

**MEANS TO INCREASE EFFICIENCY IN INDUSTRIAL PRODUCTION****Muxtarov Maxmudjon Marifovich**

Doctoral student of Andijan Institute of Mechanical Engineering

[m.m.mukhtorov@mail.ru](mailto:m.m.mukhtorov@mail.ru) +998936997747**Abstract**

This article examines the criteria for increasing economic efficiency in industrial enterprises, the current situation, as well as the factors influencing the results of production. The author discusses the development of the country's economy, improving the economic performance of enterprises and increasing labor productivity.

**Keywords:** Industry, company, efficiency, production, valuation, stock return, capital return, profitability, modernization, economy.

Today, rapid development of structural conformation of market economy is also reflected in the development of sectors. The leading sector in our economy is service, followed by industry, then agriculture, construction and other industries and sectors are developing. Although the industry is one of the leading sectors, it is necessary to ensure the development of enterprises that creates value-added and produces consumer goods. This requires an assessment of the structure of the sector and the results of production. The main goal of reforms in the country is to increase production efficiency and diversification. Therefore, one of the main tasks is the development of our economy on the basis of the development of innovative activities in industrial enterprises, modernization of instruments of production, introduction of intelligent forms of management. The Decree of the President of the Republic of Uzbekistan Sh.M.Mirziyoyev "On the Strategy of Actions for the Further Development of the Republic of Uzbekistan" states that "... there is a task of increasing the competitiveness of the national economy through modernization and diversification of key sectors of the economy in the priorities of economic development and liberalization, in order to implement the priorities of modernization and liberalization of all spheres of life.

Modernization and diversification of production based on the set tasks is an important condition for the development of our economy.

Assessing the results of the industrial sector and identifying opportunities for its development, along with ensuring the efficiency of regional industrial enterprises, also solves a number of economic tasks.

The first task is to assess the dynamics of economic development of the industrial sector, to determine the factors of their development.

The second task is to analyze the structure and economic characteristics of the industry. In carrying out this task, the main focus is on assessing changes in the output of the industrial sector, employment in the sector and the activities of leading industrial enterprises.

The third task is to identify factors for the development of industrial production, evaluate the results of investment and innovation activities in the region.

The fourth task is to study the effectiveness of economic reforms in order to improve the results of the development of enterprises (entities) and industry sector and to develop ways to improve their performance.

Therefore, many foreign scholars studied the results of industrial production in a competitive market condition: They are: E.Phelps, R.S.Kaplan, D.P.Norton, M.L.George, J.Maxi, D.Rowlands, M.Price, D.R.Spitzer..

R.S. Kaplan and D.P. Norton evaluated the importance of management in ensuring the effectiveness of industrial enterprises, the effectiveness of corporate governance and the key factors that influence assessed the active leadership of employers, management strategies, management responsibilities and employees. Chikalova M.B. paid special attention to the increase in volume of production of goods in assessing the results of production; a special attention is also paid to the search for new customers on the basis of increasing the volume of production, and effective management of costs.

Although the aforementioned organization of production and setting its volume is a key factor in ensuring efficiency, taking into account the internal capacity of enterprises, in other words, the supply of resources, reserves and the level of their usage has a direct impact on efficiency.

The economic efficiency of industrial enterprises has been widely illustrated by economists from the CIS countries too.

The efficiency of capital funds and production costs was studied by N.S.Zakharov, and the importance that income is proportional to expenditures in ensuring efficiency was examined.

In assessing the economic results of industrial enterprises, A.V. Gladky studied the profitability, labor productivity and capital-labor ratios, which represent efficiency based on their geographical location and regional characteristics.

F.Feodotova's assessment of production efficiency is based on economic and level of technological indicators and he analyzed the results of industrial enterprises on the basis of chosen efficiency indicators, focusing on the level of technology provision of production processes and development strategies of enterprises on this basis.

M.F Mahmudov studied the directions of effective use of production potential in the development of industry in the regions. The scientific paper studies of the impact of material, technical, financial, labor, infrastructural and investment potential factors on the results of production.

D.K. Kudaynazarova studied the development trends of industrial enterprises and assessed their impact on efficiency and the structural changes in industries related to economic and environmental conditions based on regional characteristics.

In the views of these authors, the potential efficiency of production efficiency, the regional characteristics of provision of efficiency, and the efficiency of capital funds are studied. In our opinion, when talking about the efficiency of production in enterprises, it is also necessary to pay attention to several factors. In particular, it is necessary to assess the composition of labor resources, its potential, changes in labor productivity indicators, wages and labor costs per unit of output that have a direct effect on efficiency. Improving the use of fixed assets also has a direct impact on the level of utilization of existing technologies' production capacity, the level of funding with fund and the level of equipment upgrades.

In recent years, the industry of Andijan region has changed somewhat socially and economically, the share of industrial products in the gross regional product is slightly lower than the national average. This means that in recent years, the region's industry has grown, but the results achieved are low compared to the situation in this country. Therefore, the development of regional industry is one of the main tasks today.

In assessing the industry of the region, it is necessary to study and assess of the composition of industrial products (Table 2)

Economic indicators of Andijan region

Indicators	yaer 2011	yaer 2016	yaer 2017	yaer 2018	yaer 2019	yaer 2020
<b>Share of agricultural products in GDP</b>	49,9	48,6	51,3	51,1	45,7	45,1
<b>The share of industrial products in GDP</b>	21,7	21,1	16,2	18,6	27,9	28,1
<b>The share of industrial products in GDP</b>	4,2	4,6	4,6	4,3	4,9	5,5
<b>Share of rendered services in GRP</b>	28,4	30,3	32,5	30,3	26,4	26,9

**Source.** Compiled by the author on the basis of data of the Andijan regional department of statistics.

The structure of the gross regional product created in Andijan region corresponded to the main agricultural products, this figure was 45.1% in 2020 and 45.7% in 2019. In the second place was the share of industrial products in GRP, while the service sector was in third place with 26.9% in 2020 and 26.4% in 2019. The share of industrial output in GDP did not change significantly from 2011 to 2015. It was 21.1 percent in 2016, 16.2 percent in 2017, 18.6 percent in 2018, 27.9 percent in 2019, and 28.1 percent in 2020. This means that in recent years, the volume of industrial production in the structure of gross regional product has increased. But this growth is considered not enough, and today the development of industry is one of our main tasks. It is necessary to facilitate the processing of agricultural products by industrial enterprises. Location of industrial enterprises in the region also has a direct impact on their development.

Based on the above data, the region will have an opportunity to produce competitive products based on specialization and concentration of resources for the development of the industrial sector.

From 2011 to 2015, industrial enterprises of Andijan region increased production. Over the years, changes have kept pace. (Table 3)

Table 3

Economic indicators of Andijan region

№	Indicators	Unit of measurement	Year 2011	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020
1	Volume of industrial products	Billion soums	1031,1	2183,9	1764,7	2691,3	5936,9	7177,6
2	Growth rate of industrial products	Percent	106,0	87,0	72,9	123,5	130,6	114,7

**Source.** Compiled by the author on the basis of data of the Andijan regional department of statistics.

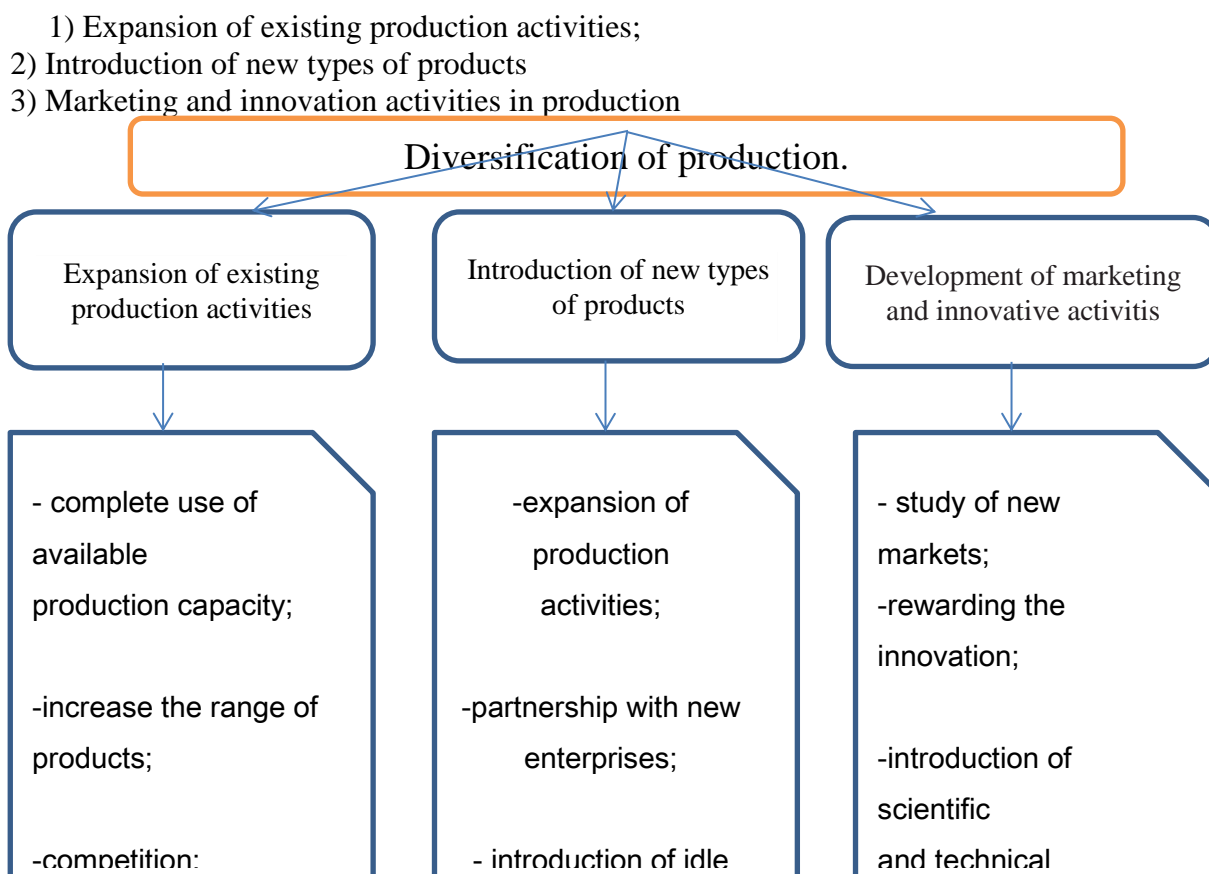
In 2016, the volume of industrial production amounted to 2183.9 billion soums, it is 87% of the last year. In 2017, it amounted to 1764.7 billion soums, which is 72.9% of the last year. The main reason for the negative result is the level of specialization of industrial enterprises in the region, reason is that there were institutional changes in the markets of foreign countries that Uzavtosanoat exported in years 2016 and 2017. As a result, the demand for Uzavtosanoat products has sharply decreased. As a result, the leading industrial enterprises of Andijan region worked at low capacity. This has led to a decline in the production of other domestic enterprises as well.

This means that the existence of leading industrial enterprises in the regional economy is not enough, which requires diversification of the economy

The economic reforms of our country also pay special attention to the diversification of production. In particular, the President of the Republic of Uzbekistan said<sup>1</sup>: "A number of laws, decrees and resolutions, well-thought-out programs have been adopted and are being consistently implemented to organize and further liberalize our economy on a completely new basis, improve its legal framework, modernize and diversify production."

Based on the set tasks, it is necessary to pay attention to the formation of competition among manufacturers as a result of the increase in the range and volume of industrial products, and as a result, it is necessary to develop the activities of enterprises.

As a result of our research, the study of industrial diversification into the following groups is of scientific and practical importance. (Figure 4)



(Figure 4). Diversification of production.

This means that the diversification of production activities is one of the sources that ensure the balanced development of not only the industrial sector but also all sectors of our national economy. Consequently, diversification is a factor of economic efficiency on the basis of the development of new types of production, the introduction of new technologies.

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<sup>1</sup> Address of the President of the Republic of Uzbekistan Shavkat Mirziyoyev to the Oliy Majlis on the most important and topical political, socio-economic issues and democratic development of society. Tashkent. December 22, 2017.