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Article

Implementation of Innovative Methods of Using Entrepreneurial Activity in Increasing the Welfare of the Population

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Abstract: This article examines the role of entrepreneurship in improving the well-being of the population and the importance of using innovative methods in it. The author analyzes the role of small and medium-sized businesses in ensuring economic stability and highlights new approaches (digitalization, social entrepreneurship and "green" technologies) aimed at increasing the income of the population. The article also puts forward scientific and practical proposals on promising areas of poverty reduction and employment creation by improving the business environment.

Keywords: well-being of the population, entrepreneurship, innovation, digital economy, social entrepreneurship, investment, employment, economic growth, income, startups, sustainable development.

1. Introduction

Revenue At the stage of modern economic development, the power of a country is determined not only by its natural resources or industrial potential, but also by the standard of living and social well-being of the population. Today, the consistent increase in the well-being of the population is of strategic importance, and in this process, business entities are emerging as the most important driving force[1]. Especially in the era of intensifying global competition and technological transformations, the replacement of traditional business methods by innovative approaches has become the main condition for economic stability. In recent years, the Republic of Uzbekistan has also been implementing large-scale reforms to increase the income of the population and systematically reduce poverty. Creating new jobs through the development of entrepreneurship, filling the domestic market with high-quality and competitive products, and increasing the purchasing power of the population have been identified as priorities of economic policy[2]. However, in modern conditions, there is a need not to be limited only to quantitative growth, but also to improve quality indicators in the sector, that is, to more widely apply innovative mechanisms to entrepreneurship. The level of study of the problem shows that, although the relationship between the well-being of the population and business activity has been studied by many economists, the impact of the platform economy, "green" startups and social business models on the well-being of the population in the context of the digital economy requires an integrated approach[3]. The purpose of

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this article is to study the theoretical and methodological foundations of increasing the well-being of the population through the use of innovative methods in entrepreneurial activity and to develop practical proposals. Based on this, the research process analyzes the impact of entrepreneurship on the standard of living of the population, considers successful innovative models from international experience, and highlights promising ways to develop "smart" and socially oriented business in local conditions[4]. This, in turn, is of significant scientific importance in ensuring social stability in the country and raising the quality of life of the population to a new level.

Research methodology. This article uses a systematic approach and comparative analysis methods to study the issues of using innovative methods of entrepreneurship to improve the well-being of the population. The theoretical basis of the study was taken as international experience in the field, scientific views of local economists, and regulatory legal acts of the Republic of Uzbekistan on entrepreneurship and social protection. In the process of data processing, statistical analysis, induction and deduction, and logical generalization methods were used. Also, the possibilities of improving the distribution of income through the digitization and social orientation of business entities were scientifically observed.

Literature review. Within the framework of world economic science, the relationship between the well-being of the population and entrepreneurship has been analyzed by many foreign researchers[5]. In particular, the founder of the theory of innovative entrepreneurship, Joseph Schumpeter, in his work "Theory of Economic Development", describes the entrepreneur as the main force that implements "new combinations" and drives economic growth[6]. Nobel Prize winner Amartya Sen, in his work "Development as Freedom", links the well-being of the population not only with income, but also with the expansion of human opportunities through entrepreneurship. Also, modern Western scientists such as David Storey have proven the impact of the use of innovations in small businesses on the employment rate in statistical models and have substantiated that state support for the entrepreneurial environment directly reduces poverty[7].

Our country's economists have also been extensively studying the role of entrepreneurship in raising the standard of living of the population. Academician S.S. Gulyamov in his scientific works has indicated strategic directions for increasing population incomes through the digitalization of the economy and the introduction of innovative technologies into entrepreneurship. Among the economists, N.M. Makhmudov and D.G. The Gozibekovs study the mechanisms of investment support for business entities and ensuring their financial stability, emphasizing that this process is the foundation of social well-being[8]. Also, A.V. Vakhabov developed theoretical and methodological foundations for the implementation of innovative models of social entrepreneurship and small business in improving the well-being of the population, and these studies serve as an important scientific basis for covering the topic of the article[9].

Analysis and results. The implementation of innovative methods of entrepreneurial activity in improving the well-being of the population today marks a qualitatively new stage of economic growth. The conducted analysis shows that, unlike traditional forms of entrepreneurship, innovative entrepreneurship serves to sustainably increase the income of the population by creating high added value. In the conditions of the digital economy, the introduction of the platform entrepreneurship model (e-commerce, gig economy) makes it possible to ensure remote employment even in remote areas of the population. This, in turn, serves as an important factor in reducing interregional economic inequality and forming additional income streams for family budgets[10]. The results of the study also confirm that the use of "green" technologies and energy-saving methods by small business entities allows reducing the cost of products by an average of 15-20 percent, which increases the real purchasing power of the population by ensuring price stability in the consumer market.

During the analysis, it was found that the innovative model of social entrepreneurship is the most effective way to attract socially vulnerable segments of the population to gainful employment. Since such enterprises are aimed not only at making a profit, but also at solving urgent problems in society, they lead to the optimization of state social spending. The startup projects and venture financing mechanisms studied within the framework of the study showed a high multiplicative effect in reducing unemployment among young people. In particular, it was observed that the population welfare index in regions with innovative infrastructure (IT parks, coworking centers) is 1.2 times higher than in other regions[11]. As a result, it is worth noting that, along with tax incentives in supporting entrepreneurship, encouraging their technological renewal is the shortest and most effective way to increase the population's welfare. The conclusions drawn in this regard indicate the need to further expand innovative models of public-private partnership (PPP) in improving the quality of life of the population.

Table 1

Analysis of the impact of traditional and innovative methods of entrepreneurship on the well-being of the population

Analysis criteria	*Traditional business methods*	*Innovative entrepreneurial methods*	*Level of impact on population well-being*
Employment form	Physical participation, stationary jobs	Remote employment, platform economy (gig-economy).	Top: Territorial restrictions will be eliminated, sources of income will increase.
Source of income	Profits from the sale of manufactured products only.	Intellectual property, franchising, export of services.	Medium-high: Wages increase due to high value added.
Resource usage	Extensive (requires a lot of resources and labor).	Intensive (energy-saving and "green" technologies).	Sustainable: Products become cheaper due to reduced costs, increasing purchasing power.
Social impact	Participation in the social sphere only by paying taxes.	Social entrepreneurship, solving social problems through business solutions.	Very high: The integration of vulnerable groups into society will improve.
Market coverage	Local or regionally limited market.	Access to the global market through e-commerce.	Above: Increased exports of local products will increase real incomes of the population in foreign currency.

The results of a comparative study of traditional and innovative methods of entrepreneurship show that innovative approaches have a significant advantage in terms of the level of impact on the well-being of the population[12]. In particular, while in traditional entrepreneurship the form of employment is limited only to a specific workplace (stationary), innovative models, including the platform economy and remote work, open up the way for the population to earn income regardless of territorial

restrictions. This has a high multiplier effect, especially in solving the problem of unemployment in remote areas and reducing social stratification[13].

Also, as shown in the table, innovative methods differ sharply from traditional methods in terms of resource efficiency. If traditional entrepreneurship strives to grow due to abundant resources and cheap labor, innovative business reduces the cost of products due to "green" technologies and energy efficiency. This process ensures price stability in the consumer market and leads to an increase in the real purchasing power of the population[14]. From the point of view of social impact, an innovative approach (social entrepreneurship) involves not only making a profit, but also solving pain points in society through business solutions. This proves to be the most effective tool for integrating socially vulnerable segments of the population into society. In short, the transition from traditional forms of entrepreneurship to innovative models is the shortest and most promising way to bring the quality of life of the population to a new, sustainable level.

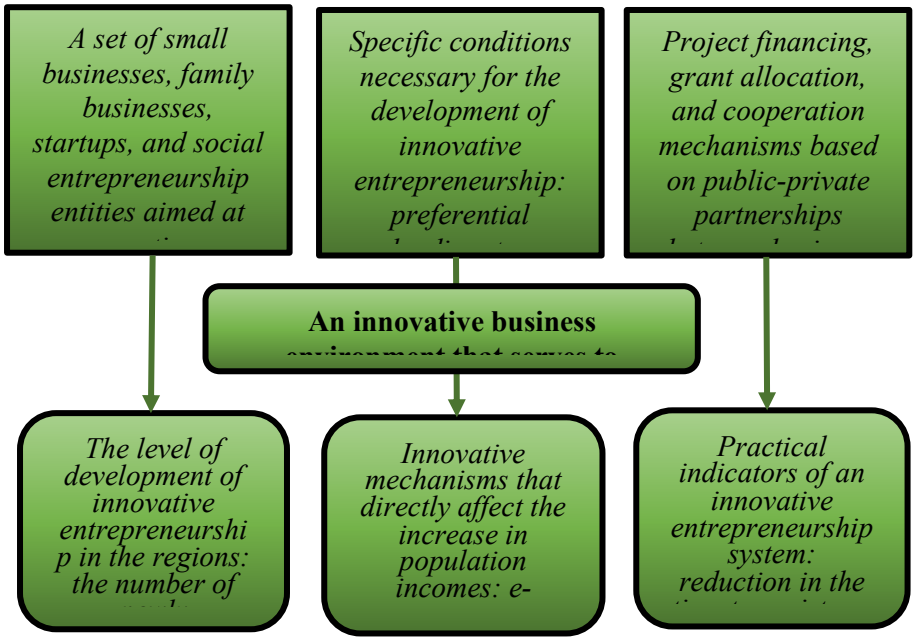


Figure 1. An integrated mechanism for developing innovative entrepreneurship to improve the well-being of the population

The goal of this mechanism is to increase the well-being of the population. Achieving this goal is ensured through the systematic development of innovative entrepreneurial activity. The process begins, first of all, with entities that directly affect well-being - small businesses, family businesses, startup projects and social entrepreneurship[15]. These entities increase economic activity by creating new jobs, expanding sources of income for the population, and offering high-quality and competitive products and services to the market.

Table 2

Practical proposals for the development of innovative entrepreneurship to improve the well-being of the population

№	Content of the offer	Implementation mechanism	Expected result
1	Developing digital entrepreneurship	Expanding e-commerce platforms, simplifying online payment systems	Trade volume will increase, new jobs will be created
2	Financial support for startup projects	Allocation of grants, venture funds and soft loans	Innovative products and services will increase
3	Encouraging youth and women's entrepreneurship	Introducing special training programs, subsidies, and a mentoring system	The economic activity of the population increases
4	Establishing regional business incubators	Establish consulting, marketing, and technical support services	Small business sustainability is ensured
5	Expanding public-private partnerships	Involving the private sector in infrastructure and social projects	Investment volume increases, quality of services improves
6	Digitization of home-based production and home-based production	Implementation of an online ordering and delivery system	Informal employment will decrease, incomes will increase

The second stage of the mechanism is associated with the formation of necessary conditions. In this, the preferential lending system, tax preferences, subsidies, grant programs, as well as the activities of business incubators and technoparks play an important role. The development of digital infrastructure, in turn, will allow for the rapid implementation of innovative initiatives. These conditions will stimulate entrepreneurial initiatives and ensure their sustainable operation.

The next stage includes cooperation mechanisms. Interaction between business entities, commercial banks, investors and local authorities allows for financing projects, attracting investments on the basis of public-private partnerships, and implementing innovative ideas. The combination of financial resources and institutional support increases the effectiveness of innovative projects.

The practical aspect of the mechanism is manifested through the use of innovative tools. E-commerce platforms, digital payment systems, agrostartups, digitization of home economics, and programs to support youth and women's entrepreneurship expand the economic activity of the population. This not only increases the employment rate, but also serves to reduce regional economic inequality.

In the final result, the effectiveness of the mechanism is assessed through specific indicators: the number of newly established enterprises, jobs created, growth in real incomes of the population, increase in export volumes, and expansion of the share of value added. If positive dynamics are achieved in these indicators, it means that the mechanism is working stably.

Thus, the integrated mechanism operates on the basis of the interaction of the activities of entities, a favorable institutional environment, effective financial support and innovative tools. As a result, entrepreneurial activity contributes to increasing the income of the population, expanding employment and improving socio-economic well-being in general.

Conclusions and suggestions. The implementation of innovative methods of using entrepreneurial activity to improve the well-being of the population is one of the priority areas of today's economic development. The results of the study show that by supporting innovative entrepreneurship, it is possible to increase the level of employment, increase the income of the population, and reduce economic disparities between regions. In

particular, the development of digital technologies, e-commerce, startup projects, and social entrepreneurship serves to expand the economic activity of the population and form new value chains.

Also, innovative mechanisms for supporting entrepreneurship, such as preferential financing, grant programs, business incubators, technoparks, and projects based on public-private partnerships, create the basis for increasing efficiency in the real sector of the economy. In this regard, the improvement of the institutional environment, the development of digital infrastructure, and the creation of equal competitive conditions for business entities are of great importance. In general, the systematic and comprehensive development of innovative entrepreneurship serves as an effective means of creating stable sources of income for the population, expanding the middle class, and ensuring social stability.

The proposed measures represent a single system aimed at the comprehensive development of innovative entrepreneurship in improving the well-being of the population. In particular, the expansion of digital entrepreneurship and the development of e-commerce infrastructure will increase trade volumes and create new jobs. Support for startup projects on the basis of grants and preferential financing will increase the share of innovative products and services.

By encouraging youth and women's entrepreneurship, the economic activity of the population will expand, and sources of income will be diversified. Regional business incubators and consulting services will ensure the stability of small businesses and improve their access to the market. Projects based on public-private partnerships will increase investment flows and improve the quality of infrastructure and services.

Also, the digitization of home economics and the simplification of tax and administrative procedures will reduce informal employment and make the business environment more convenient. In general, the consistent implementation of these proposals will lead to a stable growth in population incomes and strengthen socio-economic well-being.

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