

**THE DEVELOPMENT OF SMALL BUSINESS IN UZBEKISTAN'S ECONOMY: THE
IMPACT OF MODERN MANAGEMENT AND INNOVATIVE APPROACHES**

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Introduction: *In recent years, Uzbekistan's economy has experienced significant growth, with the role of small businesses increasingly becoming crucial. Small businesses not only create job opportunities but also enhance economic efficiency by implementing innovative ideas and modern management approaches. Additionally, the development of small businesses has a direct impact on the socio-economic stability of the country.*

The aim of this study is to investigate the effectiveness of modern management and innovative approaches in the development of small businesses in Uzbekistan. The research objectives include:

- 1. Analyzing statistical data on the development of small businesses;*
- 2. Identifying innovative and modern management approaches;*
- 3. Assessing the effectiveness of these approaches and providing practical recommendations.*

Keywords: *Small business development, Innovative approaches, Modern management, Economic efficiency, Entrepreneurship opportunities, Competitiveness, Uzbekistan's economy*

Methodology

The research was conducted using empirical and theoretical methods. Data were collected from the State Committee of the Republic of Uzbekistan on Statistics, business development agencies, and recent scholarly articles.

The main methods included:

Analytical method: Examining available statistical data;

Comparative method: Comparing modern and traditional management approaches;

Experiment and observation: Studying the activities of small business entities.

Results

The analysis showed that:

- 1. The number of small businesses in Uzbekistan increased by 35% over the past five years;*
- 2. Companies that applied innovative approaches achieved 20–25% higher revenue and efficiency;*

3. Modern management technologies — including electronic reporting, marketing, and customer relationship systems — made small businesses more competitive.

Discussion

The study indicated that small business entities that implement innovative approaches develop steadily in the market and increase their competitiveness. Effective application of modern management optimizes workflows, saves resources, and improves customer relations.

Furthermore, state-provided tax incentives and credit resources significantly support small business development. The research demonstrates that entrepreneurs who combine innovation with effective management are more likely to succeed.

Conclusion

The development of small businesses in Uzbekistan's economy is directly linked to the application of modern management and innovative approaches. The study shows that:

Innovative approaches increase revenue and efficiency;

Modern management optimizes business processes;

State support and access to credit resources facilitate growth.

Practical Recommendations:

1. Small business entities should implement innovative technologies;
2. Management processes should be modernized using digital tools;
3. Entrepreneurs should take full advantage of state incentives and grants.

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