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Factors Affecting the Formation and Development of Human Capital

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Abstract: The essence of investing in human capital and factors affecting the formation and development of human capital, as well as their composition, are studied in the article. One of the main factors is the development of human capital through the education system

Key words: human capital, intellectual capital, investment, education, labor market, income, productivity, healthcare system, science, profession.

Introduction

In the innovative economy, a person's knowledge becomes not only his personal property, but also the main economic resource that determines the country's development. The quality and efficiency of human capital is of strategic importance for socio-economic development, which requires the need to study the specific features of its formation, accumulation and exchange.

It is not for nothing that according to the new development strategy of Uzbekistan for 2022-2026, the 4th direction is called "Equity social policy, development of human capital" [1]. According to this strategy, every citizen has the opportunity to study for a specific profession at the expense of the state; doubling the scope of vocational training, training a total of 1 million unemployed citizens and increasing the participation of non-state educational institutions in this process to 30%. The goal was to introduce a system of trial-testing of textbooks and educational-methodical complexes in general education schools, as well as an examination with the participation of foreign experts. Also, based on the proposals of personnel customers, increase the admission parameters and increase the level of coverage of youth with higher education to 50% by 2026 and increase the quality of education; it was decided to increase the number of non-governmental higher education organizations to at least 50.

Materials and Methods

In the course of the research, the works of foreign and local scientists on the factors affecting the formation of human capital were studied and analyzed. In the article, methods such as theoretical observation, systematic approach, observation, generalization, analysis, and synthesis were effectively used, as well as the factors ensuring the development of human capital were studied and appropriate conclusions were formed on the subject.



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Results of studies

It is known that several socio-economic concepts of human capital have been created in the context of the transition to the innovative economy. Among them are the “doctrine of human capital” (T. Schultz [6], G. Becker [3], L. Turov, etc.), the concept of investing in a person (L. Turov, S. Bowles, M. Blaug, F. Harbison and others), “filter theory” (P. Wiles, A. Berg) and others can be listed. While there are certain differences in these concepts, the proposed theory is explained as follows: by investing in human capital, each individual hopes to increase income reasonably in the future. In other words, the importance of the institutional form of human capital and its transformation into an economic form at all known levels of education today has become a fact that does not require proof [4].

Analysis and results

Human capital is an integral part of intellectual capital, a collection of knowledge, skills and abilities of employees.

In modern conditions, the components of intellectual capital are the main factors of socio-economic development. Development of human capital is the main factor for ensuring high competitiveness not only of a particular company, but also of the entire country. In this regard, special attention should be paid to improving the quality indicators of the labor force at the micro and macro level.

The indicators of social and economic development of the region of each country have a greater impact on the prospects of the development of industries requiring high knowledge and technology with the help of human capital.

When studying human capital at the level of a specific region, it is also relevant to determine the specific characteristics of human capital as a separate type of resource. The main ones are:

- human capital is created and formed as the knowledge of a specific person;
- the presence or absence of natural abilities to study specific issues has a special effect on the level of effectiveness of human capital development of the region;
- human capital is characterized by the absence of physical obsolescence as one of the means of development of the regional economy.

However, human capital is characterized by the existence of depreciation associated with the obsolescence of knowledge; continuous accumulation of human capital; investments in the development of human capital are made by investing in a specific person.

In modern conditions, the human capital of the region is considered one of the most important elements of management. The reason for this is that people play an important role not only in the development of the resource consumption system, but also in production, and therefore in the gross regional product. Human capital should be considered as a leading factor of regional development, as it determines the possibilities of effective development of specific sectors of the regional economy. In the most general sense, human capital means the sum of knowledge, skills, personal abilities for a certain activity, which provides them with income.

The whole society is interested in the formation of human capital, because in modern conditions it is the main reserve of development. Increasing the level of knowledge, abilities and skills of a certain person is the main condition for maximizing his income.



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the regional scale is related to a number of factors. To be more precise, the system of factors that directly affect the level of human capital development efficiency is shown in Figure 1. The factors presented in the picture cover both biological and social aspects of the formation and development of human capital [5].

Biological factors	Social factors
<ul style="list-style-type: none">• life expectancy;• physical ability;• healthcare system.	<ul style="list-style-type: none">• education, qualification, knowledge;• labor migration;• spirituality, culture.

Figure 1. A group of main factors influencing the development of human capital.

Compared to traditional manufacturing enterprises, high-tech industries have their own characteristics, which are the result of a continuous cycle of creating and using technological innovations.

The development of local high technologies lags behind world development by 10-15 years. The industry of most developed countries operates at the level of the sixth technological order, and domestic enterprises operate at the fourth and fifth levels.

Currently, institutional forms of professional capital, such as the availability of educational diplomas, professional certificates, certificates, etc., are of great importance for students. At the same time, the importance of studying in higher education is also known.

Directing of investments in the higher education system forms the high qualification of specialists, the realization of their qualifications at the professional level should always help the economic growth of regions and the whole country. These may include formal education and further training, including participation in additional training as a way of investing in human capital. All of the above requires spending a lot of time and money. Vocational education is aimed at acquiring knowledge, skills and competences and acquiring special skills in the field of professional activity.

By increasing investments in human capital, one can hope to improve the quality of innovation resources, and then to increase their productivity [2].

The effect of investments in human capital can be seen in its income level, career growth and demand for it in the labor market. Therefore, incentives aimed at increasing the economic efficiency of human capital in the future will give a positive result.

Factors affecting human capital are systematized in the figure below and include health, education, science, culture, sports and social welfare. Human capital plays a major role in ensuring the qualitative and quantitative characteristics of competitiveness in developed countries. The concept of human capital occupies a central place in the theory of economic growth [8].



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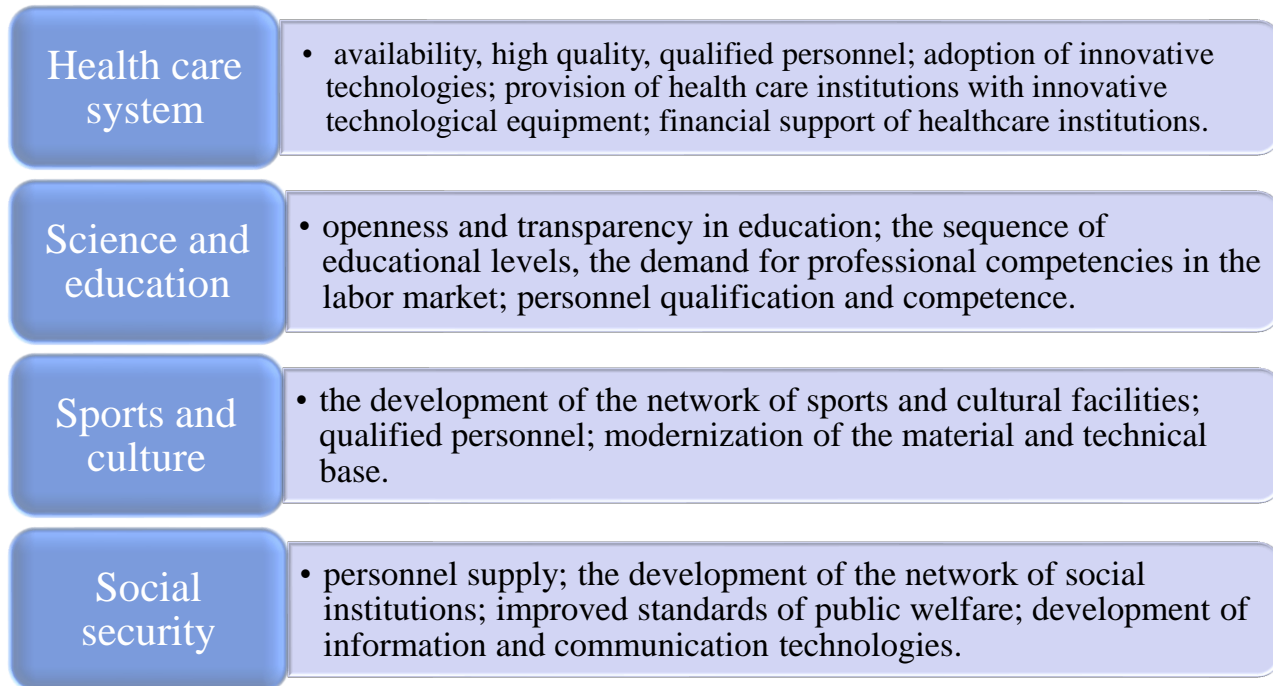


Figure 2. Factors ensuring the development of human capital.

In order to ensure the competitiveness of enterprises in the conditions of the development of the innovative economy, the following are important:

- it is necessary to make fundamental changes in the system of human capital utilization that will allow solving existing problems;
- it is necessary to ensure the quality and efficiency, flexibility and growth of human capital;
- it is necessary to adapt it to the labor market, to raise the professional level of the working population of the country in general and continuously.

In the current environment, it is a pity that the human capital can remain in the void of unrealized potential for a long time due to insufficient demand in the labor market. Due to the fact that the production and professional practice of students are not closely connected with the production processes of industrial enterprises and organizations, the practical skills of graduates are not at the level of demand [7]. Therefore, it is appropriate to increase the qualified capital by means of the practice-oriented personnel training system that meets the requirements of the modern market, and to pay special attention to the professional competencies of young specialists.

Conclusion and suggestions

Thus, it is still difficult to positively evaluate the results of the reform of education, including vocational education. In the context of building a knowledge-based economy, the education system in our country should become one of the decisive factors in the formation and development of human capital. In our opinion, it is appropriate to implement the following measures for this:



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- firstly, together with improving the quality of education, ensuring its compliance with modern market requirements, activating the process of its development;

- secondly, active introduction and use of e-learning technologies, project methods aimed at increasing the creative and professional skills of a person, forming universal, personal and professional knowledge and experiences;

- thirdly, to strengthen inquisitiveness, creativity, creative thinking, independent approach to the issue in students, having studied the experience of leading educational institutions in the development of independent education;

- fourthly, as one of the directions of innovative development of the vocational education system, organization and improvement of collaborative research and production activities with the active involvement of employers;

- fifthly, to assess the demand for various professions, to monitor the needs of specialties using various methodologies;

- sixth, the quality and potential of higher education and vocational education increase the creative abilities of students and pupils, increase the number of personnel in line with the requirements of the modern market.

Therefore, realizing that students, enterprises, and universities are equally interested in ensuring the harmony of education and practice, it is necessary to learn the effective experiences of this cooperation and further improve the mechanisms of mutual cooperation.

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