

### ECONOMIC EFFICIENCY OF COMPETITION OF BUSINESS PROCESSES OF SEWING AND KNITTING ENTERPRISES OF THE REPUBLIC OF UZBEKISTAN

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**Abstract.** The article examines the issues of economic efficiency of alternative business processes of sewing and knitting enterprises of the Republic of Uzbekistan.

**Key words:** sewing and knitting enterprise, business process, alternative, efficiency, economic efficiency.

#### **INTRODUCTION**

The role of the textile industry in further increasing the economic potential of the new Uzbekistan is incomparable. Our republic has a rich history of experience in the development of this industry, and there are sufficient conditions, a raw material base, and labor resources. In the new development strategy of Uzbekistan for 2022-2026, the task "to double the production volume of textile industry products" is defined [1]. Ensuring the effective performance of these tasks requires finding opportunities to increase economic efficiency of republican sewing and knitting enterprises based on alternative business processes.

#### ANALYSIS OF LITERATURE ON THE THEME

In the modern conditions of the changing external environment, the main task of the enterprise is to quickly respond to changes and implement appropriate



measures in the organization and implementation of its business activities. Therefore, the basis of the activity of any enterprise is its business processes or business processes determined by the goals and objectives of the enterprise. Processes ensure the implementation of all types of enterprise activities related to the production of goods and services. For each type of work included in the general process of economic activity, temporal characteristics are determined that determine its place in the general sequence of work, the start and time of completion.

There are no directly radical new views in the concept of the process. Processes have always existed and exist in any enterprise. But they became an object of management relatively recently and only in individual enterprises. The problem is that processes cannot be described as easily as organizational hierarchies.

In general, processes are systematic, sequential descriptions of task operations necessary to achieve results. In a broad sense, the business process is understood as a structured sequence of actions for the implementation of the relevant type of activity at all stages of the enterprise's life cycle [2].

M.Hammer, the founder of the reengineering process, said: "a business process is a set of processes that create a result that is valuable for the consumer (development of a new product)" [3,4,5]. He stated that "... it is not a single action, but a certain set of actions. All actions are interrelated and interrelated, and only in their sum will lead to the achievement of the intended goals. There cannot be standard lists of business processes". But in practice this is not always the case.

According to another researcher, T. Davenport, "a process is understood as a set of certain ordered works and actions that exist in time and space, the beginning and end of their implementation, input and output resources are determined" [6]. Based on this definition, the inputs and outputs of the process



can interact both with a specific customer and with various processes in the external and internal environment of the enterprise.

Isaev R. and the issue of business processes in the improvement of the organizational and management mechanisms of the implementation of an integrated complex systematic strategy in the enterprises of the textile industry was studied [7].

**RESEARCH METHODOLOGY.** The methodology of scientific research is the dialectic method, and statistical, selective observation, comparison, and expert evaluation methods were used in the research process.

#### ANALYSIS AND RESULTS.

Sewing and knitting enterprises occupy a special place in the textile industry and occupy the last stage in the technological chain. The production of ready-made clothing products is carried out in these enterprises. Garment enterprises belong to the type of discrete serial production. In the main production business process of these enterprises, the process of designing and cutting clothes is considered the initial process in the technological chain.

"FULL SOTTON" limited liability company (LLC), which was selected as the object of study, produces ready-made clothing products. The results of the study of the main production business process of this enterprise show that it is appropriate to use reengineering, which is widely used in world practice, to improve this business process.

The developed scheme of the stages of reengineering of the main business processes of "FULL SOTTON" limited liability company is shown in Figure 1. Reengineering of the main business processes according to the proposed stages of the methodology allows to evaluate its effectiveness before making direct changes to the main business processes.

#### Stage 1. Setting goals and objectives.

The goals, tasks and principles of their achievement are developed. The

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main indicators that determine the evaluation of the reengineering of the main business processes are determined. Factors that contribute to the successful achievement of goals are identified.

Stage 2. Identifying the head of the reengineering of the main business processes.

At this stage, it is very important to appoint a competent person instead of the leader, the success of the reengineering of the main business processes will directly depend on it.

Stage 3. Identify the key business process for reengineering.

The basis of this stage is PEST-analysis and SWOT-analysis. The results of the analysis show that the main production process was selected as the object of reengineering in the alternative business processes for "FULL SOTTON" LLC.





# Figure 1. Stages of reengineering of the main business process of a sewing enterprise<sup>1</sup>

Step 4. Collect information about the main business process.

The importance of this stage is that, based on the collected data, the analysis and evaluation of the main business process is carried out. The following are defined: the owner of the main business process, the resources and input objects, the transformation function, the result of the transformation function, the client of the main business process. Data describing the qualitative, quantitative and relative characteristics of the main business process elements are collected. Relationships, relationships, methods of influence in the work process are determined.

This information is collected from several sources:

- regulatory documents;

- statistical documents;

- other data sets.

In this case, the data is collected during the direct implementation of the main business process in question.

Step 5. Conduct surveys on improving the efficiency of the main business process.

This stage involves identifying opportunities to improve the efficiency of the main business process based on the results of stage 4 by eliminating the weaknesses of the enterprise's internal environment by implementing the opportunities of the external environment and the strengths of the enterprise's internal environment. Opportunity refers to the application of innovations, and

<sup>1</sup>Author development.



strengths refers to the use of opportunities in the internal environment of the enterprise.

The result of this phase will be recommendations for reengineering the main business process.

Step 6. Basic "as-is" business process modeling, obtaining predictive performance results.

The key to the effective operation of any business process is provided when working according to the PDCA cycle (Shewhart-Deming cycle).

The Schuhart-Deming cycle is expressed in four stages:

- process planning (Plan);

- execution of the process (Do);

- analysis of process efficiency indicators (Check);

- process setting (Act).

Using the model of «how it should be» the resources, input objects and other conditions necessary to implement the main business process in a new way, which ensures the fulfillment of the tasks set before the enterprise and the achievement of the goals.

#### Step 7. Implementation of changes in the main business process.

As a rule, the activities of this stage should be ranked according to three main criteria: relevance, ease of implementation, and the complexity of psychological perception of individual parts of large-scale changes by the team. Then, according to activity levels, their implementation is carried out sequentially.

Step 8. Analysis of the planned and actual system of indicators after the reengineering of the main business process.

After the changes in the main business process that determine the system of actual indicators and a certain period of its operation are fully implemented, the economic efficiency of the implementation of the reengineering activity is calculated based on the results of a comparative analysis of the actual and planned

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indicators. Based on the results of the analysis, a decision is made on the need to improve the main business process.

The results of the analysis of available scientific sources on the effectiveness of reengineering show that the highest profitability from its implementation is observed in industrial enterprises.

In the course of the research, the tailoring enterprise «FULL SOTTON» LLC was selected as the object of reengineering in business processes in the sewing and knitting industry. Testing of the reengineering algorithm of the main business process, which includes the above steps, was carried out in this enterprise.

In this sewing enterprise, the process is carried out manually and on semiautomated equipment at the cutting-edge technological stage, based on the design of clothing products, which is one of the main business process components.

The main business process is considered in four indicators:

1) Time: the study of the cutting process in the design of clothing products, which is the initial stage of the main production business process technological chain of the garment enterprise «FULL SOTTON» LLC, which is part of the textile industry, shows that this process is manual and semi-automatic. performed in automatic machines. The process takes a lot of time.

2) Costs: As the labor cost of the sewing process is high, the labor costs are correspondingly high, leading to an increase in scraps.

3) Quality: due to the lack of precision in design, the ability to produce quality products that fully satisfy consumer demand is limited.

4) Quantity: A large amount of time is spent on the design and cutting process and a small number of sheets results in a small amount of the total product being produced.

So, all four indicators are more negative than positive.

In our opinion, as a result of improvement of this situation, in order to



ensure high profit of the sewing and knitting enterprise, it is appropriate to use a method of changing the business process, which is widely used in the world practice, such as reengineering. Its founders, M.Hammer and J.Champi, defined reengineering as "fundamental and fundamental redesign of business processes in order to achieve fundamental improvements in the main current indicators of the company's activity - cost, services, quality, speed" [8]. In its essence, it can be distinguished as an integrated method of simplification and improvement, that is, the good aspects of existing processes are taken and combined with the new concept of business processes proposed on the basis of reengineering.

In order to solve the existing problems in the tailoring enterprise of "FULL SOTTON" LLC, it is proposed to install automated equipment in the cutting process to improve the main business process through reengineering.

The degree of mechanization of sewing and sewing in the sewing room is very low, and it is only 20-30% in most cases.

Cutting cloth is a laborious process, and it is often done by hand. When it is laid by hand, the workers press the gas with different force. In addition, the thickness of the floor covering on the road is different. All the foam causes uneven stretching of the floor, which has a bad effect on the quality of the blade.

Mechanized laying is the most efficient and convenient for processing, using a fully automatic and automatic machine.

The diagram of the technological chain stages of reengineering the main business process at the garment enterprise "FULL SOTTON" LLC is presented in Fig. 2.



<sup>2</sup>Author development.



In the course of the research, the calculation of the economic effectiveness of the improvement of the preparation and cutting processes, which are considered as a component of the main production business processes of sewing enterprises, was carried out on the basis of reengineering.

It is known that this business process is carried out manually and on semiautomated equipment in active sewing enterprises, a lot of work time is spent, the percentage of errors in the process of finding defects and measuring is high, lowquality products are produced, and the volume of product production is reduced due to a decrease in work productivity. Therefore, during the research process, we found it necessary to improve this business process using the reengineering method based on the use of modern technologies.

#### **CONCLUSION / RECOMMENDATIONS**

The following requirements serve as the basis for improvement of the main business process in sewing and knitting industry enterprises by applying the reengineering method:

reduce the time spent on the cutting process in the design;

use of an alternative "price-cost" approach to implement the pricing policy;

development and implementation of a quality control system that ensures the production of competitive sewing products;

improvement of business processes of sewing and knitting enterprises based on the use of modern methods.

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