CURRENT ANALYSIS OF SMALL INDUSTRIAL ZONES AND DEVELOPMENT FACTORS

Bakhodir Salimov
Sayfulla Arslanbekov
Nilufar Shanazarova

Abstract— This article discusses the theoretical and economic foundations of the concept of small industrial zones. The economic development of small industrial zones is analyzed on the example of the Republic of Uzbekistan and the relevant conclusions are formed. At the same time, conclusions and recommendations for further improvement of small industrial zones have been developed.

Index Terms— small industry, industry, profitable, innovation, entrepreneurship, object, property, investment..

1 INTRODUCTION

IN our country, great attention is paid to the creation and development of small industrial zones, which make a significant contribution to the acceleration of industrial production. Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated December 31, 2014 No 378 on approval of the Regulation on the order of establishment and organization of small industrial zones and the President of the Republic of Uzbekistan "On additional measures for the sale of state property to small business and private entrepreneurship" According to the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. PP-2200 of July 3, 2014 and the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 192 of July 15, 2014 "On measures to further optimize unused areas and overproduction of loss-making, economically insolvent and low-profit organizations" Regulations on the procedure for the establishment of small industrial zones and the organization of their activities were approved. According to this regulation, the creation of small industrial zones on the basis of unused areas of state-owned facilities and vacant production areas and the placement of projects on the organization of small production facilities on the territory of industrial zones on a competitive basis.[1]

2 LITERATURE REVIEW

For the effective development of entrepreneurial activity, companies have to pay more and more attention to the search and retention of highly qualified employees, as well as their professional development. In the course of the study, the theoretical sources of domestic and foreign authors on the formation and development of human resources were studied in order to identify the main methods used by personnel management services in effectively developing service enterprises.

S. Robins emphasized that human resource management is a dynamic, constantly changing area, so the managers' reaction to any changes should be quick and productive. S. Robins singled out as a criterion for the effectiveness of the personnel management system: labor productivity, low staff turnover, a decrease in the number of absenteeism and an increase in job satisfaction. At the same time, he also specifies factors, including external ones: working conditions, safety and control; and internal: the content of work, recognition of personal achievements, a sense of responsibility for the work performed. Among the assessments of the personnel management system, there are also non-economic indicators, for example, the expectation of employees that their work will be objectively evaluated. [3]

Research has revealed that the most frequently used methods in the formation of human resources, both in domestic and foreign service enterprises, are:

- the personnel adaptation subsystem for newly hired employees is used by 75%;
- recruitment of personnel through the recruitment and recruitment departments of the personnel services of the company itself (65%);
- recruiting personnel through employment departments and various recruiting agencies (61%);
- cooperation with universities (35%).

These results indicate that service enterprises in most cases try to find ready-made specialists. Only large forms of entrepreneurship organize the training process for newly hired workers, this requires certain material costs, realizing that investment in human capital is the key to the success of an entrepreneurial structure.

R. Owen noted that in order to make a profit, the owner of the enterprise must pay the same attention to the human resource as to the equipment. Owen reproached his fellow entrepreneurs for not taking into account the human factor, spending a lot of money on the best machines, but buying the cheapest labor. [4]

The innovative approach of modern business requires entrepreneurs to take into account the specifics of the market and produce the product that will be in demand. New tech-

***Bakhodir Salimov**, Associate Professor at Tashkent state Technical university, Tashkent city, Republic of Uzbekistan*
***Sayfulla Arslanbekov,** Associate Professor at Tashkent state Technical university, Tashkent city, Republic of Uzbekistan*
***Nilufar Shanazarova**, Assistant at Tashkent state Technical university, Tashkent city, Republic of Uzbekistan*

nologies require special knowledge and skills that must be possessed by a highly qualified employee. It is not always possible to find the necessary human resources in the labor market, therefore, the problem of providing personnel for innovative service enterprises often arises.

According to I. Durakova [5], personnel management in the Taylor system includes the problems of career promotion and selection of candidates, vocational training, the study of the qualities and abilities of candidates, assessment of the leader's performance and the suitability of his position. Henry Gantt (1861-1919), like Taylor, considered the problems of reconciling the interests of workers and management, scientific selection, material incentives as a means of increasing labor productivity, and detailed work instructions.

Among the followers of Taylor, the spouses Frank Gilbreth (1868-1924) and Lillian Gilbreth (1878-1958), who were engaged in the rationalization of labor of workers, the study of physical movement in the work process and the study of opportunities for increasing productivity, stand out.

In many foreign companies, a person is viewed as a value and a main resource. There is a spread of the concept of human resource management, which is the most important trend that is interconnected and interacts with the basic forms of management.

In recent years, the attitude towards human resources has changed dramatically, the main reason being the change in the consciousness of workers of their role in production. Only high-quality human resources are able to maintain and improve the performance of an organization. [7]

Thus, the role of the leader increases. it is the leader who orients the organization's resources towards innovative activities, which should ensure the company's survival in a competitive environment. The leader must link the knowledge and abilities of his subordinates to achieve the goals of the company in a strategic personnel policy [8, 9].

Currently, the crisis phenomena in the personnel management system both at organizations and enterprises of the world community have prompted scientists - managers to search for the latest methods of improving and improving personnel management, which will initiate the elimination of stereotypes in managerial thinking, and to develop the newest conceptual approaches. It should be noted that at the same time, new approaches to personnel management outside the country did not immediately give satisfactory results. This was due to the fact that Western corporations initially borrowed the experience of other countries (for example, Japan and the United States), without completing the necessary modernizations in their labor management system to use this experience, determined by the socio-economic, organizational, and entopsychological characteristics of the countries.[12]

3 ANALYSIS AND RESULTS

Small industrial zones are currently being formed in Uzbekistan. The construction of small industrial zones began after the adoption of the Regulation "On the procedure for the establishment of small industrial zones and the organization of their activities," approved by the Cabinet of Ministers of the Republic of Uzbekistan dated 31 December 2014, No. 378. Small industrial zones are established by the decision of the President or the Cabinet of Ministers. As of March 30, 2018, a total of 82 small industrial zones are operating in the country, Table 2.1. Their total area is 1243.4 hectares. Number of implemented projects - 528, totaling 266.7 billion soums. Foreign investment falls on the city of Tashkent alone, amounting to $ 0.15 million. The number of jobs created is 9859. The largest number of small industrial zones is in Tashkent region - 17, and Samarkand region - 14. Minimum small industrial zones: in Andijan and Syrdarya regions - 3, in Fergana region - 4, in Jizzakh and Khorezm regions - 5 small industrial zones. The process of establishing small industrial zones in Bukhara, Namangan and Navoi regions is underway.[2]

The total land area allocated by regions also varies. The largest land area is in the Syrdarya region (546.5 hectares), the Republic of Karakalpakstan (205.7 hectares) and the Tashkent region (104.9 hectares). The lowest land area is in Andijan (17.4 ha), Fergana (17.8 ha) and Khorezm (15.6 ha) regions. If we study the total land area corresponding to the average for each small industrial zone, this figure is 15.2 hectares in the country. This figure is 29.4 hectares in the Republic of Karakalpakstan, 5.2 hectares in the Syrdarya region and 3.2 hectares in the Khorezm region.

According to the implemented projects, the largest number of projects falls on the city of Tashkent (499 projects), and Andijan region (26 projects). The city of Tashkent also leads in the number of jobs created (9632).

If we study the projects to be implemented in 2018, a total of 459 projects will be implemented. Of these, 157 will be implemented in Tashkent, 116 in Tashkent region, 49 in Fergana, 79 in Syrdarya region, 38 in Jizzakh and 12 in Andijan region. The total cost of the implemented projects is 1982.2 billion soums. The amount of foreign investment amounted to 126.0 million soums. USD, which means an increase in the number of projects based on advanced foreign technology in small industrial zones and increases the export potential of small industrial zones. The largest investment in national soums falls on the city of Tashkent (570.8 billion soums), Syrdarya region (483.7 billion soums), Tashkent region (439.8 billion soums). In the Republic of Karakalpakstan, this figure is 8.7 billion. soums. The average cost of each project in the country is 4.3 billion soums. If we study this figure by region, in Tashkent - 3.6 billion. soums, in Tashkent region - 3.8 bln. soums, in the Syrdarya region - 69.1 bln. soums, in Jizzakh region - 7.8 billion soums, in the Republic of Karakalpakstan - 1.1 billion soums. The cost of projects depends on its technical level, the type of product produced.

Table 1
On the status of small industrial zones by regions information (as of March 30, 2018)

	Total area Ga	Implemented projects			Number of jobs created	Projects to be implemented in 2018			Number of jobs created
		Number	Total value			Number	Total value		
			Billion UZS	million USD			Billion UZS	million USD	
The Republic of Karakalpakstan	205,7					8	8,7		154
Provinces									
Andijon	17,4	26	14,2		215	12	69,2	3,2	1007
Jizzax	33,6	3	0,6		12	38	295,1	27,5	1704
Kashkadarya	29,8								
Samarkand	53,1								
Surxondaryo	55,1								
Sirdaryo	546,5					79	483,7	36,3	3058
Tashkent	104,9					116	439,8	45,8	4710
Fergana	17,8					49	114,9		2527
Khorezm	15,6								
Tashkent city	163,9	499	251,9	0,15	9632	157	570,8	13,2	6265
Overall	**1243,4**	**528**	**266,7**	**0,15**	**9859**	**459**	**1982,2**	**1260,0**	**19425**

Source: Based on data from the Ministry of Economy and Industry of the Republic of Uzbekistan

Investments in US dollars, mainly in Tashkent region ($ 45.8 million), Syrdarya region ($ 36.3 million), Jizzakh ($ 27.5 million), Andijan ($ 3.2 million), regions and Tashkent ($ 13.2 million). Foreign investment falls on regions where the industry is developed or developing.

In 2018, 19,425 jobs will be created due to the implemented projects. The largest number of jobs was created in Tashkent - 6265, Tashkent region - 4710, Syrdarya region - 3058, Fergana - 2527 and Jizzakh - 1704 regions. According to the table, the higher the value of projects across regions, the higher the number of jobs created.

In general, the projects increased as of March 30, 2018 differ from each other both in quantity and quality. Although the number of projects to be implemented in 2018 is lower than in the previous period, their value in national soums is 7.4 times higher. The value of the US dollar is expected to increase 126 times, and if we look at the number of jobs created, 9566 more jobs are expected to be created.

In terms of quality, in 2018, 126.0 mln. The technical level of the projects is also higher than in the previous period.

Examining the status of small industrial zones established as of June 1, 2018, Table 2.2, the number of small industrial zones increased by 7, 4 in Navoi region and 2 in Khorezm region. If we study the location of small industrial zones in urban and district areas, it corresponds to 31 urban areas and 56 district areas. The total allocated land area is 1305.25 hectares, of which buildings and structures are 136.39 hectares.

The average size of one small industrial zone in the country is 14.7. If we divide the number of projects by the total land area of small industrial zones, we can get an indicator of the degree of occupancy of the territory of small industrial zones with residents. This figure is 0.88 in the country. In other words, for each hectare of land in a small industrial zone in the country, there is about 1 project. This figure is 5 in Tashkent, 1.8 in Andijan region, 1.3 in Jizzakh region, 0.7 in Samarkand region, 1 in Tashkent region, 0.004 in Syrdarya region, 0.5 in the Republic of Karakalpakstan.

In terms of the level of occupancy of the territory of small industrial zones, the city of Tashkent is the leader. For each hectare of small industrial zones located in Tashkent

There are 5 projects. The lowest rate is 0.004 in the Syrdarya region and 0.5 in the Republic of Karakalpakstan, which means that in these areas it is possible to place additional CBT entities.

2594.9 billion soums in national currency were allocated for the implementation of all 1144 projects in the country. UZS, $ 84.15 million was invested in US dollars. Samarkand region ($ 22.78 million), Surkhandarya ($ 20.08 million), Jizzakh ($ 16.9 million) and Tashkent ($ 14.45 million) are leading in investing in small industrial zones in foreign

currency. in place, Table 2.2.

In Syrdarya and Andijan regions, foreign investments have been made in the establishment of small industrial zones, which amounted to $ 6.75 and $ 3.19 million, respectively.

To date, 52 projects worth 342.6 billion soums have been launched in small industrial zones in Fergana region, and 1,491 new jobs have been created. Businesses operating here produced goods worth 1.3 billion soums in 2018, while last year the figure was 48.9 billion soums. Products worth 195.75 thousand US dollars were exported.

The small industrial zones being built in the above-mentioned areas are technologically inferior to the small industrial zones in other regions. It would be correct if small industrial zones differed according to regions, cities, suburbs, and districts. The economic potential of the regions, the industrial potential varies with the number of research and higher education institutions, resources, climate and other conditions. The economic potential of the regions is represented by the gross regional product, while the industrial potential is represented by the industrial output produced in the region.[11]

If we study SEZ as a single system, we have to take into account all the factors that affect its construction and development. Such factors are studied as factors that make up the system, and they are divided into internal and external factors. The impact of the environment and society on the establishment of an industrial zone is considered as an external factor. External factors include:

• natural - climate (climate change, geographical location, ecological requirements, natural resources usability) factors;

• political factors (geopolitical situation, political stability, interethnic harmony, terrorism);

• social factors (social status, employment rate, demographic situation, purchasing power of the population, public health);

• Regulatory factors: (monetary, fiscal, state customs policy, antitrust policy, regional economic policy, the level of state support for small businesses and priority sectors and areas of the economy, licensing and product certification, monitoring compliance with the requirements of social and national security);

• resource factors (ability to attract the necessary labor and material resources);

• market factors: the presence of competitors and a free competitive environment, the demand of local consumers for the product, in general, the availability of market demand for this product in the country;

The internal factors that make up the system include:

• Mutual economic relations of enterprises located in SEZ;

• level of competition between enterprises within the industrial zone, as well as the level of competition with other enterprises;

• cooperation relations, production relations between the subjects of CBT within the industrial zone, production relations with enterprises outside the CIS;

• Innovative relations, indicating the innovative activity of enterprises, relations between research and educational institutions of enterprises, the development and implementation of innovations in production, their distribution;

• Relations with educational institutions that train qualified personnel.

Table 2 Classification of factors influencing the construction and development of SEZ

External factors	Internal factors
Nature factors: • climate changes; • geographical location; • environmental requirements; • use of natural resources opportunities (reserves of raw material resources and opportunities to increase it, opportunities of enterprises engaged in the supply of raw materials, reliability, availability of alternative suppliers, availability of similar resources in the market). • Labor resources: providing qualified personnel options (qualification level, job fee, rate, gender, age. • Marketing factors: demand for the product, demand sustainability, external demand lot export, export opportunities). • Government regulation Factors: monetary, fiscal, state customs, antitrust policy, regional economic policy, the level of state support for small business, priority sectors and directions of the economy, licensing of activities and product tification. • Market factor: availability of competing enterprises, competitive environment, availability of related goods, insurance services. • Technological: high productivity, developed foreign countries access to technology with foreign enterprises joint venture settings, foreign investment in SEZ attraction opportunities	• Availability of infrastructure elements: gas, water, electricity, access roads to the main transport routes SEZ; • Enterprises located in SEZ mutual economic relations: the level of competition between enterprises within SEZ and at the same time other with foreign enterprises level of competition. • Cooperation: Production relations between enterprises within SEZ, production relations with enterprises outside SEZ; Innovative relations, which reflect the innovative activity of enterprises, Relations between research and educational institutions in the implementation and dissemination of innovations in production. • Social factor: kitchen, shop, medical service, car accommodation, postal service for meals in SEZ. • Information factor: advanced, productive access to information on technologies, innovations, information on the use of the patent market, information on market conditions, information on enterprises engaged in the export of products, access to information on research and training of qualified personnel. • Innovation factor: the ability to create new technologies, the development of new products (product innovation); updating existing technology and its efficiency increase staining; Improving the quality of products (process innovation)

Depending on the importance of the impact factors, they can be classified as: dominant factors, i.e., factors that have a critical impact on the development of SEZ, and secondary factors (although important for development but not significant in the first place). will be important in the future) and current industrial zones are important for development at the present stage. In addition, the integration of factors according to the form of use (factors that are a priority for all subjects).[9]

There are different approaches to classifying these factors. One of the approaches to factor classification is presented in the study. According to this approach, the factors are divided into the following factors: factors of production (level of utilization of production capacity, types of production and type of equipment, level of depreciation of fixed assets), factors of logistics (inventories and opportunities to increase it, raw material supply opportunities, reliability, availability of alternative suppliers), marketing factors (volume and stability of demand for products, availability of alternative markets and their capacity), personnel factor (qualification level, salary level, staff quality, staff gender, age), financial factor (finance methods and forms of raising funds, availability of credit resources), the factor of scientific research (research opportunities and its quality, the cost of research and development). According to this approach, too, all factors are divided into external and internal factors, regulated and non-regulated, explicit and implicit factors. In addition to the above approaches, there are other approaches [10]. In this approach, too, the author divides all factors into external and internal factors. External factors include macroeconomic, demographic, social, technological, political and legal, infrastructure and demand factors. Internal factors are divided into financial and economic, production and technological, personnel and management, logistics. Thus, according to factor analysis, factors are divided into external and internal factors. In turn, these factors are divided into four: economic, technological, social and political group.[11]

Leading scientists in the field of industrial development in the region: S.Yu. Glazev, RS Granberg and Mazilov study the innovation factor that leads to the intensive development of the industrial complex of the region as the main factor.

By summarizing and systematizing the above factors, it is possible to propose the following classification of factors influencing the construction and development of SEZ: The generalization and systematization of the above approaches became the basis for the classification of factors influencing the construction and development of SEZ.

The factors that have the strongest influence on the development of SEZs are the factors of new technology and innovation, information, financial and highly qualified personnel. The new technology factor here is the use of modern technologies used in developed foreign countries.

Technological innovations in industry are divided into two types: product innovation and process innovation. The use of technological innovation is now a prerequisite for industrial enterprises not only to "survive" but also to develop effectively.

When product innovation is understood as the introduction of new technology and the production of a new product, process innovation leads to an increase in their efficiency and improved product quality based on the improvement of existing technologies. The use of new, high-performance foreign technologies that have not been used before in Uzbekistan can be called process innovation. Similarly, the modernization of industrial enterprises' technology and equipment with the help of new, advanced foreign parts can be included in process innovation.[13]

Thus, the main factor in the CSR in the country is the use of both types of innovations in the provision of sustainable development, not only to ensure the sustainable operation of the subjects of CBT.

4 Conclusions and recommendations

In short, small industrial zones form a complex economic system, and many factors influence its establishment and development. These factors serve as an important information base in determining the main directions of development of small industrial zones. Based on this, on the basis of the analysis of foreign experience, the factors influencing the establishment and development of small industrial zones are identified and systematized. These are a group of internal factors: infrastructure elements, competition, cooperative relations, information and innovation factors, and a group of external factors: natural factors, raw materials, labor resources, marketing, government support, financial, market and technological factors.

Raw materials, technology, skilled personnel, finance and innovation can be among the most important factors influencing the establishment and development of small industrial zones.

The benefits created in SEZ will reduce the time of project implementation and the cost of building enterprises.

Proposals have been developed to study the main monitoring indicators of small industrial zones in three types (social, economic and zone clustering indicators).

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