SOCIAL RESPONSIBILITY OF SMALL AND PRIVATE BUSINESS IN TRANSPARENTING LABOR RELATIONS

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Annotation. In this article, in the conditions of the transformation of the modern labor market, the principles of transparency of labor relations in small and private business entities and corporate social responsibility (in international practice, business entities voluntarily assume not only profit, but also obligations to society, the environment and their employees) implementation problems have been researched. The role of the private sector in reducing the share of the informal economy, legalizing informal employment and ensuring social protection of employees is analyzed. At the end of the article, practical proposals and recommendations aimed at increasing social responsibility in small business entities and making the labor market transparent were developed.

Keywords: small and medium-sized businesses, labor relations, transparency, corporate social responsibility, informal employment, shadow economy, human capital, employment contract.

1. INTRODUCTION

Small business and private business entities are the driving force in creating a new labor market architecture and ensuring the stability of the national economy. However, one of the biggest obstacles to increasing labor productivity and achieving sustainable growth in this sector is that labor relations are partially or completely informal, i.e. “Hidden employment”. Informal employment and monthly salaries “The practice of providing in the envelope” method not only reduces tax revenues to the state budget, but also limits the social guarantees of employees and human capital (this is not just labor force, but it serves to increase human economic productivity economic a set of valuable knowledge, skills, health, experience and motivation) prevents the development [1].

As we can see in the above structural model, the informal economic chain ultimately leads to a decrease in social welfare. Therefore, the development of the principles of corporate social responsibility in small business and the transparency of labor relations is a very urgent economic and social necessity today. The social responsibility of the business is not limited to charitable activities, but also provides

for the creation of decent working conditions for employees, the conclusion of official contracts and the open management of the wage system [2].

The corporate social responsibility system relies on the following basic principle, which covers the internal and external environment of the enterprise:

1. **Responsibility to employees:**

Payment of decent wages, full transparency of labor relations (official contracts), creation of safe working conditions and continuous development of human capital (personnel skills).

2. **Environmental protection:**

Reducing damage to nature by accelerating energy and resources in production, minimizing waste and introducing environmentally friendly (green) technologies.

3. **Honest Business and Consumer Welfare:**

Good relations with partners and customers, abandoning artificial price increases, providing quality and safe products or services.

4. **Community and local community support:**

Improvement of infrastructure in the area where business entities operate, support of charity projects, educational and cultural events through sponsorship.

RESEARCH METHODOLOGY

Research in order to generalize theoretical and practical information, the following methods are used:

- **Systematic and comparative analysis:** Comparative analysis of statistical indicators of the International Labor Organization (ILO) and the Ministry of Poverty Alleviation and Employment of the Republic of Uzbekistan.
- **Sociological survey (Anonymous survey):** Conducting an anonymous survey on the existence of employment contracts and attitude to the principles of corporate social responsibility between employees and entrepreneurs operating in small business entities.
- **Econometric correlation:** To study the relationship between the level of transparency of labor relations (independent variable) and personnel satisfaction and profitability indicators (dependent variables) in the enterprise.

RESEARCH RESULTS

Analysis of anonymous surveys and enterprise reports, transparency of labor relations directly affects the long-term stability of the enterprise. From the answers of the employees who participated in the survey, it is noted that they still operate in full or in part on an informal basis (without a contract or part of their salary in cash).

The analysis of the relationship between the indicators of the enterprise's efficiency according to the level of transparency (officialization) of labor relations in small business entities is shown as an example in the table below:

Group of enterprises (by level of transparency)	Personnel level (%)	Annual labor productivity growth (%)	Employee motivation index (1-5 point scale)
Group A: Fully transparent (100% official contract and fully declared salaries)	8.5%	+14.2%	4.6
B-group: Partially transparent	24.0%	+6.8%	3.2
C-Group: Informal (Contracts are minimal or non-existent)	42.5%	+1.5%	2.1

The results confirm that in enterprises with a fully transparent labor system (group A), the capacity of personnel is almost 5 times less than in informal enterprises, and labor productivity is significantly higher.

ANALYSIS AND ATTITUDE

The results show that entrepreneurs often try to hide their labor relations in order to reduce the tax burden, but this strategy strategically harms the enterprise. The absence of official employment contracts causes employees to leave the enterprise more quickly (personnel satisfaction in the table ma'information bo'yicha 42.5%). This creates additional costs for the entrepreneur to search, select and train new employees [3].

An entrepreneur who feels social responsibility and makes employment contracts transparent will be formed in the market as "Employer brand" and will be able to attract highly qualified specialists. Due to transparency, employees' confidence in the future and a sense of social protection (pension fund, health insurance, access to bank loans) increase, which ensures that their labor productivity increases to 14.2% in the example of the table [4].

SUMMARY AND SUGGESTIONS

Increasing the social responsibility of small (volume of activity) and private business (form of ownership) and labor in the architecture of the new labor market relationships it is proposed to implement the following measures for transparency:

1. Further simplification of integration of the unified national labor system for small businesses and automation of reports. Small business entities do not have

personnel specialists in a separate state. This task is usually assigned to the manager or chief accountant. Therefore, the Unified National Labor System *my.mehnat.uz* simplifying integration with the portal and automating reports will drastically reduce the administrative burden. For this, it is necessary to introduce technical and organizational solutions at the level of both state (portal developers) and business software in practice. The simple and understandable nature of the system serves to make entrepreneurs realize that it is much easier and safer to legally formalize them than to hide their labor relations (to reduce the share of the hidden economy).

2. Providing term benefits at social tax rates to small business entities that have 100 percent transparent labor relations and introduced corporate social responsibility standards.

3. Establishing a system of incentives for transparent business entrepreneurs in public procurement and grant projects.

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