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### PROBLEMS OF POVERTY REDUCTION BASED ON EFFICIENT USE OF LABOR RESOURCES IN THE INDUSTRY NETWORK

Doniyorova Shakhnoza Doniyorovna,

Tashkent State University of Economics, independent researcher Mobile: 90 187-49-55

Article history:	Abstract:
Received:1st March 2023Accepted:30 March 2023Published:6th May 2023	In the articlepoverty reduction factors are classified and systematized based on the effective use of labor resources in the industrial sector. It is scientifically proven that the activation of effective use of labor resources at the expense of internal resources that do not require large costs in the enterprises of the industrial network is one of the important factors for reducing poverty, which is considered an acute social problem at the country level.

**Keywords:** industrial sector, production, enterprise, industrial economy, efficiency, labor resources, poverty, effective use of labor resources, enterprise management, personnel system, poverty reduction.

### INTRODUCTION

In order to successfully fulfill the strategic tasks of reducing poverty based on the effective use of labor resources in the industrial sector, it is of primary importance to evaluate the effectiveness of the use of human resources and to improve the personnel system on a scientifically based basis of planning and analysis, to study the factors affecting the full use of growth reserves. Speaking about the tasks ahead of us in the field of economy, first of all, on the basis of wideranging economic reforms, as President Sh. Mirziyoyev noted, it is important to "... modernize and diversify the economy, ensure high economic growth by increasing labor productivity [1]".

As a whole in the enterprises of the industrial networkthe high rate of efficiency of organization of labor resources activities ensures scientifically based use of complex factors affecting the efficiency of personnel management. This is especially relevant today. Because most companies operating in our republic develop measures that ensure their survival at the expense of resources that do not require large costs.

However, theoretical and practical developments on this topic in modern management theory and practice are not enough. This leads to the fact that currently the issues of assessing the impact of various factors are being solved from the point of view of common sense, without taking into account the real state of the economic situation, or a generalized presentation of various similar indicators.

The issue of correct classification of the factors of increasing the efficiency of the use of labor resources, which help to reduce poverty at the country level, is important. In the structure of such a classification, it should be noted that these factors are not separate, but have an influence on each other. The theoretical importance of the classification of factors for increasing the efficiency of the use of labor resources is that it allows to fully reveal the essence of efficiency, taking into account certain directions of the enterprise's activity, to determine the ratio between the factors, and to clarify the characteristics of the influence of individual factors.

The use of such a classification is to determine the individual effect of each factor on the basis of the prevention of duplicate calculation and as a wholeallows to correctly determine the increase in the efficiency of the use of labor resources, which helps to reduce poverty, and to take into account the effectiveness of the factors that enable the use.

### ANALYSIS OF LITERATURE ON THE SUBJECT

Social labor relations, development of industrial economy, employment, inflation, formation of labor resources, problems of organizing employees' activities and the scientific and methodological aspects of increasing the efficiency of their use in the conditions of a developed market economy are discussed by many foreign scientists, including Y.A. Schumpeter, M. Researched by Aoki, P. F. Druker, G. Mensch, E. Hargadon, G. P. Pisano, T. Santalainen [2] and others. These studies serve as a theoretical basis for the study of the general problems of social labor relations and directions of use of employees' activities in countries in the stage of economic liberalization. Management of high technological development, modernization of the economy, improvement of the efficiency of personnel activities, ensuring the growth of labor productivity in the enterprises of the industrial network, problems such as the development of innovative activities have been and are being studied in depth by CIS scientists. These problems L.M. Gokhberg, V.N. Yusim, I.V. Denisov, A.V. Fomin, B.N. Avdonin, S.D. Ilenkova [3], K. Killen [4], Yu. G. Odegov [5], L.R. Kotova, A.V. Trachuk A.A. Frenkel [7], O.S.



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Sukharev, A.V. Researched by Silakov and other scientists. Also, the study of these problems is covered in detail in the scientific works of our country's scientists: K.Kh. Abdurahmonov [5], A. Artikov [11], Sh.R. Kholmo'minov, E.Kh. Makhmudov, K.Z. Khomitov and others. In the scientific research of these economists, in the conditions of the formation of the innovative economy Kotova, A.V. Trachuk, A.A. Frenkel [7], O.S. Sukharev, A.V. Researched by Silakov and other scientists. Also, the study of these problems is covered in detail in the scientific works of our country's scientists: K.Kh. Abdurahmonov [5], A. Artikov [11], Sh.R. Kholmo'minov, E.Kh. Makhmudov, K.Z. Khomitov and others. In the scientific research of these economists, in the conditions of the formation of the innovative economy Kotova, A.V. Trachuk, A.A. Frenkel [7], O.S. Sukharev, A.V. Researched by Silakov and other scientists. Also, the study of these problems is covered in detail in the scientific works of our country's scientists: K.Kh. Abdurahmonov [5], A. Artikov [11], Sh.R. Kholmo'minov, E.Kh. Makhmudov, K.Z. Khomitov and others. In the scientific research of these economists, in the conditions of the formation of the innovative economyproblems of reducing poverty based on the effective use of labor resources in the industrial sectorhas not been sufficiently studied as an object of research.

### **ANALYSIS AND RESULTS**

In industrial chain enterprises recommendations on the classification of poverty reduction factors based on the effective use of labor resources have been presented several times in the economic literature. According to the general principle, this classification was considered to be a combination of factors in a large or small circle in an enlarged group, depending on their nature. In the process of analysis, this classification is used not only to evaluate the achievement of the planned level, but also to determine the actual impact of individual factors on the effectiveness of human resources use.

The study of the existing theory and practice of the factors affecting the efficiency of human resource use in production enterprises allows to create a general classification with accuracy, depending on the purpose of the research. We offer the following classification of factors affecting the efficiency of human resource use in production enterprises based on their economic nature (Table 1).

## Table 1 Classification of factors affecting the effective use of labor resources [12]

Factors	Content of factors	
Physiological	Gender, age, health, mental capacity, physiological capacity, etc.	
Technical and technological	The nature of the issues to be solved, the complexity of the work, technical innovation, the level of use of scientific and technical achievements, the technical and economic level of	
	production, the level of armament with	

	funds, etc.
Organizational	Working conditions, ratio of employee categories, enterprise size, work order, length of service, qualifications of workers, level of utilization of employees, etc.
Socio- economic	Financial incentives for workers, insurance, social benefits, standard and quality of life, etc.
Socio- psychological	The moral environment in the team, the psychophysiological state of the employee, status and recognition, the organizational culture of the enterprise, employee satisfaction with work, prospects for promotion, etc.

Factors can be divided into regulated, less regulated and non-regulated types according to the level of control [7]. Uncontrollable factors do not depend on management decisions, they include factors such as the location of the branch of the enterprise, the presence of competitors. Less regulated factors often include changes that are less related to management decisions in a certain period of time, factors with greater inertia. Such factors include the size of the firm's authority, the composition and size of fixed assets, the description of the technical level of production (machine capacity, level of mechanization and automation).

The factors that are regulated include the factors that describe the quality indicators of personnel activity, the organization of labor and production, and the levels of resource utilization. The classification of the proposed indicators is convenient for researching the relationship between the effectiveness of the company's personnel and regulatory factors, as it allows solving the same problem in different aspects.

In our opinion, the efficiency of the use of human resources in the enterprise is primarily influenced by the competence of workers and their level of motivation. In this case, the competence of workers depends on their knowledge, work experience, and personal abilities.

It is an indisputable fact that the motivation or compensation of workers is an important factor affecting the efficiency of the use of human resources. "Motivating workers is not considered the only way to increase individual, group or even organizational productivity, but it is probably considered a necessary condition in most organizations in the long run"[6].

The main importance of the compensation system lies in the fact that it stimulates the production activities of employees aimed at solving the strategic tasks facing the employees, in other words, it is a combination of material incentives for employees with the strategic tasks of the firm. On the basis of the analysis, motivation is an important factor



in the work efficiency of workers. Encouraging high performance at the individual level has a direct and significant impact on enterprise performance.

In the enterprise, motivation is necessary to achieve high efficiency of employees, but it alone is not enough. In our opinion, the labor productivity of a worker depends on the conditions, in which equipment, in which team he works, how much he can use his intellectual potential at the workplace, his ability to make independent decisions and lead people, etc. At the same time, according to Yu.G. Odegov, "Factors hindering the growth of labor productivity should also be taken into account. They include: a decrease in the cost of labor due to the constant increase in the standard of living and the increase in the level of expenses for the restoration of work ability; unfavorable natural conditions; poor organization of production and labor; acute social situation, etc.[5]"

"It is important to study the impact of changes in macroeconomic conditions (unemployment, structural restructuring of the economy, general decline in production) on labor motivation based on the complex structure of the motivational complex. Work motivation is considered as a general contradiction of three components: the value of work, the demands placed on work and the opportunities to fulfill these demands»[8]. Therefore, financial incentives for workers are not considered the only possible way to increase the efficiency of human resources use, however, it is the main factor affecting the increase in the efficiency of human resources use, and economic methods of motivating workers are considered.

In the traditional system of compensation, the employee's premium from the enterprise is considered as additional benefits such as medical insurance, life insurance, pension, preferential meals, travel allowance, financial assistance, vacations in the sanatorium. Later, management of benefits system became an important component of personnel activities. Here, the main attention is required by the management of the lower level and specially qualified specialists in personnel management.

Non-traditional methods of compensation can be divided into three main groups related to the variable wage system, group wage system, and knowledge and competence payment system.

Reward views include three main groups, namely economic, prestige, job satisfaction. In order to increase the efficiency of the use of human resources, we consider various popular methods of stimulation that can be used in industrial enterprises in Table 2.

It should be noted that standard approaches to the organization of motivation and incentives sometimes have an ineffective effect: the incentive changes depending on the contingent of workers, the tasks facing the team, its characteristics, etc.

### Table 2 The main methods of motivating employees in

industrial enterprises [12]				
Туре	Individual	Group		
Economical (directly) Economical (indirectly)	Working wages, overtime wages, innovation rewards, education rewards, preferential meals, insurance, pensions, free meals, rewards.	Profit sharing: additional payments, collective remuneration.		
Intangible	Overtime pay, flexible work schedule, thank you note, promotion, training.	Programs to improve the quality of working life, labor protection.		

The presence of such a factor as a working time order allows to compare the work schedule of the worker with his individual characteristics, which have a positive effect on the efficiency of the personnel. Most businesses also provide paid or unpaid leave to their employees. It is necessary to take into account the positive effect of good working conditions on productivity in the organization of new production, creation of new jobs and reorganization of existing ones in industrial enterprises. It is important to consider the aspect of ergonomics.

As a motivator, not only various awards, souvenirs, etc., but also taking into account the satisfaction of the work performed was considered an important factor affecting the effectiveness of personnel and increasing the motivation to work. The rewarding nature of work depends on its quantity and quality, as well as on the satisfaction of workers' confidence and desires. The only factor affecting labor productivity is promotion.

Measures in the arsenal of spiritual and psychological factors of motivation are quite endless. Reasonable use of material and moral methods of motivating employees is required [10]. Most workers accept greetings sent to them by management at team meetings and other similar events as similar norms of appreciation. For most of the actions, negative incentives such as reduction or deprivation of reward, reduction of salary rate, demotion were considered.

According to K. Killen, "negative motivation usually leads to forced consent of subordinates. Compulsory consent is better than its absence, in any case, first of all, it seeks to use the means of positive motivation" [4].

"As a general rule, Finnish researchers T.Santalainen, E.Voutelainen, P.Porenne, Y.Nissinen suggest that positive measures or positive support have a more effective effect than negative measures or negative force" [2].

However, in our opinion, if there is a need for adverse measures in this process, it does not negate the need to refer to the above-mentioned expert opinions. In general, they believe that the situation is considered worst in terms of motivating subordinates, when the latter have no influence, so this is a testimony of their complete disregard for leadership. It can be seen that the motivation of the organization often



depends on the achievements of its employees. Therefore, compensation management is a strategically important area of management of any industrial enterprise. In our opinion, an ineffective system of rewards leads to a decrease in labor productivity among workers, a decrease in quality, high staff dissatisfaction, high pressure in relations between workers,

Therefore, the content of work often determines the level of satisfaction of a person with his work, and it appears as one of the leading factors of stability in production communities. From the point of view of studying the meaningfulness of labor functions, creative importance, diversity of task solving, workers as participants of the labor process appear as information carriers.

The indirectness of expressing the content of individual statistical parameters of labor is necessary in the descriptive statistics of their use in the coordination of various information sources: current report, registration, one-way accounts. It is the scope of the statistical study of the content of work, and it is the results of a sociological survey conducted with workers. In this case, it can be conducted in the form of active experiments that allow to see specific features in the work content of workers.

Also, increasing the efficiency of personnel activity is related to optimizing the ratio of administrative workers, improving the training and qualification of personnel, strengthening labor discipline, and reducing the loss of working time. The maximum utilization rate of the working time fund (hereinafter referred to as the personnel utilization rate) describes the content of work. It serves to compare the economic performance of the enterprise with the number and structure of personnel working in the production process. This indicator represents the efficiency of personnel use. In a wellestablished calculation of working time, in our opinion, it is appropriate to estimate the labor intensity through the efficiency coefficient of the maximum use of the working time fund. This coefficient is calculated by the following formula (1):

$$K_f = 100 - \sum (\frac{T_i}{T} * 100),$$
 (1)

where: Kf is the efficiency coefficient of the maximum use of the working time fund;

Ti – loss of working time according to the i-th category;

Tv is the maximum amount of working time.

In our opinion, this indicator is particularly relevant in industrial enterprises, as this indicator allows determining the personnel reserve. We suggest to calculate working hours according to the methodology proposed by economist S.D. Ilenkova [3].

The importance of the correct ratio of the number of personnel in a particular category for the effective formation of the enterprise has been mentioned several times in the economic literature. In this, the calculation of appropriate categories of personnel, in particular, problems related to the management apparatus are raised. In this matter, we agree with the author's suggestion regarding the control apparatus [9]:

line and functional managers who lead the components of the enterprise;

– position workers referring to existing subordinates;

specialists of all categories directly employed in parts of management.

In order to comply with the accuracy of the analysis, it is necessary to determine the factors affecting the effectiveness of personnel. The solution to this problem is determined by the study of social factors. Analysis of social factors can be developed using statistical methods, not based on this report.

In the experimental procedure, it was accepted to obtain the index of private coefficients and factors affecting the efficiency of personnel activity at the enterprise level and place them in a certain order.

It is necessary to use a comprehensive theoretical and practical analysis of the nature and conditions of labor in the enterprise to select the justified factors. Factors should cover the main aspects of workers' activities (starting with the factor of time spent on work, travel, and ending with factors of psychological pressure in communication with customers).

Among the factors of the number of employees who are not satisfied with the work process are the ergonomic aspect and salary.

In the study of the motivational characteristics characteristic of different sectors of the economy, the methodology based on the determination of the potential lack of personnel was considered important. It shows both the difference in motivation of workers and the objective working conditions. Accordingly, it can be concluded that workers' dissatisfaction with wages in many cases leads to their union. Although the wage rate varies significantly, it is not considered stable and guaranteed.

The next objection is dissatisfaction with the organization of work and conditions. Also, the characteristics of the worker's professional qualifications (non-compliance with the specialty of the work, lack of perspective, uninteresting work, etc.) were considered important. Other important factors include the relationship between the administration and the team, as well as personal motivation and desire in one's work.

Table 3		
<b>Reasons for inefficient personnel management</b>		
in enterprises [12]		

Ineffective management of personnel in the	The results of the effects of the causes of ineffective personnel				
enterprise	management				
Absence or insufficient	Creating administrative				
leadership and	barriers and organizational				
personnel motivation	restrictions, bureaucracy in				
in personnel	management, resistance to				
management	change, etc.				
relations.					
Non-availability of	Making bad decisions about				



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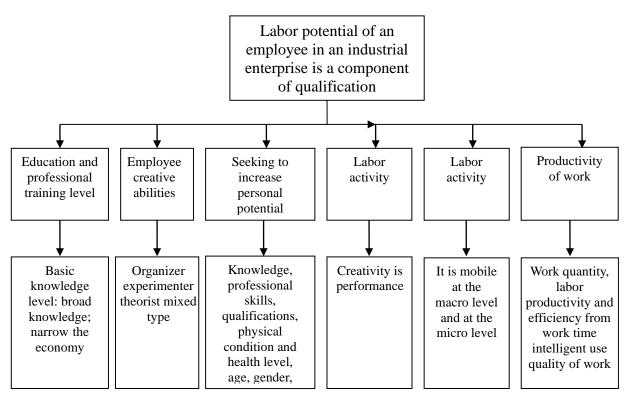
reliable information about potential personnel, its composition and dynamics.	personnel selection, placement, and rotation. Increase in staffing costs and staff shortages.
Lack of systematicity in personnel management	Demotivation of personnel to the results of activity in the organization. Whether or not there is a slowdown in the company's development indicators. Decrease in the long-term competitiveness of the organization.
Lack or non-existence of knowledge, skills and abilities of management in matters of personnel management.	Decrease in the organization's adaptability to the changing conditions of the external environment, decrease in personnel development.

In this regard, it is important to develop methods of mitigating or eliminating the factors that hinder the effectiveness of personnel activity, their influence and the consequences of their manifestation.

Studying the activities of large industrial enterprises in our republic shows that the creative and innovative potential of workers is not taken into account when working with the personnel reserve. This means that, in our opinion, it is traditional conservatism that the leaders of enterprises do not want independent and proactive managers, specialists and ordinary workers.

We can divide the labor potential of industrial workers into two main components: skill component and socialpersonal component. The qualification component of the labor potential is, on the one hand, the employee's readiness to perform ever more complex labor functions, the change of labor, and on the other hand, it is a factor that forms the attitude to labor, labor discipline, and the intensity of labor. This factor can be classified according to the characteristics that reflect the specific characteristics of a certain industrial worker (Fig. 1).

Distinguishing the social-personal component from the component of labor potential shows the employee's labor potential and unused social opportunities. This component describes a person's ability to change and develop himself.



# Figure 1. The qualification component of the labor potential of an employee in an industrial enterprise[12].

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The socio-personal component of the employee's labor potential includes the following main elements:

 the ability to organize cooperation as a team and provide mutual support (communicative potential);



creative ability (creative potential);

- valuable grounding characteristics (ideological outlook and moral potential).

It involves assessing the labor potential of the employee, determining its quantity, quality and effective use of the labor potential.

In our opinion, the management of employees of industrial enterprises by assessing their labor potential consists in solving the following interrelated tasks:

 forms production or service skills that most fully correspond to the requirements of a particular workplace as a workforce:

 creation of socio-economic and production (service) conditions that allow perfect use of the employee's abilities during the work process:

- the labor (industrial) process should not harm the employee's social development, health and personal interests.

For personnel management in industrial enterprises, it is especially important to determine the mechanism of action of each of the components of the employee's labor potential and to develop a system of interconnected measures affecting the most complete use of its reserves. These measures are directly related to the problems of labor efficiency of employees of the systematic network and the parameters of its evaluation.

During the development of market relations, the main attention should be focused on effective use of labor potential of the society, labor resources at the meso and micro levels.

In our opinion, it is necessary to implement the following measures for effective use of labor resources:

ensuring the balance of jobs with available labor resources in terms of quantity and quality;

 creation of effective methods of increasing the volume of production or service provision based on the participation of labor resources in labor activities;

- improvement of employment conditions and forms;

 $-\,$  increase the quality aspects of the use of labor resources;

 $-\,$  increase the level of professional qualification of labor resources.

### **CONCLUSIONS AND SUGGESTIONS**

In short, the effective use of labor resources by industrial workers is a reflection of the balance of social and economic efficiency through labor relations as a result of multifaceted activities related to the realization of goods and services to satisfy the needs of consumers at a high level through low labor costs and high service quality.

To reduce poverty at the national level, increase the economic activity and professional level of the local population, provide a significant part of the workforce with high wages commensurate with their activities, make active efforts to attract investments from abroad, in light industry, processing and other sectors, construction, service, social infrastructure, private entrepreneurship and family entrepreneurship and other industries and sectors, ensuring a high level of job creation, active development of active policy financing in the labor market.

Inadequate use of labor potential in industrial enterprises (inconsistency between the real and potential capabilities of an industrial worker and their realization), in the inconsistency between the needs of production and service and the professional structure of industrial workers, between the existing and the necessary level of employee qualifications, in the rational distribution of labor functions from labor, its organization not satisfied with performance and conditions; It is manifested in insufficient development of the employee's sense of responsibility and other factors.

These factors lead to a decrease in the efficiency of the use of labor resources in industrial enterprises, to the quality of industrial production and service, and as a result, to a decrease in labor efficiency and wages, and the employee's well-being.

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