

Improvement of Family Entrepreneurship Management System

Muydinov Khurshidbek Abdullaevich

Basic doctoral student of Andijan Institute of Mechanical Engineering

Abstract: The article analyzes the factors influencing the organization, status, development trends and management of access to foreign economic markets in family businesses. Proposals have been developed to improve the development and management of family business entrepreneurship.

Keywords: enterprise, family enterprise, family enterprise entrepreneurship, family enterprise management

Family business entrepreneurship has its own historical development characteristics. In order to ensure the sustainable development of the national economy as a result of political and economic independence of the Republic, to provide the country's labor force with jobs to meet their consumer needs from the minimum to the highest level, much attention is paid to the management of the organization and development of this form of entrepreneurship in the process.

A family business entrepreneurship is an entrepreneurial business founded by a family manager and its members to ensure the sustainable development and economic and social achievements of the family members involved, or the outside workforce, if necessary, in order to ensure the continuous development of its activities. In the process of developing a family business, there are some difficulties in the process of managing it. Disagreements between the ownership and management of one generation and the management of another family depend mainly on the following reasons: the level of capitalization of family business, family living standards .

The organization and efficiency of the family business depends on the accuracy of the goals of the work performed at the stages of organization of production and the management of its timing. In the formation of a family business, the economic and social relations between the parents and their children in the family differ between the children, or the relationship between the parents of the family founders and their relatives. Accordingly, family economy in the process of organization and management of a family business enterprise depends on changes in the formation and management of the family business that are shown in the table below (Table 1).

Table – 1 Establishment and management of a family business ¹

Indicators	Main family	Extended family	Mixed family	A multi-generational family with relatives
The number of family members	low	Medium	Low or medium	High
Difference	Low	Low or medium	Medium or high	High
Complexity	Low	medium	Medium or high	High

¹Author's production

We believe that the socio-economic development and management of family business depends on the level of formation of the family environment.

In Andijan region in the years of 2015-2020, if the investment in fixed assets in new construction decreased from 49.8% to 30.0%, in reconstruction - from 29.2% to 57.2%, investment in expansion of production increased by 6.6% and other costs. the volume of investment decreased from 20.9% to 12.8% during the same period. The number of people working in family business entrepreneurship and having a labor book was 16204 people on 01.01.2017, 220319 people on 01.01.2018, 31719 people on 01.01.2019 and 51957 people on 01.01.2020. In Andijan region, the figure consisted of 737, 753, 992 and 652 people².

As a result of the adoption of the Law "On Family Business" in the country on January 1, 2013, 424 family businesses with state legal rights were registered, and as of January 1, 2020, this figure was 49,919. By type of economic activity of family businesses operating in the country, 36.8% or 6142 of them are in industry, 21.7% or 3627 in housing and catering services, 17.9% or 2986 in trade services, 10.7% or 1790 agriculture, forestry and fisheries, 1.2 per cent or 859 per cent in construction, 1.1 per cent or 182 per cent in transport and storage, 1.1 per cent or 184 per cent in health and social services, 1.0 per cent or 162 per cent. in the field of information and communication, as well as 8.5 percent or 1,413 other activities' contribution is counted³.

Ensuring the timely and effective implementation of the tasks of the family business in the management of the regulation of entrepreneurship in the direction of the established purpose should be constantly regulated by its head. The generalized goals of the family members and its manager provide the basis for the effective and quality organization of family business. Economist Milton L.P., Westpal J.B.³ based on the common views of family members and its manager, they believe that the occurrence of negative and positive situations can constitute a danger (risk) based on family business.

In the effective organization of family business entrepreneurship depends not only on its organization, but also on its management mechanism. Mutually compatible mechanisms for ensuring and managing the family business will ensure that it is risk-free and efficient.

As a result of the growth of gross regional product in Andijan region, net tax revenues increased by 62.7% in the years between 2015 and 2020.

The strategic priority of family business is characterized by its financial independence, almost no debt, and the ability to conduct the production process without the risk of economic risk. As a result of active participation of family business in the production process, economic development and financial strengthening in its formation will lead to the formation of large family production corporations in the future. As a result, his family members lead the family business of the enterprise through the board of directors of its management.

This management is of course based on a management system adopted by its members. The transition of family business management from one generation to another is also based on two main factors: professional management of family management and family responsibility.⁴

In the strategy of development of entrepreneurship of a family business, its management in modernization and diversification should be based mainly on the preservation of the main spent assets of the family. The fact that its members, who are engaged in the business of a family business, own

² Prepared on the basis of data from the Andijan regional statistics department.

³ Prepared on the basis of information from the Statistics Committee of the Republic of Uzbekistan.

⁴The intricacies of a family business. Heinz - Peler Elgnodt [electronic resource] Melcinsey Bulletin. 2003 4 UKL: <http://WWW.VESTINKNEKINSEY.RU/> (date of access: 02/05/16).

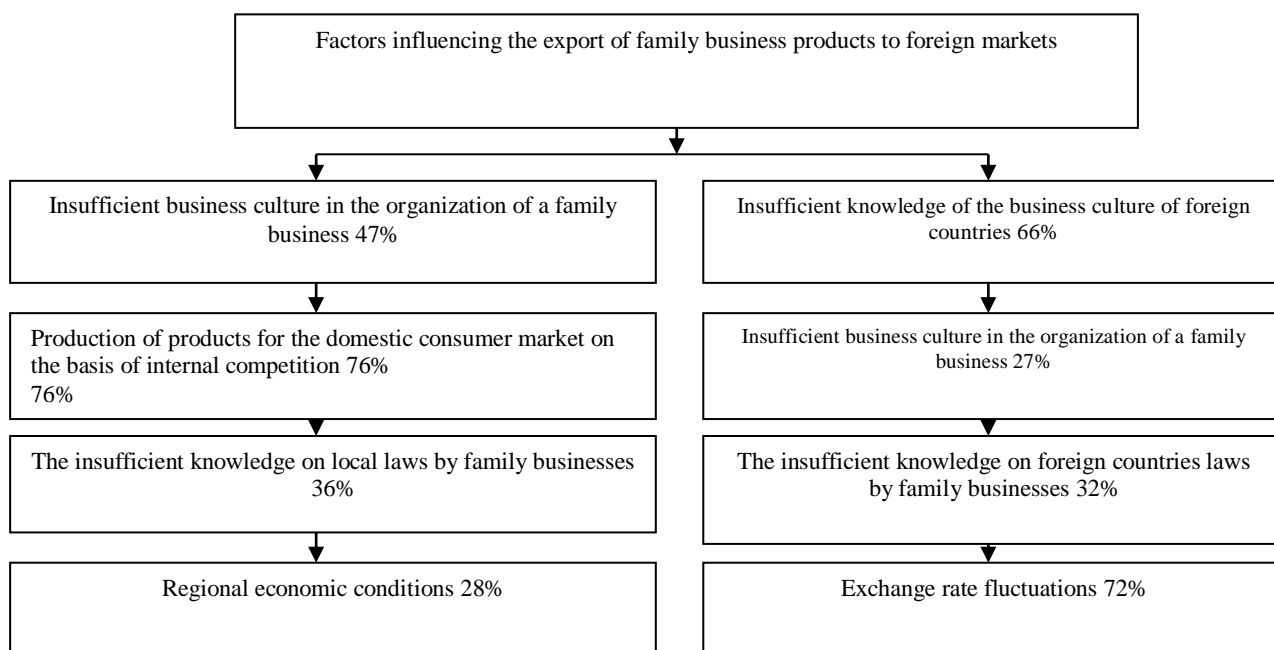
shares in the family business and make a profit, is more profitable than the sale of these shareholders. The discounted profit from the sale of shares in a family business is due to the fact that its low level of liquidity does not entitle it to vote, which is not equal to 20-50% of the value of its shares. Buyers of shares of a business entity engaged in a family business must deny the circulation of shares in order to limit the purchase of family shares by them if they are not members of the business business. In particular, when selling family shares, family members close to the family business enterprise should have the right to purchase in the first place. In developed countries, the creation of special funds in family businesses creates economic conditions for the purchase of shares of family businesses by members of family businesses. A family business enterprise should arrange for the sale of its shares to family members at a lower price than the market price so that its shares cannot be bought by outsiders. As family business managers strive to make their businesses more efficient, the focus will be on leaving high-yield family businesses to the younger generation who own them in the future.

The family business should link the long-term strategic development of the family business with the management of its efficiency growth, despite the family disagreements in the development of its entrepreneurial activities. To do this, the specialists needed to organize production in a family business, regardless of whether they are family members, have a certain level of knowledge in a particular field, depending on the financial policy of enterprises to organize production in an intensive way.

Economist Lanberch J., Ving Ting To, believes that the reasons for the negative situation in the development of family businesses in Belgium from developed European Union member states are the lack of demand for their strategic management.

The main mistakes in the development of family business are represented by: the fact that family businesses do not meet the demand for the use of new innovative technologies; Management of specialists who do not have sufficient qualifications in the management of family business, along with the main factors that negatively affect the attraction of funds needed for business due to the limited number of entities purchasing the products of major family enterprises, untimely implementation of long-term projects. Based on the study of the experience of a developed Belgian country, the following conclusion can be drawn. In this country, family businesses are considered to be the owners of the family property that manages them, mostly small microcompanies. We certainly need to recognize that small family-owned enterprises that are actively developing family businesses are evolving from small family businesses to large manufacturing enterprises as a result of their active development in the production process. This can be seen in the fact that more than 40 per cent of family businesses are recognized as fast-growing companies, as evidenced by the results of economic research conducted in the Vallon region of Belgium. From this, the state of economic development shows that there are conditions for the formation and development of large manufacturing companies by the next generation of family business, but the future development of the family business requires a different approach to its management.

The difficulties arising from the development of family business entrepreneurship are as follows, the prevention of which will have a positive impact on the development of export activities. (Picture 1) below shows the factors influencing the management of the output of products produced by family business entrepreneurs in foreign economic consumer markets.



Picture - 1. Factors influencing the management of consumer goods exporting to foreign markets⁵

The main difficulties for family businesses in entering foreign consumer markets are that the volume of export products does not meet export requirements, exchange rate fluctuations and customs duties are not an alternative. Another difficulty in developing a family business is the difficulty associated with mutual financing with state and market requirements in carrying out export operations.

It would be expedient to develop family business entrepreneurship, taking into account the availability of sufficient labor resources, highly qualified specialists in special areas to organize and manage the development of production in the natural and climatic conditions of the economic regions of the country. .

The social and economic significance of the management of the development of family business in the economic regions of the country The data on the above countries show its essence, the need for development. The following problems need to be addressed based on the characteristics of the economic regions in order to ensure the development of the family business economic entrepreneurship. Including:

- The organization of the activities of special advisory institutions on the organization and management of family business;
- In the development of the national economy, the organization of economic relations between family businesses and other production entities as economic and legal entities;
- In the annual statistical collection of Uzbekistan it is necessary to organize a special network of information on the formation, development and socio-economic status of family businesses.

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⁵ Author's productionde

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