

IMPROVING THE COMPETITIVENESS OF INDUSTRIAL ENTERPRISES IN UZBEKISTAN THROUGH STRATEGIC MANAGEMENT INSTRUMENTS

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Abstract

This article analyzes the issues of improving the competitiveness of industrial enterprises in Uzbekistan through the use of strategic management tools. The effective functioning of industrial enterprises and strengthening their positions in domestic and foreign markets are closely related to the proper application of strategic management methods. The study examined the importance of strategic management tools such as SWOT analysis, PEST analysis, Balanced Scorecard, and Porter's model, and developed practical recommendations based on the example of industrial enterprises in Uzbekistan.

Keywords: strategic management, competitiveness, industrial enterprises, SWOT analysis, Porter's model, management strategy.

Introduction

In the current globalized environment, competition between enterprises is intensifying. In order to achieve long-term success, industrial enterprises operating in a market economy need to not only use their resources effectively, but also implement modern management tools. In recent years, Uzbekistan has implemented a number of reforms aimed at modernizing its industry, increasing production capacity, and expanding its export potential.

However, enterprises still face the challenge of increasing their competitiveness in both domestic and foreign markets. To address this challenge, strategic management tools become crucial. Strategic management determines the long-term development of an enterprise and allows it to adapt to changing market conditions.

Theoretical Foundations of Strategic Management

Strategic management is the process of analyzing external and internal factors, developing strategies, and implementing them in practice to achieve the long-term goals of an organization.

In the scientific literature, many scholars have made significant contributions to the development of strategic management. In particular, Igor Ansoff developed the theoretical foundations of strategic planning, while Michael Porter focused on competitive strategies and network analysis. Peter Drucker, on the other hand, viewed management as a key tool for organizational effectiveness.

The main objectives of strategic management include:

- setting the goals of the enterprise;
- studying the external environment;
- evaluating internal capabilities;
- developing strategic plans;
- monitoring the results.

The presence of a strategic management system in enterprises contributes to the rational use of resources, cost reduction, and the identification of new opportunities.

The concept of competitiveness and its significance in enterprises

Competitiveness is the ability of an enterprise to have an advantage over other market participants and successfully sell its products.

The following factors affect the competitiveness of an enterprise:

- product quality;
- pricing policy;
- innovations;
- technological development;
- human resources;
- quality of management.

Today, it is not enough to simply increase production volumes. Enterprises focus on improving product quality, reducing production costs, and adapting to customer needs.

Improving the competitiveness of Uzbekistan's industrial enterprises is a crucial aspect of government policy.

The role of strategic management tools in enterprise operations

Various strategic tools are used in the practice of industrial enterprises. The following are considered to be the most important of them.

SWOT analysis allows you to identify the strengths and weaknesses of an enterprise, as well as external opportunities and threats.

SWOT consists of the following elements:

- S-Strengths
- W-Weaknesses
- O-Opportunities

– T-Threats

For example, in Uzbekistan's industrial enterprises, strengths include government support and a raw materials base. Weaknesses in some enterprises include outdated technologies.

PEST analysis is used to study external environment factors:

P-political factors;

E-economic factors;

S-social factors;

T-technological factors.

This tool allows an enterprise to identify future risks in advance.

Porter's Five Forces Model

This model, developed by Porter, assesses the level of competition in an industry.

The model consists of the following:

- existing competitors;
- new competitors;
- substitute products;
- customer influence;
- supplier influence is included.

This model allows an enterprise to position itself in the market.

Balanced Scorecard

This system evaluates factors other than financial performance:

- financial performance;
- customer engagement;
- internal business processes;
- training and development.

As a result, the enterprise forms a long-term development strategy.

The practice of strategic management at industrial enterprises in Uzbekistan

In recent years, our country has carried out large-scale reforms aimed at developing the industry. Major projects are being implemented in the electrical, automotive, chemical, textile, and other industries.

Although some enterprises have implemented modern management systems, the level of use of strategic management tools is still insufficient.

For example, in some enterprises:

- long-term strategic planning is poorly developed;
- low level of digitization;
- insufficient marketing analytics;
- innovative management system has not been fully formed.

This reduces the ability to compete in international markets.

Therefore, improving strategic management systems at enterprises is considered important.

Proposals for improving competitiveness

To improve the competitiveness of industrial enterprises in Uzbekistan, the following recommendations can be given:

First, it is necessary to improve the strategic planning system at enterprises.

Second, digital technologies should be widely implemented in production.

Third, it is necessary to stimulate innovative activities.

Fourth, it is advisable to develop quality management systems based on international standards at enterprises.

Fifth, it is necessary to improve the skills of personnel and train them in modern management methods.

In addition, it is recommended to regularly use SWOT and Balanced Scorecard systems in the activities of enterprises.

Conclusion

Thus, strategic management tools are one of the most important factors in increasing the competitiveness of industrial enterprises. They allow enterprises to conduct an in-depth analysis of their internal and external environment, use resources effectively, and develop long-term development strategies.

By widely using strategic management tools, industrial enterprises in Uzbekistan can improve their production efficiency, enhance their export potential, and strengthen their competitive position in the international market.

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