



SUSTAINABLE ECONOMIC DEVELOPMENT OF ENTERPRISES

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<p>Received: 10th May 2024 Accepted: 7th June 2024</p>	<p>At the present time, an effective methodological toolkit has not been developed to manage economic processes in modern conditions in order to ensure the sustainable economic development of enterprises. On the basis of mathematical modeling, it has been proposed that such a tool could be created to provide a quantitative assessment of the main parameters in the creation of innovative products and activities of enterprises. Additionally, on the basis of this tool, decision makers could regulate these processes by introducing additional resources and buying risks. For this purpose, it is necessary to modernize the means of production, which requires a reassessment of the technical level of enterprises. It is possible to achieve these parameters through a certain technical policy of production modernization. In this aspect, the technical policy of enterprises should consider the fact that, depending on the complexity of innovative products put for development and production, the time lag between the start of production of such products and the moment when they enter the market with competitive advantage changes.</p>
<p>Keywords: <i>technological superiority; technological level; innovative products; high-tech products; competitiveness; resource support; investment.</i></p>	

INTRODUCTION

In the modern world, in the conditions of rapid development of science, engineering, and technology, new technologies of innovative nature are rapidly emerging, leading to the transformation of the principles of economic activity. There are already such achievements in the world as knowing about human nature and the way business markets work. At the same time, new products are being created with great frequency, where created products are improved in order to increase competitive advantages and in connection with the emergence of new market needs. New market needs and the sustainable development of organizations can provide the development and creation of new products. In our opinion, such products should be innovative products. Innovative products are products that have technical characteristics that surpass those of competitors, and consumer properties and are oriented to meet both current and future needs at a high level. At the same time, at present, there is no methodological toolkit developed in practice that allows us to determine the characteristics of innovative products and which should be applied in practice when creating these products

LITERATURE REVIEW

Today's experience has shown that a stable economy is achieved through highly competitive products that form a new product market or fundamentally change the existing market. The advanced development

organization, which sells the product on the market, turns out to be, for some time, practically a monopolist in this market, and the product itself is dominant. Based on these conditions, the stability of the organization arises. In order to maintain this stability, organizations need to update their products and not wait for the moment when the break-even point is reached. The break-even point refers to the position of the enterprise in which the enterprise covers only its costs and produces a critical volume of output. The manufacturer does not need to wait for the break-even point to be reached, as the time to create innovative products is practically minimal in specific conditions. In this regard, it is necessary to determine the time lag when the break-even point is reached and by this time to realize the production of innovative products with competitive advantages compared to what was produced earlier. The production of any product is determined by the level of development of production relations and the productive forces achieved in the organization. At the same time, almost every organization seeks to improve the competitiveness of its products. Our research shows that the organization that has set this goal should be guided by the law of product competitiveness management.

MATERIALS AND METHODS

The author's interpretation of this law is as follows: the law of competitiveness management is an economic law that reflects the dependence of demand for goods on



their competitive advantages created through innovation and supported by continuous implementation, which provides an increase in the life cycle of goods (services) and allows its production as long as the costs of maintaining competitive advantages are recouped, and the income from the sale of goods

(services) provides sustainable growth for the main production and financial and economic activities of the organization. The application of this law allows a significant increase in the profit of the organization, as presented in **Figure 1**.

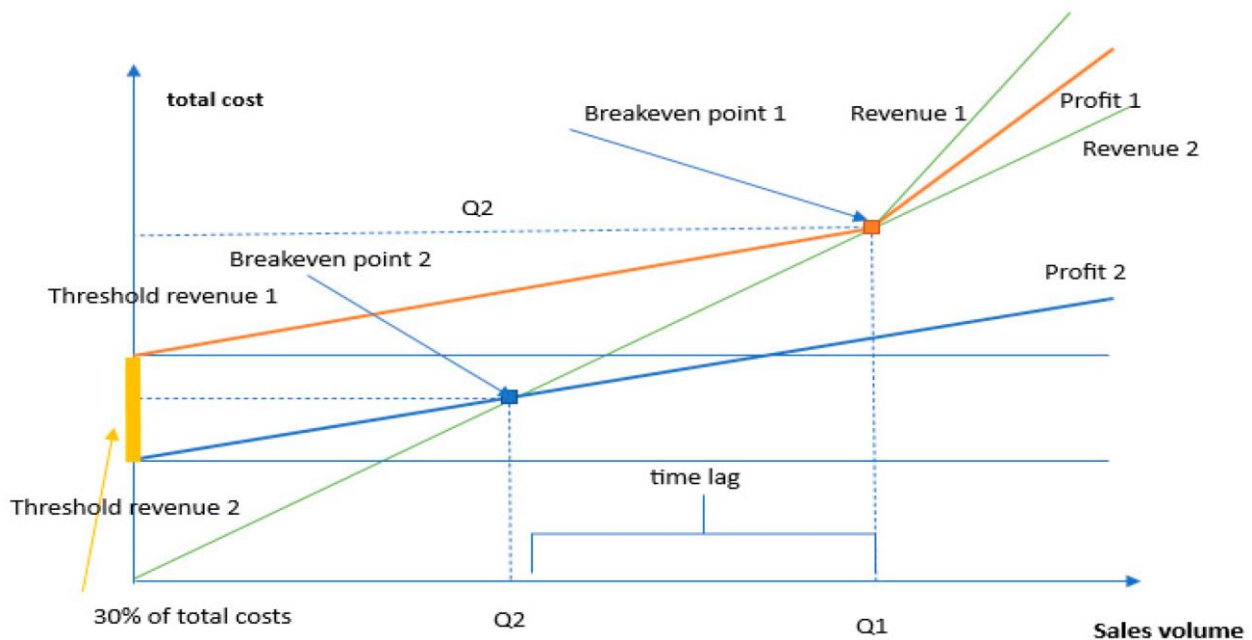


Figure 1. Modeling the transition to a new innovative product.

Entrepreneurship is a general, blanket term related to starting a business. But its precise definition has long been a matter of debate among scholars and policymakers. "Despite widespread interest in the topic and a broad recognition of its importance to the economy, there remains a lack of consensus about how to specifically define entrepreneurship," the nonpartisan Center for American Entrepreneurship notes. "'Entrepreneur' is an English derivation of the French word 'entreprendre' (to undertake), leaving wide latitude for interpretation and application. Howard Stevenson, known as "the godfather of entrepreneurship studies" at Harvard Business School (HBS), has defined it as the "pursuit of opportunity beyond resources controlled." As fellow HBS professor Tom Eisenmann elaborates, "'beyond resources controlled' implies resource constraints. At a new venture's outset, its founders control only their own human, social, and financial capital. Many entrepreneurs bootstrap: they keep expenditures to a bare minimum while investing only their own time and, as necessary, their personal funds." The Stanford Center for Professional Development at Stanford University offers a somewhat simpler definition: "At its most basic level, entrepreneurship refers to an individual or a small group of partners who strike out

on an original path to create a new business. An aspiring entrepreneur actively seeks a particular business venture and it is the entrepreneur who assumes the greatest amount of risk associated with the project. As such, this person also stands to benefit most if the project is a success." How Entrepreneurs Fuel Economic Growth Innovation and entrepreneurship undeniably contribute to economic growth, making them a particular area of interest for economists and policymakers worldwide. However, some scholars say that the growth created by entrepreneurship can be exaggerated.

RESULTS

For one thing, growth from entrepreneurial activity doesn't occur evenly across an economy. Studies of economic growth have pointed toward an apparent paradox in which the growth in productivity overall in the U.S. has been only modest in recent years, despite the pervasiveness of entrepreneurship, innovation, and innovation ideology. According to studies by the National Bureau of Economic Research (NBER), this is because innovation affects industries very differently, having a large impact in some sectors of the economy but little impact in others. While generally positive, the link between entrepreneurship and improving societal welfare is also complicated,



influenced by factors such as regional population, entrepreneurship density, and the specific industry in which the entrepreneurial activity is taking place, according to the scholarly literature. What's more, some studies have suggested that economic growth may be correlated to an increase in overall inequality in certain circumstances. Scholars say that in the U.S. income inequality and economic growth have been linked since the 1970s.

The level of economic development of a country can also affect whether entrepreneurship will lead to greater economic growth there. In the 20th century, driven by the decline in manufacturing and the shift toward service businesses, industrialized market economies in later stages of economic development—like the United States and parts of Western Europe, such as Germany and Sweden—were able to benefit greatly from entrepreneurship, the economist and management professor Zoltan Acs has noted. Starting in the 1970s, those countries saw a rise in entrepreneurship, which reversed the previous trend in their economies, when workers favored high-paying jobs with big companies over self-employment. Other factors may be relevant as well. Scholars point out that the U.S., in particular, has benefited from a large and competitive domestic market, a highly developed financial system, and a high level of long-term government support for basic science. For developing countries, on the other hand, entrepreneurship isn't a panacea for growth. A study of 74 economies across a six-year period concluded that less developed countries should not base their economic policy on "generic entrepreneurship" if they desire to stimulate economic growth. The authors argue that focusing on programs that develop human capital, take advantage of economies of scale, and entice foreign capital are more effective in spurring economic growth. Italy may provide an additional example of a country where high levels of self-employment have proved to be inefficient for economic development. Research has shown that Italy has experienced large negative impacts on the growth of its economy because of self-employment. A competitive environment is an environment in which the necessary conditions are created for continuous and unrestricted competition. This environment is typical of a highly competitive market. Its main features are freedom of private property, freedom of economic choice, free pricing, free choice of methods of economic competition. The following factors mainly affect the competitiveness of an enterprise: the level of service of the enterprise during the warranty period and the warranty period of competing products; the level of product promotion in various ways and its effectiveness;

the level of organization of service of the enterprise and its efficiency; reputation of the company and trademarks of the company; change in prices for the company's products depending on demand and supply in the market; an increase in the share of exported products in the total volume of production (which indicates the breadth of the market), etc. The difficult situation in the global economy in 2020 also influenced the dynamics of GDP growth in the country. At the end of 2020, the volume of investments in fixed assets in real terms decreased by 8.2% compared to 2019 and amounted to 202.0 trillion. soums. At the end of 2020, the country's foreign trade turnover amounted to \$ 36.3 billion (13 percent less than in 2019). At the same time, the total export volume amounted to \$ 15.1 billion (13.4% less than in 2019), excluding gold exports - \$ 9.3 billion (30% less than in 2019). The sharp decline in exports was negatively affected by the decline in exports of services (41.7%) as a result of a sharp decline in its composition in terms of energy (79.8%), raw materials (19%), investment goods (2.4%). By the end of 2020, imports of goods and services amounted to \$ 21.2 billion, which is 12.8% less than in the previous year [6]. The implementation of programs for reforming, restructuring and diversifying production, strengthening the material and technical base laid the foundation for the development of industrial production in the country. As a result, in 2020 the volume of industrial production will increase by 0.7% compared to the previous year and will reach 367.1 trillion. soums.

CONCLUSION

The low growth rates of industrial production were influenced by a 21.9% decrease in the production of mining products (the share in the industry as a whole - 9%). The processing industry, which accounted for 83 percent of the industry, grew by 7.1 percent. The share of high-tech industries in the total technological structure of the manufacturing industry is 1.9% (in 2019 - 1.5%), medium- and high-tech industries - 22.4% (25.4%), medium-low-tech industries - 40.1 percentage (36.6 percent) and low-tech industries - 35.6 percent (36.5 percent). To achieve an external competitive advantage, a firm must provide a product with a quality advantage, reduce costs, and ensure profitability. This situation increases the firm's influence on the market and allows it to offer goods (services) at a higher price than competitors. For firms to gain the advantage of internal competition, they need to innovate in production and reduce the cost of competitors' goods (services). Based on the methodological approaches used, we have determined the competitive environment in the retail trade of Fergana for 2019-2020 between the countries



producing knitwear. The share of children's underwear produced in Uzbekistan, including the Fergana region, is 45-46%. However, the share of Uzbekistan in women's outerwear is the lowest - 15-16%, and in men's outerwear - 16-18%. 42-52% of women's underwear and outerwear are produced in Turkey. Analysis of the average prices for commercially available knitwear shows that the cheapest of them are produced in Uzbekistan.

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