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# STAGES OF DEVELOPMENT OF SERVICE ACTIVITY IN ENTERPRISES

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**Abstract:** In this article, current economic reforms aimed at the effective development of a sustainable and innovative economy in the Republic of Uzbekistan in the context of the global pandemic crisis are becoming increasingly important. Therefore, in order to overcome this situation, a number of socio-economic problems in all sectors of the economy are studied and analyzed, in particular, the problems of production in our country, author's research, proposals and recommendations on this topic are described.

**Key words:** efficiency, productivity, labor productivity, production, services, raw materials, products, profitability, economic efficiency, social efficiency, employment, unemployment.

#### **INTRODUCTION**

With the development of the activity of the production enterprise in the economy, the approaches to evaluating its efficiency not only change, but also the evaluation of the efficiency of the production activity takes on special importance.

Currently, many economic literatures contain different views on the socio-economic nature of production activity. Some of the people in the interaction want to receive material goods to satisfy their many needs, others satisfy the needs of people based on the provision of certain services. The main goal of such relations is not to create material goods, but to satisfy the growing needs of people more fully. Although production activity is embodied in goods (material goods), it is a useful result of labor consumed directly in the labor process.

**Analysis of literature** on the topic According to B.A. Abdukarimov, production activity should be understood as the type of activity aimed at meeting the needs of people. Various enterprises are engaged in this type of activity. They include individual entrepreneurs and production enterprises with different forms of ownership. They are a product as a result of their work.

If we analyze the above definitions, a more complete definition of production activity is given by E. Engel's law of the dependence of consumption composition on income growth, which motivates research in this direction. It's done.

In particular, the coefficient of elasticity of the ability to pay for various goods and services in relation to income and other researches are among them. For example, in 1968, V. Fuchs considered low productivity growth in the production sector compared to industry and agriculture as one of the reasons for the expansion of the production sector. The opinion of V. Fuchs that the distribution of

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employment in the field of industry, agriculture and production is closely related to the real gross domestic product per capita is confirmed.

According to the "Productivity Paradox" developed by R. Solow in 1987, the increase in investment in computer technologies did not lead to an increase in productivity in the production sector. Another reason for the low efficiency of production enterprises is the low wages of employees engaged in material production. But some types of production have high wages.

Currently, foreign researchers are putting forward several hypotheses explaining the solution to the "R. Solow paradox". First, the imperfection of productivity statistics is recognized as the most common option. This opinion was put forward by R. Solow. Secondly, one of the most common options is to not fully consider "production" in the actual core of material production.

An example of this is David's procrastination hypothesis. Also, in spite of various analytical solutions of "R. Solow's Paradox", currently none of them is recognized as undoubtedly correct. However, the productivity growth statistics in industrialized countries indicate that the productivity (efficiency) of production activities is currently growing steadily.

Taking into account the above, in our opinion, production activity is aimed at satisfying the material, socio-material, educational demands and needs of the population, social groups, enterprises and organizations based on production in various forms and directions, and achieving final results. is an activity carried out with the direct or indirect participation of consumers.

Research methodology. During the research, the statistical indicators of the production and consumption processes were analyzed, as a result of which suggestions and recommendations were developed. In addition, the method of analysis and synthesis was effectively used to study the activities of production enterprises.

Analysis and results. In recent years, consistent measures taken by the government to support and encourage small business, entrepreneurship, decisions taken on the development of separate sectors in the service sector, program directions, and the high speed of the production sector. leading to development with horses.

We know that increasing the efficiency of social production in any society creates the basis of economic development. For this reason, increasing the efficiency of social production in the context of economic liberalization and modernization is considered one of the serious issues.

It is important to determine the general state of efficiency, including socio-economic efficiency. Socio-economic efficiency is the improvement of the social, economic, socio-economic level of the population, achieved by rational use of limited resources. Work is seen in the growth of human maturity, material and social well-being, cultural and spiritual development. The higher the human well-being and maturity, the higher social and economic efficiency will be achieved.

When studying the effectiveness of social production in economic sectors, it is of great importance to correctly understand and calculate its criteria and indicators.

In our opinion, it is necessary to develop separate criteria and indicators of social and economic efficiency in order to comprehensively study and understand social and economic efficiency, which is one of the important issues. But this does not mean that the criteria and indicators of social and economic efficiency are not related to each other. On the contrary, they are inextricably linked and complement each other.

If the economic efficiency is not calculated and measured in terms of quality, it is impossible to perform the work set for its regular increase.

The growth of economic efficiency is the objective law of the development of any form of production and service provision, because the development of society leads to an increase in the volume and quality of the products produced or services provided, to the implementation of production and circulation, expanded reproduction. requires increasing savings. A comprehensive



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analysis of the economic efficiency of production enterprises should not be limited to the inclusion of the efficiency criterion, because the criterion mainly expresses the essence and main tasks of increasing efficiency, but cannot serve as a measurement and evaluation tool. This task is solved by indicators of economic efficiency.

The complexity of the criterion of the complex program for the development of the production sector requires the need for indicators describing its goals and resources. In our opinion, the production sector in Uzbekistan is a developing sector, like modern sectors of the economy. Accordingly, all social, economic and other aspects of the economic efficiency of economic entities operating in this field are reflected in the following criteria:

- to fully meet the needs of consumers for products suitable for different strata;
- ensuring the popularity of the products offered by business entities;
- increase the efficiency of business entities;
- reducing the relative level of expenses;
- achieving high productivity in the field.

These criteria are determined using indicators representing the efficiency of production enterprises. In the economic literature, there are various classifications of performance indicators: according to the scale of evaluation, according to the level of resource use, according to the importance of indicators, according to their role in decision-making, according to the level of generalization, etc.

In our opinion, indicators of economic efficiency are divided into two groups: specific and generalized indicators.

Private indicators describing the economic efficiency of production enterprises include indicators of the use of labor resources, indicators of the effective use of material and financial resources.

In the system of indicators of economic efficiency of production enterprises, indicators of the efficiency of the use of labor resources occupy a special place. In our opinion, the level and dynamics of labor productivity in production enterprises (natural and value indicators); average salary; the ratio of the rate of growth of the volume of services per employee and the rate of payment of wages; it is possible to have a broad description of the efficiency of the use of labor resources using the system of performance indicators obtained per one soum of labor wages.

The level of labor productivity can be calculated in the form of natural and value. If calculated in natural form, the ratio of the volume of goods to the average number of employees is obtained.

$$MU = \frac{Tm}{Xs} \quad (1.)$$

Here: Tm is the product volume

Xs is the number of (direct) employees

The efficiency of the use of labor resources in production enterprises is determined by indicators such as labor productivity, labor return and labor capacity.

Labor productivity means how many services are provided by one worker.

$$MU = \frac{Tush x}{Sir} \quad (2.)$$

Here: Dream x is the volume of services.

Secret is the average annual number of employees;

The return on labor describes the number of services rendered corresponding to one soum of salary.

$$MK = \frac{Tush \ x}{MxF} \quad (3.)$$

Here: MK - labor return;

MxF - salary fund;



Labor capacity is an inverse indicator of labor productivity and represents the labor cost per one soum of income.

$$Msig' c = \frac{M.sarf}{Tush.x}$$
 (4.)

Here: M capacity - labor capacity

M sarf - labor cost:

The relationship between the growth rate of labor productivity and the decrease in the labor capacity of the product is expressed by the following formula:

$$MUo's = \frac{Msig'x100}{100 - Msig'} \quad (5.)$$

$$MSh = \frac{Musx100}{100 + MUo's} \quad (6.)$$

Here: MU os - level of labor productivity compared to the base period (%);

MSh - reduction of labor capacity to the base period (%);

The general growth of labor productivity in production enterprises (D MU total) is due to the increase in the volume of services and the decrease in the number of employees, and it is determined by the following formula

$$\Delta MU = \frac{100(\Delta V + \Delta Un)}{100 + Un} \quad (7.3)$$

 $\Delta MU = \frac{100(\Delta V + \Delta Un)}{100 + Up} \quad (7.)$  Here:  $\Delta V$  is the percentage of production growth in the enterprise in the current period.

 $\Delta$ Up - the percentage of reduction in the number of employees in enterprises. If the number of employees does not decrease, but increases, the percentage of the number of employees is expressed with the opposite sign.

In production enterprises, the increase in the amount of production or the volume (number) of services provided is determined by the indicator that shows how much of it is due to the increase in labor productivity, and how much of it is due to the involvement of additional resources (labor resources). This indicator is called the intensive factor contribution formula.

$$I o \kappa = \left(1 - \frac{Uis}{Utm}\right) \times 100\% \qquad (8.);$$

Here: Iok = intensive factor contribution;

Uis = additional increase in the number of workers;

Utm = additional increase in the volume of goods and products;

In order to deeply and comprehensively analyze the efficiency of production enterprises, general indicators as well as private indicators of efficiency are used. Summarizing indicators in the literature include: profitability, relative level of expenses, fund efficiency, fund efficiency of all spent resources and other indicators.

Profitability of production enterprises is one of the economic indicators of economic activity. Profitability in the production sector is determined by the ratio of the balance sheet profit to the sum of the company's fixed assets and working capital.

$$Rkor = \frac{balansfoydasi}{\sum Aif + \sum NOM};$$

Here:  $\Sigma$  Aif - basic production funds;

 $\Sigma$  NOM is the amount of working capital.



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In our opinion, social efficiency in production enterprises means a set of measures related to the social development of employees during the production or production process.

The main criterion of social efficiency is the achievement of the ultimate social goal of society, which aims to create a basis for comprehensive and appropriate development of a person.

The second criterion of social efficiency in economic sectors and sectors is the reduction of consumption costs, which indirectly affects the growth of social production efficiency.

Social efficiency in the production system cannot be measured by a single criterion, because the criteria and indicators of the social efficiency of the industry are not the same. If the criterion of social efficiency expresses its content and function, its indicators serve as a tool for measuring and evaluating efficiency.

**Conclusions and suggestions.** In our opinion, statistical indicators of social efficiency can be divided into the following groups:

- 1. Statistical indicators describing the satisfaction of consumer demand;
- 2. Indicators describing the reduction of production time;
- 3. Statistical indicators describing the improvement of working conditions and character.

In our opinion, indicators that describe satisfaction of consumer demand include:

- volume of products created in the production process per capita;
- gross per capita created in the production process
- indicators describing reduction of production time;
- the coefficient of reduction of time spent by consumers in production enterprises;
- the time spent on production products per consumer;

Indicators describing working conditions and nature of work:

- automation of labor processes (level of application of new techniques and technologies);
- that the buildings and structures of production enterprises meet the level of modern requirements;
- level of use of advanced labor organization methods in production;
- advanced level of technology, equipment and mechanisms used in the enterprise;
- high level of qualification, education, specialization of workers employed in production;
- level of organization of training, retraining and upgrading of employees necessary for the industry.

If one of the indicators mentioned above is used separately, it does not represent the overall performance. Because each indicator characterizes only a small direction of social effectiveness. If these indicators are used together, it is possible to fully assess the social efficiency of production enterprises.

The above-mentioned criteria and their indicators can be used to evaluate the activity of production enterprises, to create methodological bases for complex analysis and strategic planning, and to implement them.

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