THEORETICAL FOUNDATIONS OF HOUSEHOLD SERVICES IN THE DEVELOPMENT OF ENTREPRENEURIAL ACTIVITY

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Abstract. *This article examines the theoretical foundations and socio-economic importance of household services in the context of developing entrepreneurial activity in Uzbekistan. It highlights the growing role of the service sector, especially household services, in improving the population's quality of life, increasing employment, and fostering self-employment. Furthermore, it discusses challenges such as low purchasing power, high taxation, and lack of social service norms. In conclusion, the development of the consumer services sector is presented as a strategic direction for inclusive and sustainable economic growth, particularly in improving employment opportunities for vulnerable social groups.*

Keywords: *household services, service sector, entrepreneurship, socio-economic development, self-employment, Uzbekistan.*

Introduction

In recent years, consistent measures have been taken in our country to develop the service and service sector. The structure of the services market is being improved through the development of new promising types of services - tourism, banking and financial, insurance, information and communication services, and others. A sharp increase in providing families with complex household appliances, computers, and personal vehicles has created an opportunity for a significant expansion of services offered to them.

In our country, a number of measures are being implemented to improve the well-being of the population, increase employment, create additional sources of

income, ensure self-employment, and reduce poverty. In particular, several reforms are being carried out to develop the service sector in terms of self-employment and improving the living standards of the population.

In this regard, the Decree of the President of the Republic of Uzbekistan No. PP-104 “On Additional Measures for the Development of the Service Sector” dated January 27, 2022, and the Decree No. PP-4742 “On Measures to Simplify State Regulation of Entrepreneurial Activity and Self-Employment” dated June 8, 2020, were adopted. Furthermore, according to the 34th goal of the New Uzbekistan Development Strategy for 2022-2026, the development of engineering, communication, and social infrastructure systems in the regions, as well as the service sector, is envisaged. To achieve this goal, it is crucial to establish service points for paid plumbing, electrical work, household appliance repair, and catering services in cities and district centers to develop household and communal services that meet the daily needs of the population.

Domestic services play a key role in the life, well-being, and self-employment of the population. This is because household services comprise a complex of services that are directly necessary for the daily life of the population and directly impact their standard of living.

When analyzing the sphere of household services from a theoretical perspective, it is primarily noteworthy for its place in society and its close connection with everyday life processes. This service sector, by its nature, is a type of economic activity aimed at satisfying human needs and serves to ensure the well-being of the population through services that have consumer value. Household services are essentially a logical result of the development of social division of labor, reflecting the process of service provision formed through production and exchange relationships.

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In Uzbekistan, the socio-economic relations of the entrepreneurial society are becoming an integrated, clearly visible, rapidly developing, and dynamic sphere. Its role and significance in the formation of market relations and economic development of the country are becoming increasingly prominent. The development of the service sector is one of the priority areas of Uzbekistan's economy and is considered as a primary means for self-employment, fostering entrepreneurship in neighborhoods, and reducing poverty. Positive results are being achieved through state support and incentives for the development of the service sector.

One of the main directions of economic reforms being implemented in the context of innovative economic development is the advancement of the service sector, which is an integral part of the national economy. This involves further improving the quality of life of the population by maximally satisfying their demand for consumer services. Therefore, the further development of the consumer services sector in our republic is of great importance. Today, these services increase domestic demand for many types of manufactured products and play a crucial role in maintaining balance in the consumer market.

Domestic services occupy a special place in the service sector. This sector primarily develops through entrepreneurship based on private property. Its significance lies, first and foremost, in improving the well-being of the population by creating new job opportunities, filling the service market by expanding the range of services, and meeting the population's demand for modern consumer services. To implement such measures, it is necessary to improve labor organization methods and achieve efficiency in consumer service enterprises.

Currently, the number of types of services in the world, including in our country, has exceeded one thousand. To study and organize them to a certain extent, it is necessary to classify them.

Several international organizations are also engaged in regulating services to a certain degree. However, in our opinion, when classifying services, it is advisable to proceed from their theoretical basis, that is, first and foremost, from their definition.

Service refers to the conscious activity of individuals, economic entities, the state, and society aimed at satisfying a specific need, related to the beneficial service process.[1]

Furthermore, when examining the scientific and theoretical foundations of service sector development, efforts have been made in economic literature to reveal the economic essence of the concept of "service provision." American economists Campbell R. McConnell and Stanley L. Brue defined a service as "something intangible (invisible) that is provided by a consumer, firm, or government, which has value in its place.[2]" F. Kotler stated that "Services are any activity or benefit that one party can offer to another, a useful action that does not result in ownership of anything."[3]

I.S. Ochilov, one of the economists from our country, believes that "Service is understood as the conscious activity of individuals, economic entities, the state, and society, aimed at satisfying certain needs, related to the process of providing benefits."[4]

Methods

Economists and specialists have expressed their opinions and considerations regarding the development of the consumer services sector in their research. They have demonstrated the concept of "domestic service" and provided a more comprehensive basis for this concept based on the existing conditions of their time.

Household services not only satisfy needs but also create an opportunity to save leisure time by purposefully shaping the population's needs. "Household service" is a specific type of activity that results from labor productivity as an effective action, either embodied in material objects or representing tangible outcomes. Household services are defined as a unique form of material production

in the sphere of social services for the population. In modern conditions, it is appropriate to define the concept of “household service” as “services aimed at satisfying the socially significant domestic needs of the population, as well as the needs of various segments of the population for socially necessary services, provided within a certain territory by local government bodies, the state, and individuals in the form of entrepreneurship.” The authors have attempted to emphasize the role and importance of household services in the context of economic instability.

New economic relations emerging from the economic reforms being implemented in our republic are creating favorable opportunities for the development of the consumer services sector. Developing the activities of consumer service enterprises in line with the innovative economy, increasing their competitiveness in national and international markets, and improving the quality of services are important factors in achieving economic growth in this sector. In the service industry, household services hold a unique significance, and this sector primarily develops through entrepreneurship based on private property relations. Its importance lies, first and foremost, in raising the standard of living of the population by creating new jobs in the sector, developing the republic's domestic services market by increasing the types of modern household services, and contributing to state budget revenues through tax payments in exchange for generating certain income.

Results

It is crucial to study the factors and conditions influencing the development of the consumer services sector and identify existing problems in the industry. It should be emphasized that household services not only satisfy needs but also create opportunities to save people's free time by purposefully shaping the population's needs. At the current stage of market relations development in our country, the large-scale growth of small businesses in the consumer services sector creates opportunities for entrepreneurial activity expansion, increases in the population's

additional income, growth in employment and job numbers, as well as providing non-standard employment opportunities in addition to primary jobs.

The tasks of regulatory methods for managing consumer service activities include the development of social norms. Many scientific works substantiate the necessity of developing and implementing these norms at the regional level. This implies that the lack of social norms hinders the future development of the industry at the regional level. In the context of economic liberalization, the implementation of consumer service standards is becoming increasingly complex. Moreover, expressing these indicators in monetary terms limits the possibility of obtaining realistic statistical data when using them under inflationary conditions. Therefore, when adopting social norms in the field of consumer services, it is necessary to consider the state of development of private processes. These private processes include market conditions, changes in economic essence, stratification of social layers of the population, inflationary processes, competitive environment, low purchasing power of the general population, and high tax payments.

Discussion

Consumer services are a multifunctional sphere that creates comfortable living conditions and helps citizens save time for self-improvement, recreation, and fulfilling their cultural needs. The development of this sector contributes to raising the well-being of the population and improving the quality of life. Therefore, consumer services are a very promising area for the entire region, especially in the local financial and social spheres. Today, the structural changes occurring in the global and national economies, as well as the ongoing crisis impact of the pandemic on these processes, continue to persist. Most people are compelled to learn new modern specialties. Due to the rising cost of living, many individuals need to work in multiple places to earn additional income. In such conditions, the importance of consumer services may seem low, but remains significant, as they do not necessitate the retraining of specialists or the reorganization of enterprises.

Conclusion

The development of the consumer services sector in our country leads to an increase in the number of jobs. Additionally, enterprises can be supplemented with pensioners, people with disabilities, and individuals unable to work full-time - categories of the population that face difficulties in finding employment. Based on these characteristics of household services, we interpret its essence as follows: “Household services are a multifaceted and complex concept encompassing professional and socially beneficial activities within the framework of social reproduction in people's daily lives. These services are aimed at satisfying the household needs of the population, requiring direct consumer participation in achieving final results, quickly adapting to market conditions, and their development is contingent upon the well-being of the population.”

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