

ORGANIZATIONAL MECHANISM OF MANAGING THE DEVELOPMENT OF SOCIAL ENTREPRENEURSHIP IN UZBEKISTAN

Narzullaev Elmurod Shukhrat ogli

Basic doctoral student of Namangan Institute of Engineering and Technology

E-mail: narzullaevelmurod@gmail.com

Abstract

The main objective of this study is analyzing the capability of improving and developing organizational methodological mechanism of managing the development of social entrepreneurship in Uzbekistan. The theoretical basis of the scale is supported by empirical research in the social sector. On other hand, finding out both strengths and weaknesses on managing and developing environmental social entrepreneurship in our country also was our main aim in this article.

Keywords: Social Entrepreneurship; Social And Financial Value; Sustainable Social Entrepreneurship, Environmental Social Entrepreneurship, Managing Model, Social Effect, Vertical Integration.

1. Introduction.

Protecting the environment and leaving a safe living environment for future generations is one of the most urgent problems of today. The ecological situation on earth is deteriorating day by day globally. Different countries are using different measures to solve this problem. Among them, one of the most effective measures is the implementation of such a type of activity as social entrepreneurship aimed at environmental protection. To develop this type of social entrepreneurship, it is important to change the society's attitude towards nature and green economy, to encourage entrepreneurs in the field. As a result of this, it is possible to achieve solutions to vital issues such as reducing the negative impact of human activity on nature, creating a comfortable and toxic-free environment, popularizing the use of renewable energy, maintaining greenness, waste processing mechanisms, and economic development.

Entrepreneurship is a constantly growing activity. It is precisely the existing environmental problems that have led to the development of ecological approaches to business activity. Increasing environmental knowledge of the population also increases the need for environmental social entrepreneurs. The limitation of natural resources, the continuous increase of the world's population and the decrease of biological diversity play an important role in the emergence of concerns about ecology. The main difference between social entrepreneurs focused on environmental protection and traditional entrepreneurs is that the main goal is not only to get more profit, but such entrepreneurs strive to create a business model that is environmentally friendly, economically profitable and creates social value.

In the development of social entrepreneurship aimed at environmental protection, it is important to study the specific features of the environment affecting the industry and the interdependence of their constituent factors. Although social enterprises are mainly enterprises that operate to achieve social and environmental goals, they, like any other entrepreneurs, require capital and operational stability to be managed with care and maximum integrity. Strengthening of financial discipline and regular development of financial management capacity of social enterprises will motivate them to take their place in the market economy.

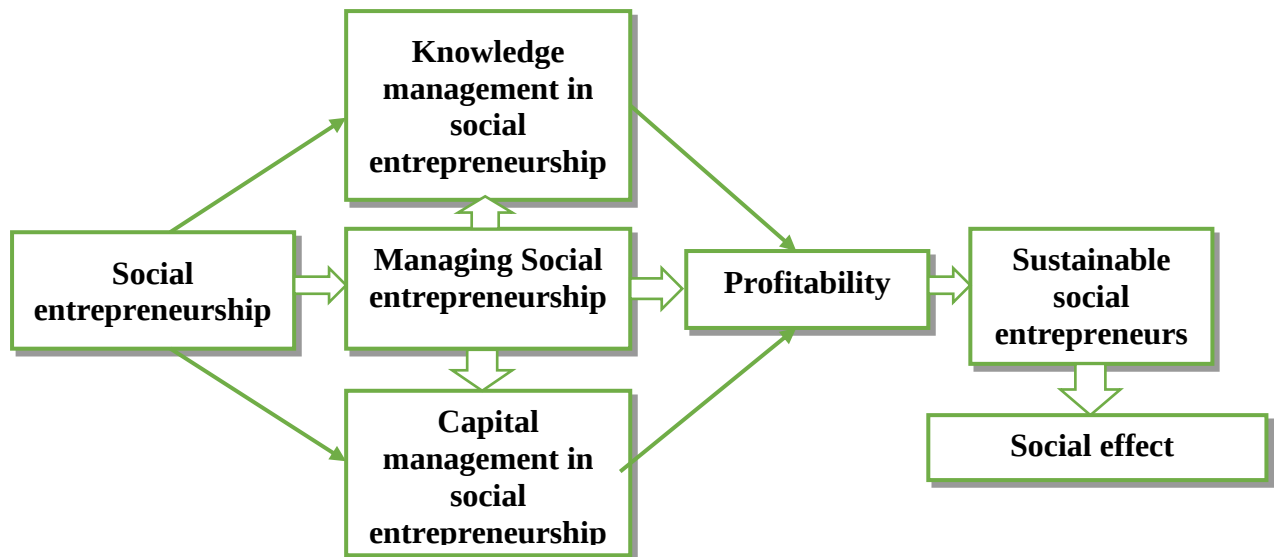


Figure 1. A management model for achieving sustainable social entrepreneurship¹

As a result of our research, it became clear that in the experience of almost all countries, the main subject of management and development of social entrepreneurship based on environmental protection is the state. The field of social entrepreneurship, which we have researched, includes the management of the activities of business entities operating in the socio-economic and ecological spheres.

In addition, the social and material benefit of entrepreneurs and how much of the income they can reinvest and how much they can use as they wish is the reason for the development of social entrepreneurship aimed at environmental protection by encouraging entrepreneurs.

In the experience of almost all countries, the main subject of management and development of social entrepreneurship based on environmental protection is the state. Social entrepreneurship is very different from social activities carried out by charitable organizations, and management plays an important role in this type of activity. This is because governance providers in NTTs may lack efficiency when it comes to revenue-based resource mobilization. Social enterprise is primarily a business, social enterprises constitute a separate sector by themselves. Therefore, it is necessary for social entrepreneurs to develop a management model for achieving sustainable social entrepreneurship for themselves (Figure 2).

Since the social infrastructure includes social-household and social-spiritual infrastructures, the mechanism of managing its development covers complex processes. In the process of carrying out its activities, social infrastructure facilities provide services and produce goods. Their activities are mainly aimed at improving the standard of living of the population and reproducing the labor force.

¹ Created by author

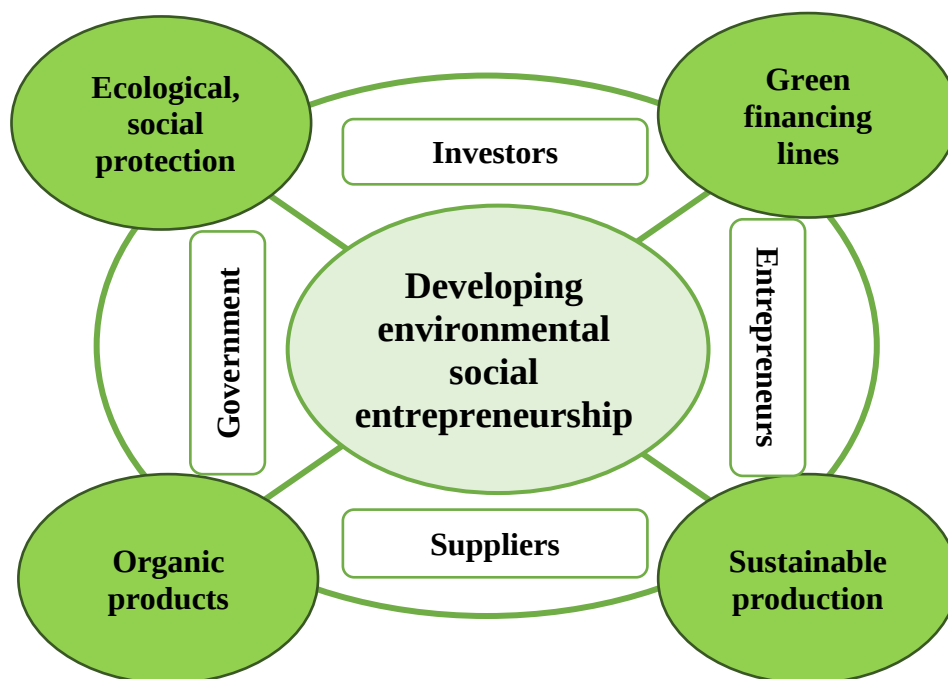


Figure 2. Effectiveness of the main subjects of management and development of social entrepreneurship based on environmental protection²

The identity of infrastructure entities supporting the development of social entrepreneurship aimed at environmental protection and their main tasks are defined in the draft law "On Social Entrepreneurship". The main purpose of the activity of these infrastructure objects is to satisfy household, spiritual and cultural needs, and to try to eliminate socio-economic and environmental problems, and to develop social entrepreneurship.

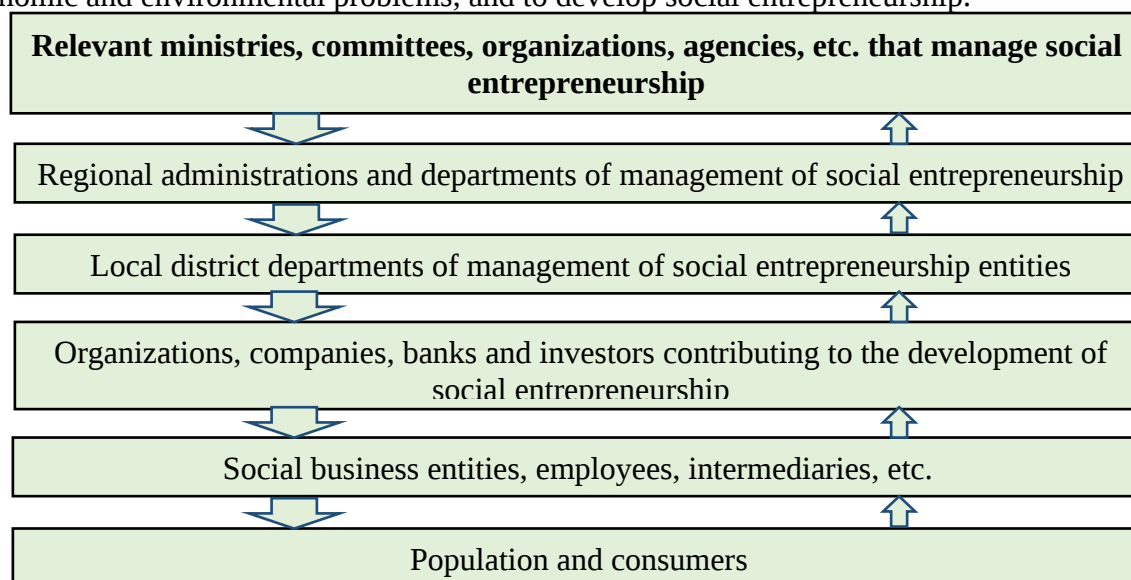


Figure 2. Vertical integration of management subjects of social entrepreneurship based on environmental protection³

Local executive authorities in infrastructure:

- Ensures the implementation of legal documents on social entrepreneurship;
- Develops, approves and implements regional programs in the field of social entrepreneurship;

² Created by author

³ Created by author

- Provides social support and incentives to social enterprises within the scope of their powers, taking into account the social, demographic and other characteristics of the administrative regions;
- Takes measures to create favorable conditions for attracting investments in the field of social entrepreneurship;
- Develops proposals for improving the legislation in the field of social entrepreneurship and submits them to the competent body.

2. Methodological Mechanism

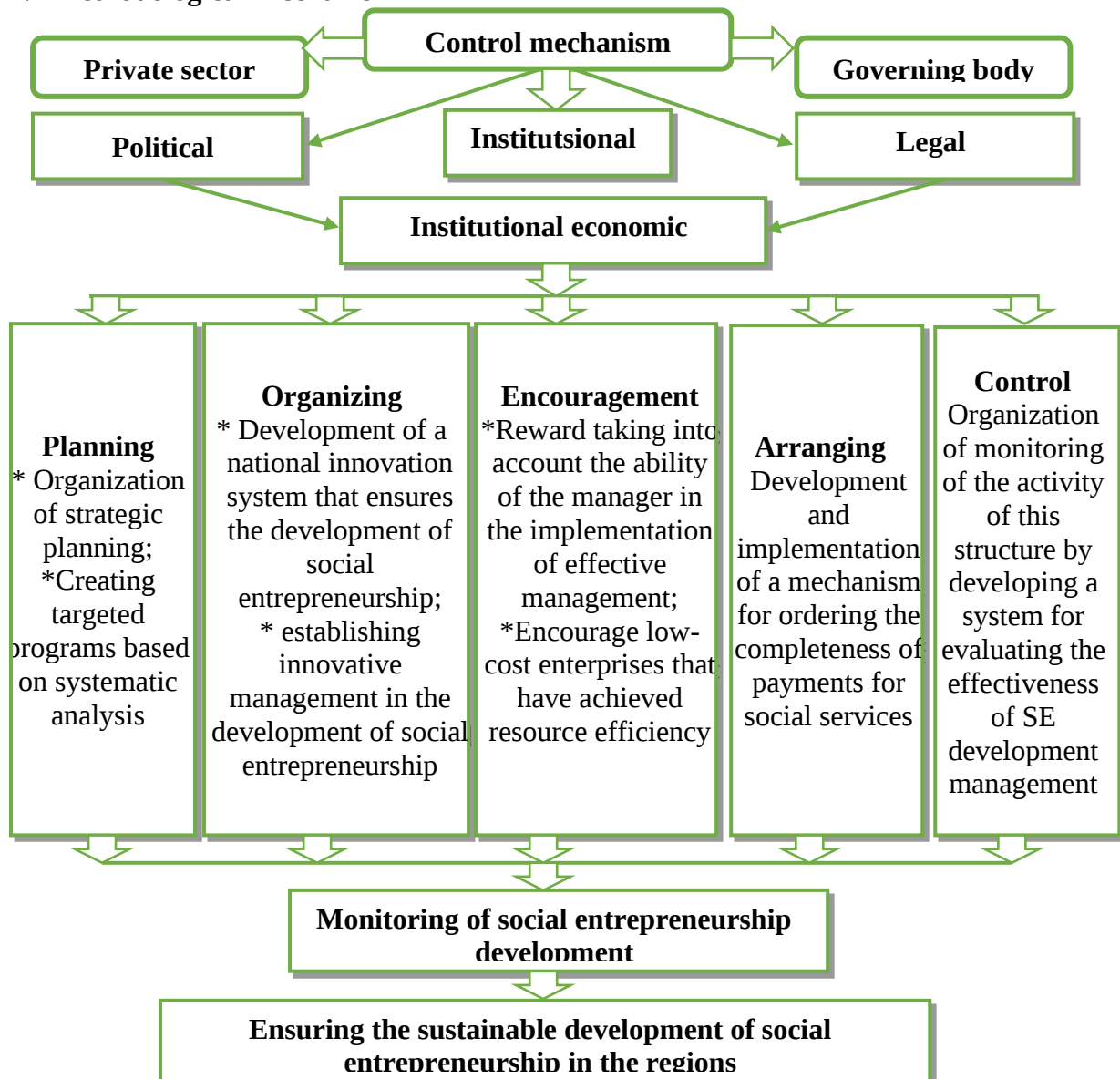


Figure 3. The organizational and methodological mechanism of managing the development of social entrepreneurship in the regions⁴

⁴ Created by author

3. Result

In our opinion, the implementation of effective environmental management in modern economic conditions can be activated precisely at the expense of their economic efficiency (reducing the costs of material resources, reducing the cost of production, increasing fines for pollutants and waste, reducing the release of environmental pollutants). That is, it is impossible to solve environmental problems outside of their economic efficiency. The generalization of local and global practices allows to systematize the environmental and economic results that can be achieved if the principles and functions of the environmental component of the proposed enterprise management are implemented (Fig. 3). Since the first three stages are discussed in detail in the literature, let's briefly touch on the last stage. Environmental and economic damage caused by the processes of transportation and storage of the relevant resource takes into account the amount of economic damage caused by pollution of the natural environment at all stages of cargo transportation, resource losses during transportation.

Development of social entrepreneurship in the regions is a complex process and requires a lot of money. Therefore, we suggest using the strategic planning method to increase the efficiency of this process management.

The effectiveness of managing the development of social entrepreneurship is achieved by choosing an alternative strategy, forming an organizational structure compatible with the chosen strategy, as well as forming organizational and economic mechanisms that ensure the development of measures for the implementation of this strategy.

When determining the level of movement of this mechanism, it is necessary to determine the scope of tasks for the implementation of goals in practice. The structure of the mechanism of managing the development of social entrepreneurship includes such constituent elements as political, institutional, legal, organizational and economic.

In our opinion, the effectiveness of other mechanisms of this structural structure depends on the state of the organizational-economic mechanism at its center. We describe the improvement of the organizational and economic mechanism of managing the development of social entrepreneurship based on a systematic approach.

4. Conclusion

As a result of our scientific analysis, we can say that today, in order to support social entrepreneurship based on environmental protection in our country, it is important to implement the following tasks: creating public frameworks, improving existing ones, developing a social entrepreneurship support program aimed at environmental protection, implementing it and giving priorities to entrepreneurs; Stimulating social entrepreneurship through tax incentives, preferences for property purchase, subsidies, providing preferential loans based on extra-budgetary funds by the state and attracting loans based on funds from international financial institutions, supporting social entrepreneurship based on environmental protection and creating a market infrastructure that supports its development.

5. References

- Albrecht J. (2002). Environmental issue entrepreneurship: A Schumpeterian perspective. *Futures*, 34(7), 649–661.
- Alvarez S. A., & Busenitz L. W. (2001). The entrepreneurship of resource-based theory. *Journal of Management*, 27(6), 755–775.
- Azzone G., & Noci G. (1998). Seeing ecology and 'green' innovations as a source of change. *Journal of Organizational Change Management*, 94–111.
- Bansal P. (2005). Evolving sustainably: A longitudinal study of corporate sustainable development. *Strategic Management Journal*, 26(3), 197–218.
- Barney J. (1991). Firm resources and sustained competitive advantage. *Journal of*

- Management, 17(1), 99–120.
- Linnenluecke M. K., & Griffiths A. (2010). Corporate sustainability and organizational culture. *Journal of World Business*, 45(4), 357–366.
- Meek W. R., Pacheco D. F., & York J. G. (2010). The impact of social norms on entrepreneurial action: Evidence from the environmental entrepreneurship context. *Journal of Business Venturing*, 25(5), 493–509.
- Menguc B., & Ozanne L. K. (2005). Challenges of the ‘green imperative’: A natural resource-based approach to the environmental orientation–business performance relationship. *Journal of Business Research*, 58(4), 430–438.
- Parrish B. D. (2010). Sustainability-driven entrepreneurship: Principles of organization design. *Journal of Business Venturing*, 25(5), 510–523.
- Morrow D., & Rondinelli D. (2002). Adopting corporate environmental management systems: Motivations and results of ISO 14001 and EMAS certification. *European Management Journal*, 20(2), 159–171.
- Nikolaou E. I., Ierapetritis D., & Tsagarakis K. P. (2011). An evaluation of the prospects of green entrepreneurship development using a SWOT analysis. *International Journal of Sustainable Development & World Ecology*, 18(1), 1–16.
- Pacheco D. F., Dean T. J., & Payne D. S. (2010). Escaping the green prison: Entrepreneurship and the creation of opportunities for sustainable development. *Journal of Business Venturing*, 25(5), 464–480.