

Innovative System of Supporting Light Industrial Enterprises

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Abstract

This article focuses on further development of the export of products of light industrial enterprises in our country and formation of an export-oriented economy by improving their structure. Proposals and recommendations have been made to raise the national production in our country to global level from a technical and economic point of view to achieve an increase in the national currency reserve by further improving its structure.

Keywords: international market, integration, knitting, light industry, gasification, indicator, national economy, light industry, processing industries, world economy.

Introduction

In the Address of the President of the Republic of Uzbekistan to the Oliy Majlis, it was recognized that our country has entered the stage of innovative development in order to achieve modern progress. "Innovation is the future. We must start building our great future... precisely on the basis of innovative ideas. It is not for nothing that we are moving to the path of innovative development and digital economy. who wins in today's fast-paced world? The country that relies on a new idea, a new idea, and innovation will win."¹

Adoption of the Law of the Republic of Uzbekistan "On Innovative Activity" (July 24, 2020) was an important step in creating the appropriate legal ground provided for in the State Program "Year of Development of Science, Enlightenment and Digital Economy". This law is extremely important by strengthening the effective legal mechanisms of creation and implementation of new ideas, new discoveries, scientific developments, guaranteeing and accelerating our progress.

¹ Mirziyoev Sh.M. Address of the President of the Republic of Uzbekistan to the Oliy Majlis. – T. 2018, pp. 19-20.

According to the definition expressed in the law, an innovation is a new development introduced into civil circulation or used for personal needs, the use of which in practice ensures the achievement of a significant socio-economic effect. Innovative activity is the activity of organizing new developments, as well as ensuring their transfer and implementation in the field of production. The Republic of Uzbekistan has its own legal foundations, and the innovative activity that is spreading widely is based on the following basic principles:

- freedom of innovative activity; ensuring equal use of state support for innovative activities;
- transparency and clear orientation of state support for innovative activities;
- support the development of competition;
- free exchange of information; legal protection of intellectual property objects created as a result of innovative activity;
- not to harm the life and health of citizens and the environment.

The law defines in detail the main directions of the state policy in the field of innovative activity, the relevant powers of the Government, the authorized state body (Ministry of Innovative Development), state administration bodies, and local state authorities ².

One of the most important priorities in the focus of the democratic market reforms and the 2017-2021 Action Strategy for the socio-economic development of Uzbekistan is deepening structural changes in the national economy, increasing its competitiveness due to the modernization and diversification of leading sectors of the national economy.

In particular, "...increasing the share of industry in the structure of the national economy, rapid development of high-tech industry and processing industries, further modernization and diversification of industry, ensuring comprehensive and effective use of the industrial potential of each region, establishing new industrial enterprises and small industrial zones ³" highlighted.

The President of our country, Sh.M. Mirziyoev, criticizing the deficiencies in the implementation of targeted programs for the development of the existing economic sectors in the country, in particular, states "... the effectiveness of the targeted programs that show the effectiveness of the reforms. Among these are the condition of the production facilities, which are the economic and financial indicators of the development of industry and other sectors, the reduction of expenses and costs, the localization and the level of profitability, the unquestionable increase of product competitiveness."

² Mirziyoev Sh.M. Address of the President of the Republic of Uzbekistan to the Oliy Majlis. – T. 2018, pp. 19-20.

³Scientific electronic magazine "Economy and innovative technologies". No. 4, July-August, 2017

Special attention is paid to the development of innovative activities in our country. In particular, Decree No. PF-5264 of ⁴the President of the Republic of Uzbekistan dated November 29, 2017 "On the establishment of the Ministry of Innovative Development of the Republic of Uzbekistan ", PQ-3416- The adoption ⁵of important regulatory documents serves to ensure the rapid development of innovative activities in our country. 2018 was announced as the "Year of supporting active entrepreneurship and innovative ideas" in Uzbekistan. On September 21, 2018, the Decree of the President of the Republic of Uzbekistan "On the strategy of innovative development of the Republic of Uzbekistan in 2019-2021" was adopted.

The main goal of the strategy is to develop human capital to enter the 50 advanced countries of the world according to the Global Innovation Index ranking by 2030 . In order to ensure the implementation of the decision of the President of the Republic of Uzbekistan No. PQ-3698 of May 7, 2018, "Roadmaps" for the development of the real sector of the economy were developed with 39 state and economic management bodies, and effective work was launched in cooperation. About 20 organizations have established funds to support innovative development and innovative ideas and 45.46 billion soums have been funded into them.

No. PF-5583 was adopted on November 24, 2019 in order to introduce venture-based financing and attract financial resources of business entities to innovative projects and a fundamentally new system of financing innovative activities was introduced.

Review of literature on the subject

Nelson R. – “Innovation (in-"like", novus-"new") means innovation, innovation”⁶

“Innovative activity” usually means introducing new (useful) elements into various processes: industry, trade, medicine, education.

Marenkov N. L. “Innovation means effective use of new scientific and technical achievements”.⁷

I.T. Balabanov stated that “Innovation is a materialized result achieved by investing in new techniques or technology, labor production, service and management, as well as new forms of organization of control, calculation, planning methods, analysis, etc”.⁸

⁴ Decree of the President of the Republic of Uzbekistan dated November 29, 2017 No. PF-5264 "On the establishment of the Ministry of Innovative Development of the Republic of Uzbekistan"

⁵ Decision PQ-3416 of the President of the Republic of Uzbekistan dated November 30, 2017 "On the organization of the activities of the Ministry of Innovative Development of the Republic of Uzbekistan"

⁶Nelson R. National Systems of Innovation: A Comparative Analysis. Oxford , 1993.

⁷Marenkov N. L. Innovation: Uchebnoe posobie. - M.: KomKniga, 2005. S. 194. 10. S

⁸Balabanov I.T. Innovative management - SPb: Peter, 2000. - S. 11.

Therefore, innovation can be considered as the final result of innovative activity in the form of a new or improved product (goods, work, services).

Despite the research carried out in this regard, the systematic activity of supporting light industrial enterprises in the conditions of the innovative economy has not yet been studied. Therefore, this article is of scientific and methodological significance in the development of effective measures of innovative support for light industrial enterprises.

Research methodology

In this study, the various approaches of Eastern thinkers to economic education in ensuring family well-being were studied. Using the methodological capabilities of synergetics, the objects of analysis were comparatively studied, grouped and systematized, and based on the conclusion, proposals for integrated application in practice were developed. The use of synergetic methods in the research of service industries increases its practical value. This case was based on this principle.

Analysis and results

When the processes of integration into the world economy are gaining relevance, serious attention is being paid to the sustainable development of existing enterprises in our country. One of the main goals of the reforms and openness policy conducted under the leadership of the President of the Republic of Uzbekistan Shavkat Mirziyoyev is to integrate our country into the world economy on a large scale.

Considerable work was done in this regard during the past 2019-2020. Uzbekistan received the sovereign credit rating of the big three agencies "Fitch Rating", "Standard & Poor's" and "Moody's", entered the international market for Eurobonds, entered the rating of the 20 most developed countries in terms of improving the business environment and was included in the "Doing Business" rating of the World Bank and got its place.

Looking at today's data, the share of industrial products in the total volume of production is 6-8% in developed countries, including Germany, France, the USA, and 12% in Italy. This allows to form up to 20% of the country's budget at the expense of the textile industry and clothing production. Over the last 10-15 years, significant changes have been observed in the development of light industrial enterprises. As a result of the globalization of the economy, the center of clothing

production has moved from Europe and the USA to the countries of the "third world", in particular, the countries of South-East, Central Asia, and South America⁹.

A number of scientific studies on the development of light industrial enterprises in the conditions of the innovative economy, including the creation of "lightened" knitted products from chemical fibers and yarns with high shape retention properties, which allow reducing the consumption of modern fabrics and raw materials, advanced technology that allows to increase production efficiency and extensive scientific research work is being carried out on technology research.

In this regard, special attention should be paid to the application of experiences gained in international practice and management in light industry enterprises of our republic. Improving the scientific basis of increasing efficiency, developing a strategy for the development of industrial enterprises and developing a management system in them is one of the main plans nowadays.

The scope of the reforms implemented in the field in our republic is implementing promising plans to increase the volume of light industrial products from year to year. In particular, according to the target forecast indicators of the development of textile and light industry in 2014-2020, the volume of production of these industrial products by 2020 is 6.9 trillion soums, in which the volume of yarn production increased by 2.5 times, the volume of gauze production by 2.8 times, the volume of silk gauze production by 2.7 times, the volume of non-woven fabrics by 1.5 times, and the volume of knitted fabrics by It is highly important that it is set to increase by 2.7 times¹⁰.

Taking its place as a country that can compete in international markets with the products of light industry enterprises of our country, forming an optimal system of selling light industry products, in particular, places special demands on the development of the international marketing concept. This situation is directly related to the solution of the existing problems regarding the formation of the demand for light industrial products and the development of effective trade promotion mechanisms based on the requirements of the modern market.

Regional development programs being developed in our republic, significant work is being done to increase the scale of local production on the basis of the development of the light industry sector, and on this basis, to reduce the level of unemployment. In particular, according to the program of measures for the further development of the textile and sewing and knitting industry in 2017-2019, approved by the President of the Republic of Uzbekistan on December 21, 2016, 132 investment

⁹ www.oecd.org

¹⁰ Forecast indicators of the State Statistics Committee

projects will be implemented by 2020, 50 percent of which will be financed by foreign investments and loans.

The total cost of such projects is 2.2 billion dollars. At the same time, according to this program, 112 modern and highly productive production enterprises were established. This, in turn, increases the country's export potential by nearly 2.5 billion dollars and create millions of jobs. Today, the sector's share in GDP is 9.6 percent. It was noted that the effective policy of attracting foreign investments and technologies, modernization of production, technical and technological updating, development of small business and private entrepreneurship based on advanced foreign experience serves to achieve high production indicators.

As of January-May 2021, there are a total of 60 types of light industries in Uzbekistan and the city of Tashkent, and more than 103 of only “Knitted goods - production, sales departments” are operating in our republic. In the conditions of the innovative economy, the organic measures taken in terms of the material and technical support of the enterprises of the light industrial system and the expansion of the scope of production create the basis for the volume of products manufactured by the enterprises of this sector to occupy a significant place in the gross domestic product of the republic and the total volume of national exports (Table 1).

Increase in the volume of production of light industrial products (the average annual growth was 1.7 billion soums), the weight of such products in the volume As can be seen from the data of this table, during 2007-2018, there is an of the situation is related to the large-scale diversification of the composition of the gross domestic product in our country. This is due to the abundance of raw materials for country's gross domestic product has a tendency to decrease until 2013. This light industrial products in our republic and high production possibilities (low cost of labor, speed of upgrading of production equipment, etc.).

Table 1

The share of products of light industrial enterprises in the volume of gross domestic product and export of the Republic of Uzbekistan¹¹

Years	Indicators		
	The volume of GDP, in current estimates, billion soum	Light industry volume of products of enterprises, billion soum	Light industry of enterprises Share in GDP, percent

¹¹ It was developed by the author based on the information of the State Statistics Committee of the Republic of Uzbekistan.

2007	28 190.0	2 532.8	9.0
2008	38,969.8	2 993.8	7.7
2009	49 375.6	3 436.0	7.0
2010	62 388.3	4 593.1	7.4
2011	78 764.2	5 640.7	7.2
2012	97 929.3	6 566.6	6.7
2013	120,861.5	8 469.3	7.0
2014	145,846.4	10,570.5	7.2
2015	171 369.2	15,782.0	9.2
2016	199 325.1	19,652.2	9.9
2017	249 100.0	24,565.25	9.9
2018	407 500.0	39 304.4	9.6

Each of the light industrial enterprises should work with a certain efficiency as an economic entity. For this, it will be necessary to develop a system of factors affecting all performance indicators and determine their impact. In this case, together with the performance indicators, it is necessary to study their result indicators separately. The efficiency is high only if the result indicators are high. Based on this theoretical conclusion, one of the resulting indicators is the volume of net income from the sale of products, that is, total income. The factors affecting the change of this indicator are hardly published in the economic literature. Taking this into account, we have developed a system of factors affecting these indicators. In our opinion, the following factors influence the change of this indicator:

- the total number of employees in the enterprise;
- average working days of the company's employees in a year;
- average working hours of employees in one day;
- average income per employee, i.e. hourly labor productivity of an employee.

We recommend calculating their correlation with the result indicator using the following formula:

$$U_t = X_s * K_i * I_s * M_u; (I)$$

In this case: U_t is the volume of net income from the sale of products, that is, total income;

M_j - the total number of employees in the enterprise;

K_i - the average working days of the company's employees in one year;

I_s – average working hours of employees in one day;

M_u is the average income per employee, that is, the employee's productivity per hour .

According to the above formula, the main task of factor analysis is to determine the effect of these factors on the result. For this, first of all, it is necessary to determine their difference. To determine this difference, we recommend the following formula:

$$DU_t = (X_s^h * K_i^h * I_s^h * M_u^h) - (X_s^r * K_i^r * I_s^r * M_u^r); (2)$$

In order to determine the effect of the first factor, that is, the total number of employees in the enterprise, on the change of the result indicator, that is, the volume of net income from the sale of products, the result is recalculated with the actual amount of this factor ($X_s^h * K_i^r * I_s^r * M_u^r$) and this the planned amount of the result ($X_s^r * K_i^r * I_s^r * M_u^r$) is subtracted from the quantity. For this, we recommend using the following formula:

$$DU_{tXs} = (X_s^h * K_i^r * I_s^r * M_u^r) - (X_s^r * K_i^r * I_s^r * M_u^r); (3)$$

In order to determine the effect of the second factor on the change in the volume of net income from the sale of products, that is, the total income, the result is recalculated with the actual amount of this factor ($X_s^h * K_i^h * I_s^r * M_u^r$) and the recalculated amount ($X_s^h * K_i^r * I_s^r * M_u^r$) is subtracted from this amount. For this, we recommend using the following formula:

$$DU_{tKi} = (X_s^h * K_i^h * I_s^r * M_u^r) - (X_s^h * K_i^r * I_s^r * M_u^r); (4)$$

In order to determine the effect of the third factor, that is, the average working hours of employees per day, on the change in the volume of net income from the sale of products, the result is recalculated with the actual amount of this factor ($X_s^h * K_i^h * I_s^h * M_u^r$) and the amount recalculated with the second factor change ($X_s^h * K_i^h * I_s^r * M_u^r$) is subtracted from this amount.

We recommend using the following formula for this:

$$DU_{tIs} = (X_s^h * K_i^h * I_s^h * M_u^r) - (X_s^h * K_i^h * I_s^r * M_u^r); (5)$$

In order to determine the effect of the result indicator, that is, the volume of net income from the sale of products, that is, the fourth factor, that is, the average income per employee, that is, the hourly productivity of an employee, on the change in total income, the result is divided from the actual amount ($X_s^h * K_i^h * I_s^h * M_u^h$) and the recalculated amount ($X_s^h * K_i^h * I_s^h * M_u^r$) is subtracted from this amount.

For this, we recommend using the following formula:

$$DU_{tMu} = (X_s^h * K_i^h * I_s^h * M_u^h) - (X_s^h * K_i^h * I_s^h * M_u^r); (6)$$

The effect of all factors should be equal to the total difference of the result. The following formula is used for this:

$$DU_t = DU_{tXs} \pm DU_{tKi} \pm DU_{tIs} \pm DU_{tMu}; (7)$$

If this formula is solved with the help of practical data, the influence of factors on the change of the result will be determined, as well as the internal possibilities of its improvement will be found.

Table 2

The composition of the manufacturing industry in the Republic of Uzbekistan in 2010-2021 (in %)

Indicators	Years											
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
The composition of the manufacturing industry	100	100	100	100	100	100	100	100	100	100	100	100
Production of low - fat food products	19.2	19.6	19.4	20.3	21.1	23.6	24.5	19.2	13.3	13.9	13.8	12.9
Drinks production	3.2	3.2	3.3	3.2	3.1	3.2	3.7	3.1	2.6	2.5	2.4	2.7
Production of tobacco products	1.4	1.2	1.0	1.0	1.0	1.1	1.1	1.0	0.8	0.7	0.6	0.6
Production of textile products	16.9	18.1	17.3	15.9	15.9	16.9	14.6	13.9	13.1	11.8	12.0	13.8
Clothes production	2.0	2.1	2.2	2.1	1.9	2.0	4.7	5.1	4.1	3.6	3.4	3.6
Skin and to him production of related products	0.3	0.3	0.3	0.6	0.8	1.0	1.1	1.2	0.9	0.6	0.5	0.6
Wood and breast items (except furniture) production	0.2	0.3	0.5	0.7	0.9	0.9	0.6	0.6	0.8	0.6	0.5	0.6
There is little paper and paper products production	0.5	0.5	0.5	0.8	0.7	0.8	1.0	1.0	0.9	0.8	0.7	0.8
Written materials publishing and reflection carry on	0.7	0.6	0.8	0.7	0.7	0.7	1.0	0.9	0.7	0.5	0.4	0.4
Cox and production of oil refining products	6.2	6.4	5.1	4.4	4.5	4.0	3.2	3.1	2.9	3.9	3.6	3.0

Indicators	Years											
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Production of chemical products	6.8	7.0	6.6	6.0	6.1	6.4	8.1	8.2	8.0	7.4	6.9	7.4
Basic pharmaceutical products and preparations production	0.6	0.7	0.7	0.8	0.8	1.0	1.3	1.2	0.9	0.8	0.8	1.0
Rubber and plastic products production	2.0	2.3	1.9	2.5	2.4	2.4	2.8	2.7	2.8	2.1	2.3	2.2
Production of other non-ferrous mineral products	5.7	6.1	6.6	7.6	7.0	6.2	6.9	6.2	6.4	5.4	5.3	5.5
Metallurgical industry	12.8	11.6	11.4	10.7	11.0	10.8	10.6	12.8	16.5	22.5	26.0	25.6
Machine and finished metal products except equipment production	2.0	2.1	2.4	2.1	2.1	2.5	2.5	3.0	2.7	2.2	2.3	2.9
Production of computers, electronic and optical products	1.5	1.6	1.7	0.6	0.6	0.6	0.5	0.7	0.5	0.8	1.1	1.6
Electrical equipment production	1.4	1.4	1.8	2.2	2.2	2.0	2.1	2.7	3.7	2.9	2.8	3.0
Not included to other categories equipment production	0.7	0.9	1.1	1.4	1.2	1.0	1.1	1.3	1.8	1.7	1.4	1.2
Vehicles, trailers and semi-trailers production	12.4	11.2	12.4	13.8	13.2	10.0	4.5	8.7	14.0	13.0	11.0	8.5
Other transport sparks production	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.3	0.3	0.3	0.3	0.3

Indicators	Years											
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Furniture production	0.6	0.6	0.5	0.6	0.7	0.8	1.5	1.3	0.9	0.9	0.7	0.8
The head is ready items production	0.8	0.4	0.4	0.4	0.5	0.6	1.2	0.9	0.7	0.6	0.6	0.5
Machine and equipment repair and installation	1.7	1.5	1.6	1.4	1.4	1.4	1.1	1.0	0.7	0.5	0.5	0.5

Step-by-step implementation of all principles and methods of management in light industrial enterprises in our country is of great importance in further accelerating the development of production.

Therefore, the continuous increase in production efficiency in light industrial enterprises is an objective necessity and provides an opportunity for a sharp increase in national income.

Conclusions and suggestions

In establishing the activities of light industrial enterprises that can compete in international markets with the products of light industrial enterprises operating in our country, it is appropriate to focus on the following main tasks:

- ensuring high-speed economic development of light industrial enterprises, taking into account effective investment activity;
- development, implementation, coordination, planning, attraction and management of strategic innovation projects for light industrial enterprises, taking into account the development characteristics of light industrial enterprises;
- increasing the income of light industrial enterprises, achieving economic growth and, as a result, raising the welfare of the population;

Above, we touched on the main functions of innovation process management and analyzed these functions from different perspectives. In turn, the functions of innovation management in light industrial enterprises are of great importance today.

From this point of view, the effective management process of light industrial enterprises has a positive effect on the economic growth of this enterprise. Therefore, the important task of strategic management of the investment activities of light industrial enterprises is to develop the investment

strategy of the enterprise and thereby direct the investment flow according to the natural specialization of the enterprise.

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