IMPROVING ASSESSMENT OF MANAGEMENT ORGANIZATIONS

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Abstract - The article analyzes the economic activity of joint-stock companies that are part of the "Uzyogmoysanoat" association, examines the current corporate management system and the need for its improvement, and develops a proposal for the training, retraining and upgrading of management personnel, as well as the evaluation of the activities of corporate management bodies.

Keywords - Charter Capital, State Share, Property, Form Of Property, Personnel Qualification, Modernization, Investment, Efficiency, General Meeting Of Shareholders, Supervisory Board, Executive Body.

I. INTRODUCTION

Today, in our republic, it is necessary to deepen structural changes, increase its competitiveness due to the modernization and diversification of the leading sectors of the national economy, as well as technical and technological renewal of production, high-tech industrial processing industries, first of all, high-value-added ready-made products based on the deep processing of local raw materials. The need for highly qualified management personnel and specialists to positively solve the issues of qualitatively moving to a new stage aimed at rapid development of product production has increased. Therefore, the introduction of modern management to enterprises and the provision of their management bodies with highly qualified personnel who have mastered modern knowledge, as well as the development and implementation of a management system that actually increases their financial profitability and responsibility, remain among the most important problems.

Currently, it is very difficult to achieve the intended goals without developing and implementing a mechanism of honest evaluation of the results of the management bodies of the joint-stock companies of the modernization processes carried out in the oil industry enterprises of our republic. Fundamental improvement of the evaluation of the results of the management bodies is considered one of the decisive factors of the reform of the economic system.

Currently, according to experts' evaluations and results of empirical studies, the market value of corporations increases by 20-30 percent due to the improvement of corporate management efficiency.

In addition, the formation of an effective corporate management system leads to an increase in the capitalization of the national stock market, the emergence of the possibility of using external sources of financing, and ultimately the development of business activities in the country and their competitiveness.

II. LITERATURE REVIEW

The choice of strategy in the management of corporations and the development of enterprise management, management of investment activities, the creation of scientific and theoretical foundations of corporate management processes, the transformation of property forms, the improvement of corporate management models, the development of joint-stock enterprises, the expropriation and privatization of property in the conditions of corporate ownership scientific methodological aspects of the development of management of structures, problems of integrated corporate structures and management of enterprises with state participation in the capital of the founders, development of the stock market, the role and importance of the supervisory board in joint-stock companies are covered in the studied literature [1,2,3,4,5,6].
III. RESEARCH METHODOLOGY

The methodological basis of the research was formed as a result of Economic analysis, grouping, comparative analysis, systematic analysis, scientific abstraction, and other methods were widely used in the research process. The practical significance of the research is that the developed proposals allow for the fundamental improvement of the corporate management system and the mechanism for evaluating the activities of its management bodies and for the sustainable development of joint-stock companies.

IV. ANALYSIS AND RESULTS

When making investment decisions, the extent to which corporate governance is established in companies to be invested in, its effectiveness is becoming increasingly important. Similarly, the problem of evaluating the results of the management bodies of joint-stock companies continues.

However, it is necessary to take into account that the implementation of the specified tasks and the improvement of the efficiency of the corporate management system depend on a number of factors. For example, in the following years, 364 insolvent joint-stock companies were liquidated or transformed into another organizational and legal form, a number of joint-stock companies that were operating profitably in previous years, despite attracting large amounts of investment, are now ending the year with a large loss. the prices of goods and kunjara and shelukha products have increased several times and continue to rise, there is a sharp decrease in the professional qualifications of management personnel.

The analysis of the activities of the joint-stock companies that are part of the "Uzyogmoysanoat" association, in particular, the "Kattakurgan yog-moy" joint-stock company, showed that in 2013-2016, 2 billion were spent on modernization of the enterprise, technical re-equipment, and reconstruction of the working workshops. 376 mln. 200,000 soums, 4 mln. 472,000 dollars, 186,300 euros were spent and 15 KAMAZ cars and 15 trailers were purchased to transport technical seeds from cotton ginning factories.

In the first years after modernization, technical re-equipment and reconstruction carried out at the expense of a large amount of money, in the joint-stock company "Kattakurgan yog-moy" there was a slight increase in the amount of product sales, a decrease in the cost of products and an increase in the amount of net profit, but in the last two years, the enterprise ended its activity with a loss.

Table 1

<table>
<thead>
<tr>
<th>“Kattakurgan yog-moy” joint stock company</th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicators</td>
<td>2018</td>
</tr>
<tr>
<td>Sold out products</td>
<td>130415359.9</td>
</tr>
<tr>
<td>Product work release cost</td>
<td>82590669.7</td>
</tr>
<tr>
<td>1000 soums cost of sold products , soums</td>
<td>633.3</td>
</tr>
<tr>
<td>Profit before tax (Gross income)</td>
<td>26558178.7</td>
</tr>
<tr>
<td>Pure benefit</td>
<td>22464486.9</td>
</tr>
<tr>
<td>Main tools</td>
<td>40426464</td>
</tr>
<tr>
<td>Debt debts</td>
<td>7337665</td>
</tr>
<tr>
<td>Delayed receivables debts</td>
<td>0</td>
</tr>
<tr>
<td>Lending debts</td>
<td>3453051</td>
</tr>
<tr>
<td>Delayed creditor debts</td>
<td>0</td>
</tr>
<tr>
<td>Solvency ratio _</td>
<td>2.30</td>
</tr>
</tbody>
</table>

1 JSC " Kattakurgan yog-moy " financial reports by the authors based on made up.
In 2021, despite the fact that the value of fixed assets increased by 32.4% compared to 2018, the value of sold products was 48,081,046.9 million, decreased by 8,428,936.3 million soums, and production costs, on the contrary, increased to soums or 10.2 percent (Table 1). As a result, the cost of 1000 soums of sold products increased by 472.2 soums or 74.6%. The analysis of the next four-year economic activity of the joint-stock company "Kattakurgan Oil-Moy" showed that the products sold in 2018 amounted to 130,415,359.9 mln. soums by 2021, decreased to soums or 36.9 percent. Net profit in 2018 was 22,464,486.9 million. if it was 18,632,492 million soums in 2021, the joint-stock company ended with a loss of soum. During this period, receivables amounted to 73,376,65 mln. 809,536 million soums, although it decreased to 272,213 million soums, the overdue ones increased to soums, payables 345,3051 mln. from soums to 1,444,999 soums or almost 2.5 times less. As a result, the solvency ratio is from 2.30 to 0.05, the absolute liquidity ratio is from 0.90 to 0.21, the quick liquidity ratio is from 3.20 to 0.26, the current liquidity ratio is from 1.09 to 0.69, the coefficient of profitability of financial and economic activity of the enterprise decreased from 0.25 to -0.11, and the coefficient of profitability of assets decreased from 0.31 to -0.25, the joint-stock company lost its solvency and became an insolvent economic entity suffering from its activities.

It can be seen from the given analytical data that the measures implemented in the following years to improve corporate governance and increase its effectiveness did not give the expected result. The reasons for this are the weakness of the raw material base of the oil industry enterprises, the lack of qualification and experience of personnel, the limited economic activity of the enterprise, the unreasonable interference of local state bodies in the economic activity, the most important thing is the direct participation of the state in the management of the joint-stock company and the implementation of management in the administrative-command method.

Therefore, it is necessary to solve the tasks of fundamentally improving the financial condition of the joint-stock company, increasing its attractiveness for investors. This, in turn, makes the issues of the state's participation in the activities of the joint-stock companies that are part of the "Uzyogmoysanoat" association and the formation of effective property owners in them relevant. Similar situations can be observed in other industrial enterprises that are part of the "Uzyogmoysanoat" association.

In 1995 "Kattakurgan yog-moy" state enterprise was transformed into an open joint-stock company. In the next stages of economic reforms, the authorized capital of the joint-stock company was increased, giving priority to the interests of the state. According to the decision of the President of the Republic of Uzbekistan No. PP-29 dated March 14, 2005, 25 percent of the state's share in "Kattakurgan yog-moy" OJJ was sold through the State Tender Commission. However, the share of the state was included in the charter fund of the joint-stock company with no state share and 64.9% was issued for various reasons, and the administrative-command method of state management, which did not justify itself in many years of experience, was re-formed.

Therefore, it is necessary to create a system of evaluation of the results of the activities of corporate management bodies and continuous training of management personnel in order to
transform joint-stock companies into economic entities with free economic activity through the sale of the state share in the charter fund and to form their effective management.

The primary principle of effective corporate governance is the ability of the supervisory board and the executive body to effectively manage and control the joint-stock company, as well as having the necessary qualifications, experience and talent.

The low qualifications of existing management staff complicates the personnel problem in our country and prevents the improvement of the efficiency of corporate management.

In 21 out of 23 enterprises within JSC "Uzpakhtayog", a total of 468 managers and engineers and technicians were included in the attestation. 52 of them (11.1%) were interviewed. But the results were not very high. According to the results, 233 people (56%) were found worthy of the position they actually held, and 183 people (44%) were found not worthy of the position they held.

Especially, most managers and engineers and technicians of JSC "Koson oil extract" 100%, "Kattakurgan yog-moy" JSC 75%, "Evrosnar" LLC 69%, "Yangiyol yog-moy" JSC 63% and other enterprises are unfit for their positions was evaluated as [1].

Therefore, to improve the effectiveness of the corporate management system, first of all, it is necessary to establish a system of training highly qualified professional personnel who have mastered the science of corporate management, and to use their labor effectively, and to develop and implement a suitable evaluation system.

Determining the effectiveness of the activities of the joint-stock company and its management bodies, in turn, creates the need to develop a system for evaluating the results. Summarizing the scientific works and experiments on the evaluation of the effectiveness of corporate management, the following indicators were developed (product production (by types), production costs, commodity products (by types), commodity value, the amount of paid dividends, %, profitability, profitability, turnover efficiency of capital use, efficiency of use of fixed assets and material resources, indicators of efficiency of use of labor resources, indicators based on MHXS (international standards of financial reporting) (return on capital employed (ROCE - Return on Capital Employed), return on equity (ROE - Return On Equity)), shareholders' investments (TSR - Total Shareholders Return) profitability) we suggest to use.

Determining the effectiveness of the activities of the joint-stock company and its management bodies, in turn, creates the need to develop a system for evaluating the results. Summarizing the scientific works and experiences on the evaluation of the effectiveness of corporate governance, we recommend using Table 2 below and the indicators in it when evaluating the results of the activities of the management bodies of joint-stock companies.

<table>
<thead>
<tr>
<th>The name of the evaluation indicators</th>
<th>the approved business plan</th>
<th>In reality, the implementation of the business plan</th>
<th>performance, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product production (by types)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>The value of the product produced</td>
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<td></td>
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<tr>
<td>Production costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product (by type)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product value</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Product cost</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Gross profit</td>
<td></td>
<td></td>
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</tbody>
</table>

Based on research the authors developed by
Net profit
Dividend
Amount of dividend paid,%
Profitability indicators
Profitability indicators
Indicators of working capital utilization efficiency
Main tools and material from sources use efficiency indicators
Indicators of efficiency of use of labor resources
Indicators based on MHSS*
  Including:
  Return on Capital Employed (ROCE - Return on Capital Employed)
  Return On Equity (ROE - Return On Equity)
  Return on shareholders' investments (TSR - Total Shareholders Return)

* ISFR - international standards of financial reporting

Using the system of indicators presented in Table 1, it is possible to evaluate the results of the activities of the joint-stock company's supervisory board, audit commission, internal audit service, executive body. For this, it is appropriate to use the business plan approved by the decision of the general meeting of shareholders as a basis. If the planned indicators are met, the activity of management bodies should be evaluated positively, otherwise negatively, and a mechanism should be introduced to include the issue of canceling the contracts concluded with them on the agenda of the regular or extraordinary general meeting of shareholders. If the indicators in the reporting period (quarterly and annual) are exceeded compared to the business plan, 15% of the net profit obtained should be used for financial incentives of the management staff, otherwise, the losses should be recovered from them in full, and a fine of 15% of the losses should be imposed and the recovery procedure should be introduced. The inclusion of this mechanism in regulatory documents, in particular the law, company charter and labor contract, and its implementation in practice will lead to strengthening the material interests and responsibility of management bodies and their employees, and as a result, to increasing the efficiency of management of joint-stock companies.

V. CONCLUSION/RECOMMENDATIONS

According to the results of the employee attestation of "Uzpakhtayog" joint-stock companies, 233 (56%) were found worthy of the positions they actually held, and 183 (44%) were found not worthy of the positions they held.

Sale of the state share in the authorized capital and transformation of joint-stock companies into economic entities with free economic activity.

Spending the funds received from the sale of the state share on reform and development of the economic activity of joint-stock companies based on requirements of the market economy.

Formation and development of specialized special infrastructure institutes of education intended for training, retraining and upgrading of highly qualified personnel.

Summarizing the scientific works and experiences on the evaluation of the effectiveness of corporate management, we recommend using the developed indicators in the evaluation of the activities of the management bodies of the joint-stock company (Table 2).
If the business plan indicators approved by the general meeting of shareholders are met, the activity of the management bodies should be evaluated positively, otherwise negatively, and the mechanism of including the issue of canceling the contracts concluded with them on the agenda of the regular or extraordinary general meeting of shareholders should be introduced.

If the indicators in the reporting period (quarterly and annual) are exceeded compared to the business plan, 15% of the net profit will be used for financial incentives for the management staff, otherwise, the loss will be fully recovered from them and a fine of 15% of the loss will be imposed and the procedure for collection will be introduced. to be specified in regulatory documents.

REFERENCES

[2] Grandmont, Renato; Grant Gavin; and Silva, Flavia. "Beyond the Numbers-Corporate Governance: Implications for Investors." Deutsche Bank;