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**THE ESSENCE AND PECULIARITIES OF THE FORMATION OF  
 ENTREPRENEURIAL SKILLS IN THE DEVELOPMENT OF SMALL  
 SCALE BUSINESS**

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**ABSTRACT**

*The article highlights the objective need to develop entrepreneurship at the current stage of economic development. The article also discusses the importance of developing entrepreneurial competence in the population, especially among young people, in the development of entrepreneurship. There are specific features of the formation of entrepreneurial competence, as well as suggestions and recommendations for development.*

**KEYWORDS:** *National Economy, Entrepreneurship, Business, Skills, Entrepreneurial Competency, Employment, Development, Living Well-Being.*

**INTRODUCTION**

Today's tense period, when global competition is intensifying, requires all of us to work and think in a new way, to be highly mobilized. Accordingly, in order to raise the development of our country to a new level, the Action Strategy for the five priority areas of development of the Republic of Uzbekistan for 2017-2021 was adopted.

The Action Strategy focuses on further development and liberalization of the economy, strengthening macroeconomic stability and maintaining high economic growth, increasing the competitiveness of the national economy, modernization and accelerated development of agriculture, reducing institutional and structural participation in the economy. to continue reforms, protect the rights of private property and further strengthen its priority position, stimulate the development of small business and private entrepreneurship, comprehensive and balanced socio-economic development of regions, districts and cities, improve the investment climate in the sectors and regions of the economy Priorities for active attraction of foreign investments have been identified.

Entrepreneurship and business are an integral part of the modern market economic system, without which the country's economy exists and cannot develop normally. In developed economies, private entrepreneurs, based on their economic status and living conditions, form the basis of the middle class, which is a guarantee of social and political stability of society. Therefore, the development of small business and private entrepreneurship is a strategic priority of the long-term policy of the Republic of Uzbekistan.

In particular, in the Action Strategy for the five priority areas of development of the Republic of Uzbekistan for 2017-2021, ensuring the balance and stability of the national economy, including increasing the share of industry, services, small business and private entrepreneurship, further modernization and diversification of the industry and other priorities through the transition of high-tech processing industries to a qualitatively new level, primarily aimed at the rapid development of high value-added finished products based on deep processing of local raw materials [1].

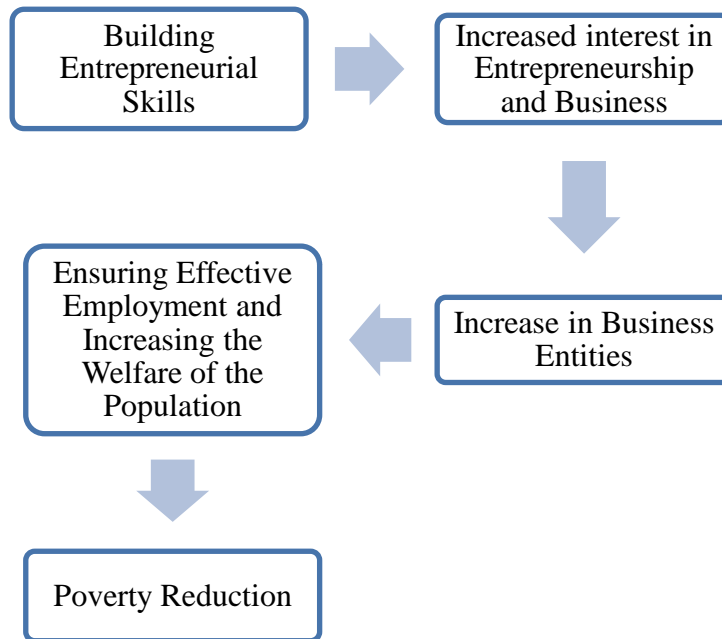
The role of small business and private entrepreneurship in the economy and the objective need for its development are explained by: First, small business and private entrepreneurship is one of the key sectors of the world economy, the development of which has a direct impact on economic activity in the country. In addition, the development of this sector depends on the saturation of the domestic market with quality consumer goods, the growth of foreign economic activity and the provision of effective employment and increase in real incomes. Second, in the process of globalization and economic integration, in the context of increasing competition in the world market, small businesses have the opportunity to spend less money than large producers, to adapt quickly to the changing demands of mobility and market conditions, to modernize production facilities.

As a result of the ongoing socio-economic reforms in the country, the share of small business and private entrepreneurship in the country's GDP is growing. In 2000, the share of small business in GDP was 31.0%, while in 2020 the figure was 53.9%.

Small business and private entrepreneurship are in the community by creating employment and additional income opportunities for the population

Contributes to the maintenance of social balance and the formation of a middle class among the population. After all, when an entrepreneur invests his money in the manufacturing sector, he not only increases his income, but also creates a material basis for the employment and income of other members of society. Small business and private entrepreneurship serve as a program to ensure effective employment, increase income, increase purchasing power, improve living standards and welfare, and ultimately ensure economic activity in the country.

The development of small business and entrepreneurship in the country requires the formation and development of entrepreneurial competence (skills). This is because the development of entrepreneurial skills in the population, especially young people, will help increase the number of businesses and reduce poverty.



**Figure 1 the relationship between entrepreneurial competence and the well-being of the population<sup>1</sup>**

On February 27, 2020, under the chairmanship of the President of Uzbekistan Shavkat Mirziyoyev, a video conference was held on measures to reduce poverty through the development of entrepreneurship. It was noted at the meeting that the most important issue is to reduce poverty through entrepreneurship training, professional development, and the need to organize entrepreneurship training courses for the unemployed in each region to ensure employment [4].

Today, in our country, the definition of vectors, ways and directions of development of business education in the field of business and entrepreneurship is becoming increasingly objective. This system must be created to provide the country with competitive entrepreneurs and an efficient business system. Entrepreneurial competence is the most primary factor for the formation and development of such a system. Indeed, the formation of entrepreneurial competence in the population, the development of skills in entrepreneurship and the benefits of business activities, directly encourages them to start a business.

The growing development of market relations has raised the issue of increasing the economic knowledge of the population, especially young people, and the formation of innovative thinkers - entrepreneurs. Therefore, today the number of family entrepreneurs and small businesses in our country is growing and the demand for them is growing. This, of course, requires the training of representatives of the industry, the development of educational work to educate young people in the spirit of entrepreneurship.

In order to explain to young people the role of the entrepreneur in society through examples, to organize meetings with young entrepreneurs, farmers, businessmen, representatives of the banking and financial sector, tax, customs and other agencies, as well as to acquaint students with advanced technologies Organizing visits to various exhibitions, fairs of machinery and equipment for small businesses, involvement in the production process, talking about active entrepreneurs in the neighborhood are also highly effective in the formation of entrepreneurial

skills. At the same time, it is important for the teacher to find a solution to the pedagogical conditions for the development and improvement of creative individuality of students.

In short, small business development is an urgent task in overcoming the negative effects and consequences of the global financial and economic crisis caused by the COVID-19 pandemic, which is now threatening the whole world. Because in such a situation, it is necessary to reduce the unemployment rate, support the needy and improve the living standards of the population.

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