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Effects of Enterprises Financial Sustainability on Innovative Development Processes

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Abstract: *This article shows the importance of financial stability of enterprises in the current situation, the current situation, the impact of financial stability of enterprises on the process of innovative development, the role of factors influencing the reduction of production costs in ensuring financial stability of enterprises.*

Keywords: *enterprise, financial stability, innovative development, cost, investment.*

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Introduction

The most important characteristic of the financial and economic activity of enterprises in a market economy is to ensure its solvency and financial stability. If an enterprise is financially stable and solvent, it will have an advantage over enterprises in this direction in attracting investments, obtaining loans, selecting suppliers and attracting highly qualified personnel. At the same time, it does not cause disputes before the state and society, including timely payment of taxes to the budget, contributions to social funds, salaries to workers and employees, dividends to shareholders, guarantees repayment of loans to the bank and interest on it.

The level of financial stability of enterprises is of interest to investors and creditors in making decisions on capital investment in the enterprise. Therefore, the issue of financial stability management of enterprises is relevant for enterprises.

Literature review

Excessive simplification of financial stability is reflected in the book "Economics" by K. McConnell and S. Brue. It is in this work that the quantitative approach to financial stability factors is clearly expressed. In particular, it provides the following definition, although in fact financial stability is not sufficiently substantiated: "When it comes to the theory of economic growth, its main problem is formed as follows"; "How can we increase production capacity or gross national product under full employment?" [1].

Financial stability of business entities is characterized by:

- financial independence from external debt sources;
- Ability of business entities to use financial resources freely and efficiently;
- Stable availability of own funds in business entities necessary to ensure economic activity [2].

In the analysis of the financial condition of enterprises, economist, Professor E.A. Akramov recommended the concept of financial strength and its indicators and substantiated the factors influencing it. He also notes that the category of financial stability is an indicator that the financial condition of the enterprise remains at the required level and does not decrease. [3].

Financial stability is defined in terms of its ability to facilitate and enhance economic processes, manage risks, and absorb shocks. Moreover, financial stability is considered a continuum: changeable over time and consistent with multiple combinations of the constituent elements of finance [4].

The main part

Financial stability is the financial stability of an enterprise, which provides a sufficient share of its own funds in the structure of sources of financing. Adequate contribution of own funds means that the involved sources of funding will be used to ensure full and timely repayment. From the point of view of short-term liabilities, they should not exceed current assets. In this case, current assets - not all current assets can be included, they are funds that can be quickly converted into money without losses. Current assets include inventories and construction in progress. A situation in which their money can be turned into is to stop the uninterrupted operation of the enterprise if it is stopped. The idea here is about assets that turn into money quickly in the actual activities of businesses. In addition to cash and financial investments, this also includes

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receivables and inventories of finished goods for sale.

Financial analysis is an existing element of financial management and auditing. All users of corporate financial statements use the methods of financial analysis of their decisions to optimize their interests.

The main purpose of financial analysis is the parameters that reflect the financial condition of the enterprise, its profitability and loss, changes in the composition of assets and liabilities, settlements with debtors and creditors. At the same time, analysts and financial managers may be interested in goals that reflect the current financial condition of the enterprise, as well as the expected future financial condition.

In the context of economic independence, economic entities should always be able to repay their external liabilities faster, more precisely, to be able to repay or short-term liabilities faster, more precisely, to be liquid.

Liquidity of the enterprise means the ability to cover its liabilities with assets, the maturity of liabilities corresponds to the period of cash circulation. Liquidity means the ability of an enterprise to pay unconditionally and offers a constant equality between assets and liabilities as follows:

- for the total amount;
- the maturity of assets and the maturity of liabilities.
- The following factors affect the financial stability of enterprises:
- The role of the enterprise in the commodity market;
- production of low-cost, high-quality products that reflect market demand;
- its potential in financial cooperation;
- degree of dependence on external creditors and investors;
- existence of insolvent debtors;
- efficiency of financial and economic operations, etc.

Factors on such appearances may vary. Factors in enterprises can be: according to the impact - internal and external, general, financial.

1. Internal stability is the general financial condition in which the results of the enterprise's activities are provided with high stability. It is based on the principle of active influence of internal and external factors on change.

The external stability of an enterprise is cited as the reason for the stability of economic relations within the framework of its activities. It fits into a system suitable for managing a market economy.

2. The overall stability of the enterprise is the movement of cash flows in the enterprise, which provides a constant increase in revenues (income) from expenditures (expenses).

3. Financial stability means reflecting a steady increase in revenue from expenses. It ensures the free movement of cash resources in the enterprise and the effective use of continuous processes of production and sale of products. Therefore, financial stability is formed in all processes of production and economic activity and is a key component of the overall stability of the

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enterprise.

The analysis of the financial stability of the enterprise leads to the answer to the following question in the enterprise: how the enterprise was able to manage financial resources during the period under review. It is important that the state of financial resources meets market requirements and meets the demand for financial resources for the enterprise.

Solvency is the ability to fully meet payment obligations arising from trade, credit and other transactions of a payment nature.

The correctness of the interdependence of financial stability and national economic potential is unquestionably clear and unquestionable. From a practical point of view, it can only be imagined in terms of the relationship between investment and financial stability [5]. Of course, investment activity is one of the most important conditions of financial stability, but in this case it is not a complete determinant. It is worthwhile to consider the role of investment in the process of financial stability, but this should be put into practice after the main content of the concept of financial stability is clarified.

Thus, it is possible to summarize the above. Financial stability, by its very nature, should reflect such a level of integrity of parts of economic and financial systems that its real distinguishing feature is the identification of the real process and potential for development. Such an approach helps to further apply the differences in the characteristics of the development of national economic systems.

It goes without saying that it is important for Uzbekistan to create a socially oriented market economy. Therefore, it is necessary to increase the efficiency of limited economic and financial resources that use financial stability. This can only be considered realistic in the context of profound structural changes in favor of industries that maximize production results when costs are reduced. Therefore, the content of financial stability in the national economy of Uzbekistan can not be limited to a single quantitative description. It must be viewed through the influence of structural changes that take place in the process of creating and using the gross national product.

An economy in which corporations have a priority is not a classical market economy that develops on the basis of free competition. In the late 1950s, more important research emerged abroad, in which corporations were conceived as a completely new system of economic relations. Characteristic for the corporate economy is that price competition has no place, prices are stable and recorded, and in many respects they are set administratively. As a result, it is concluded that A. Smith's famous "invisible hands" were replaced by other "corporate invisible hands" [6]. Of course, not everyone agrees with this statement, including the growing position of the so-called monetarists in recent decades. They are characterized by views aimed at restricting any regulation of free competition.

At the same time, the role of corporations in the system and the importance of their emergence in the field of adoption of new advanced technologies is positively assessed by practically all researchers. What does all this mean when viewed in terms of financial stability issues? In our opinion, the further development of financial stability in more developed countries should be primarily associated with large corporations, their purposeful investment policy. Coordination of their activities will also be possible through multi-state mediation.

In this matter, only pure theoretical critique has found expression. When deciding on the financing of enterprises in our country, it is necessary to take into account the universal

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principles in this area. Especially in the process of reforms when the task of gradual integration of the national economy into the world economic system needs to be addressed, including through the active attraction of foreign investment [7].

Another issue that is very widely discussed in foreign economic science is the issue of norms of financial stability [8]. First, it is emphasized that industrialization and technical progress, which underlie financial stability, inevitably lead to the formation of large amounts of harmful substances. As production develops, they are released into the environment, soil, and water sources in the form of industrial and domestic wastes. As a result, the biosphere, which is the environment in which people live, changes its size and it gradually becomes unsuitable for human society.

In the current context of financial stability, the notion that the rapid development of automation and the use of innovative techniques under the influence of scientific and technological progress will reduce the number of jobs is strongly associated with this problem. This means that the number of unemployed in this society will increase. This principle leaves a deep social mark, as the fact that many workers are left with no place to offer their labor reinforces the society's concern for the future.

It would be logically wrong to simply ignore the evidence presented above. They need to be considered carefully. In our view, these arguments against financial stability suggest that the problems that arise in connection with them are related to the characteristics of the national economy, expressed in terms of economic development, rather than to general economic laws.

Conclusion

Thus, the effective structure of the national economy affects not only the content of financial stability, but also its factors. Given the most acute problems of economic development in Uzbekistan, this work will focus not only on the problems of GDP per capita growth, but also on the specifics of financing financial stability, which can ensure the expected structural effect.

The methods of detailed analysis of economic analysis have led to the emergence of many indicators and criteria for sustainability, which can contradict the real situation of the enterprise, and can only serve as an "information noise". The large number of indicators leads to hesitation in the recalculation of the studied indicators in terms of their functional relationships. The use of comparative methods of analysis requires the creation of a normative base of various indicators by type of activity and the development of their average value. Such indicators and databases do not exist in our country today. In foreign countries, on the basis of such indicators, the stability indicators of enterprises are regularly published by various agencies. This is because the shareholders of trading organizations and stockbrokers are required to determine the stability of their companies on the basis of open and reliable data.

These problems, in turn, lead to distortions, miscalculation of price indices and, in turn, the development of inflation.

In our opinion, taking into account the above, it is advisable to make additional use of alternative indicators that allow a clear assessment of the sustainability of enterprises.

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