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## Improvement of Management Methods Based on Quality Management

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**Abstract:** The globalization of the world economy contributes to the transformation of economic systems in which borders between states are erased, labor mobility is significantly increased, the time for information exchange is reduced, the process of updating technologies and the movement of capital is accelerating, and forms of competition are changing.

**Key words:** World economy, quality management, pricing factors and quality, standardization, regulations and requirements, quality products

**Introduction.** In an effort to meet the changing environment, companies resort to various types of cooperation, as a result of which rivalry moves from the inter-company to the clan or network levels. Cooperation within the framework of international strategic alliances provides partner firms with ample opportunities, in particular, access to resources, entering new markets, optimizing risks, reducing uncertainty, acquiring new knowledge, experience, and strengthening market power. At the same time, researchers3 note a high percentage of failures in the activities of strategic alliances, associated with the impossibility of achieving the set goals or poor coordination of partners' actions.

The existing imbalance in relation to strategic alliances - high interest in strategic alliances of company management, on the one hand, and high risks of failure of joint activities within the framework of a strategic alliance, on the other - determines the relevance of the study.

**Methods.** Comparative and economic analysis, analysis of the results of economic comparison, analysis and generalization analysis were used in the research work.

**Results.** The development of the potential of the textile industry for Uzbekistan is one of the most important strategic directions. The country is well positioned to cost-effectively process and produce the highest value-added end products from available textile raw materials, but at the same time, the industry is still less technically advanced and less attractive to foreign investment than other textile developing countries.

Its enterprises produce a variety of consumer goods - fabrics, threads, knitwear, cotton wool, finished products, etc. If until 1991 only Bukhara, Tashkent, Andijan, Ferghana textile mills operated in the country, then during the years of Independence a large number of enterprises were introduced.

For this, a number of measures were identified to improve quality indicators, investments were made, equipment was completely modernized. Uzbekistan became an equal member of the Liverpool, Bremen, Gdansk stock exchanges, international cotton advisory committees. Mutual cooperation has enabled us to improve the quality of raw cotton and export high-quality cotton fiber to the USA, Greece, Russia, Germany, Holland, Japan, England, South Korea, Italy, etc. To obtain competitive textile products, it is necessary to improve the quality of cotton fiber and its primary processing.



Customs fees are paid for the performance by the customs authorities of the actions and procedures specified in Art. 291 of the Customs Code. The rates of customs fees were approved by the Resolution of the Cabinet of Ministers dated April 30, 1999 No. 204. Fourthly, the Uztekstilprom Association was granted the right to bring claims in the interests of its members, appeal against decisions of state bodies and other organizations, actions (inaction) of their officials in court without payment of state duty. Fifthly, the products of the textile industry enterprises - members of the Uztekstilprom Association are exported with a single label "Uztextile". The monopoly in the sale of raw cotton to local textile producers was also abolished.

Thus, the head of state supported the proposal of the textile industry enterprises, the meeting of shareholders of Uzbekengilsanoat JSC and a number of departments on the creation of the Uztekstilprom Association. The composition of "Uzbekyengilsanoat" included 436 enterprises, which is only 6% of their total number. The activity of this society is mainly reduced to collecting statistics, holding various meetings, and organizing exhibitions. The experience of foreign countries has shown that one of the effective forms of development of the textile industry is the creation of clusters. This model implies the organization of a single production cycle, which includes the cultivation of raw cotton, primary processing, further processing at ginneries and the production of final textile products with high added value.

The President also provided members of the Uztekstilprom Association with a number of benefits and preferences. Among them: exemption until January 1, 2021 from customs duties for imported cotton, artificial and synthetic fibers, wool, raw materials and other materials necessary for the production of textile products.

Textile workers will also for the first time be able to carry out the primary processing of raw cotton at their own or leased specialized enterprise, or entrust this process to ginneries on a give-and-take basis.

The decree approved a "road map" for the accelerated development of the textile and clothing and knitwear industry in Uzbekistan. It contains more than 20 events - from the modernization of the technological process and the development of infrastructure to the introduction of marketing innovations.

There are about 7,000 textile enterprises in Uzbekistan. The existing capacities are designed to produce 1.5 million tons of cotton fiber, of which approximately 60% is used to meet the needs of domestic textile workers.

Due to serious systemic problems in the industry, including the lack of effective management and the associated technological chain for the manufacture of finished products, the share of the textile sector in the structure of GDP is only 4.6% (data for the first half of this year). High monopolization and lack of due competition also hinder development and are the reason for the low profitability of raw cotton production, its processing and production of finished products. There was the experience of Bangladesh, a country that has become a leading textile manufacturer in 10 years. Ready-made clothing makes up 80% of Bangladesh's exports and annually brings the state over 25 billion dollars in foreign exchange earnings, while the country imports up to 97% of cotton, buying almost a third of the total in Uzbekistan.

In 2019, the rate of domestic processing of cotton fiber increased even more. As part of the implementation of the state industrial policy, the Uztekstilprom Association provides support to textile industry enterprises, stimulates work on the modernization and technical re-equipment of production, the development and introduction of a competitive range of products into production.

Chairman of the National Association "Uztekstilprom": organizes and coordinates the work of expert working groups on the development of the textile and clothing and knitwear industry in Uzbekistan, signs international agreements in the prescribed manner, as well as agreements on the implementation of investment projects;

- in agreement with the general meeting of its members, it has the right to make changes to the structure of the executive apparatus and divisions of the National Association "Uztekstilprom",



created on the territory of the Republic of Uzbekistan and abroad. The Association "Uztekstilprom" also includes the following structural units: LLC "Agency for Advertising and Marketing of Textile Products", Design Center "Sharq Liboslari", LLC "Engilsanoatkurilish", State Design Institute "Uzengsanloyiha", Tashkent Institute of Textile and Light Industry, Uzbek Research Institute of Natural Fibers.

Association "Uztekstilprom", thanks to the use of modern means of communication, it became possible to quickly analyze information about the state of sales markets, the emerging demand for textile products, respond flexibly to its changes, and establish mutually beneficial partnerships.

Legal department "The main functions of the department: participates in the preparation and implementation of the system of legal acts of the company, regulating the relationship and economic responsibility of divisions, other issues of production, economic and social activities of the Association."

**Analyses.** The analysis of the production and economic association "Uztekstilprom" is carried out in order to study and compare the results of the efforts of the enterprise team for the counting periods with the reporting period. This analysis shows what results the company managed to achieve for a certain period of economic activity.

The Uztekstilprom Association, which produces most of the industry's products, has grown by an average of 2.17 times (table 1).

| <b>Table 1.</b> Fulfillment of the main technical and economic indicators for 2015-2019 for the enterprises |
|---|
| of the Association "Uztekstilprom"  |

| № | The name             | Unit        | Years   |         |         |          |          |  |
|---|----------------------|-------------|---------|---------|---------|----------|----------|--|
|   | of indicators        |             | 2015    | 2016    | 2017    | 2018     | 2019     |  |
| 1 | Marketable products  | billion     | 2 592,0 | 3 164,3 | 3 733,8 | 10 136,1 | 12 301,2 |  |
|   | at comparable prices | soums       |         |         |         |          |          |  |
| 2 | Common               | billion     | 904,9   | 1 329,1 | 1 941,6 | 5 574,9  | 7 011,9  |  |
|   | consumption goods    | soums       |         |         |         |          |          |  |
| 3 | cotton yarn          | thousand    | 257,8   | 307,2   | 348,6   | 403,7    | 448,9    |  |
|   |                      | tons        |         |         |         |          |          |  |
| 4 | Cotton fabrics ready | million sq. | 246,9   | 258,3   | 285,7   | 302,6    | 348,9    |  |
|   |                      | m.          |         |         |         |          |          |  |
| 5 | Knitted fabric       | thousand    | 37,3    | 41,2    | 51,1    | 69,9     | 89,9     |  |
|   |                      | tons        |         |         |         |          |          |  |
| 6 | Sewing and knitwear  | million     | 294,8   | 339,6   | 391,6   | 452,3    | 536,0    |  |
|   |                      | pieces      |         |         |         |          |          |  |
| 7 | Hosiery              | million     | 39,2    | 47,9    | 64,0    | 102      | 135,0    |  |
|   |                      | pairs       |         |         |         |          |          |  |
| 8 | Export               | million     | 861,9   | 868,2   | 1 146,5 | 1 169,0  | 1 602,6  |  |
|   |                      | dollars     |         |         |         |          |          |  |

From Table. 1. It can be seen that the production volumes of the enterprises that are part of the structure of the association are: - processing of 706 thousand tons of cotton fiber and the production of 510 million square meters. meters of fabrics of various assortments, including:

- knitted fabric 89 enterprises;
- finished knitwear 495 enterprises;
- garments 354 enterprises;
- ➤ hosiery 54 enterprises;
- textile haberdashery 20 enterprises.



Uzbek textile products are exported to more than 55 countries of the world. The main export markets are the CIS countries, primarily Russia, as well as the countries of Latin America, the EU, the Republic of Korea, China, Singapore, Iran, Israel, the USA and others. In 2016, new sales markets were developed - Pakistan, Georgia, Croatia, Nigeria and a number of others. Russia and the CIS countries are the largest importers of Uzbek textile products.

They account for more than 51% of all deliveries, 21% are exported to South Asia, over 12% to Europe, 8% to the Middle East and Africa. Export indicators of textile and clothing and knitwear products in 2017 amounted to 1.3 billion US dollars.

| N⁰ | Enterprises           | 2017 y. | 2018 y. | 2019 y. | 2020 y.  | 2021 y.  | Pace                      |
|----|-----------------------|---------|---------|---------|----------|----------|---------------------------|
| 1  | Industrial production | 10 87   | 12 41   | 4 269   | 16 553   | 19 201   | <b>growth, %</b><br>116,0 |
| 2  | total by association  | 2 879,4 | 4 38,4  | 4 862,2 | 5 639,8  | 6 542,2  | 116,0                     |
| 3  | including on:         | 7 688 8 | 202,4   | 9 668,0 | 10 913,0 | 12 658,7 | 116,0                     |
| 4  | Small businesses      | 23      | 30,2    | 34,3    | 35,6     | 37,2     | 104,5                     |
|    | including on:         | 688,5   | 1562,8  | 2 150,4 | 2 581,4  | 2 608,2  | 100,0                     |

**Table 2.** Forecast volumes of production of marketable products for 2018-2021

(billion sum)

From Table. 2. It can be seen that in the last three years alone, 92 industrial enterprises worth \$575.3 million and with an export potential of \$215.8 million have been put into operation. At the same time, more than 11.6 thousand jobs were created. In particular, this was achieved through the creation of the Indorama Kokand Textile joint venture on the basis of the Kokand Textile Plant with a production capacity of 29,000 tons of yarn per year. In addition, in the Khorezm region, the Uzteks Group enterprise, together with the Swiss company Swiss Capital, organized the production of 12,000 tons of cotton yarn per year.

At present, the industry's production capacity is 450 thousand tons of yarn, 296 million square meters of fabrics, 90 thousand tons of knitted fabric and 270.2 million pieces of garments and knitwear per year. Modern design, along with high technical characteristics, makes the products of light industry enterprises the most attractive and allows them to occupy their own niche in the international market, compete at the highest level with world brands. According to the Uztekstilprom Association, by 2020 Uzbekistan plans to implement more than 80 light industry projects worth over \$1 billion. For this, the Program for the Development of the Textile and Light Industry for 2015-2020 has been developed. Its implementation will increase the export potential of the country's textile industry by more than 1.8 times.

The results of the first half of this year also speak of how the industry is gradually and dynamically developing today in line with the adopted state programs. In particular, as a result of the implementation of measures to expand the range of manufactured consumer goods in the textile industry, in the first six months of 2019, the production of 38 new types and 174 new models of finished garments and knitwear was mastered.

The measures taken to stimulate and support enterprises of the real sector in the modernization and strengthening of the material and technical base contributed to the dynamic development of the textile industry, whose enterprises produced goods worth 4399.8 billion soums in January-June this year, including cotton - for 1185.9 billion soums and knitwear - by 400.5 billion soums, clothing industry - by 1113.1 billion soums and so on.

In addition, compared to the corresponding period last year, large light industry enterprises increased the production of cotton twisted yarn not packaged for retail sale by 1.3 times, pile and terry knitted fabrics by 3.2 percent, and sewing and knitwear in total. - 1.2 times, including outer knitted and knitted clothes - 2.1 times, overalls - 1.6 times. However, according to experts, despite all this, the light industry of Uzbekistan still has a significant unrealized investment potential, all the conditions for further accelerated growth. The main target for further work is to increase the production of goods for the domestic market in order to meet the growing needs of the population.



The textile and clothing and knitwear industry of Uzbekistan is one of the leading and dynamically developing industries. According to the State Statistics Committee, in 2018, the industry accounted for 16.3% of the total industrial volume of the country, its share in GDP was 9.9%, and in the volume of production of non-food consumer goods - over 44%. The annual growth in the industry's production volumes in recent years has amounted to approximately 18%, and exports - 10%. (Fig.8.)

The annual capacity of enterprises in the industry is about 650 thousand tons of yarn, 425 million square meters of cotton fabric, 140.7 thousand tons of knitted fabric, 660 million pieces of garments and knitwear and 132 million pairs of socks and hosiery per year.

The enterprises also produce medical goods, non-woven materials, cotton products, special work and uniform clothes, and terry products. The total number of light industry enterprises as of 2019 was 7,000, of which 1,400 enterprises are part of the Uztekstilprom association.

## Discussion

Thus, the general prerequisites for the formation of international strategic alliances were the need to share the costs of R&D, to obtain new scientific knowledge and to master new technologies.

Strategic alliances can be divided into horizontal and vertical alliances, distribution alliances, related diversified alliances, and prospective diversified alliances. Cooperation within the framework of a strategic alliance can be both formal and informal, which is based on trust in business relations.

In order for an alliance to be successful, its creation must be carefully prepared. To do this, analyze all the pros and cons, also consider all alternative options for cooperation and resolve a certain set of issues, for example, determine the contribution of the parties, agree on the goals of the partners.

At the same time, it should be taken into account that when designing a strategic alliance, it is necessary to ensure an exact correspondence between the degree of complexity of the task and the degree of complexity of the organizational structure of the strategic alliance itself, which is an important factor in its sustainable competitive advantage.

This chapter examined the creation of various strategic alliances on the example of the Uztekstilprom association company and analyzed their positive and negative experiences.

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