

Small Business Growth in Uzbekistan: Low Income Country in Central Asia (Unraveling the Role of the Small Business Owners in Uzbekistan)

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Abstract:

Purpose of the study is to assess the small business growth in Uzbekistan through the role of the small business owners. There are many factors affecting the growth rate of small business such as: Behavioral traits, Leadership Skills, Capital required and entrepreneurial motivation . Study intends to find the correlation of said factors with growth of the small business through primary data collection from Tashkent stock exchange listed companies. Study adopted quantitative analysis approach based on 5 likert questionnaire, conducting online surveys due to Covid-19. Theoretical support of the investigation is from the work of Fauzi & Sheng, 2020, institutional theory on the topic of role of entrepreneur (small business owner) that enables the growth of small business.. Study depends on primary data collection and literature basis. For the statistical analysis and treatment study selected IBM SPSS as tool and different techniques to analyze data such as: T-test, P-test, Z-test, Regression Analysis and Correlation Analysis. Parametric analysis is used to nullify the null hypotheses. After the thorough investigation study finds a positive relationship between predictors of the study and growth of small business in Uzbekistan, considering new reforms of 2020 business ethics and deals. Study finds correlation of dependent and independent variables. Both the factors are linear in function. This work is original in nature and never been published before in any journal, data collected is from the companies listed in stock exchange of Tashkent.

Key words: Behavioral traits, Leadership Skills, Capital required and entrepreneurial motivation

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I. Introduction:

Growth is an important phenomenon in small enterprises. In fact, their survival essentially depends on their power to participate in the market with other big companies. Growth decreases the possibility of closing small businesses (Rauch & Rijskik, 2013). Strengthening is important not merely for the enterprises and their owners but for all stakeholders since these companies thrust forward the economy by underscoring diversity of products and services. The growth phenomenon of small enterprises had been widely analyzed within entrepreneurship. One motive is that most fail to expand during their life span (Davidsson et al., 2010; McKelvie & Wiklund, 2010) and small businesses refrain from growing (Doern, 2009). According to Brush, Ceru & Blackburn (2009), some enterprises do not desire growth and others desire slow growth even though they are successful as much as those that grow fast. In fact, most new enterprises do not go beyond the stage when they initiated their activities (Headd & Kirchhoff, 2009), with the exception of the so-called “gazelles” (Julien, 2002), or young enterprises with very fast growth (Sims & Regan, 2006). The criteria for defining small business and private entrepreneurship do not entirely match international practice. In international practice, the definition of SME, aside from the criterion staff size, includes annual turnover/ sales or industry specific. Preservation of the industryspecific differences is necessary subject to certain tax (e.g., stimulation of individual industries) or statistical (e.g., comparison of labor productivity) tasks set by the state. Using SME definition for tax purposes in Uzbekistan hinders jobs creation and growth. In addition, the definition of SMEs by number of employees has become difficult due to parttimework, casual work or temporary work becoming more widely used by employers. SMEs’ contribution to GDP increased to 54.9% in 2017 from 38.2% in 2005, which indicates that SMEs play a significant role in the country’s economy. The value added by SMEs in total value added by enterprises rose to SUM120,351.6 billion compared with SUM5,437 billion in 2005. Figure 2. The added value of SMEs in Uzbekistan is less than half than in emerging countries (\$113,000 vs. \$394,000).

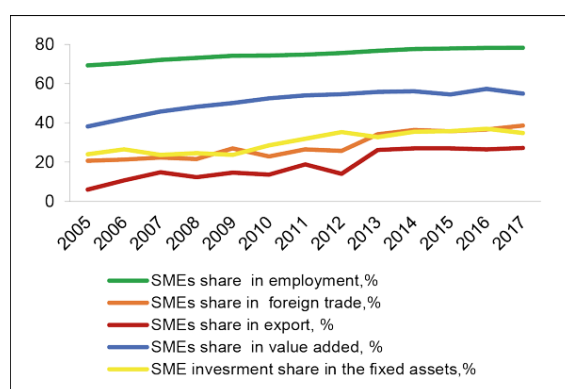


Figure 1 Small Business Sector in Uzbekistan

The share of SMEs' exports in total country export performance increased to 27.2% in 2017 from 6% in 2005. SMEs' imports accounted for 50% of total imports in 2017. The SMEs' share in investment rose from 13.4% in 2001 to 34.8% in 2017. While value figures show positive net exports, the vast majority of SMEs are import oriented (particularly in trade and manufacturing sectors). Our study intends to contribute theoretically to the aspect of the small business in Uzbekistan service and product industry with unraveling roles of entrepreneurs and small business owner in growth rate of the entrepreneurship, for that study will formulate the statement of the problem and theoretical basis of the predictors such as: Behavioral traits, Leadership Skills, Capital required and entrepreneurial motivation.

BACKGROUND

Uzbekistan has a high rate of unemployment –

around 7% in 2017 with an estimated one in ten people aged 20 to 24 not looking for a job because they do not believe they can find one. Unemployment rates for youth are about 18%, twice the overall rate.¹⁰ Low employment prospects have led to high levels of out migration, with one in five males becoming an international migrant and this rate is even higher among young men. According to official data, SMEs are the biggest source of employment, as they now provide 78% of jobs, compared to 50% in 2000. Nearly three out of every four employed persons in Uzbekistan work in small businesses and more than 60% of those jobs are in rural areas.¹¹ More than 62% of those employed are individual entrepreneurs, and small businesses and micro firms employ only about 16%. Uzbek migrants are included into sectoral employment data, mainly into the employment in agriculture and other sectors. Most of the migrants (around 70–75%) come from rural areas, and, in some cases, they are counted as employed in the agricultural sector and the migrants from urban areas are accounted in the statistics on “employment in other sectors.” However, official statistics do not provide all necessary data to provide a more or less credible picture. Therefore, the official data should be assessed critically. For example, a number of individual entrepreneurs are not available, and the State Statistics Committee only collected data on SMEs with legal entity status. Analysis of the open sources did not reveal any data on the number of individual entrepreneurs. Uzbekistan has a low density of 7.1 SMEs per 1,000 people, lagging behind developed countries 44 SMEs per 1,000 people and developing countries 17 SME per 1,000 people. approximately 28% of SMEs are engaged in retail and wholesale trade, followed by manufacturing (20.3%), construction (11%) and transport (9%) and 9% in agriculture. The modest figure of 9% in agriculture is rather controversial, since about 80% of the agricultural sector's contribution to GDP is accounted for by small-scale entrepreneurship, suggesting that a significant portion of 160,000 collective and dehkans are potential small and micro-finance borrowers. Considering individual, small and micro-enterprises and small-scale agriculture the total number of potential borrowers is in the range of 800,000. With fewer than 300,000 borrowers currently served, there is clearly an enormous unmet demand for small and micro-credit financing. The sectoral analysis of small business demonstrates that a long-term trend of reducing SMEs in trade and agriculture is associated with a poor regulatory environment and the impact of economic factors. One of such factors is the ongoing government's monopoly in the agricultural sector. Since there is still no private ownership of land, so that farmers cannot own agricultural land, nor are they entitled to make their own choices of what to grow, there are not many SMEs involved in this sector. However, if the agricultural sector indeed liberalizes and diversifies, shifting from cotton and wheat monocultures to more diverse agricultural produce, coupled with legal guarantees for private ownership for land, the number of SMEs and value chains in agriculture will soar significantly. There is an increase in the share of larger retail chains, which displaces small businesses in retail trade. On the other hand, government regulation gradually limits the list of activities for individual entrepreneurship to conduct trade in construction goods. The share of SMEs in construction has increased significantly in recent years due to

the implementation of the State Program of Affordable Housing. SMEs are also active in the services sector (retail and catering). In foreign trade, the small business share was below 10% in 2007–08, and currently only 4.7% of small businesses participate in foreign trade activities.

Table 1: Demand Assessment

	#	% Bankable	Net Demand #	Estimated Average Loan Size (\$)	Estimated Net Demand (\$)
Registered operating SMEs	229,600	39%	89,544	29,086	2,604,500,219
Farmer enterprises*	132,356	na	na	na	na
Dehkan farms**	4,769,000	30%	1,430,700	2,000	2,861,400,000
Unregistered individual entrepreneurs minus dehkan farms***	531,000	10%	53,100	1,000	53,100,000
Total					5,519,000,219

Source: 2018 IFC Demand Study Micro and Small Business Finance & Digital Financial Services in Uzbekistan.

Table 2: MSME Demand for Finance in Uzbekistan

Potential Demand for Finance	Micro, \$million		SME, \$million		MSME, \$million	
Current Supply	85	5%	1647	14%	1732	13%
Finance Gap	1,631	95%	10,159	86%	11,790	87%
Total	1,716	13%	11,806	87%	13,522	100%

Source: MSME Finance Gap Report 2017.

II. Literature Review

The complex phenomenon of growth of small enterprises requires further research since several studies have been developed to measure the companies' growth. Achtenhagen et al. (2010) reviewed studies on growth published between 1997 and 2008 and identified 56 articles, most of which endeavored to explain why enterprises grow (growth as a dependent variable); however, other articles dealt with growth strategies or on growth intentions and desires. Few, however, studied the growth process. Explications on growth or no growth decisions, contextual dimensions, the role of entrepreneurship agency are still lacking (Wright & Stigliani, 2012). The need for further studies may be justified due to the fact that theories developed to explain the growth of big enterprises are not adapted to foreground the same phenomenon in small ones (Davidsson et al., 2010). Since Penrose's investigations in 1959 (Penrose, 2006), debate on the theme is still on and reaches several directions encroaching on growth indexes, growth determinants and impairments, and explication models. However, researchers must still develop explanations on the manner entrepreneurs take decisions to further or not their companies' growth (Wright & Stigliani, 2012). Current theoretical essay identifies the growth range of small enterprises published in the literature and point out the perspectives for future analyses.

However, the difficulty in analyzing the firm's growth at the precise moment should be underscored (Mckelvie & Wiklund, 2010). It is easier to investigate the antecedent factors that affect growth and the consequences of growth (Leitch et al., 2010) and more difficult to investigate growth dynamics or the manner firms grow (Mckelvie & Wiklund, 2010). Growth is the result of a good administration of resources and capacities which the companies use to promote growth. They comprise capacities, acquired information, financial counseling and resources (Coad et al., 2013). The establishment of growth depends on the identification of the origin of resources, capacities and learning on accumulation methods and the generation of sustainable profits, coupled to the examination of how and when the resources of industry and financing are accessed and how the external investors may be informed on the subject. Wright & Stigliani (2012) enhance that, from the strategic perspective, it is important to trust people with cognitive capacities for growth since the holders are not the sole protagonists of growth. Further, the entrepreneurs' competence to get involved in networks is highly important (Davidsson et al., 2010). The entrepreneurs' schooling level and experience may influence the firms' growth (Barringer et al., 2005; Dobbs & Hamilton, 2007; Rauch & Rijskik, 2013). Experience in the sector is highly important (Davidsson et al., 2010), coupled to previous experiences in other enterprises (Barringer et al., 2005; Davidsson et al., 2010). Another aspect listed in the literature is the entrepreneurs' rank within their personal carrier. According to Wright & Stigliani (2012), position in personal carrier may affect growth. In fact, highest growth expectations are linked to the start of

carrier which may coincide with age as young people have great expectations in growth (Davis & Shaver, 2012; Navaretti, 2014). Further, relational competence and insertion in networks are actually growth determinants (Davidsson et al., 2010). However, growth expectations include not only previous experience in success but also the fear of failure (Hermans et al., 2012; Wright & Stigliani, 2012). Fear of failure limits the capacity of the individual to take risks and seize opportunities which may produce growth. On the other hand, motivation, internal control locus and personal aims of entrepreneurs may have a positive effect on growth (Davidsson et al., 2010; Wakkee et al., 2015). The motivation for growth may be understood as the “aspiration to expand business” (Delmar & Wiklund, 2008, p. 438) and comprises cognitive, affective and behavioral factors, (Hermans et al., 2012). Previous growth aspirations affect future motivations for growth and suggest a mutual relationship between growth motivations and growth. However, motivations must be stable to determine behavior. This boils down to the fact that managers of small firms are motivated to expand business. If success occurs, their commitment to expansion will be strengthened. Similarly, previous negative results reduce growth motivation. Delmar & Wiklund (2008) highlight that motivation is not the sole determinant and should be further accompanied by resources and strategies. Further, growth motivation may vary between fledging and experienced entrepreneurs. Wright & Stigliani (2012) identified that experienced entrepreneurs have excess of trust and optimism, although further studies are needed to explain how entrepreneurs give density to information obtained on the spot and how they decide whether to promote the firms’ growth. Intentions are actually associated to the growth phenomenon and are made up by the difference between “actual and intended size” (Hermans et al., 2012, p. 12). They constitute the “entrepreneurs’ aims for a pathway of growth so that business would be successful” (Dutta & Thornhill, 2008, p. 308). Growth intentions are “the subjects’ intentions to start a new business that will be substantially greater throughout several time periods” (Douglas, 2013, p. 636). Intentions vary according to individuals: some aim at growth and others at autonomy, since the cognitive style affects growth intentions. For instance, Dutta & Thornhill (2008) investigated the relationship between growth intentions, cognitive style and perception of competition conditions, and reported that the cognitive style attenuates the relationship between growth intentions and the perception of competitive conditions over time. The perception of competitive conditions affects the manner entrepreneurs establish and articulate their growth intentions. Results reveal that entrepreneurs are heterogeneous in growth intentions; growth intention is associated to the cognitive style and to the perception of competitive intentions.

III. Theoretical Framework

A comprehensive understanding of sustainable growth of small and medium-sized enterprises requires robust and collective strategic thinking since the workflow is diverse and involves different points of view (Buys, 2020; Adoli & Kilika, 2020). All of these perspectives seem to be exploring the same problem, and the way the upper echelon understands the sustainable growth of the SMEs process (Friedmann et al., 2018; Schmitt, 2018). Consequently, any accord on milestones is expected to be limited when conferring the pedigrees of strategic control (McKiernan, 2017; Voinea, 2017). The majority of enterprises in the world are small and medium enterprises, important predictors of job creation and huge market economic growth (Ouma-Mugabe, et al., 2021). Small and medium enterprises account for about 90 percent of enterprises and more than 50 per cent of productive economic activities (World Bank, 2020). Structured SMEs contribute up to 40 percent of the gross domestic product (GDP) in developing countries. The SME strategic planning framework can be based on appropriate resources and orientations unique to small and medium enterprises with a widespread ideology. Building a theoretical foundation is a primary issue in the sustainable growth of SMEs achievement research (Yun, 2017).

Institutional Theory:

An institutional theory is a capable path for exploring the borders between businesses or society that have been shaped SMEs in various ways to sustainable growth (Fauzi & Sheng, 2020). Explaining that sustainable pursuits is not primarily a voluntary act, as the performance of firms are featured with several challenges, including government rules and marketplace pressures. Therefore, institutional theory focuses on factors that are externally or internally central within the firm and sustainable innovation. From the institutional theory of sustainable growth for small and medium-sized enterprises, opportunities with normative, coerciveness and mimetic drivers to influence small and medium-sized enterprises to shape environmental, social or economic decision-making and to legitimise the vision of sustainable business practise (Shibin et al., 2020; Caldera, Desha & Dawes, 2019). Sustainable business practise 'is an aspiration for an increasing proportion of small and medium-sized enterprises around the world, promising profitability, resilience and positive social and environmental impacts' (Caldera et al., 2019). In many creative ways, business owners are responding to institutional constraints, such as implementing innovative business strategies, developing strength and courage, partaking in associations, trying to give back to the community and collaborating with the authorities (Eijdenberg, Thompson, Verduijn & Essers, 2019). Institutional theory has been widely used in addition to establishing sustainable growth policies and procedures (Roxas, Lindsay, Ashill & Victorio, 2007; Heiskanen, 2002) and in recognition of quality plans or technology orientation (Hatch, 2006; Barratt & Choi, 2007; Nair & Prajogo, 2009; Liu, Ke, Wei, Gu & Chen, 2010). Institutional theory provides

enhanced enlightenment once the driving force behind the practise of technology orientation has been acceptability (DiMaggio and Powell 1983). There are three kinds of competitive pressures that encompass the strength of the institutional structure; forceful pressures, imitation pressures and normative pressures (DiMaggio & Powell 1983). All three factors act as the driving force behind the actions of organisations to enhance their initiatives for sustainable, social and environmental growth through which enterprises achieve appropriateness and perceived value. Institutional theory identifies broader and more resilient approaches to social structures; consideration of structural-building processes as rules for the social behaviour of the authorities through rules and standards (Scott, 2004; DiMaggio & Powell, 1983). In other words, Caldera, Desha and Dawes (2017) tend to focus on a process in which practices can be incorporated into an institution as recognised economic, social and environmental standards. Institutional theory refers to innovative elements or capabilities with sustainable growth of small and medium-sized enterprises as a stimulus lens that encourages management practises to pursue sustainable business growth (Srisathan, Ketkaew & Naruetharadhol, 2020) in the form of factors such as culture, the legal and social environment, traditional or cultural values, economic incentive schemes and market value. The general concept focused on the rules laid down by the institutions, while the new perspective focused on institutional entrepreneurship, such as the implementation of sustainable business models (Hadjimanolis, 2019) and focus on opportunities (Laukkanan et al., 2013). Moral legitimacy and Isomorphism are two main reasons behind the behavioural patterns of enterprises related to institutional theory. In order to meet the needs of stakeholders and society, the company seeks legitimacy (Ratten & Usmanij, 2020). The pressure of institutional factors has led to huge or isomorphic decisions on sustainability by firms (Glover, Champion, Daniels & Dainty, 2014; Ahmad et al., 2020). Enterprises facilitate innovation within the framework of the institutional structure through collaboration with various stakeholders to encourage sustainable growth of SMEs.

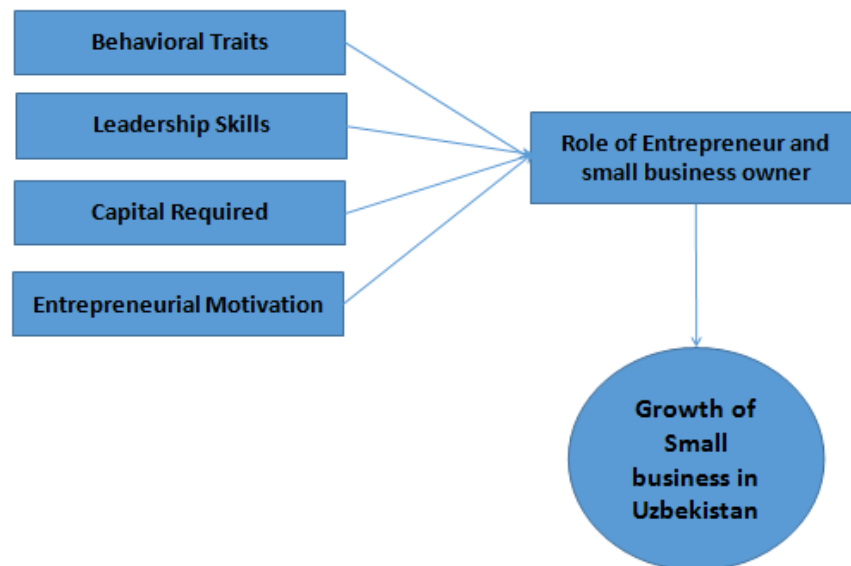


Figure 2: Conceptual framework based on Institutional Theory of Small Business

IV. Research Paradigm

Study conceptualized factors such as: Behavioral traits of owner of small business (Native Uzbekistani), Capital required to startup small business in service and product industry of Uzbekistan, Leadership styles and skills needed for heading the small sized companies and entrepreneurial motivation of owners of small sized business and the independent factor influencing the growth of the small business as dependent variable. Investigation followed input process to output model of transformation as under with assessment procedures and interpretation requirements in qualitative expression of ratings from the participants (small business owners). Study formulated the paradigm on the basis of the institutional theory reflecting the real scenario of business owners environment in Uzbekistan industry.

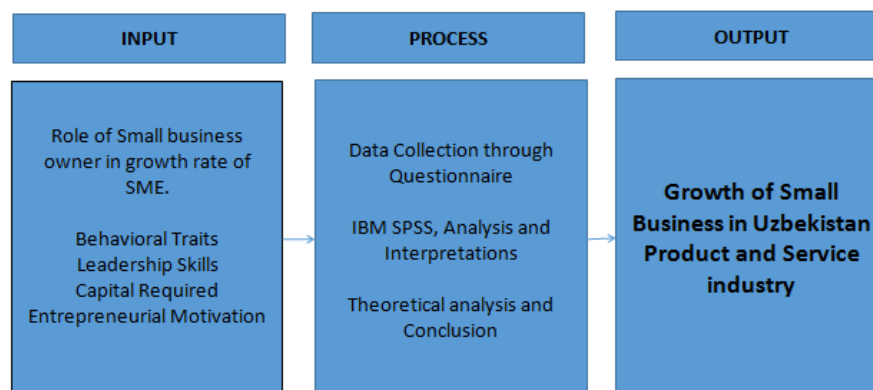


Figure 3: Research Paradigm

STATEMENT OF PROBLEM:

Based on the above theoretical framework and research paradigm study formulated the following statement of problems to investigate and provide output.

1. What is the demographic profile of the small business owners in terms of?
 - a) Age;
 - b) Gender;
 - c) Experience and
 - d) Income
2. What are the factors affecting the growth of small business in the product and service industries of Uzbekistan and what are the roles of small business owner in growth?
3. Extent to what the following factors affect the growth of small business in Uzbekistan's product and services:
 - a) Behavioral Traits
 - b) Leadership Skills
 - c) Capital Required
 - d) Entrepreneurial Motivations
4. To assess the Small business industry of the Uzbekistan as the less developed country and its affects on the GDP contribution of the country and eradication of unemployment

NULL HYPOTHESES

H1₀: There is no significance relationship between behavioral traits, leadership skills, capital required and entrepreneurial motivation with the small business growth in Uzbekistan.

H2₀: There is no correlation between role of small business owners and the small business growth in Uzbekistan.

RESEARCH APPROACHES:

The study is a quantitative research uses evocative co-relation method. According (Harcourt, 2016) a descriptive co-relational method is a brand of study in which information is collected and describes as is. Co-relation method is the study in which relationship of two or more than two variables are checked, indicates how one variable may predict another one. In this study quantitative method was used to determine the indicators: behavioral traits, leadership skills, capital required and entrepreneurial motivation with their effects on small business growth of Uzbekistan in product and services industry whereas co-relational method is used find significant differences between both the variables. Factors are further categorized in different set of questions of the questionnaire. Study uses quantitative design; survey based, through self-made 5 likert scale questionnaire to investigate the effects of Independent Variable behavioral traits, leadership skills, capital required and entrepreneurial motivation and small business dependent variable.

Table 3: Ratings of the Questionnaire

S/No.	Scale	Categories
5	4.1 to 5	Highly Affective
4	3.50 to 4.00	Affective
3	2.50 to 3.49	Neutral
2	1.50 to 2.49	Not Affective
1	1.00 to 1.49	Highly Not Affective

Study uses a standard formula for calculating the sample size from the known population from 650 selected small business firms registered in Tashkent stock exchange, capital city of Uzbekistan. Further propulsive sampling methods is applied for collecting data. Selected samples from each section was presented in the questionnaire for data collection. Business owners of the small business with higher standardized values and ethics of SME were included with basic criteria intentionally accepted for small business. All the participants are the business owners of the firms.

Standard Formula for Sample Size

$$\frac{Z^2 * P(1-P) / e^2}{1 + (Z^2 * P(1-P) / e^2 * N)}$$

$$\frac{2.582 * .5(1-.5)/.052}{1 + (2.582 * .5(1-.5)/.052 * 650)}$$

$$\frac{6.6564 * .25/0.0025}{1 + (6.6564 * .25/1.55)}$$

$$\frac{665.64}{2.0736}$$

Sample size = 321

Out of 650 population size study calculated 321 sample size and rotated questionnaire for the data collection amongst the participants of the study. Initially questionnaire was validated for the contents and materials than was sent to 20 respondent for reliability analysis.

Table 4: Composition of Participants

S/No.	Categories	Numbers	Percentage
1	Owners	321	100%
Total		321	100%

Small business owners were approach after the approval from concerned organizations via email and asked for the participation in the study, 50 small business owners were asked to present the ratings of the questionnaire to ensure the test of the reliability. Questionnaire was test for Cronbach's alpha value at .50, values surpassed the test. Study was then moved to another phase for further analyzing data and give its quantitative interpretations.

Table 5: Reliability Analysis

S/No.	Advantages	No.	Cronbach's Alpha	%
1	Behavioral Traits	50	.880	88.0

2	Leadership Skills	50	.852	85.2
3	Capital Required	50	.861	86.1
4	Entrepreneurial Motivation	50	.891	89.1
6	Overall	20	.863	86.3

DESCRIPTIVE STATISTICS

A descriptive statistic is a summary statistic that quantitatively describes or summarizes features from a collection of information, while descriptive statistics is the process of using and analysing those statistics. Descriptive statistical treatment of the data is processed to acquire means statistic summary and t-test values to identify the null hypotheses rejection. Each factor in independently presented with values of significance important to deem model fit summary. Recipients were presented with 6 questions each for 4 categories. Table 6 exhibits the responses of the participant in descriptive statistics from affective to not-agree ratings. All participants agreed that these predictors mentioned are acutely affecting the international trade.

Table 6 Small Business Owners' Perception of Entrepreneurial roles on growth of small business in Uzbekistan

Factors	MEAN	P-Value	Equivalent	Interpretation
Behavioral Traits	3.5	.241	Highly affective	Strong Role of owners
Leadership Skills	4.2	.374	Highly affective	Strong Role of owners
Capital Required	3.8	.228	Highly affective	Strong Role of owners
Entrepreneurial Motivation	3.9	.241	Highly affective	Strong Role of owners

Source: Survey Date @ 2021

Due to the heterogeneous nature of SMEs, the effect of training on business results will vary considerably among different participants, including between male and female business owners and employees. 31 Studies show that training programs for SME owners and employees result in higher impacts in business practices when the complexity of the program is matched with the experience, or sophistication, of the participants. That is, more experienced individuals benefit from detailed, in-depth training and, conversely, smaller and less-experienced firms benefit from clear, concise, and simple training. Behavioral traits, leadership skills, capital required and entrepreneurial motivation values in table 6 implies that qualitatively these factors define aspects of small and medium sized business owners of Uzbekistan. Interpretation of mean ratings of the summary from the participant of the study is covered in descriptive statistics section of the paper. Study used 5 likert scale ratings to record the ratings of the participant, sharing experienced based knowledge. All participants agreed to the statements that predictors determine the positive growth in small and medium sized industry of Uzbekistan.

HYPOTHESES TESTING

A statistical hypothesis is a hypothesis that is testable on the basis of observed data modeled as the realized values taken by a collection of random variables. Null hypotheses were tested for *t*-values and *p*-values, in order to nullify the null hypotheses and accept study hypotheses. Independent sample test (2 tailed) applied for rejection of null hypotheses exhibited in table 7.

Further Kurtosis test was applied for more confirmation of nullifying the null hypotheses in the study. Table 8 exhibits *t*-values and *p*-values of independent sample 2 tailed tests, all the values are greater than *t*-table values for degree of freedom @ 317. Values exhibited in table 7 implies that all null hypotheses of the study are rejected and study hypotheses are accepted. *P*-values exhibited in table 7 are less than .50 which implies model is significant different and fit for prediction.

Table 7 Hypotheses Testing (Independent Sample Test)

S/No.	Factors	No.	t-test	P-value	t-table value
1	Behavioral Traits	6	23.4081	.012	<i>T</i> table value
2	Leadership Skills	6	34.3932	.012	> <i>T</i> table value
3	Capital Required	6	44.6723	.012	> <i>T</i> table value
4	Entrepreneurial Motivation	6	21.5675	.012	> <i>T</i> table value

Further table 7 exhibits the Kurtosis test values for hypotheses testing to ensure the results of *t*-value statistics and *p*-value statistics. Results of Kurtoses establishes the statement that behavioral traits, leadership skills, capital required and entrepreneurial motivation are the predicting roles of the small business that interprets the business characteristics of small business and affects of theses factors on small business growth. Study hypotheses are all accepted and null hypotheses are reject according to both the tests, qualitative expression for this narration is that predictors of small business growth are in causal relationship with role of business owners

Table 8 Kurtoses (Normality Test) for Hypotheses Testing

S/No.	Factors	Z value	Error	Kurtosis Range
1	Behavioral Traits	3.63	.387	Greater than +1.96
2	Leadership Skills	3.90	.387	Greater than +1.96
3	Capital Required	2.03	.387	Greater than +1.96
4	Entrepreneurial Motivation	4.01	.387	Greater than +1.96

REGRESSION ANALYSIS

The analysis of publications revealed how the growth phenomenon has been dealt with through its antecedents and consequences. The characteristics of the owner may contribute towards growth and may comprise schooling level and experience (within the sector, with other enterprises, previous successful experiences); position in personal carrier; insertion within social and other networks; age; fear of failure; personal aims and internal locus of control; growth aspirations and previous growth aspirations; motivations, expectations and growth intentions; equilibrium between work and family. Extent to what the said predictors affects the growth is analyzed through the regression equation calculated. The linear regression was developed to investigate how one or more independent variables influence a dependent variable (Hutchinson, 2011). More specifically, in a linear regression analysis, the result produces one intercept and one slope, based on the mean, which represents the best fit for variable X to predict variable Y. The regression line can be calculated by using the equation (Noon, 2003):

This study uses behavioral traits, leadership skills, capital required and entrepreneurial motivation as the predictors of roles of small business owners in SME sector of Uzbekistan. Adjusted R square of the model is .998 that means $.998 * 100 = 99.8\%$. It implies that one unit of change in predictors of owners will bring 99% change in as the predictors influencing the growth of small business in Uzbekistan. It also implies that model is highly predictable to dependant variable. Predictor is constant with R-square 99%. R-Change statistics is the same in change statistics as was in the summary model table 8, with $f(4, 317) = 27779.207, p = .000$ model is significant and will bring change for sure as $P < .05$, it can be predict that model is significant and will bring positive and innovative changes in small business growth of Uzbekistan. The health of small business sector is very important for the overall economic growth potential and future strength of an economy. There has been more written about small business growth in recent years than any other aspect of management. One of the main reasons is the contribution of expanding enterprises to economic development and unemployment reduction, which, generally, has attracted the attention of researchers and policy makers in many countries (Bernice and Meredith, 1997). Previous studies investigating factors behind small business success have all lead to the valid assumption that there is a common set of underlying success factors, whose effect tend to vary depending on the cultural context in which small businesses operate. Accordingly several studies in this regard were conducted in different countries all over the world, very few of which were conducted in developing countries. Hence, the essence of this study is to contribute the literature of small business success by identifying the key success factors and their effectiveness on small business success performance for those operating in Uzbekistan.

Table 9 Regression analysis

Factors	Beta	Mean square	F	Sig.
Small Business Growth	0.11		2.536	.013
Behavioral Traits	2.36	.037	2.516	.000
Leadership Skills	2.40	.172	3.731	.000
Capital Required	2.34	.232	5.345	.012
Entrepreneurial Motivation	2.45	.657	3.731	.000

Table 9 exhibits the values of predictors and significance values which are less than .005 model is fit and significant to predict the effect of independent variable on dependent variable. With coefficients values of predictors of small business growth taken in this study is linear model of regression predicts the degree change in independent variable with coefficients will change relative in SME growth rate of Uzbekistan.

$$Growth = \alpha + \beta (P1) + \beta (P1) + \beta (P2) + \beta (P4) + e$$

$$Growth = .111 + 2.36 (P1) + 2.40 (P2) + 2.341 (P3) + 2.45 (P4) + .05$$

The selection of performance measures that reflect the true situation of small businesses with some degree of certainty and reliability is indeed a crucial process. While some might argue that most of these performance measures are appropriate for large corporations, they are not always perfectly applicable to small businesses. In all cases, regardless of what measure should be used, the literature has strongly endorsed using multiple performance indicators (Corchran and Wood, 1984; Hall, 1982; and Ibrahim and Rue, 1998). Small business success can be defined in many different ways. A study by Beaver and Jennings (1995) stated that the most commonly adopted definition of success is financial growth with adequate profits. The study concluded that being able to define success, whether generally or specifically, is not the same as explaining success. Other definitions of success are equally applicable. For example, some entrepreneurs regard success as the job satisfaction they derive from achieving desired goals. However, financial growth due to increasing profits has been widely adopted by most researchers and practitioners in business performance models.

Correlation Analysis

Correlation or dependence is any statistical relationship, whether causal or not, between two random variables or bi-variate data. In the broadest sense correlation is any statistical association, though it commonly refers to the degree to which a pair of variables are linearly related.

Table 10 Correlation Analysis

Items	Description	P	I
Role of Small Business Owners	Correlation	1	.666**
	Coefficient		
	Sig. (2-tailed)		.000
Growth of Small Business	Correlation	.817**	1
	Coefficient		
	Sig. (2-tailed)	.000	

A correlation coefficient is a numerical measure of some type of correlation, meaning a statistical relationship between two variables. The variables may be two columns of a given data set of observations, often called a sample, or two components of a multivariate random variable with a known distribution. Linear function of predictors is directly related to small business growth. Suggested and exhibited in table 10 role of small business owners is a critical in growth of the business. Small business growth is different in nature than large sized businesses, with less capital and higher risks involved.

V. Conclusion & Contribution

The statistical results presented in Table show that the age of the owner/manager as an independent variable is highly significant. The negative direction of the coefficient indicates that successful firms are more likely to be run by younger owner/managers. This is in line with Kangasharju (2000). However, this explanation is not sufficient to show the role of age in the success of the business. The way the age of the owner/manager proxy for some factors, as mentioned earlier, which affect small firm success may give better understanding of the importance of this variable.

Though all the study hypotheses are accepted and it is concluded that behavioral traits, capital required, leadership skills and entrepreneurial motivations are in significant relationship with the growth of small business, as the role of small business owners. Behavioral traits, capital required, leadership skills and entrepreneurial motivations are positively related with the small business growth of Uzbekistan product and service industry.

The results of linear regression analysis illustrate that bigger firms in the small-scale sector were more successful than smaller firms. This is in line with Evans (1987); Wijewardena and Cooray, (1995); Wijewardena & Tibbits (1999); and Riding Scott and Orser, (2000).

Entrepreneurship has changed since the heady days of the late 1990s, when starting a dot-com while still in college seemed a quick route to riches and stock options. Much entrepreneurial opportunity comes from major changes in demographics, society, and technology, and at present there is a confluence of all three. A major demographic group is moving into a significantly different stage in life, and minorities are increasing their business ownership in remarkable numbers. We have created a society in which we expect to have our problems taken care of, and the technological revolution stands ready with already-developed solutions. Evolving social and demographic trends, combined with the challenge of operating in a fast-paced technology-dominated business climate, are changing the face of entrepreneurship and small-business ownership.

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