

## THEORETICAL BASES OF THE ORGANIZATION OF PRODUCTION PROCESS IN SMALL BUSINESS SUBJECTS

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**Abstract** Scientific and practical recommendations on the organization of the production process of small businesses are described.

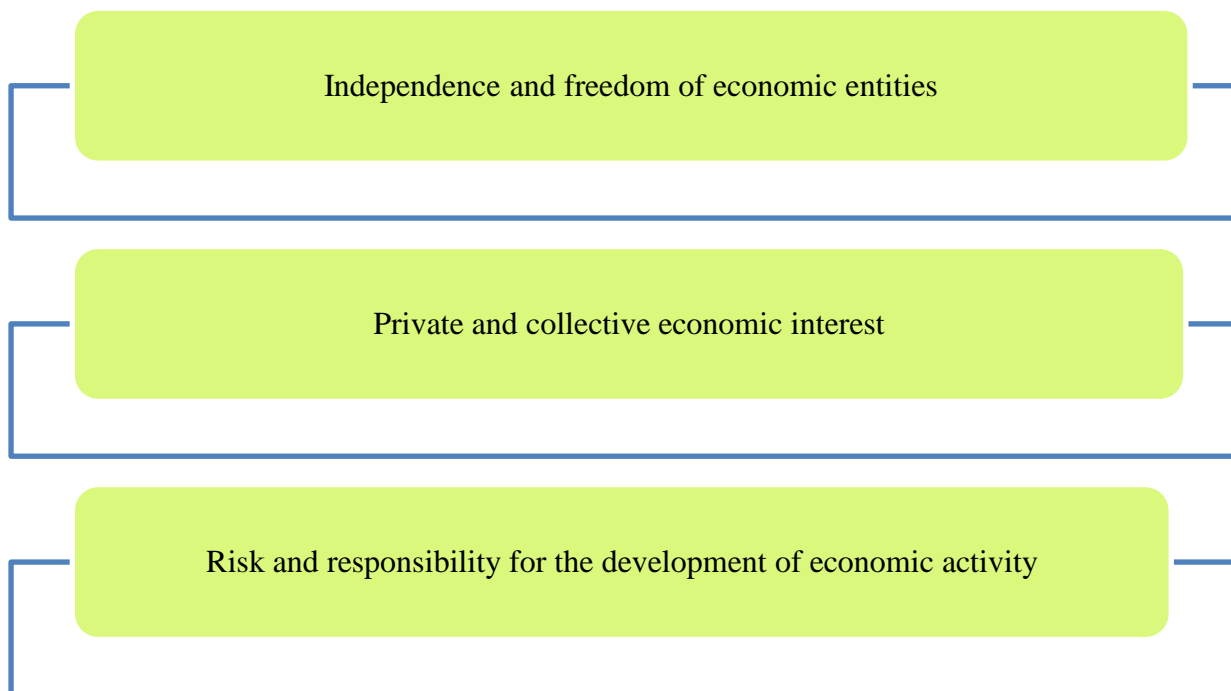
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Бозор иқтисодиёти ҳар бир ишлаб чиқарувчи субъектдан бозорда муносиб ўрин requires possession. We are talking about technical and technological innovation in various sectors of the economy, expanding the range of products and increasing their competitiveness. It is known that small businesses are constantly studying the demand in the market for the supply of various goods to the market, and in order to make a profit by studying consumer demand and competing enterprises.

The structure of small business entities is a set of different industries and sectors that produce goods and services in the national economy, which are interconnected and interdependent in economic activity. The economy of small businesses consists of a set of activities of economic entities that produce goods for the domestic and foreign markets, as well as adapt to changes in market demand.

The financial sector plays an important role in the effective operation of small businesses. The financial sector is a set of tools and institutions that carry out the practice of borrowing and repaying. The financial system makes it possible to separate property ownership from capital. The financial sector includes banks, insurance companies, stock exchanges, financial investment companies, pawnshops and other financial institutions.

Today, small businesses create the bulk of GDP, and the most important component of its material production is industry and agriculture. In the field of material production, economic resources are processed, material goods and consumer goods are created. Their development creates opportunities for increasing the income of the population, increasing the welfare, creating a financial and material basis for the development of education, medicine, culture. The sustainable development of the economy is inextricably linked with the legal and regulatory conditions created in the country for the spheres of material production. The development of small business is influenced by the level of potential of the productive forces, the level of scientific and technological development, the state of the monetary system, the tax and budgetary system, the state investment policy, the state of the country's solvency. It is appropriate to pay attention to a number of important features of economic activity of small businesses in our country (Figure 1).



**Figure 1. Important features of small businesses and entities**

The study focuses on the type of production of small businesses. Because production is the process of influencing human nature in terms of creating the material goods necessary for the life and development of society. The main elements of the labor process are: labor, objects of labor, means of labor.

From the point of view of the subject, the organization of production is a way of existence of any production, and production itself is one of the forms of manifestation in the material form of small business entities. As for the concept of "organization of production", it is a type of activity to create the necessary conditions for its emergence and duration. The task of organizing production, which arises directly from its essence, consists of the subject and objects.

The specific features of the organization of this process of each small business is determined not only by its content and structure, but also by the construction of the production process in time and space, types of production, production structure of the enterprise and other organizational and economic factors. The organization of production in small businesses is aimed at creating conditions for the efficient use of all elements of production to achieve the highest production results at the lowest cost, for which the following model is proposed.

Production in small business entities is a set of interrelated elements of the production process that form a whole for the purpose of producing a product, performing work or providing services. Consequently, production is a specific system, and the features of this system are:

- 1) the existence of a set of elements with a specific organizational mechanism;
- 2) the operation of individual elements not on their own, but only on the basis of the integrity of the parts of the whole;
- 3) the existence of connections between the elements of the system and the exchange of information, the openness of the flow of resources;
- 4) availability of the management system and the ability to maintain its effectiveness for a long time;
- 5) expediency of the assigned tasks and, as a result, its achievement.

The formation of the system of organization of production in small businesses is based on both a structural and functional approach, as well as the formation of a system of organization of production of all types. The following subsystems are distinguished in the formation on the basis of a structural approach:

selection, installation of equipment, ensuring its rational use in terms of power and time;

organization of labor facilities (selection of raw materials and ensuring the maximum production of suitable products);

organization of labor (selection and placement of qualified personnel and the creation of conditions for their effective use in the production process).

The functional approach is implemented in the selection of the following subsystems:

organization of production, including a subsystem of product quality assurance;

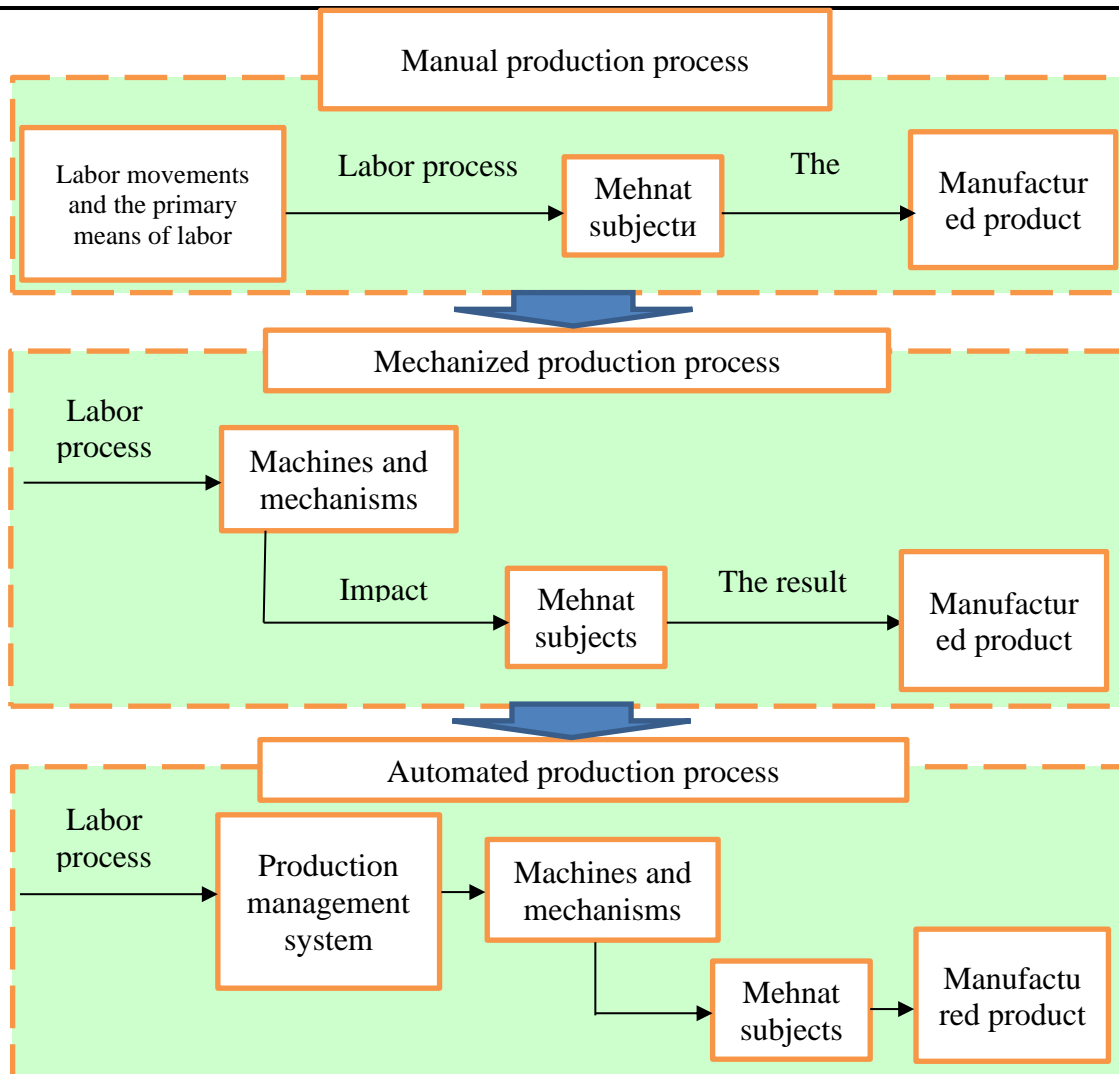
organization of production flows, services and logistics of production;

organization of economic processes, product sales and social processes within production.

Thus, production involves not only a system of interconnected elements, but also a connection to the process of transforming the object of labor (raw materials, semi-finished products) into a product of production.

However, the production process itself does not have the same quality in terms of composition. It clearly shows two different quality processes - labor and technological processes. Consequently, the production process is a combination of labor and technological processes. A work process is a set of coordinated labor actions of one or more employees aimed at achieving a set goal, which can be both physical and mental.

Technological process is a change that occurs when the subject of labor is exposed to live labor or with the help of machines and apparatus. Technological process often involves natural processes that occur under the influence of natural forces and events in the object of labor. The purpose of commenting on this issue is that the production activities in small businesses are manual labor (individual entrepreneurship, family business and home-based work), mechanized (entrepreneurs engaged in medium business, textile, construction and other activities) and automated (home appliances and high-tech). business entities that produce products) are based on technological processes. The interdependence of these technological processes can be expressed as follows: without one the other does not occur (Figure 3).



**Figure 3. The relationship of the technological process with the objects of labor**

Yet, while the labor process is only the most important part of the production process, it is often determined by the production process, even the technological process. The fact is that over the centuries, changes in the subject of labor have occurred almost entirely due to manual labor or with the help of the primary tools of labor, which means a one-time and inseparable combination of labor and technological processes.

When organizing production in small businesses, several methods of production are used. It is flexible, continuous, from time to time and custom made.

Flexible production is very suitable for small manufacturers. Flexible manufacturing uses equipment controlled by a number of computer digital control systems. This type of process is also called contract production. Production is more dependent on robotic cells than on employees, which allows the business owner to modify the manufactured product to meet customer or market needs.

The use of automation produces the product according to a specific specialty, which in turn improves the quality of the product. The only drawback of this type of production is the high cost of production equipment.

Continuous production is a method specific to small businesses, which is used to ensure the continuity of the production process. The process is mainly used in the assembly line in the production of a series of products produced for customer order, but also a single finished product.

The assembly line may consist of a series of work units or work centers, where individual operations are performed on the product as they pass along the line. This production method is important for small businesses that do not produce customizable items. This allows each finished product to be sold to the buyer



without modification. Workplaces along the assembly line can employ multiple people, which can include quality control, manufacturers, and assemblers.

Occasional production — if a small enterprise produces similar types of products, they may use the continuous production method. Enterprises that produce products that are similar in nature but different are suitable for periodic production.

In short, special production is a method used by many small businesses, which allows business owners to fully adapt the finished product to customer requirements.

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