

## Enterprise Competitiveness Management

<sup>1</sup>NizomiddinovJahonmirzo Zukhriddinoglu

### **Abstract**

*Competition is a competition of subjects for the best limited economic resources in a particular market (territory), based on interpersonal rivalry (that is, rivalry of ideas, skills, knowledge, abilities of individuals) and aimed at the most complete satisfaction of consumer needs. The advantage of this definition of competition is its universality, since there is no restriction on the planes on which the enterprise is forced to compete (this is competition for the sales market, suppliers, labor resources, and so on). This definition also reflects what the process of competition of enterprises is based on.*

*The emergence of hypercompetition entails a new understanding of competitiveness. Future competitiveness is not entirely determined by today's rules, it largely depends on the ability to change and set these rules, that is, the strongest competitive advantage is formed by creating new conditions, new parameters of competition. The cylindrical model of competitiveness proposed in the paper most clearly describes this phenomenon and allows you to visualize how and depending on what factors competitiveness is formed.*

**Keywords:** *Competition, competitiveness, metallurgical complex, hyper competition, state industrial enterprises, organizational and economic relations.*

<sup>1</sup>Tashkent State Economic University, Faculty of Finance and Accounting, 3rd year student of group BR-54

**Relevance of the topic:** The relevance of the topic is due to the need for effective and accelerated adaptation of Uzbekistan's enterprises to tougher competition in the global and domestic markets. Imported products will become more accessible in the domestic market due to lower prices, which will significantly complicate the position of Uzbek companies. For the successful operation of the latter, their integration into the world economy is necessary. Quick adaptation of economic entities to work in the conditions of tougher competition is possible under the condition of coordinated actions of the enterprises of the territories and the state. Therefore, it is very important to develop methods for effective interaction of economic systems, both at the city and regional levels.

**The purpose of the study** was to substantiate the theoretical provisions and methodological tools for managing the competitiveness of enterprises.

In accordance with the goal of the work, the following tasks are solved that determine the structure of the work:

- To reveal the economic content of the concepts of "competition", "hyper competition" and "competitiveness".
- Identify and analyze the factors that determine the competitiveness of enterprises.
- Substantiate the assessment of the integral level of competitiveness of the enterprises of the metallurgical complex.
- To substantiate the model of the state management mechanism with the competitiveness of the enterprises of the metallurgical complex.

**The object of the study** is state-owned industrial enterprises.

**The subject of the research** is a complex of organizational and economic relations in the system of enterprise competitiveness management.

**The theoretical and methodological basis of the study** was the foundations of economic theory, the works of domestic and foreign scientists in the relevant field of knowledge. In the process of work, the author used general scientific methods and research techniques: analysis and synthesis, comparison, modeling, system analysis, an integrated approach, questioning, and more.

**The practical significance of the study** is determined by the fact that its scientific provisions, generalizations and conclusions can become the basis for improving the competitive status of enterprises in the metallurgical complex. Analysis of the changing essence of competition will allow companies to reevaluate the strategy for creating competitive advantages.

**The scientific novelty of the research** is as follows:

- The essence of the concept of "competitiveness" is clarified on the basis of a cylindrical model of competitiveness, which combines the competitiveness of an employee, product, enterprise, country into a system and reflects the systemic nature of competitiveness management;
- The definition of hyper competition based on the modification of the theoretical approach to the study of competition by R. Aveni is proposed and the comparative characteristics of competition and hyper competition are determined;

- A methodology has been developed for rating the competitiveness of enterprises using the methods of factor analysis, balanced scorecards of Norton and Kaplan, expert procedures based on the author's systematization of factors for managing the competitiveness of an enterprise;
- A model of state management of the competitiveness of enterprises is proposed, based on the main structural elements of the state management system identified by the author (subjects, objects, infrastructure) and an analysis of the functions and relationships between them;

Solving the problems of achieving the competitiveness of various objects in the conditions of the Uzbek economy is currently almost at a zero level. Despite the importance of the issue of a comprehensive assessment of the competitiveness of an enterprise, more emphasis in the literature is placed on assessing the competitiveness of products. There is currently no generally accepted methodology for assessing the competitiveness of an enterprise.

The methods used for assessing competitiveness are more focused on the tangible assets of the enterprise, which does not allow for a reliable assessment of the capabilities of the enterprise. It is substantiated that the tendency of competition to move into the plane of intangible assets should be traced in the assessment of competitiveness, which is not sufficiently taken into account in existing assessment methods.

The optimal method is the proposed model for assessing the competitiveness of an enterprise by indicative indicators, which combines the following advantages:

- 1) evaluates the competitiveness of the enterprise on a wide range of indicators;
- 2) allows you to evaluate competitiveness in a short time, without diverting a large amount of resources (mainly time);
- 3) easy to use and does not require highly specialized knowledge.

Analysis of the development of the metallurgical complex revealed the following main problems:

- 1) low technical level of production, increased depreciation of fixed assets and the resulting unsatisfactory quality and insufficient competitiveness of products (in the iron and steel industry, the depreciation of machinery and equipment reached 65%, in non-ferrous metallurgy - 62%; the share of metal smelted using advanced technologies remains low; the share of obsolete open-hearth method of steel production is 58%);
- 2) slow renewal of fixed assets;
- 3) increased material and energy intensity of production, low labor efficiency;
- 4) insufficient level of capacity utilization for the production of the main types of metal products, especially the last processing stages;
- 5) unsatisfactory provision of non-ferrous metallurgy enterprises with raw materials due to the disruption of existing economic ties;
- 6) preservation of an unfavorable environmental situation in the area of operation of metallurgical enterprises;
- 7) inefficient management of metallurgical enterprises, insufficient qualification of managers, focus on short-term results, poor knowledge of market conditions, lack of a clear delineation

- of functions between owners and managers;
- 8) relatively small size of enterprises, "non-transparency" of their activities, which significantly complicates the attraction of large investments;
  - 9) poor financial performance of ferrous metallurgy enterprises, despite the extremely favorable world market conditions;
  - 10) insufficient volumes and low "innovative" quality of investments in the development of national competitive advantages.

**Conclusion.**

Evaluation of the activity of the enterprises of the metallurgical complex according to indicative indicators allows us to assess the competitiveness and group the enterprises according to its level:

1. Enterprises whose level of compliance within the framework of the indicative model is close to the optimistic scenario. The competitive advantages of these enterprises allow them to remain competitive.
2. Enterprises that are in the zone of a realistic scenario. These enterprises, by intensifying investment activities aimed at technical re-equipment and improving the quality of products, can reach the required level of compliance.
3. The pessimistic scenario corresponds to enterprises that, against the background of the continued obsolescence of fixed assets, will make them uncompetitive, which will lead to the need to solve both economic and social problems. The latter is especially important, since most enterprises are city-forming.

The study revealed that more than 90% of enterprises do not have the necessary set of competitive advantages and need some kind of transformation. In the context of the globalization of the economy, these enterprises will not withstand hypercompetition.

The proposed model of state management of the competitiveness of enterprises provides for the creation of an organizational and economic mechanism capable of influencing both the activities of an individual enterprise and the functioning of entire industry complexes.

The conducted research and the results obtained make it possible to effectively pursue a policy of managing the competitiveness of enterprises in the metallurgical complex.

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