



MODERN APPROACHES TO ASSESSING THE EFFICIENCY OF INDUSTRIAL ENTERPRISES: KEY FEATURES

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A B S T R A C T	KEY WORDS
The article analyzes modern approaches to assessing the efficiency of industrial enterprises, where the criteria of financial and economic activity are of key importance. These indicators serve as a reliable basis for assessing the quality of management. Special emphasis is placed on the comprehensive nature of the analysis, which covers not only the performance indicators of the company itself, but also its partners. To assess the efficiency of energy enterprises, it is recommended to conduct a detailed data analysis using a variety of analytical methods and using an up-to-date information base.	Efficiency, efficiency analysis, evaluation methods, industrial enterprises, production methods, financial and economic activities.

Introduction

In today's society, where different interests and values intersect, the concept of efficiency occupies a key place in various fields of activity. Special attention is paid to the issues of productivity improvement, which have been studied for many centuries and remain relevant today due to their significant impact on the work of all economic entities. Socio-economic changes associated with the transition of the global economy to market relations have led to changes in approaches to determining and evaluating efficiency, which is one of the most important complex categories for analyzing the state of economic activity of enterprises.

The transition to market relations has made significant changes in approaches to determining and evaluating effectiveness, which has led to the formation of new requirements and strategic guidelines. This necessitated a more detailed study of key areas, prospects for industrial development and financial resources, which should meet the goals and objectives facing modern corporate structures.

Energy companies occupy a central place in the structure of the national economy. Electricity, being the most important resource for industry and production, requires a carefully organized process of its generation and distribution. The financial and economic indicators of the enterprise play a key role, acting as a reliable basis for the analysis of management effectiveness. An integrated approach to performance assessment covers not only the performance of the company itself, but also its partners.

The assessment of the performance of electric power industry enterprises is based on in-depth data analysis using a variety of analytical methods and an up-to-date information base. In modern conditions, multicriteria assessment methods are of particular importance, which make it possible to comprehensively assess production efficiency based on a system of various indicators.

Methodology

The methodological basis of the research was the works of domestic and foreign scientists studying the features of modern methods for evaluating the effectiveness of industrial enterprises. Legislative acts, regulatory documents and materials of scientific and practical conferences devoted to this topic were also used in the analysis process. The research was based on a systematic approach, and methods of logical, comparative, and statistical analysis were used to achieve the goals.

Result and Discussion

Today, the use of modern methods allows an objective and standardized assessment of the level of business efficiency, identify the causes of poor results and formulate an action plan for improvement. This helps business leaders to take a systematic approach to management and make operational decisions that ensure success and efficiency.

Such indicators as labor productivity, return on capital, profitability, payback, liquidity, and others are widely used to evaluate the activities of business entities. Companies often develop their own systems of indicators adapted to their specifics. However, in order to achieve sustainable efficiency, it is important that the company actively strives for development, regularly reviews its approaches and meets the requirements that ensure a balance between costs and results [1]. This approach is a key prerequisite for long-term success.

The lack of a universal evaluation criterion significantly complicates the task of determining the effectiveness of an economic unit. In practice, indicators such as profit and profit-to-cost ratio are used to assess the return on investment, but they do not fully assess the overall effectiveness of the enterprise. In other words, these indicators give an idea of the profitability of investments in a particular project, but do not provide a comprehensive analysis of the success of the company as a whole.

Considering this, as a result of the development of the modern market and the deepening of economic research, many approaches and concepts for evaluating the effectiveness of enterprises have appeared in the scientific literature. These approaches can be structured and classified into five main areas:

A strategic approach to evaluating the effectiveness of enterprises based on planning long-term goals and development directions.

A method of efficiency analysis that focuses on cost reduction and cost optimization.

An assessment approach related to the traditional study of the financial and economic activities of an enterprise.

A method to determine how effectively a business uses the resources provided by the state.

A comprehensive analysis method that evaluates how effectively an enterprise manages its resources.

The study of the content of the main methods is aimed at identifying their advantages and disadvantages. This allows for a comprehensive analysis of the concepts presented and to identify their strengths and weaknesses in the context of evaluating the effectiveness of organizations.

1. The proposed method is a strategic approach to evaluating the effectiveness of an organization. This approach involves the development of a system of indicators that reflect the company's strategic goals and ensure control over their achievement using key performance indicators in various areas of the company's activities. It allows you to measure a company's success in achieving strategic objectives and executing a business plan by applying key performance indicators to each aspect of the organization's work. [2]

This method takes into account not only financial parameters such as profitability, current income, payback or liquidity, but also analyzes a wide range of factors affecting the long-term success of the company in the market. These factors include product quality and cost, marketing strategy, business process management, the introduction of innovative technologies, as well as corporate policy and development strategy. The application of this approach makes it possible to more comprehensively and accurately assess the competitiveness of the company and its long-term prospects in the market.

2. Developing a complete quality management system is in many ways similar to the process of conducting a SWOT analysis, which includes assessing the strengths and weaknesses of a company, as well as identifying opportunities and threats. Due to its simplicity and accessibility to understanding, this approach is becoming increasingly popular in the field of marketing [3]. The analysis involves not only identification, but also a thorough study of key exogenous and endogenous factors, as well as the strengths and weaknesses of the organization.

A strategy focused on strategic development helps companies create new products and services, adapt to changes and maintain a competitive position in the market.

Creating a favorable business climate is also an important aspect of such a strategy. This contributes to the formation of conditions that stimulate the development of entrepreneurship, which, in turn, has a positive impact on economic growth and business development in general.

The company's strategic development-oriented approach has a number of potential drawbacks:

The strategic focus of this approach may limit understanding of the actual business environment. This creates difficulties in reaching agreement among management when setting long-term goals. As a result, the strategy may not be effective enough and may not provide the company with the necessary flexibility to adapt to changes in the market.

The use of an efficiency assessment method based solely on the analysis of savings in production costs does not allow us to obtain a comprehensive picture of the organization's activities. The success of a company depends not only on cost reduction, but also on many other factors such as product quality, customer satisfaction, ability to innovate, and other aspects that play an important role in the company's competitiveness.

When choosing a strategy and developing business plans, it is important to take into account both the strengths and limitations of the approach based on the strategic development of the company.

Evaluating the effectiveness of an enterprise based on an analysis of production costs has its drawbacks. This method is not able to fully reflect the business activities of the company, since it does not take into account such indicators as competitive potential and the final effect [3].

3. The methodology for assessing the level of effectiveness of an organization, based on the analysis of financial and economic activities, is a traditional approach to studying the work of a business. This method uses financial reports that provide a comprehensive financial assessment of a company's performance over certain time periods.

Groups of indicators for evaluating the effectiveness of enterprises.¹

№	Naming of indicator groups	Performance evaluation indicators
1	GROUP 1. Property and sources of its formation	Structure and dynamics of assets and sources of their formation
2	GROUP 2. Solvency and financial stability of the organization	It includes the calculation of the following indicators: -the ratio of borrowed and own funds; -the coefficient of provision of own tangible current assets; -financial stability coefficient, net assets, working capital; -liquidity ratios; -duration of turnover of short-term assets and their individual types; -average maturity of accounts receivable and payable
3	GROUP 3. Financial results of the organization	The assessment of the economic effect and efficiency is determined on the basis of: -profit (from sales, before and after taxation, net, etc.) in dynamics; -profitability (assets and their groups, sources of formation and their groups, goods sold, sales) in dynamics

Within the framework of the current research methodology, it is assumed that the previously proposed ideas will be divided into three main categories, presented in the table.

Combining different approaches to measuring efficiency based on the traditional analysis of the financial and economic activities of an enterprise, it is important to pay attention to the following aspects:

The existing performance assessment concepts focus primarily on the financial performance of the company. They are characterized by a clear structure, but are often poorly aligned with the strategic goals of the enterprise. The assessment is usually based on data from the balance sheet and the statement of financial results, which limits its ability to reflect the full picture of the company's activities.

To date, there are no officially approved methods for developing an indicator system that can fully cover all aspects of an organization's activities. Nevertheless, most domestic companies have implemented budgeting systems and regularly analyze their work, which contributes to increased manageability and efficiency.

Efficiency assessment using this method has a number of advantages. Among them is the availability of data and the simplicity of calculations, which make it possible to cover a wide range of key business indicators based on actual accounting data. These features ensure the objectivity and reliability of the results, providing a complete picture of the current state of the company and creating the basis for informed decisions on optimizing business processes [1].

However, despite the advantages, this method has certain disadvantages that may limit its use. For example, a complete description of an enterprise's activities requires the collection of a significant amount of data, and the methodology itself focuses primarily on financial aspects of management. At the same time, such important parameters as resource efficiency, total production costs, as well as factors affecting customer satisfaction, product quality, the state of the competitive environment and ensuring competitive advantages remain outside the scope of the analysis. This may lead to insufficient accuracy and incomplete assessment of the company's performance.

¹ Compiled by the author

4. The fourth approach to assessing the effectiveness of enterprises is to analyze various methods of determining the effectiveness of companies that receive financial support from the state. Many researchers propose to evaluate the effectiveness of the use of public funds based on the real impact that they have on the activities of enterprises [1].

In his work, E. Balakin pays attention to government support for small businesses, including it in the process of evaluating the effectiveness of the development of companies in this sector. To achieve this goal, he considers such indicators as the number of small enterprises, the number of their employees, the volume of investments in fixed assets, turnover, and payroll. These indicators complement traditional indicators of production efficiency and play a key role in assessing the success of small business development [1].

In his research, V. Grazhdankin suggests using a number of criteria to assess the impact of government support on the economy. Among them: an increase in the number of people employed in the small business sector, the provision of tax benefits, as well as the amount of tax revenues to the budget, which should be commensurate with the amount of subsidies provided. Such criteria make it possible to assess how effectively government support contributes to employment growth, increased tax revenues, and improved budget balance [1].

To ensure state support for enterprises, both internal and external resources are needed, as well as well-established feedback between them. External government support resources may include budget expenditures, subsidies, loans, leasing, concessional lending programs, compensations, and tax preferences. It is expected that the use of these tools will increase the efficiency of enterprises and their contribution to economic development. The authors of this approach take into account not only the performance indicators of economic entities, but also the degree of effectiveness of the use of funds allocated to support entrepreneurship. A variety of indicators, indicators, and coefficients are used to conduct a comprehensive assessment. This method allows us to analyze both the success of enterprises and the effectiveness of using the provided public resources.

5. Each of the considered theories and concepts of evaluating the effectiveness of enterprises has its advantages and disadvantages, solving only certain managerial tasks. Therefore, in order to achieve the highest economic efficiency of enterprises, it is necessary to apply an integrated approach that combines key criteria from all the studied theories and concepts.

Special attention should be paid to industry as the most important sector of the national economy, which cannot remain outside the sphere of state regulation. For the state, the development of the industrial sector can be a priority, since industrial enterprises play a key role in generating tax revenues to the budget,[5] creating jobs, solving import substitution issues and other socio-economic problems. Thus, manufacturing enterprises should be considered as complex systems combining technical, economic and social aspects.

This method of production is considered cost-effective because it eliminates the possibility of increasing output without additional resource costs. In addition, it does not allow maintaining the same level of production if the volume of use of certain types of resources decreases, even at the same cost of the rest. This approach assumes that a fully optimized business will be the most profitable option. The efficiency of an industrial enterprise becomes especially significant when comparing different organizations: if one company reaches a certain output volume using fewer resources, it is considered more efficient.

It is worth noting that the concept of benchmarking is becoming increasingly recognized in practice due to the application of an integrated approach to business performance assessment.

Comparative analysis of a company's performance can take various forms depending on the objectives of the study. However, finding standards for comparison is a difficult task. Since an industrial enterprise can have hundreds of different business processes, it is recommended to include 15-20% of the most significant ones in the comparative analysis.[7]

The process of developing ratings, selecting point-rating systems, and forming integral indicators is often accompanied by elements of subjectivity. This is reflected in various ways of determining weights, thresholds, and goals, which are often based on expert assessments [9]. When calculating efficiency as a relative indicator, its ratio to the estimated effective state of some "average" object is of key importance.

M. Forel and M. Fieldhouse develop the idea of using the weighted average state of effective objects in cases where there are many input and output data that cannot be directly compared. In this approach, inefficient facilities are evaluated based on a hypothetical scenario.

$$R_j = \frac{u_1 y_{1i} + u_2 y_{2i} + \dots}{v_1 x_{1i} + v_2 x_{2i} + \dots},$$

where u_i – is the weighting factor for the output i ;

x_{1i} – the number of inputs i to the system j ;

y_{1i} – the number of outputs i from the system j ;

v_i – is the weighting factor for input i . [9]

As part of the comparative analysis, various weighting factors are used to assess the effectiveness of organizations, which are determined depending on the objectives of the study. At the same time, there is no need to use the same coefficients for all elements, since the hypothetical state is formed based on the characteristics of the enterprises selected for analysis. Therefore, for a more accurate assessment of efficiency, it is important to take into account not only the specifics of the industry, but also the differences between enterprises, including their strategic plans and targets. [9]

Conclusion

An analysis of the main methods for evaluating the effectiveness of industrial enterprises has shown that many companies use balanced scorecard systems to varying degrees.

Traditionally, the process of creating a system to improve the efficiency of energy resource management and reduce costs begins with the definition of key indicators aimed at improving productivity, which becomes the basis for the formation of the entire system. In the context of energy services provided to industrial enterprises, one of the key factors is the amount of money saved by reducing energy consumption costs, as well as ensuring the stability and reliability of energy supply. Since energy costs include many components, such as different types of resources, consumption objects and time periods, the task of optimizing these costs is a difficult task. It requires a detailed analysis and the development of individual solutions for each specific enterprise.

A comprehensive methodology for assessing the efficiency of the republic's electric power enterprises will allow taking into account a variety of factors affecting the internal and external environment of organizations. It will also provide an opportunity to analyze the role of electric power enterprises in

the socio-economic development of regions and identify the most effective mechanisms for managing the electric power industry that meet the needs of regions and their growth potential.

By applying these approaches to the assessment and planning of activities, energy companies will be able to optimize energy costs, while increasing their overall efficiency and ensuring long-term sustainability. The developed indicator systems for energy services have advantages such as versatility, allowing them to be used in any commercial or industrial enterprises, the ability to integrate various assessment parameters and high practical efficiency. In addition, the introduction of financial incentives will create conditions for reducing production costs and speeding up production processes at enterprises.

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