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IMPROVING THE MANAGEMENT OF EVALUATION SYSTEM OF THE MAIN ACTIVITIES OF ENTERPRISES

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ABSTRACT

This article discusses the theoretical aspects of evaluating the performance of enterprises put forward by various scholars. It also highlights the need to assess the main activities of enterprises today and its expression in regulations.

As noted in the Message of the President of the Republic of Uzbekistan, the most real, requiring support and development sphere of activity of small and medium-sized enterprises is production. Providing the population with high-quality goods, the formation, and development of the commodity and logistics infrastructure can contribute to increasing the competitiveness of small and medium-sized business entities and create conditions for its entry into the foreign market. Until now, the economy has not formed a single scientifically grounded approach to the essence of economic efficiency of economic activity, which does not allow developing a unified concept of the system of its criteria and indicators. Domestic and foreign literature notes that performance evaluation of economic entities activities is a central problem both in theory and in the practice of the functioning of companies.

Modern conditions of functioning and development of enterprises are characterized by high level of instability, tough conditions of competition and growing challenges to ensure their dynamism, viability and anti-entropy. This requires the use of new

approaches to the organization and conduct of entrepreneurial activity. In recent years, in the competition, there has been a tendency to shift emphasis from the level of competition for goods and services to the competition of management models. There is a need to rethink the factors of ensuring accelerated economic development at micro and macro levels on innovative basis, to change the scale and structure of production processes, to significantly enhance the competitiveness of enterprises and to introduce progressive business models and managerial innovations into their activities. In addition, effective management of enterprises, which turned into complex economic systems in the current state of the open information and global economy, actualizes the introduction of the latest theories, concepts, methods and tools into the practice of innovation management.

The decree "On further improvement of evaluation activity and simplification of sale mechanisms of low-profitable and non-operated state-enterprises"(PQ-4381 June 1, 2019) was adopted by the President of the Republic of Uzbekistan. The decree defines to organize regular seminars and trainings for



national appraisers on the implementation of uniform assessment standards, including with the involvement of international experts and appraisal companies and to introduce advanced foreign experience and assistance in bringing the services of national appraisal companies to foreign markets, initiating the opening of representative offices of well-known foreign public organizations in the field of appraisal activities in Uzbekistan. Further development of the independent appraisal system, improving the professionalism and quality of appraisal services, introduction of effective methods of regulating the activities of appraisal organizations, strengthening their responsibility for the results and objectivity of appraisal work, as well as simplifying the process of selling state assets

The purpose of enterprise evaluation is to determine if the enterprise is heading in the right direction. It does this by measuring progress towards realizing the enterprise vision. This process helps to “shape the environment” and to select among the program, project, and system opportunities. This is the primary means by which the technical dimensions of the enterprise are integrated into the business decisions.

This process establishes a measurement program as the means for collecting data for use in the evaluation and assessment of the enterprise. These measures help determine whether the strategy and its implementation are working as intended. Measures are projected into the future as the basis for determining discrepancies between what is observed and what had been predicted to occur. This process helps to identify risks and opportunities, diagnose problems, and prescribe appropriate actions. Sensitivity analysis is performed to determine the degree of robustness and agility of the enterprise.

Scholars such as Diana Heckl, Jürgen Moormann and P. Druecker evaluate business performance from the perspective of performance analysis. The enterprise must control production resources and use them as efficiently as possible[1], M. Porter assesses the performance of business through strategic analysis aimed at assessing competitiveness. The basis of competitiveness is productivity or “effective use of labor and capital”[2].

It is common knowledge that initially the performance of companies’ activities was assessed using financial and economic indicators. Subsequently, it was recognized that the performance evaluation of the enterprises should be linked to the objectives of its activities. Some argue that performance indicators determine the actions of management, so they must flow from the strategy. A number of studies assess the performance of the company from the position of a functional approach[3], considering any indicator as a set of functions. Equally popular was the process approach, which notes that all functions performed in the organization are in a relationship[4]. In some cases scholars use the marketing concept based on customer satisfaction analysis, return on assets and sales, return on investment, profit, sales, and market share to evaluate business performance. The work of one of the most famous domestic researchers in the field[5] considers the system for entrepreneurial activity performance evaluation as an element of the model reflecting the interaction of the goal and the result. Such a variant approach involves analysis of the performance of the commodity, sales, price, and communication strategies in the organization’s activities. For each of these potentials, evaluation criteria have been developed in science and practice.

In the practice of domestic enterprises, a systematic approach to main activities



performance evaluating has been widely adopted. It is based on a comparison of the results obtained and incurred costs and provides for the calculation of a number of coefficients. A systematic approach to evaluating management performance assumes

that any economic system is a set of interrelated elements. The system has an input, a link to the external environment, feedback, and output.

Foydalanilgan adabiyotlar:

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