



## **INDUSTRIAL COMPETENCE AND WAYS OF EFFECTIVE USE**

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| <b>Received:</b> January 20 <sup>th</sup> 2023<br><b>Accepted:</b> February 22 <sup>th</sup> 2023<br><b>Published:</b> March 26 <sup>th</sup> 2023 | In this article, the potential of the industry, its essence, components are studied in depth. The scientific views of foreign and local scientists on industrial potential are studied and defined. Ways of effective use of industrial potential are also suggested. |
| <b>Keywords:</b> industry, industrial potential, efficiency, potential, economic potential, industrial network                                     |   |

### **INTRODUCTION**

In the process of globalization, the formation of new regional centers in the form of growth points and special economic zones leads to increased competition in attracting investments, highly qualified labor force and promising infrastructure projects. Large regional centers account for 75% of world GDP, 58% of exports, and 76% of investments. This, in turn, encourages the increase of competitiveness of other regions and countries, in particular, the effective use of their internal economic potential and comparative advantages.

Today, in our country, the issues of improving the regional economic policy and effective and rational use of the rich economic potential of the regions are becoming more and more urgent. Special attention is being paid to regional industrial potential, first of all, industrial processing of agricultural raw materials and mineral raw materials for the production of finished products, rapid development of modern high-tech productions, and increasing the employment and income of the population.

### **LITERATURE REVIEW**

The issues of scientific study of economic problems and their elimination have always been in the focus of attention of economists. In particular, foreign economists, in particular, B.Robert [1], M.Fujita [2], M.Enright [3], B.Shaunlar [4], have contributed a lot to the theoretical and practical aspects of this issue, to the issues of increasing regional competitiveness. .

According to Yu.A. Gadje [5], they paid special attention to the theoretical issues of economic development, management of regional economic growth and development, diagnosis of regional economic development, and issues of increasing regional economic potential and competitiveness.

Like other countries, the issues of economic development and management of our republic, effective use of the economic potential of regions are the subject of scientific interest of the economists of our republic.

In particular, issues such as modeling of socio-economic development of industrial complexes, complex development of regions, territorial organization of production forces and its management, improvement of methodological bases for increasing the competitiveness of Uzbekistan's regions are discussed in the scientific researches of A.M. Sodikov [6] and A. Qasimov [7]. widespread.

### **RESEARCH METHODOLOGY**

Theoretical analysis, tabulation, comparative analysis, expert evaluation, analytical comparison, logical reasoning and observation methods are widely used in this research. Also, the researches of foreign and domestic scientists on this topic were analyzed and their scientific views were deeply studied.

### **ANALYSIS AND RESULTS**

The concept of "power" comes from the Latin word "potentia" which means power. However, there is no universally accepted definition of this concept. The concept of "competence" represents the totality of all possible levels of capability, and the word "competence" is used differently for different concepts. For example, economic potential, natural raw material potential, innovation potential, investment potential, export potential, regional potential, industrial potential, production potential, etc.

"Economic potential" means the level of provision of the society with material and human resources, the availability of opportunities for their use, and is evaluated by the scale of these opportunities.

One of the concepts that is very close to the concept of "economic potential" is "territorial potential".

Special attention is paid to the potential of Canoat, and as its main goal, creation of conditions for increasing labor productivity of industrial products, modernization of production, technical and technological updating, development of the production infrastructure of the region, and diversification of the



assortment base of the region's industry are recognized as its tasks. In this study, the following factors are defined as factors of increasing industrial potential:

- assessment of industrial potential and determination of the comparative advantage of the industrial complex, assessment of the technological level of production facilities;

- level of diversification of industrial production, share of the sector in high added value and share of processing industry production;

- evaluation of the innovative and imitative ability of production, the level of provision of raw materials, provision of highly qualified personnel and marketing status, etc.

In her research, A.P. Svintsova classifies industrial potential as follows [8]:

**1. Fund potential:**

- a) technical and technological potential;

- b) scientific and technical potential (innovative potential and informational potential); v) investment potential (the potential of enterprises to use internal private funds, the potential of investment attractiveness).

**2. Personnel potential:**

- a) social potential;

- b) professional growth potential.

**3. Product potential:**

- a) sold product potential;

- b) potential of product quality;

- v) diversification potential of the enterprise - possibilities of new product production.

Productive potential is the maximum possible production volume and level of opportunities in the volume of certain production factors of the economic system (country, region, company, enterprise), which expresses the level of technological development of the system.

According to his opinion, production potential is determined using the following complex factors:

- availability of resources;

- quantity and quality of resources and appropriate ratios between them;

- level of used resources depending on natural conditions and economic mechanism, description of production relations and the form of production organization.

In order to understand the production potential more precisely, it is appropriate to determine what its constituent elements are, which determines the complexity of this concept, and the structural structure of the production potential is expressed below.

Theoretical studies show that the concepts of "production potential" and "industrial potential" are very close to each other, and the constituents of industrial potential are:

1. Fund potential:

2. Personnel capacity:

3. Product potential:

4. Organizational capacity.

If we analyze the structure of production potential in industrial enterprises, it becomes clear that the basis of this structure is the production factors. So, it can be concluded that the core of production potential is the concept of production. On the other hand, the potential also expresses the extent to which the industrial sector or industrial enterprises are provided with production factors.

Production potential varies by country, region and sector. The concept of competence refers to all resources, opportunities, tools and resources that can be used to achieve socio-economic development. At the macro level, gross economic potential means the maximum possible ability of the national economy to produce goods and services in accordance with the demands of domestic and foreign markets.

The technical level, size and composition of social production and consumption, the quality of goods and services produced in all sectors and branches of the national economy, as well as the accumulated values, labor and natural resources in the region and abroad determine the level of development of the gross economic potential of the region.

Since "Industrial production potential" is a complex concept as an economic category, its constituents also consist of many elements. In particular, in the studies of A.O. Larionov, the industrial potential is characterized by the indicators described in the table below.

So, the production potential in the industry is characterized by:

- available (production volume) resources - fixed and circulating assets, manpower, equipment, financial resources;

- the quality and quantity of each type of used resources and maintenance of appropriate ratios between them;

- level of resources used in production and description of production relations, specialization, integration of production, etc.

**CONCLUSIONS**

Effective use of production potential is always an urgent task for every country. In order to properly use the production potential, it is necessary not only that the resources are fully involved in the economic process, but also that they are used very efficiently. It will also be necessary to realistically use the growing amount of resources and distribute them in such a way as to obtain the absolute amount of the desired product.

Conditions for effective use of production potential in industry and industrial sectors:

- ensuring the full capacity of the technologies



introduced in the engineering industry;

- attracting highly qualified personnel to the network and regularly improving their qualifications;

- in order to increase the product return corresponding to the investment of 1 soum in the fixed capital, to give relative advantage and privileges in making investments to high-tech manufacturing industries with a high investment return in the industry;

- to shorten the construction period of new objects being established at the expense of foreign investments in the network and not to delay the development of investment projects in this area;

- constantly renewing the basic funds of industrial production and increasing the level of modernization of techniques and technologies, etc.

An important factor in increasing production potential in industry and its branches is the issue of effective investment in the sector.

Along with the investments involved in the efficient use of production potential in industrial sectors, the role of the existing infrastructure serving these sectors is incomparable. The technical service structure (auxiliary production), which is considered a component of the industrial infrastructure, is a structure that ensures the continuous and efficient operation of the main production, which includes repair equipment, energy, transport, warehouse and other facilities, and the effective operation of this infrastructure contributes to the growth of production potential in the industry.

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