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**FOREIGN EXPERIENCE IN ORGANIZING FAMILY BUSINESS ACTIVITIES AND IMPROVING EFFECTIVE MANAGEMENT MECHANISMS****Ermatov Nosir Tokhirovich***Independent research fellow of Tashkent State University of Economics, Uzbekistan***ABOUT ARTICLE****Key words:** Foreign experience, family business, effective management.**Received:** 03.12.2024**Accepted:** 08.12.2024**Published:** 13.12.2024**Abstract:** During the years of independence, as in all industries, the family business sector has undergone major changes. Due to the fact that the main condition for the transition to market relations is the creation of legal and organizational conditions for the formation of a multi-system economy and a competitive environment, much attention was paid to privatization and the development of entrepreneurship during this period.**INTRODUCTION**

During the years of independence, as in all industries, the family business sector has undergone major changes. Due to the fact that the main condition for the transition to market relations is the creation of legal and organizational conditions for the formation of a multi-system economy and a competitive environment, much attention was paid to privatization and the development of entrepreneurship during this period. activity. One of the main factors in creating a market environment with the deepening of economic reforms has become the development of small businesses. Much attention is also paid to family business, which is one of its diverse areas. Each family, receiving a high level of profit, produces products and services necessary for society, creates new markets for the country, promotes employment of the population, other organizations and acts as a consumer of products and services created in families, contributes to the development of the country's economy by paying certain types of taxes. During the implementation of these tasks, the scale and volume of small business and the private sector in the country's economy have grown significantly. The number of families engaged in family business is increasing and, accordingly, its share in the gross domestic product.

In accordance with Article 1 of the Law "On Family Entrepreneurship", family entrepreneurship is an entrepreneurial activity carried out by family members at risk and under their own property liability in order to obtain income at discretion. A family business can be created both with and without a legal entity. The organizational and legal form of a family business carried out by creating a legal entity is a

family enterprise. Without the formation of a legal entity, a family business is carried out in the manner prescribed by law.

A family enterprise is a small business entity created by its participants for the production and sale of goods on a voluntary basis, on the basis of shared or joint ownership of the participants, as well as on the basis of the property of each of the participants. . The activities of a family business are based on the personal labor of its participants. A family business operates only as a legal entity. The authorized capital of a family business is formed by money, securities, other property, including property rights valued in money, or other rights that can be transferred to another person. A separate house (apartment) cannot be included in the authorized capital of a family business. The participants of a family business independently determine the property that they will contribute to the authorized capital of the family business in the manner prescribed by the founding agreement of the enterprise. The authorized capital of a family business must not be less than ten times the minimum wage established by law on the day of filing documents for state registration of the enterprise.

The allocation of preferential loans to residents wishing to engage in entrepreneurial activity is carried out in the following amounts and by the following responsible organizations:

Preferential loans in the amount of 150 times the minimum wage will be provided on the basis of letters of recommendation from heads of the regional socio-economic development sector and local citizens' assemblies.

Insurance policies, surety to third parties, collateral for property acquired on credit, and surety of the State Fund for Support of Entrepreneurship under the Cabinet of Ministers to business entities registered and operating in accordance with the established procedure. interest on the loan in the amount of 1,000 times the ECIH.

When lending to investment projects of business entities, preferential loans in the amount of more than 1,000 times the ECIH may be allocated based on the types of security established within the framework of the legislation. The State Fund for Support of Entrepreneurship Development under the Cabinet of Ministers of the Republic of Uzbekistan allocates compensation to cover interest expenses and guarantees for loans issued to business entities within the framework of the program "Every Family is an Entrepreneur". When insuring family entrepreneurs against the risk of non-repayment of preferential loans by commercial banks, the insurance premium is set at no more than 1.5 percent, and the insurance conditions are simplified.

The purpose of this paper is to study international experience in the development of social entrepreneurship and analyze the possibility of its application.

Main approaches to defining social entrepreneurship abroad In the generally accepted interpretation, social is entrepreneurship that is focused not on making a profit or not only on making a profit, but on socially significant goals. "Social" in this case refers to all components of human well-being. But if social entrepreneurship itself has existed for two centuries, academic research on this topic began only at the end of the last century. This explains why there is no standard definition of social entrepreneurship, and such analytical tools as classification, roadmapping, typology, etc. are still little used in this area: the theoretical foundations of social entrepreneurship remain weak.

There are 11.3 thousand families in Europe whose wealth exceeds \$100 million; researchers from the Family Office Exchange add that in some families, gigantic sums (from \$5 to \$40 billion) are passed down from generation to generation; at the same time, family businesses have their own characteristics in each European country, according to researchers from Gallup Europe [54]. Thus, the largest number of the oldest business dynasties is noted in Great Britain - at least 16% of all family businesses are in

the hands of the fourth and subsequent generations; in Sweden, the highest percentage of people employed in family businesses is 61% of the country's total working population; Spanish families are more involved in wholesale and retail trade than all other Europeans; in Italy, every fifth business family has an average turnover of about 2 million euros. Nevertheless, the development of family business does not extend only to the European economy. According to the results of a study by the American company Boston Consulting Group, the number of millionaire dynasties in the world increased by 14% last year (to 9.6 million), with only a quarter living in Europe, about half in the USA and Canada, and one fifth in the Asia-Pacific region. In total, families today control about a third of the \$100 trillion in global wealth. According to data from the International Family Enterprise Research Academy (IFERA), McKinsey, and the London Stock Exchange (LSE) for 2003-2006, published in early September 2007, on the eve of the World Economic Forum in Dalian, China, it is the family form of business organization that is now the main one for a number of large countries with developing economies. The IFERA report states that, on average, family businesses generate 55% of the GDP of the countries studied.

In recent years, social entrepreneurship has attracted increasing attention from the state and the research community abroad. Support for social entrepreneurship has appeared on the agenda of governments in various countries, and some states have created separate organizational structures to implement initiatives aimed at developing social entrepreneurship. In addition, the number of studies devoted to social entrepreneurship has increased, as evidenced by the topics of many conferences and special issues of scientific journals. Attention to social entrepreneurship is also supported by the growth of social enterprises in many developed and developing countries.

One of the main problems is economic support for the family. However, economic support does not mean that the state should only give. The state should help the family to get on its feet independently: help organize family businesses, family enterprises, provide preferential loans, microloans, which the whole world now lives on. A law on the principles of state family policy is needed, according to which, when forming the budget, funds could be provided for lending to family businesses.

The conducted analysis of the research allowed us to develop a model of the life cycle of a family business. Within the framework of the author's conceptual interpretation, the model of the life cycle of a family business can differentiate at various stages the division of family roles and priorities of owners and managers from business priorities, which allows supplementing the model of the life cycle of a family business with possible problems arising at various stages of its development. The model of the life cycle of a family business can serve as an important and effective tool for its diagnostics, both helping to eliminate current difficulties and allowing family companies to timely implement strategic transformations to ensure the cyclicity and infinity of their development. The stages of the life cycle of a family business are birth, growth, formation of infrastructure, maturity, decline (resumption or decline), forward movement. The first three stages are preparatory, since the ownership of the company is carried out at the maturity stage, followed by a stage that involves making a decision on continuing the business for the next generations or on its termination.

CONCLUSION

Although special attention is paid to family business, there is still much work to be done in this area. In order to develop work in this direction at a faster pace, it is necessary to bring management activities in them to the level of the current period. There are works that need to be carried out in the area of using modern methods and principles of management, in the area of the order of using economic resources, in the area of labor resource management activities.

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