

Use of Outsourcing Services in Service Networks

*Saidova Firuza Kamalovna¹
Buranov Daler Otabekovich²*

Abstract

The article discusses and analyzes the features of the development of the use of outsourcing services in the service sector in Uzbekistan. Services in Uzbekistan, especially in the Bukhara region: the potential of the tourist services market, the structure of services and its narrow and broad analysis. There is interesting information about the specifics, advantages and disadvantages of using outsourcing services in the domestic service market. Proposals are presented on the prospects for the development of the use of outsourcing services in the service sector in Uzbekistan.

Keywords: services, tourism, economic activity in the tourist services market, profitability, outsourcing, outsourcing accounting.



¹Lecturer, ²Student
^{1,2}Bukhara State University

Introduction

The service sector is a generalized category that includes the production of various services provided by enterprises, organizations, and individuals. Today, the scale, structure and level of development of the service sector play a special role in assessing the economic situation in the country.

The expansion and development of the service sector is a key factor in ensuring the growth of national incomes and ensuring a decent standard of living for the population. The high quality and variety of services increase the productivity of staff, reduce consumption costs, save time and improve the efficiency of leisure activities.

According to preliminary data, the volume of market services provided in January 2021 amounted to 20,504.6 billion soums. Its nominal volume amounted to 2,608.8 billion soums. In comparable terms, the growth rate compared to the same period last year amounted to 104.6%.

Main part

The largest share in the structure of provided market services by type of economic activity is occupied by trade services. In January 2021, their share was 26.9%. The volume of services for the repair of computers and household appliances increased slightly, their share reached only 1.6%. In January 2020, trade services accounted for 26.4% of the total. In the same period of 2020, the share of services for the repair of computers and household appliances was also the smallest - 1.6%. Services in the field of education (17.9%), communication and information services (13.4%).

The volume of services rendered in the transport sector (9.9%) and healthcare (0.5%) decreased. In January 2020, high growth rates were recorded in the financial services sector (136.9%). Services in architecture, engineering surveys, technical testing and analysis grew slightly (0.2%). Despite a significant reduction in the market for services in the transport sector, their share in the total volume of services remains dominant - 22.3%

Table 1.

Developed by type of economic activity for January 2021, key indicators of services provided

Developed by type of economic activity	The size, billion sum	Change, in%
key indicators of services provided	20 504,6	104,6
(January 2021)	1 170,4	113,4
Total services	4 300,3	119,0
Communication and information services	4 567,5	90,1
Financial services	2 438,3	101,0
Accommodation and meals	696,4	102,7
Trade services	5 507,1	102,4
Real estate services	576,1	103,2
Educational services	705,9	117,9
Medical services	379,5	99,5
Rental services	547,3	146,3
Repair of computers and household goods	325,7	102,1

services for	481,6	101,6
Architecture, engineering surveys, technical	448,1	104,1
testing and analysis services	798,7	107,5

In total, 14,971 units of enterprises and organizations operate in the service sector. Compared to the same period in 2019, their growth increased by 28.4%. As of December 1, 2020, the share of enterprises and organizations in the service sector amounted to 64.5%. For comparison: in the period under review, the share of enterprises and organizations working in industry reached 15.4%, construction - 10.6%, and only 9.5% fell on agriculture, forestry and fisheries.

As of December 1, 2020, the largest share of enterprises and organizations engaged in trading activities (37.7%) in the structure of enterprises and organizations operating in the service sector. The number of enterprises and organizations providing accommodation and catering services amounted to 12.1%.

The largest share of transport services fell on road and passenger transportation. This type of transport is the most popular in comparison with other modes of transport due to its flexibility and the relative cheapness of the services provided.

Trade is a sphere of the economy that ensures the circulation of goods, their transition from the sphere of production to the sphere of consumption. He is responsible for delivering commercial goods to the required consumer in a specific country. Divided into wholesale and retail. The volume of financial services is calculated based on the amount of interest income received from financial intermediation (in the amount of fixed payments for services), as well as the commission paid by a financial institution for credit or deposit services.

The experience of developed countries shows that the development of ICT directly affects the level of the country's competitiveness, allows the collection and synthesis of large amounts of data, opens up great opportunities for management at the strategic level.

Practice shows that the most important condition for the formation of an economy of knowledge and services is a developed system of training and retraining. In the process of ongoing reforms, the country needs highly qualified specialists in various fields. Highly skilled workforce will become the driving force behind an innovative economy.

Food and Beverage Supply Services is a renewable value that includes the cost of food used for cooking and sold unprocessed, in addition to a surcharge for the supply of food and beverages. The scope of accommodation services includes the cost of services for the provision of short-term accommodation (hotels, motels and other accommodation).

The volume of medical services is the cost of market services provided by the health services of health care institutions, as well as organizations and medical enterprises, dentistry, physiotherapy, homeopathic clinics, cosmetology clinics, narcological dispensaries, laboratories and sanitary epidemiologists.

The prospects for the socio-economic development of modern Uzbekistan depend on the rational use of all resources by each economic region and region of the republic, taking into account national and local interests. The service sector includes international corporations, banks, airlines, computer centers, telecommunications, insurance, legal and consulting firms, government and non-governmental organizations, and non-profit organizations.

Small business has become an integral and important part of the national economy, a leading force in solving many economic and social problems, developing services, and ensuring the well-being of people.

Table 2.

The volume of services provided in Uzbekistan by region as of January 2021

Shown by region key performance indicators (In January 2021)	The size, billion sum	Growth rate, in%	
		2021 year.	2021 year.
	20 504,6	104,6	111,6
	558,6	104,4	108,6
The Republic of Uzbekistan			
Republic of Karakalpakstan	1 026,3	106,5	109,7
provinces:	898,9	109,5	109,5
Andijan	441,3	108,5	113,3
Buxoro	931,6	106,2	111,0
Jizzakh	507,0	108,3	111,6
Kashkadarya	770,4	105,1	108,5
Navoi	1 276,6	102,2	113,3
Surkhondarya region	775,8	107,9	115,2
Syrdarya	309,2	113,7	116,9
Tashkent	1 567,9	103,9	109,7
Fergana	1 163,8	104,2	108,0
Khorezm	609,2	109,1	109,8
Tashkent city	7 976,7	110,5	113,6

Total volume of market services provided in January 2021. The largest share belongs to the city of Tashkent - 38.9% (36.6% in 2020). The lowest rates in the service sector were recorded in the Syrdarya region - 1.5% (1.4% in 2020). In January 2021, the volume of market services provided per capita reached 599,000 soums.

Compared to January 2020, the growth rate was 102.7%. In January 2020, the volume of market services provided per capita amounted to 532.9 thousand soums. As of February 1, 2021, the share of enterprises and organizations working in the service sector reached 65.0%, industry - 17.6%, agriculture, forestry and fisheries - 8.8%. the construction sector accounts for 8.6%.

Based on the above data, it can be concluded that our country, despite the richness of cultural, historical, tourist and natural resources, cannot use them effectively. In particular, the economic and geographical position of the Bukhara region shows that the glory of the holy prophets who lived in the city is second only to Mecca and Medina. This affects the number of tourists coming from their Muslim countries. However, the inconvenient tourist infrastructure in the region brings a number of inconveniences to tourists.

Tourist potential of Bukhara region

- 121 travel agencies;
- 211 accompanying translators.

ISSN 2697-2212 Online: <https://academicjournal.io/>

Currently, the Bukhara region has the ability to serve about 6,000 guests a day. About 829 monuments of history and architecture are under state protection.

118 historical monuments are included in the UNESCO World Heritage List.

- 367 hotels;
- More than 76 national and foreign restaurants;

When we analyzed the changes in the dynamics of tourists visiting the Bukhara region over the past three years, we came to the following conclusions. As of 2018, the number of local tourists visiting the region amounted to 1,864,026 people, and their share in the total number of tourists was 92.5%. The number of foreign tourists visiting the Bukhara region amounted to 150 623 people, their share in the total number of tourists was 7.5%. As a result, 2014 649 tourists visited in 2018.

As of 2019, the number of local tourists visiting the province was 2,671,645, and its share in the total number of tourists was 93.4%. The number of foreign tourists visiting the Bukhara region amounted to 182 715 people, their share in the total number of tourists was 6.6%. As a result, 2,854,360 tourists visited it in 2019.

In 2020, due to the pandemic epidemic in our country, the flow of tourists has significantly decreased. This can also be seen in the numbers below. As of 2020, the number of local tourists visiting the province was 572,910, and its share in the total number of tourists was 1.9%. The number of foreign tourists visiting the Bukhara region amounted to 10,933 people, their share in the total number of tourists was 1.9%. As a result, 583,843 tourists visited it in 2020. As a result, the number of domestic tourists by 2020 decreased by 78.56% compared to 2019, and the number of foreign tourists by 94.02%. The figures show that by 2020, compared to 2019, the total number of tourists visiting the region decreased by 79.55%.

In order to improve the efficiency of the service sector in our country, to increase its share in GDP, it is advisable to increase the share of income by reducing the volume of spending on services.

World experience shows that the use of outsourcing services is advisable in the process of increasing revenues and optimizing the costs of service networks. There are several types of outsourcing services, one of which is accounting outsourcing.

Accounting is an area in which a number of confidential and very important corporate information is kept. Any rash actions, even small mistakes and shortcomings, can lead to an incompetent approach to work, uncertainty in calculations and even large fines. Therefore, the demand for accountants who are masters of their craft is high.

These are the ones that calculate the taxes paid to the budget. In large enterprises, it is possible to hire accountants who meet the above requirements, which in turn requires higher wages. However, newly created, micro and small enterprises are not ready for such expenses. Many problems can arise due to the fact that hired accountants provide services without documents, based on an oral agreement.

If a business is engaged in more than one activity, hiring a separate qualified accountant for each activity, providing them with a monthly salary, a job, software, and so on, are huge costs.

Or, say, if a state accountant retires for some reason, who can be entrusted with accounting? The word "outsourcing" comes from the English language and means the use of external sources on a

contractual basis, that is, the services of outsourcing companies. Accounting outsourcing is the maintenance of accounting records remotely by qualified specialists.

Outsourced accounting, unlike contractual accounting, implies a long-term contractual partnership rather than a partial or temporary transfer of accounting. Accounting outsourcing providers are outsourced.

Currently, outsourcing services, especially accounting services, are used more widely than recruiting personnel abroad. For example, in Belarus - 30%, in Europe - 86%, in the USA - 92%, and the highest rate - in Israel - 96%. The complete transition of large enterprises to the use of outsourcing accounting services is not so effective, since in this case there is a possibility of a decrease in the efficiency of accounting due to remote work. To prevent this from happening, accounting can be outsourced partially, for example, by submitting monthly payroll calculations, reports, etc.

For micro and small businesses, outsourcing of accounting services is the most optimal way of maintaining documentation. In this case, the company will be able to receive highly qualified, responsible advice not only in the field of accounting, but also on personnel, legal and tax issues.

Table 3.

Benefits of outsourced accounting

Benefits of outsourced accounting: - The tasks set for outsourcers are of high quality, efficiency and low costs.	Benefits of outsourced accounting: Service sector businesses are exempt from expenses such as monthly payroll taxes, office equipment, logistics, rent, communications, and the Internet because outsiders are not on their staff. This allows you to improve financial results by 20-30% due to cost optimization.
Prevention of disclosure of confidential information when using outsourced accounting services;	government accountants do not always take on such additional issues;
Using the service, you can have not one, but several teams of highly qualified accountants.	hiring additional specialists will increase operating costs;
No errors and omissions in accounting	eliminates unnecessary hassle
Outsiders offer additional services in addition to accounting and tax accounting.	also offers human resources and legal services.
Outsourcing companies have the ability to hand over accounting at any stage.	if the accounting in the company is kept with errors and omissions without the use of special software, outsourced accounting companies will be brought into the correct and accurate position by restoring accounting that does not meet such a requirement.

What is outsourcing?

Simply put, outsourcing is the transfer of part of your company's functions to an external contractor - a foreign organization specializing in accounting. These companies employ modern tax and accounting specialists who themselves develop accounting policies for your business.

In fact, outsourcing is a contract for the provision of long-term services. The contractor, along with the management, is responsible for maintaining the accounting records of the serviced company and may represent its interests in the tax authority.

Cooperation with an accounting outsourcing company gives service companies a number of advantages.

**Table 4.
Ease of use of outsourcing in service enterprises**

Advantage	Comments
1. Allows large enterprises to save on costs.	Outsourcing accounting to a large company is almost always more financially beneficial than keeping a staff of accountants. To keep records, it is enough to compare the outsourcing prices with the salary that you pay to the accounting service - chief accountant, material accountant, accountant-economist, cashier, assistant accountant and others.
2. Exemption from payroll taxes.	When outsourcing, you pay the amount at a fixed rate, the company itself provides you with the necessary specialists. When you outsource accounting, you only pay for the service, which means you work just like you would with regular suppliers. And you don't need to worry about GDP and social taxes.
3. The need to create a workplace.	There is no need to allocate additional premises, own or rented, as offices for accounting, purchase of computers, office equipment, licensed accounting software, office supplies and much more. You will have more room to work or your rent will be reduced.
4. Outsourcing companies usually employ highly qualified specialists.	Any outsourcing company strives not to lose its reputation, striving to be competitive in its field. They will be attentive to their customers, value every company they serve. That is why there are several accountants in the states, each of whom specializes in a specific area. They solve complex problems that come together, which reduces the chance of error. Serving many companies at the same time, outsourcing companies form law

	<p>enforcement practices in all regions of the country, which establish close ties with the tax authorities, which is also very important. They are one step ahead of government accountants in practical experience and knowledge of all the "subtleties" of the industry.</p>
<p>5. Availability of constant communication with the outsourcing company.</p>	<p>Unlike a government accountant, the company does not get sick and does not go on vacation. If the specialist of the company that "works for you" temporarily does not work, your account will continue to be kept by someone else. You don't even have to pay for disability benefits and vacation pay.</p>
<p>6. Availability and constancy of responsibility of the outsourcing company for the mistakes of its specialists.</p>	<p>If the tax office imposes fines or penalties on the company through the fault of the outsourcing contractor, these costs are borne by the outsourcing company. To do this, you need to take this condition into account when concluding a contract for the provision of outsourcing services. Agree in advance that the outsourcing company should take care of all emerging issues with government accounting and taxation authorities - from tax control to courts.</p>
<p>7. Lack of staff dissatisfaction.</p>	<p>Managers understand this well: you invest in employees, you "grow" a suitable specialist, and when he gains knowledge and experience, he leaves in search of a better job. If the chief accountant decides that he is worthy of a job in a more prestigious position, the problem cannot be solved even by raising his salary. Labor law does not allow an employee to be detained even during a tax audit or reporting period.</p>

Conclusion

Based on the analysis, we made the following proposals on the prospects for the development of outsourcing services in the service sector in Uzbekistan:

1. Effective use of outsourcing services in the service sector.
2. When using outsourced accounting services, enterprises are exempt from payroll tax.
3. The outsourcing company ensures the availability and constancy of responsibility of its

specialists for their mistakes.

4. The absence of the need to create a workplace reduces the costs of service enterprises.

References

1. Намраев Н. Conception of zonal policy for Uzbekistan //Современное экологическое состояние природной среды и научно-практические аспекты рационального природопользования. – 2017. – С. 185-190.
2. Ibragimov N., Xurramov O. Types of competition in destination marketing and 6A model of competitiveness. – 2015.
3. Kayumovich K. O. et al. Opportunities of mobile marketing in tourism //Journal of Critical Reviews. – 2020. – Т. 7. – №. 12. – С. 94-98.
4. Kayumovich K. O. The capability of internet in sphere of tourism and services //Polish science journal. – 2019. – С. 160.
5. Khodjayev A. R. et al. Efficiency of using modern information and communication technologies in small business //World science: problems and innovations. – 2021. – С. 130-132.
6. Khurramov O. K. The convenience of electronic marketing in tourism industry //Теория и практика современной науки. – 2019. – №. 5. – С. 35-38.
7. Khurramov O. K. The highlight priorities for the development of digital tourism in Uzbekistan //International scientific review of the problems and prospects of modern science and education. – 2020. – С. 61-62.
8. Khurramov O. K. The role of the tourism sector in the digitalization of the service economy //Economics and Innovative Technologies. – 2020. – Т. 2020. – №. 1. – С. 6.
9. Khurramov O. K., Boboqulov A. A. Digital tourism plays an important role in economic development //Наука-эффективный инструмент познания мира. – 2019. – С. 9-10.
10. Khurramov O. K., Fayzieva S. A., Saidova F. K. Features of electronic online market in tourism //Вестник науки и образования. – 2019. – №. 24-3. – С. 18-20.
11. Khurramov O. Osobennosti ispol'zovaniya marketingovykh instrumentov v sotsial'nykh media //Alatoo Academic Studies. – 2016. – Т. 4. – №. 4. – С. 61.
12. Mukhtorovna N. D., Mukhtorovich N. M. The important role of investments at the macro and microlevels //Economics. – 2020. – №. 2 (45).
13. Navruz-Zoda B. et al. Perspectives on the improvement of Uzbekistan as a destination for multi-confessional self-organised pilgrims //International Journal of Religious Tourism and Pilgrimage. – 2019. – Т. 7. – №. 4. – С. 87-96.
14. Navruz-Zoda B. et al. The destination marketing development of religious tourism in Uzbekistan //International Journal of Religious Tourism and Pilgrimage. – 2016. – Т. 4. – №. 7. – С. 9-20.
15. Navruz-zoda B. N., Khurramov O. K. The role of information technologies in digital tourism //International scientific review of the problems of economics, finance and management. – 2020. – С. 22-36.
16. Navruz-Zoda B., Ibragimov N. Ways of Applying Destination Management Concepts to the Development of Internal Tourism in Uzbekistan //International Tourism and Hospitality in the Digital Age. – IGI Global, 2015. – С. 172-190.

17. Navruz-Zoda B., Ibragimov N., Rakhmanov A. The Destination Marketing Tools For “Seven Sufi Saints of Noble Bukhara” Pilgrimage Cluster. – 2017.
18. Nurov Z. S., Khamroyeva F. K., Kadirova D. R. Development of domestic tourism as a priority of the economy //E-Conference Globe. – 2021. – С. 271-275.
19. Rasulovich K. A. The role of agro-tourism in the development of socio-economic infrastructure in rural areas //Наука и образование сегодня. – 2021. – №. 3 (62). – С. 13-14.
20. Rasulovich K. A., Ulugbekovich K. A. Section: economics //Polish science journal. – 2020. – С. 25.
21. Shoimardonkulovich Y. D. The importance of management in the field of service //Вопросы науки и образования. – 2020. – №. 14 (98).
22. Tokhirov J.R. The effective use of state-private partnership in improving the quality of educational services //Вестник науки и образования. – 2020. – №. 6-2 (84).
23. Tulaeva K. U. An ontology concept: database for gastronomic tourism, building xml schema definition and extensible markup language //Economics and Innovative Technologies. – 2021. – Т. 2021. – №. 2. – С. 10.
24. Umedovna T. K., Oktyamovna A. S. Planning and management of gastronomy tourism in the territory //ResearchJet Journal of Analysis and Inventions. – 2021. – Т. 2. – №. 04. – С. 237-242.
25. Xodjayev A. et al. The role of smm marketing in small business development during a pandemic //Центр научных публикаций (buxdu. uz). – 2020. – Т. 1. – №. 1.
26. Аралбаева Г. Г. и др. Инновационное развитие: потенциал науки и современного образования. – 2020.
27. Джаббаров И. Г. Роль дестинационного менеджмента в укреплении конкурентоспособности туристского региона //Сборник конференций. – 2018. – С. 113-121.
28. Дилмонов К. Б. Важности интернета в сфере индустрии туризма //Современные тенденции и актуальные вопросы развития туризма и гостиничного бизнеса в России. – 2017. – С. 216-222.
29. Таджиева С. У. Развитие малого гостиничного бизнеса в Бухаре //Вестник науки и образования. – 2020. – №. 3-2 (81).
30. Хамраев Х. Р., Исомов Б. С. Вопросы развития туризма в регионе и зональная политика. – 2020.- elibrary.ru
31. Хасанова Г. Д. Деятельность по развитию сферы туризма в Узбекистане (на примере Бухарской области) //Инновационное развитие. – 2017. – №. 4. – С. 95-98.
32. Хуррамов О. К. Иқтисодиётнинг рақамлашуви ва рақамли туризм //Иқтисодиётда инновация. – 2020. – №. Special.
33. Хуррамов О. К. Цифровой туризм и его значение в экономике Узбекистана //European research. – 2020. – №. 3. – С. 61.
34. Шадиев А. Х. Способы улучшения структуры управления в туризме //Вопросы науки и образования. – 2020. – №. 7. – С. 91.
35. Шадиев А. Х., Давронов И. О. Роль развития персонала в повышении эффективности услуг и его влиянии на экономику //Вопросы науки и образования. – 2020. – №. 6. – С. 90.