the national economy of our Republic and stabilization of economic growth.

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