

ISSUES OF IMPROVING THE EFFICIENCY OF CORPORATE GOVERNANCE IN ENTERPRISES IN THE CONTEXT OF MODERNIZATION OF THE ECONOMY

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Abstract

The article examines the formation, development and improvement of corporate governance in Uzbekistan. The conditions for the organization of effective functioning of corporate governance mechanisms are analyzed.

Keywords: economic relations, corporate governance, economic liberalization, modernization, executive bodies.

INTRODUCTION

At a time of radical changes in the political and socio-economic life of the Republic of Uzbekistan, the process of liberalization and modernization of the economy is being carried out at a rapid pace. As a result, "according to the results of 2019, the country's GDP - by 8.1%, industrial production - by 8.3%, agricultural production - by 6.9%, capital construction - by 10.9%, retail trade turnover volume increased by 14.3%. In addition, about 70% of the products were high value-added goods. This, in turn, indicates an increase in management efficiency in the activities of enterprises.

At present, the issue of organizing and improving corporate governance based on various forms of ownership plays an important role in achieving higher indicators of economic and social development in our society.

Corporate governance is a complex process that protects the interests of the shareholders who are the real owners of the enterprises and serves their interests. In addition, in addition to shareholders, the system of corporate relations includes executive bodies, employees, holders of securities (bonds) of the enterprise and government agencies. With this in mind, corporate governance must serve to increase the efficiency of society, including the value of its assets, create new jobs, ensure financial stability and competitiveness, while respecting the rights and legitimate aspirations of all participants.

Today, Uzbekistan, like the rest of the world, attaches great importance to improving corporate governance. This is evidenced by the following opinion of the President: "Radical

change of principles and approaches in the system of corporate governance, the introduction of modern international corporate management standards in production, foreign economic and investment processes requires serious attention."

The peculiarities of corporate governance are being studied more and more. However, one of the main problems in corporate governance today is that the management of joint-stock companies is far from the shareholders, and the management of the enterprise consists only of the executive bodies of the joint-stock company, ie side staff. In our opinion, the activities of the executive bodies are not always effective. In many cases, we see that employees are paid very high salaries at the expense of the funds raised, often with various non-manufacturing costs. Due to the lack of sufficient control over the activities of the enterprise by the shareholders, it is often observed that the share price of the enterprise falls and even leads to the bankruptcy of the enterprise.

Ensuring the transparency of the corporate governance system in the context of modernization of the economy in our country will create an opportunity to attract foreign investment, increase economic efficiency and increase competitiveness. This, in turn, will increase the economic potential of the republic.

Today, the problems of supervisory authorities and members of the audit commission are the lack of knowledge of corporate management methods by management managers, insufficient knowledge of financial and production analysis, lack of control over the activities of the enterprise. At the same time, the lack of professionalism of specialists in privatization, the stock market, deregulation and other economic structures is a topical issue today.

In the management system, the corporate governance structure is a key link. The General Meeting of Shareholders is the main governing body that determines and implements the development strategy of the joint-stock company. Management, in turn, oversees the middle managers who work in the divisions of the enterprise and have clear responsibilities and are responsible for the activities of these divisions. Even in small enterprises, management decisions should not be made by one person.

In our opinion, in order to organize an effective management process in enterprises, the following situations should be avoided:

- Interference of higher authorities in decision-making on various processes within the competence of middle managers;
- establish direct control of senior managers on the activities of middle managers;
- reduce control over highly skilled workers, as there is a risk of losing them.

As a result of taking into account the above points, the efficiency of process regulation in the corporate governance system will increase.

It is well known that while there is an interest in the process of economic relations, the management of enterprises based on different ownership is required to be perfect. In order to organize a proper management mechanism and activities in enterprises, it is necessary to pay attention to the following:

Manager - to increase the financial responsibility of managers. This in turn increases the efficiency and responsibility of managers.

Creating a constantly updated database of all highly qualified and inexperienced leaders and managers. This, in turn, creates additional opportunities for shareholders to select managers to be hired by the enterprise.

Creating a flexible system of contracting with highly qualified managers, taking into account their professional qualifications, will increase the motivation of managers to work.

Increase the responsibility of large shareholders, taking into account their interests. Because large shareholders naturally influence the performance of a corporation with their right or wrong management policies.

Encourage the creation of new organizational and legal methods of effective distribution of ownership of the enterprise.

At the same time, the development of scientific conclusions and recommendations for the development of production mechanisms and efficiency in industrial enterprises, scientific and theoretical research and the identification of effective ways to finance corporations remain relevant today.

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