

The Need To Develop Innovative Consulting Services In Uzbekistan

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Abstract – *The article deals with the essence of consulting services, the advantages and disadvantages of consulting. Moreover, the article analyzes the domestic market of consulting services and presents proposals on the need to develop innovative consulting in Uzbekistan.*

Keywords – consulting, innovative consulting services, enterprises, domestic consulting market.

1. INTRODUCTION

The service sector is one of the fastest growing sectors of the modern economy in the world. In the practice of many countries of the world, consulting services are an important factor in the effective functioning and development of business entities in a market economy. The global consulting services market, with a total value of approximately US \$ 290 billion, is one of the largest and most mature markets for professional services. In recent years, the world market for consulting services has been expanding significantly. For the development of the country, its integration into the world economy, one of the most important and urgent issues is the expansion of the volume of consulting services, in particular, in the sectors and industries that determine the functioning of the market economy [1].

The modernization of the market economy requires the constant implementation of innovative activities by each economic entity in order to achieve competitiveness. All over the world, professional business support, which is scientific and technical support of economic processes, is a necessary element of the market infrastructure [2]. This support is provided through a suite of professional services. The reforms carried out in the economy of Uzbekistan require rapid and comprehensive development of the service sector. One of the priority tasks is the accelerated development of the service sector, an increase in the role and contribution of services to the formation of GDP, fundamental changes in the structure of services, primarily due to their high-tech types. The service market plays an important role in the country's economy.

2. THEORETICAL ASPECTS

The range of tasks solved by consulting is very wide, moreover, the specialization of companies providing consulting services can be different: from narrow, limited to one direction of consulting services (for example, accounting services, audit), to the widest, covering the full range services in this area.

The need for consulting arises when it is necessary to understand what hinders the development of the company and in what direction it should develop.

Indeed, in a market economy, consulting is a form of entrepreneurship. Consulting is a paid service in the form of information and advice that allows the client to improve the efficiency of his business.

The consulting business has positive and negative aspects (Fig.1).

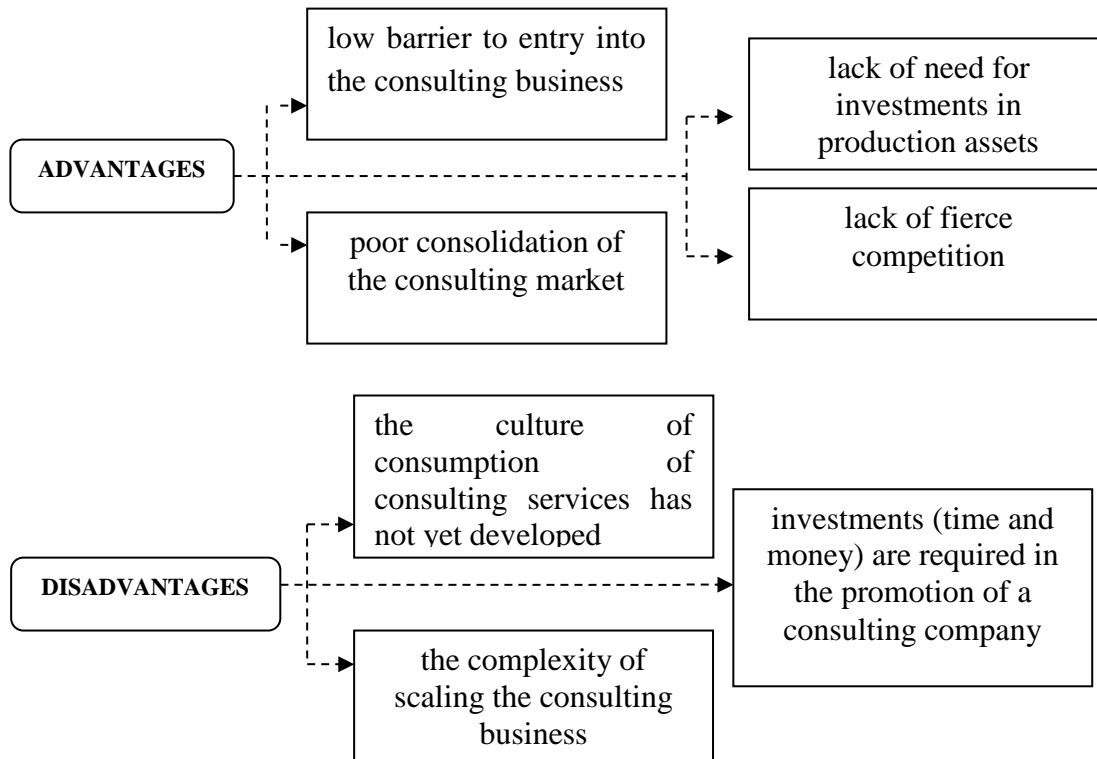


Figure 1. The main advantages and disadvantages of the consulting business

Contribution from the consultants is their ability to give a neutral and insightful opinion on the organization’s different ideas, investigations or analyses. Consulting can have a positive impact on business performance [3].

Consultants and their teams have to properly identify and understand the impact of each project success factors in to improve performance and increase project success rate. In this way, the chances of achieving project objectives could increase substantially considering the classical constraints of time, resources and budget.

3. ANALYSIS AND RESULTS

The main difference between the domestic practice of consulting services and foreign ones is that in Uzbekistan, the management of organizations resorts to consulting when the problem of imperfection of business processes or inefficiency of production activities becomes significant. Foreign practice of consulting services is based on the principle of preventing a problem even before it is detected, which determines the prevalence and applicability of consulting services in all spheres of economic activity.

The consulting industry in Uzbekistan is just developing, but there are already a lot of competent companies with a good reputation that can provide a full range of consulting services in the field of audit, financial analysis, and cash flow management of enterprises, as well as in the field of personnel management. Most often, large specialists are involved in Uzbekistan as consultants, as a rule, with an academic degree and public recognition. However, it is still quite difficult to quickly find a good consultant on a particular problem in Uzbekistan, since this market is only gaining momentum, although the prospects for its development are quite obvious [4].

In Uzbekistan, at present, intellectual human labor is acquiring special development and importance, the division of which creates a huge number of specialties and professions that require special scientific training, a large number of jobs, and a high degree of integration of joint work. These trends are directly related to services and management, which leads to its accelerated growth in comparison with other spheres of human activity. It is characterized by higher profitability than the industrial and agricultural sectors of the economy. At the same time, the list of services is constantly expanding (Fig. 2).

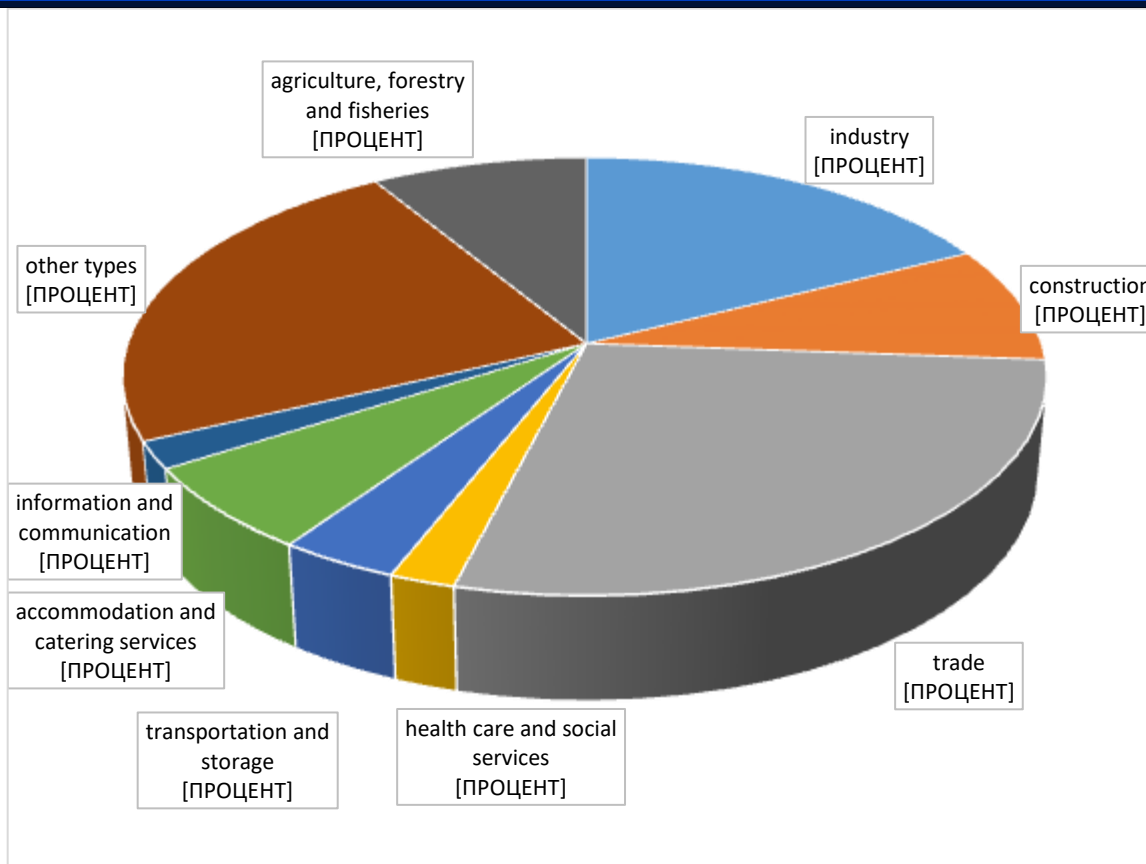


Figure 2. Number of enterprises and organizations by type of economic activity as of January 1, 2021

As of January 1, 2021, the total number of operating enterprises and organizations in the republic reached 475.2 thousand units. As of January 1, 2021, the share of enterprises and organizations working in the service sector (information and communication), including those providing consulting services, amounted to 1.9%.

World experience shows that today professional consultants are able to help solve any type of management problem in an organization of any size and character. If new problems and needs arise, there is no doubt that a specialist consultant will definitely appear who will try to become an expert in this new field [5].

Innovation consulting, in our opinion, is a specialized type of management consulting on innovation management, focused on the scientific and technical activities of enterprises in order to develop enterprises and commercialize innovative developments in the market.

An innovation is a new development that is introduced into civilian circulation or is used for personal needs, the application of which in practice gives a great socio-economic effect. A new development is the result of intellectual activity (a new or improved technology, service, production, administrative, commercial or other nature, which has new features in comparison with the results of similar intellectual activity, can be applied in practice and will bring great socio-economic benefits when used on practice) [6].

4. CONCLUSIONS

Consulting is the professional support that consultants provide managers and leaders of various organizations to analyze their activities and development problems, as well as to provide informed advice and solutions. The tough competitive environment places high demands on the quality and efficiency of consulting services and stimulates customer service. In this regard, for the development of the consulting services market in Uzbekistan, the activities of a consulting company providing a wide range of services must meet a number of requirements, the main of which are the following:

- the consultant / consulting company must have proven problem-solving technology and the necessary skills in formulating an organizational diagnosis, strategic planning, using information systems, as well as methods of analyzing and forecasting the economic situation, diagnosing the general production situation, establishing contacts,
- must have an educational effect for clients,
- implementation of activities such as partnerships with leading foreign consultants to ensure the integration of local consultants into international projects,

• in order to accumulate, analyze, process and use the gained experience, the consultant / consulting company must work with many clients [7].

In conclusion, it should be noted that the introduction of innovative consulting services will allow to:

- commercialization of new developments;
- raising funds from participants in the process and external sources;
- ensuring delivery of innovations from manufacturers to consumers with pre-planned results;
- increase the role of additional experts in assessing the economic efficiency of innovations;
- use of advanced foreign technologies for the development of innovative projects based on the collected database of consulting companies.

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