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THE IMPORTANCE OF ECONOMIC EFFICIENCY IN THE ENTERPRISE AND ITS THEORETICAL ASPECTS

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ABSTRACT

This article describes the role of economic efficiency in the activities of enterprises, the theoretical and methodological aspects of its increase. Concepts of the essence and criteria of economic and social efficiency and the factors influencing efficiency are given. In addition, production efficiency is the most important task of any enterprise. It represents the qualitative and quantitative indicators of management, as well as the relationship between packaged and live labor costs and the results obtained.

KEYWORDS: *Efficiency, Economic Efficiency, Social Efficiency, Criteria, Labor Costs, Labor Savings, Labor Productivity, Human Capital*

INTRODUCTION

It is known that industry provides the economy of our country with the means of production, tools and food products produced by industrial enterprises. The economic development of any country depends on the level of development of its industry.

Industry is the main branch of material production, the foundation of the economy. Only a large-scale mechanized industry capable of restructuring all sectors of the national economy can be the sole material basis of economic development.

As noted by the President of the Republic of Uzbekistan Sh.M.Mirziyoev, as a result of structural changes in the economy, the share of industry in GDP is expected to increase from 35% to 37% this year. However, in some cities and districts, this very important issue is not given enough attention.

As a result, the share of industry in 27 districts of the country is less than 1% of the regional average. Therefore, it is necessary to develop medium and long-term programs for the development of industry in each district and city.

It is known that the result of any economic activity is measured by the efficiency indicators achieved. In addition, production efficiency is the most important task of any enterprise. It represents the qualitative and quantitative indicators of management, as well as the relationship between packaged and live labor costs and the results obtained. Therefore, the sustainable operation of manufacturing enterprises in a market economy, ie in a competitive environment, of course, depends on efficiency indicators. This is because an inefficient enterprise will inevitably face a crisis. Thanks to efficiency and quality work, the company firstly ensures its economic stability and competitiveness in the market, secondly, improves its image and strengthens relations with partners, and thirdly, improves the economic and social situation of employees.

Unfortunately, in a market economy, the concept of “efficiency” is less than the concepts of price, profit, income, cost, although income, cost reduction, labor productivity growth, return on investment, profitability, etc. are consistent with the nature of efficiency and do not contradict the requirements of a market economy. used. Effective performance means, in essence, obtaining the intended (planned) profit, reducing non-production costs and losses, better use of production capacity and manpower, increasing labor efficiency, improving the quality of manufactured products.

Based on the above, it can be said that today and in the future one of the most pressing issues is to develop scientific recommendations and practical proposals to increase the social and economic efficiency of industrial enterprises, ensure their competitiveness and develop quality industrial products

Review of the literature on the subject

From foreign and European economists on ways to develop the activities of enterprises and increase efficiency M.I.Buxalkov, V.P.Gruzinov, T.A.Slepneva, E.V.Yarkin, V.K.Sklyarenko, V.M.Prudnikov, N.A.Vasileva, T.A.Mateush, M.G.Mironov, I.V.Sergeev, O.V.Baskakova, I.Babich, Druker, V.Shepelev, D.V.Busigin, V.D. Kamaev, I.N. Gerchikova, F.Nayt, I.X.Tyunen, R.Kantilon, K.Bodo, I.X. Tunen, Naytear, D.Gelbreyt, E.V. Glushenko, AI Kaptsov and others have made a significant contribution to the development of entrepreneurship, studying certain aspects of their types and forms.

One of the leading scientists of the republic A. Artikov, B.T.Abdukarimov. In the scientific activity of A.Abdukarimov, H.Abulkasimov, H.O.Rahmonov, Y.Abdullaev, F.Karimov E.Akramov, Sh.N.Zayniddinov, B.T.Salimov, T.Shodiev and others the development and

efficiency of industrial enterprises the specific aspects of the increase have been studied to some extent.

It is known that in the context of a developing market economy, the economic strategy of the state, in addition to setting long-term fundamental goals, also includes the means and ways to achieve these goals. Among them, the continuous improvement of production efficiency plays an important role.

Analysis and results

Strengthening the power of the state of Uzbekistan, fully satisfying the needs of the population in material and spiritual goods, and in the future - to create them in abundance, to be among the most developed countries in the economic and scientific-technical sphere - depends on increasing production efficiency.

It is known that in the development of production there are two different factors: quantity and quality, extensive and intensive, that is, expanding (prolonging) and compelling, strengthening factors. In other words, if the sphere of production is expanded, there will be extensively expanded reproduction; if more efficient means of production are used, intensively expanded reproduction will occur. As a result of the rational use of these two ways in the industry of Uzbekistan, the efficiency of production is gradually increasing.

The word efficiency is one of the most common general concepts and is widely used in various areas of economic and social development. For example, the efficiency of social production, the efficiency of labor, the effectiveness of teaching and learning, the effectiveness of treatment and treatment, the effectiveness of adopted laws and regulations and solutions, and so on. Efficiency a "mirror" of industrial production. In this "mirror" you can see all the results of production.

It is known that every industry, enterprise, as well as every person strives to get the maximum benefit from their production activities. It incurs certain costs for him. The difference between these benefits and costs is reflected in the efficiency, which is a "mirror" of the industry and the enterprise. The highest production efficiency is to keep production costs to a minimum.

In the context of market relations, efficiency has a special place. A market economy requires efficiency, profitability. In an orderly market economy, it is necessary to achieve a lot with minimal resources. There are 5 types of resource systems in operation in the production process: a) material resources, b) labor resources, c) financial resources, d) energy resources, d) information resources, ie information resources. It is possible to increase the efficiency of production by using these resources wisely. Such activities play an important role in increasing production efficiency.

Efficiency is usefulness, efficiency. It is well known that to get any result you have to work, work, produce a product or service and spend a certain amount of money.

To determine efficiency, the outcome should be compared with the costs or resources expended to achieve that outcome. Hence, Productivity is the ratio of the results of production activities to the labor, material and financial resources expended to achieve them.

Distinguish between economic and social efficiency of production. Dividing efficiency into economic and social types is a conditional division. It can be said that all the results that occur in

the process of material production and are related to labor costs are economic and, in a sense, socially beneficial.

It should be noted here that it is possible to argue about the artificial division of economic and social concepts. But just as the economy is not outside of social life, so is social life without economics. So they are inseparable. Because every work done brings both economic and social benefit

Economic efficiency reflects the economic result of production. For example, the result of production, management, introduction of new techniques and technologies, improving the quality of labor, and so on. Economic efficiency is characterized by the amount achieved due to saving material, labor, money and other resources, saving time, reducing construction time, saving labor costs, reducing labor wastage, accelerating turnover, increasing production, improving work quality and other results.

Social effectiveness refers to the effectiveness of the implementation of measures that help an individual to develop in all respects. It is reflected in the improvement of working and living conditions, staff training and is characterized by an increase in per capita consumption of basic foodstuffs, industrial goods, benefits and privileges from social consumption funds, and the cost of training.

Given that these effects occur in production itself and that the relationship between workers is defined as a result of joint labor, we can call them socio-economic effects.

The essence of economic efficiency is reflected in its criteria and system of indicators.

The question of criteria is the most important area of economic efficiency theory. In the philosophical sense, a criterion is a basic dimension, an important distinctive sign, a basic point of view. Only on this basis can we determine the objective truth, accuracy and reliability of our knowledge in this or that field, to distinguish the truth from misunderstandings.

To achieve the main goal of production, it is necessary to use all resources wisely, reduce the cost per unit of finished product. Thus, the criterion for measuring efficiency is the saving of total social labor, increasing its productivity.

Total (absolute) efficiency of production means the total amount of economic efficiency compared or compared with certain types of costs and resources.

The overall efficiency of production is used to determine and assess the level of use of certain types of costs and resources, and is calculated in general for the national economy, industries, enterprises, capital construction projects. Determining such efficiency is based on the calculation of differentiated indicators that reflect the level of cost and resource efficiency, the main components of efficiency. Such indicators include labor capacity, material capacity, stock capacity, capital capacity of production or products made in it.

Labor capacity describes the amount of expenditure per unit of output, expressed in national income, net, gross, branded product or in kind.

Productivity is an indicator of the amount of labor time spent on producing a particular type of product (e.g., a single tractor, suit, or shirt).

There will be three types of labor capacity: technological, full and national labor capacity. In terms of accounting for labor costs, it is further divided into three types: planned labor, normative labor and actual (actual) labor capacity.

There are many, many different factors and key areas for increasing production efficiency. All factors can be divided into groups based on three characteristics: by source, by key areas of production development and improvement, by the role of factors, and by the level of implementation.

Classification of factors according to the sources of increasing production efficiency helps to determine at what expense social labor savings can be achieved or have been achieved. In this regard, the main factors include: labor capacity of the product, material capacity, stock capacity and capital investment, reduction of demand, rational use of natural resources and time savings. But such a classification does not meet the requirement. To find answers to these questions, all the factors of increasing production efficiency should be grouped according to the main directions of development and improvement of production. They consist of a set of technical, organizational, economic and social measures aimed at saving social labor. These directions are very diverse. The most important are

-improvement of production structure;

- Accelerate the development of science and technology, increase the technical and economic level of production and products, reduce the time of introduction of scientific and technical achievements;

-increasing the level of specialization, cooperation, combination and territorial location of production;

- Improving the management structure, financing, evaluation and crediting and incentives;

- To increase the creative activity and initiative of workers on the basis of strengthening the human factor.

Liberalization of industrial production and deepening of reforms in this sector are the main directions of increasing efficiency. Another decisive way to increase the efficiency of production in industrial enterprises is to accelerate the development of science and technology. The technical and technological factor provides at least two-thirds of the increase in labor productivity.

The role of the human factor in raising the socio-economic efficiency of industrial production is invaluable. Human initiative, energy, lively creativity is the powerful force and the most important source of any development. This is why man is said to be the main productive force of society. He creates all innovations, including new, advanced techniques, rationally organizes production, makes scientific and practical discoveries. All means of production are driven by human labor, useful things are created. However, man is not only the main productive force, but also the subject of production and other social relations. Human activity takes place through these relationships. The direction and outcomes of this activity depend on what thoughts, perceptions, goals, life guidelines, aspirations, and psychological beliefs the employee adheres to in his or her work. Therefore, when analyzing the essence, significance and content of the human factor, it is necessary to speak not only about the person, but first of all about the social qualities,

motivating factors and interests determined by the whole system of social relations in which a person lives and works.

The socio-economic efficiency of production as an important category, in general, studies the efficiency of the production process, the relationship between the result achieved and live and packaged labor. The constant increase in the efficiency of industrial production is an objective necessity and allows for a sharp increase in national income.

In the general theory of efficiency, the problem of criteria, that is, the measure of evaluation, the question of the main point of view, has a special place. Saving total social labor, increasing its productivity is a measure of efficiency.

In the practice of economic computation and analysis, two different efficiencies are distinguished. The first is total (absolute) efficiency, the second is comparative efficiency.

The level of production efficiency in industrial enterprises is formed under the influence of various interrelated factors.

In order to introduce new techniques and technologies, it will be necessary to determine its economic and social effectiveness. Therefore, on the basis of the introduction of new techniques and technologies, it is necessary to determine which of the technical measures is useful to achieve high performance in industrial production.

The main groups of technical measures are:

- new and improved types and designs of machines and mechanisms, equipment and tools;
- New types of raw materials, fuels and energy;
- New and improved types of technological processes;
- Improving the chemical and physical properties, parameters and range of products;
- Mechanization and automation of technological processes;
- Equipment modernization;
- Creation of new types of buildings and structures;
- New and improved methods of labor organization and management;
- Inventive and rationalization proposals.

It is necessary to accelerate the development of science and technology in enterprises, industries and inter-sectoral complexes to accelerate the pace of production, increase the volume of production, improve its quality, increase the profitability of production. This work can be at the expense of the implementation of certain measures. Measures must be effective. Human capital plays an important role in the implementation of these measures.

CONCLUSIONS AND SUGGESTIONS

In order to increase the practical effectiveness of reforms, to promote new initiatives on the ground, we must make our people more active and more proactive.

For the first time, our country received an international credit rating and successfully placed \$ 1 billion in bonds in the global financial markets. The Organization for Economic Co-operation and Development's credit rating of Uzbekistan has improved for the first time in 10 years.

Deep structural reforms have begun in energy, oil and gas, geology, transport, road construction, agriculture and water management, drinking water and heat supply, and a number of other sectors.

Modernization and competitiveness programs are being implemented in 12 leading industries.

As a result, economic growth last year was 5.6 percent. The volume of industrial production increased by 6.6%, exports - by 28%. Our gold and foreign exchange reserves increased by \$ 2.2 billion in 2019 to \$ 28.6 billion

It is known that at different stages of economic development, the nature and content of technical development have their own characteristics. For example, as a result of the transition to a market economy, scientific and technological progress will focus not only on quantitative changes, but also on qualitative changes. In general, efficiency is related to qualitative changes in the economy, a requirement that is also fully implemented in the development of science and technology.

So, in conclusion, it can be said that the liberalization of industrial production and the deepening of reforms in this sector is the main direction of increasing efficiency. Another decisive way to increase the efficiency of industrial production is to accelerate the development of science and technology. The technical and technological factor provides at least two-thirds of the increase in labor productivity.

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