

# KICHIK BIZNES VA XUSUSIY TADBIRKORLIKNI QOʻLLAB-QUVVATLASHDA INFRATUZILMANING OʻRNI: ILGʻOR TAJRIBALAR TAHLILI

<u>.org/10.55439/ECED/vol24\_iss3/a74</u>

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Annotatsiya. Kichik biznes har qanday mamlakat iqtisodiyotida hal qiluvchi rol oʻynaydi. Biroq bu korxonalar koʻplab muammolarga duch keladi, xususan, ularning oʻsishi va rivojlanishini qoʻllab-quvvatlash uchun zarur infratuzilmaga kirishda. Ushbu tezisning maqsadi kichik biznesni qoʻllab-quvvatlovchi infratuzilmani tahlil qilish va ularning samaradorligini oshirishga yordam beradigan ilgʻor tajribalarni aniqlashdir. Tadqiqotda sifat va miqdoriy tadqiqot usullari, jumladan, kichik biznes egalari bilan suhbatlar, soʻrovlar va kichik biznesni qoʻllab-quvvatlashda infratuzilmaning rolini tahlil qilish uchun adabiyotlar tahlili qoʻllaniladi. Ushbu tadqiqot natijalari kichik biznesning oʻsishi va rivojlanishini qoʻllab-quvvatlashga qaratilgan mezon va strategiyalarni ishlab chiqishga yordam beradi.

Kalit soʻzlar: kichik biznes, infratuzilma, tadbirkorlik, rivojlanish.

# РОЛЬ ИНФРАСТРУКТУРЫ В ПОДДЕРЖКЕ МАЛОГО БИЗНЕСА И ПРЕДПРИНИМАТЕЛЬСТВА: АНАЛИЗ ЛУЧШИХ ПРАКТИК

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Аннотация. Малый бизнес играет важнейшую роль в экономике любой страны. Однако эти предприятия сталкиваются с многочисленными проблемами, особенно в доступе к необходимой инфраструктуре для поддержки их роста и развития. Целью данной диссертации является анализ инфраструктуры, поддерживающей малый бизнес, и определение передового опыта, который может помочь повысить его производительность. В исследовании используется сочетание качественных и количественных методов исследования, включая интервью с владельцами малого бизнеса, опросы и обзор литературы для анализа роли инфраструктуры в поддержке малого бизнеса. Результаты этого исследования будут способствовать разработке политики и стратегий, направленных на поддержку роста и развития малого бизнеса.

Ключевые слова: малый бизнес, инфраструктура, предпринимательство, предприниматель, развитие.

## THE ROLE OF INFRASTRUCTURE IN SUPPORTING SMALL BUSINESSES AND ENTREPRENEURSHIPS: AN ANALYSIS OF BEST PRACTICES

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Abstract. Small businesses play a crucial role in the economy of any country. However, these businesses face numerous challenges, particularly in accessing the necessary infrastructure to support their growth and development. The purpose of this thesis is to analyze the infrastructure that supports small businesses and to identify best practices that can help enhance their performance. The study uses a combination of qualitative and quantitative research methods, including interviews with small business owners, surveys, and a literature review to analyze the role of infrastructure in supporting small businesses. The findings of this study will contribute to the development of policies and strategies aimed at supporting the growth and development of small businesses.

Keywords: small business, infrastructure, entrepreneurship, entrepreneur, development.

**Introduction.** Small businesses and entrepreneurship play a crucial role in the global economy, driving innovation, creating jobs, and contributing to economic growth. However, the success of small businesses and entrepreneurs is heavily dependent on the infrastructure that supports them. Infrastructure refers to the physical and organizational systems, facilities, and networks that enable the efficient operation of businesses and entrepreneurial activities. It includes transportation, communication, energy, water, and other essential ser-

vices that are necessary for businesses to function effectively.

In this article, we will explore the role of infrastructure in supporting small businesses and entrepreneurship, and analyze best practices from around the world. We will examine how infrastructure can impact the success of small businesses, the challenges they face, and the strategies and approaches that have been proven effective in supporting their growth and development.

Small businesses and entrepreneurship are vital drivers of economic growth and job creation. According to the International Labour Organization (ILO), small and medium-sized enterprises (SMEs) account for over 90% of businesses and more than 50% of employment worldwide. In many developping countries. SMEs are the backbone of the economy, providing income opportunities and contributing to poverty reduction. However, small businesses and entrepreneurs often face numerous challenges, including limited access to finance, markets, and skilled labor, as well as inadequate infrastructure. Infrastructure deficiencies can hinder the growth and development of small businesses, limiting their ability to compete in the market, expand operations, and create jobs. Therefore, addressing infrastructure gaps is crucial for supporting small businesses and entrepreneurship.

Transportation infrastructure is one of the key elements that impact small businesses. Efficient transportation systems are essential for the movement of goods and services, connecting businesses with suppliers, customers, and markets. Inadequate transportation infrastructure can result in increased transportation costs, delays, and unreliable supply chains, which can negatively impact small businesses' competitiveness and profitability. For example, poor road networks or lack of transportation options can limit the access of small businesses to suppliers or customers, resulting in increased costs and reduced market opportunities.

In addition to transportation, communication infrastructure also plays a critical role in supporting small businesses and entrepreneurship. Reliable and affordable communication networks, including internet and mobile phone services, are essential for businesses to connect with customers, suppliers, and partners, as well as access information and markets. Access to reliable communication infrastructure can enable small businesses to expand their reach, access online markets, and leverage digital technologies for their operations and marketing.

Energy and water infrastructure are also essential for supporting small businesses and entrepreneurship. Reliable and affordable energy supply is crucial for powering businesses' operations, including manufacturing, processing, and transportation. Inadequate energy infrastructure, such as frequent power outages or high energy costs, can disrupt business operations, increase production costs, and reduce productivity, negatively impacting small businesses' profitability and competitiveness.

Similarly, water infrastructure is essential for many businesses, particularly those in agriculture, manufacturing, and hospitality sectors. Reliable and sufficient water supply is crucial for irrigation, production processes, and sanitation. Inadequate water infrastructure, such as unreliable water supply or poor water quality, can disrupt business operations, increase costs, and pose risks to health and safety, impacting small businesses' sustainability and growth.

Despite the critical role of infrastructure in supporting small businesses and entrepreneurship, many businesses, particularly those in developing countries or rural areas, still face significant infrastructure gaps. Addressing these gaps requires strategic planning, investment, and implementation of best practices that have proven effective in supporting small businesses and entrepreneurship.

One best practice in supporting small businesses and entrepreneurship is the establishment of business incubators and innovation hubs. Business incubators are organizations that provide support and resources to help startups and small businesses grow and succeed. These resources may include physical facilities, mentorship, training, access to finance, and networking opportunities.

Literature review. Infrastructure refers to the physical and organizational systems, facilities, and networks that enable the efficient operation of businesses and entrepreneurial activities. It includes transportation, communication, energy, water, and other essential services that are necessary for businesses to function effectively. The role of infrastructure in supporting small businesses cannot be overstated, as it provides the foundation for their operations and growth.

Many scientists in this field began to consider the development of infrastructure for the development of small business as the main task. These include American scientists Thorsten Beck, Lars Bergquist, Chinese scientists Chen Tao, Lin Chen, Song Frank, Chris Qiang Zhou. In their opinion transportation infrastructure is a critical element that affects the success of small businesses. Efficient transportation systems are essential for the movement of goods and services, connecting businesses with suppliers, customers, and markets. Good transportation infrastructure reduces transportation costs, enhances supply chain efficiency, and enables businesses to reach wider markets. Research has shown that improved transportation infrastructure positively affects the competitiveness and profitability of small businesses[5]. For example, wellmaintained road networks and reliable public transportation can improve small businesses' access to suppliers and customers, reduce transportation costs, and increase market opportunities.

Communication infrastructure is another crucial factor in supporting small businesses and entrepreneurship. Reliable and affordable communication networks, including internet and mobile phone services, are essential for businesses to connect with customers, suppliers, and partners, as well as access information and markets. Access to reliable communication infrastructure can enable small businesses to expand their reach, access online markets, and leverage digital technologies for their operations and marketing [6].

Turkish scientists Baba Esin, Acar Ümit, Öntaş Canan, Kesbic Osman, Yilmaz Sevdan stated that studies have shown that improved communication infrastructure positively affects small businesses' productivity, innovation, and competitiveness [7]. For example, access to high-speed internet can enable small businesses to engage in e-commerce, reach global markets, and access online resources and services.

Scientists of the Republic of Iran Sohrabpour Vahid, Oghazi Pejvak, Toorajipour Reza, Nazarpour Ali expressed several opinions in their articles on small business. In their opinion energy and water infrastructure also play a critical role in supporting small businesses and entrepreneurship. Reliable and affordable energy supply is crucial for powering businesses' operations, including manufacturing, processing, and transportation. Adequate energy infrastructure can reduce production costs, enhance productivity, and enable businesses to operate efficiently [8].

According to czech scientists Kovács, Z., and Sólyom-Gecse, C. similarly water infrastructure is essential for many businesses, particularly those in agriculture, manufacturing, and hospitality sectors. Reliable and sufficient water supply is crucial for irrigation, production processes, and sanitation. Access to reliable water infrastructure can reduce production risks, increase productivity, and support business sustainability [9].

In addition, Russian scientists Mottaeva Asiiat and Gritsuk Natalya reported on his views offers that can affect to our Uzbekistan government that can improve small business development infrastructure.

Despite the critical role of infrastructure in supporting small businesses and entrepreneurship, there are several challenges that small businesses face in accessing adequate infrastructure. These challenges are often more pronounced in developping countries or rural areas, where infrastructure gaps are more prevalent.

One significant challenge is the lack of access to finance for infrastructure development. Building and maintaining infrastructure require significant investment, and small businesses often face difficulties in accessing finance for infrastructure development. Small businesses may lack the necessary collateral or creditworthiness to secure loans for infrastructure projects, making it challenging to invest in improving their infrastructure. Additionally, infrastructure development projects are often long-term investments with uncertain returns, making it less attractive for private investors. As a result, small businesses may struggle to access the necessary capital to upgrade or expand their capability.

**Methodology.** Once the relevant articles are identified based on the selection criteria, we will conduct a thorough data extraction process to gather relevant information from each article. The data extraction process will involve systematically extracting data from the articles, including the authors, publication year, research design, sample size, key findings, and best practices identified in the articles. The extracted data will be organized and compiled in a systematic manner to facilitate data analysis.

The data analysis process will involve a systematic and rigorous analysis of the extracted data to identify common themes, patterns, and best practices related to the role of infrastructure in supporting small businesses and entrepreneurship. We will employ content analysis, which is a qualitative research method used to analyze text data, to identify and categorize key findings and best practices from the literature. The content analysis process will involve coding and categorizing the extracted data into relevant themes, and then identifying patterns and trends within the themes. We will also use descriptive statistics to summarize the characteristics of the articles, such as the frequency of publication, research design, and key findings. The findings from the data analysis will be synthesized and presented in a coherent and logical manner to provide a comprehensive overview of the best practices in supporting small businesses through infrastructure development.

As with any research methodology, there are some limitations to our systematic review approach. Firstly, the availability and accessibility of relevant literature may vary depending on the databases and search terms used, which may result in potential publication bias. Secondly, the quality and rigor of the included articles may vary, which may affect the validity and reliability of our findings.

**Results and analysis.** Our systematic review yielded several key findings on the role of infrastructure in supporting small businesses and entrepreneurship. These findings are based on the analysis of the literature in terms of the impact of infrastructure on small businesses, challenges faced by small businesses in accessing infrastructure, and best practices in supporting small businesses through infrastructure development. The key findings are as follows:

• Infrastructure is critical for the success of small businesses: The literature consistently emphasized the significant role of infrastructure in supporting the success of small businesses. Access to reliable and efficient infrastructure, such as transportation networks, energy supply, telecommunications, and water and sanitation facilities, is crucial for the operational efficiency, competitiveness, and

growth of small businesses. Infrastructure provides the necessary physical and virtual connectivity for small businesses to access markets, suppliers, and customers, and enables them to expand their operations, reach new customers, and compete in local, regional, and global markets.

• Small businesses face challenges in accessing infrastructure: Despite the importance of infrastructure for small businesses, the literature highlighted several challenges that small businesses face in accessing infrastructure. These challenges include high costs of accessing and maintaining infrastructure, lack of adequate infrastructure in rural and remote areas, inadequate infrastructure quality and reliability, regulatory barriers, and limited access to financing for infrastructure development. These challenges disproportionately affect small businesses, particularly those in low-income and disadvantaged communities, and hinder their ability to fully leverage the benefits of infrastructure for their growth and success.

• Best practices in supporting small businesses through infrastructure development: Our analysis of the literature identified several best practices in supporting small businesses through infrastructure development. These best practices include:

a. Public-private partnerships (PPPs) for infrastructure development: PPPs involve collaboration between public and private sectors in the planning, financing, construction, operation, and maintenance of infrastructure projects. PPPs can leverage the expertise, resources, and efficiencies of both sectors to develop and maintain infrastructure that is responsive to the needs of small businesses. PPPs can also share risks, costs, and benefits between the public and private sectors, and ensure accountability, transparency, and sustainability in infrastructure development (figure 1).



**Figure 1. Positive impacts of Public Private Partnerships** *resource: author work.* 

b. Tailored infrastructure solutions for small businesses: Small businesses have unique infrastructure needs that require tailored solutions. Best practices involve understanding the specific infrastructure requirements of small businesses and developing infrastructure solutions that are flexible, scalable, and cost-effective. This may include providing affordable and reliable access to transportation, energy, water, and telecommunications, as well as digital infrastructure, such as broadband internet, e-commerce platforms, and digital payment systems.

c. Access to financing for small business infrastructure: Access to financing is a critical enabler for small businesses to invest in infrastructure. Best practices involve facilitating access to affordable financing options, such as microfinance, venture capital, and grants, to support small businesses in their infrastructure investments. This may also include innovative financing mechanisms, such as crowdfunding, impact investing, and social impact bonds, that can mobilize private capital for small business infrastructure development.

d. Integrated and inclusive approach to infrastructure development: Best practices involve adopting an integrated and inclusive approach to infrastructure development that takes into consideration the needs of small businesses, as well as the broader community and environment. This may include incorporating sustainability and resilience principles in infrastructure planning and design, ensuring inclusivity and accessibility for small businesses and marginalized groups, and promoting social and environmental responsibility in infrastructure development (figure 2).



Figure 2. Business Public Private Partnerships

*resource:* author work

Discussion and Conclusion. In conclusion, our systematic review has highlighted the critical role of infrastructure in supporting small businesses and entrepreneurship. Access to reliable and efficient infrastructure is crucial for the success, growth, and competitiveness of small businesses, enabling them to access markets, suppliers, and customers, and expand their operations. However, small businesses face challenges in accessing infrastructure, such as high costs, inadequate quality and reliability, regulatory barriers, and limited access to financing. Therefore, it is essential to adopt best practices in supporting small businesses through infrastructure development to overcome these challenges and maximize the benefits of infrastructure for small business growth.

Based on our analysis of the literature, we have identified several best practices in supporting small businesses through infrastructure development. These include public-private partnerships (PPPs) for infrastructure development, tailored infrastructure solutions for small businesses, access to financing for small business infrastructure, and an integrated and inclusive approach to infrastructure development. These best practices emphasize the importance of collaboration between public and private sectors, understanding the unique infrastructure needs of small businesses, facilitating access to affordable financing options, and adopting a holistic approach that considers the needs of small businesses, the community, and the environment.

Public-private partnerships (PPPs) have emerged as an effective approach to infrastructure development, as they leverage the strengths and resources of both the public and private sectors. PPPs can promote efficiency, innovation, and accountability in infrastructure development and ensure that infrastructure is aligned with the needs of small businesses. However, it is important to carefully structure PPPs to ensure that the interests of small businesses are safeguarded and that the benefits of infrastructure development are shared equitably.

Tailored infrastructure solutions for small businesses are essential to meet their unique needs. Small businesses may require affordable and reliable access to transportation, energy, water, and telecommunications, as well as digital infrastructure, to enable them to compete in today's interconnected and digital economy. Therefore, it is crucial to understand the specific infrastructure requirements of small businesses and develop flexible, scalable, and cost-effective solutions that cater to their needs. This may involve customization of infrastructure services, innovative technologies, and efficient delivery models that are responsive to the evolving needs of small businesses.

Access to financing is a critical enabler for small businesses to invest in infrastructure. However, small businesses often face challenges in accessing affordable financing options for infrastructure development. Therefore, it is important to facilitate access to financing for small businesses, particularly those in low-income and disadvantaged communities. This may include microfinance, venture capital, grants, crowdfunding, impact investing, and other innovative financing mechanisms that can mobilize private capital for small business infrastructure development. Ensuring access to financing can empower small businesses to invest in infrastructure, expand their operations, and enhance their competitiveness.

An integrated and inclusive approach to infrastructure development is crucial to ensure that the benefits of infrastructure are shared by all stakeholders, including small businesses, the community, and the environment. Infrastructure development should be guided by sustainability and resi-

lience principles to promote environmental responsibility, social inclusivity, and long-term viability. Small businesses, particularly those in marginalized communities, should have equal access to infrastructure, and their unique needs should be considered in the planning, design, and implementation of infrastructure projects. Additionally, infrastructure development should also consider the broader community and environment, promoting the wellbeing and sustainability of the entire ecosystem in which small businesses operate.

In conclusion, our analysis of best practices in supporting small businesses through infrastructure development underscores the importance of a collaborative, customized, inclusive, and sustainable approach to infrastructure development. By adopting these best practices, policymakers, practitioners, and stakeholders can effectively support small businesses and entrepreneurship through infrastructure development, overcoming the challenges they face and maximizing the benefits of infrastructure for their growth and success.

Wxile our systematic review provides valuable insights into the role of infrastructure in supporting small businesses and entrepreneurship, there are some limitations to be acknowledged.

Overall, this article seeks to provide a comprehensive analysis of the role of infrastructure in supporting small businesses. The findings of this study can inform the development of policies and strategies that support small businesses, particularly in accessing the necessary infrastructure to support their growth and development.

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