

Features of developing a strategy for the textile industry in the Republic of Uzbekistan

Kadirkhodjaeva Nilufar Rakhmatullaevna

Assistant, Management Department,
Tashkent state university of economy, Tashkent, Uzbekistan

Abstract: *This article is the result of a dissertation research in the management and strategy development of the textile industry. This article deeply discusses the problems affecting the efficiency of the enterprise, in particular the factors affecting the implementation of the developed strategy. It should be noted that the external environment has a direct impact on the strategy of enterprises, but at the same time it is necessary to take into account the internal environment of the enterprise, which also has a certain influence on both the development of the strategy and its effective implementation. It is this article that is the result of a study of the effectiveness of the textile industry strategy in terms of both external and internal harvest.*

Key Words: *tactile industry, strategy, strategy efficiency, labor resources, external environment, internal environment, market economy, strategy analysis, strategy result.*

1. INTRODUCTION:

In a market economy, an increase in the efficiency of industrial enterprises is possible on the basis of the development and implementation of the concept of long-term development, the development of new and improvement of previously used strategies. The consumer market is saturated with sewing enterprises, whose activities are carried out in a highly competitive environment. In this regard, the problem of deep restructuring of the mechanism of their functioning on the basis of the development and implementation of a strategy in the main key areas is especially acute. The task of directing all activities of the garment production to meet the needs of the population, ensuring the successful operation of enterprises, obtaining high profits and a high level of competitiveness, increases the need to apply a market orientation of production in a flexible combination with improvement, as a process of designing clothes, and senior management's long-term strategic management activities. The development of the domestic economy in the post-perestroika period brought forward before the management of firms and enterprises the problem of radical restructuring of their activities based on the development of a strategic management system that requires radical changes in all aspects of the economic mechanism, within the framework of expanding economic independence, increasing responsibility for the results of activities and ensuring the response of production to demand. Obviously, in the new economic conditions, a special role is assigned to increasing the maneuverability of production, which requires a new methodology for the formation and implementation of plans based on forecasting, the development of long-term and medium-term strategic settings, information on the structure of market needs, providing profitability of the enterprise, improving the quality of meeting consumer demand and adapting the enterprise to a competitive environment. The use of traditional planning methods does not allow to fully implement the requirements of modern strategic management and managerial decision-making.

In this regard, the accumulated domestic and foreign experience in the development and implementation of strategies requires special attention. The lack of developments on these issues in relation to textile production, as well as their practical significance, require special research in this area of knowledge, which determines the relevance of this study.

2. LITERATURE REVIEW:

The degree of knowledge of the problem. The theoretical foundations of strategic management and their development are set out in the works of O.S. Vykhsansky, V.I. Knorring, V.K. Vaschenko, A.P. Pankrukhina, V.R. Vesnina and V.V. Kafidova, N.N. Trenev.

The works of O.S. are devoted to the problems of strategic management. Vikhsansky and A.N. Naumova, V.K. Vaschenko, S.E. Pivova, L.S. Tarasevich and A.I. Maisel, R.A. Fatkhutdinova, Yu.N. Lapygina, A.T. Zuba, O.M. Olshanskaya, V.N. Parakhina, L.S. Maksimenko and S.V. Panasenko, A.I. Dolgova and E.A. Prokopenko, Yu.A. Malenkova, V.V. Zhivetina, O.E. Roshchina, L.G. Zaitsev and M.I. Sokolova, G.B. Kleiner, A.P. Gradova.

Extensive scientific and practical experience of foreign scientists on the issues of the problem under study: I. Ansoff, R. Ackoff, M. Mescona, N. Macrae, A.J. Strickland, A.A. Thomson, M. Hammer, M. Porter, and others, are of great interest for solving the issues of developing and implementing strategies for light industry enterprises.

3. MATERIALS:

Y. Gao et al. present a branch and bound reduced algorithm for quadratic programming problems with quadratic constraints. The algorithm determines the lower bound of the optimal value of original problem by constructing a linear relaxation programming problem. To improve the degree of approximation and the convergence rate of acceleration, a rectangular reduction strategy is also used in the algorithm.

Y. C. Zhang et al. propose an improved self-adaptive particle swarm optimization (IDPSO) algorithm with detection function to solve multimodal function optimization problems. The evolution direction of each particle is redirected dynamically by tuning the three parameters of IDPSO in the evolution process to overcome the premature convergence of PSO in a short time. Numerical results on several benchmark functions indicate that the IDPSO strategy outperforms other variants of PSO.

“A review of piecewise linearization methods” by M.-H. Lin et al. introduces recent advances in piecewise linearization methods and analyzes the computational efficiency of various piecewise linearization methods.

“Sensitivity analysis of the proximal-based parallel decomposition methods” by F. Ma et al. shows that the range of the involved parameters can be enlarged, while the convergence can be still established.

X. Wang studies a new class of optimization problems and develops a strong duality theory for stochastic separated continuous conic programming. A polynomial-time approximation algorithm is also presented to solve the stochastic separated continuous conic programming problem with any predefined accuracy

4. METHOD:

During the research, such management methods were used as general scientific ones, theoretical and empirical (abstraction, analysis and generalization, induction and deduction), systemic, structural, analogies.

5. DISCUSSION:

The strategy establishes in which specific goods and markets the company directs money and labor resources, as well as how exactly this will be done. The strategy can be presented in the form of a system of the most important management decisions for the allocation of the organization's resources to create long-term competitive advantages in target markets, as well as a program of adequate concrete actions necessary to achieve the set goals. It is also noted that the most succinct definition was formulated by Peter Wickens: "Strategy is moving an organization from here to there."

Strategy is one of the key components of strategic management, its tool, while the choice of a strategy and its implementation constitute the bulk of the content of strategic management activities.

The constantly changing external environment has a decisive influence on the choice of alternative strategy options - a priority one that allows enterprises to have good prospects.

Within the framework of the developed strategy, the method and specific actions are indicated to achieve the goals facing the enterprise in a changing and competitive environment. A retrospective analysis of the definitions of the concept of "strategy" in essence of substantive components allowed the author to supplement and concretize the basic part of the strategy formulation, which is a set of certain groups of rules used to make decisions on the formation of a complex of interrelated areas of enterprise development, ensuring objectivity in making managerial decisions to increase production maneuverability in a competitive market environment.

Analysis of the practice of choosing strategies shows that from a large variety of existing specific strategies, certain types can be distinguished according to the principle of general approaches to the formulation of strategies and some general frameworks into which they fit. In this regard, in the first chapter, possible classifications of types of strategies are considered.

The conditions for the functioning of the external environment affect the position of the internal environment of enterprises, and they are forced to choose a course towards price competition, which negatively affects the receipt of profit. In addition, there is an unstable development of sectoral enterprises, the tendency of downsizing and their transition to the sphere of small and medium-sized businesses.

There are potential opportunities in the region to create conditions for sustainable and dynamic development of garment enterprises based on the existing industry advantages and the production of competitive products that will satisfy the demand in the domestic market and strengthen the position in the foreign market. Increasing the efficiency of activities and the concept of long-term development of regional enterprises of the garment industry is possible on the basis of an analysis of existing strategies and their improvement or new developments. The strategy of actions in the five priority areas of development of the Republic of Uzbekistan in 2017-2021, one of the priorities was to increase the competitiveness of the national economy by deepening structural transformations, modernization and diversification of its leading industries. The textile industry is one of the drivers of this transformation. The tasks outlined in the Action Strategy, such as the modernization and diversification of industry by transferring it to a qualitatively new level, increasing the processing of local raw materials, mastering the production of fundamentally new types of products, increasing the competitiveness of domestic goods in foreign and domestic markets, localizing production and import substitution were successful. made in the textile industry [1].

Within the framework of the annual state programs for the implementation of the Action Strategy until 2021, measures were taken to implement the strategic priorities for the development of the textile industry [2].

The strategic priorities for the development of the industry during this period were determined:

- increasing the share of the textile industry in the economy;
- reforming the management system of the textile industry with the introduction of advanced management technologies;
- introduction of a cluster development model based on the integration of production, starting with the cultivation of raw cotton and ending with the production of final textile products with high added value;
- expansion of production of products with high added value due to diversification and reduction of exports of raw materials and semi-finished products;
- an increase in the level of processing of cotton fiber and a gradual reduction in its export;
- ensuring the competitiveness of products and expanding sales markets;
- further harmonization of the standardization and certification system in the field of the textile industry in accordance with international requirements and standards;
- ensuring a balanced distribution of raw materials and the location of the established enterprises of the industry in conjunction with the development of logistics and engineering infrastructure;
- widespread introduction into the production process of advanced ICT, innovative technologies, know-how, design developments, localization of production of modern samples of fittings and accessories;
- improvement of the system of training, retraining and advanced training of personnel for the textile industry;
- creation of new jobs, especially for women, given the labor intensity of this industry and its potential in providing employment to the population.

Within the framework of the annual state programs, targeted program documents were adopted aimed at the development and transformation of this particular industry. They contributed to a noticeable leap forward in the development of the textile industry during this period.

6. ANALYSIS:

In Uzbekistan, for the first time in February 2017, the President of the Republic proposed during a visit to the Bukhara region as part of the consistent implementation of measures to form market relations between farms and textile enterprises. The development of industrial clusters processing local raw materials is one of the ways to mobilize resources in the regions to increase economic growth. It should be especially noted that one of the main production units in the textile sector is cotton-textile clusters. The importance of this production unit lies in the integration of production forces and the integration of both reverse and integration into the front. The clusters successfully solve the problem of creating cooperative ties between textile enterprises and farms, organized on the basis of the conclusion of direct contracting agreements for the cultivation of raw cotton by farms and its supply to a textile enterprise for further deep processing at their own production facilities and make their important contribution to socio-economic development both regions and the country as a whole.

Within the framework of the Resolutions of the President of the Republic of Uzbekistan dated 05.19. No. PP-2978 "On measures to create a modern cotton-growing and textile cluster in the Bukhara region", dated 15.09.2017. No. PP-3279 "On measures to create a modern cotton-textile cluster in the Syrdarya region" and Resolution of the Cabinet of Ministers dated January 25, 2018 No. 53 "On measures to introduce modern forms of organizing cotton-textile production" 96 projects are being implemented in 117 regions of the republic, on an area of 907.783 thousand hectares. ... At the end of 2020, the largest number of clusters operated in Andijan (12 units), Samarkand (11 units) and Khorezm (10 units) regions (Table 1)

Table 1
Formation of cotton-textile clusters

Name of regions	Number of clusters, units	Number of districts, units	Cotton fields area, hectare
Republic of Uzbekistan, total	96	117	907783
Republic of Karakalpakstan	5	5	48665
Districts			
Andijan	12	13	79391
Bukhara	8	12	97900
Jizzakh	5	6	69700
Kashkadarya	9	10	111900
Navoi	2	5	32588
Namangan	7	10	63406

Samarkand	11	9	75580
Surkhandarya	6	11	60044
Syrdarya	6	8	72557
Tashkent	6	7	55008
Fergana	9	11	63245
Khorezm	10	10	77799

Table 2
Dynamics of production volumes at “Uztuqimachilik sanoati” association in 2016-2019

Product types	Unit of measurement	2016 y.	2017 y.	2018 y.	2019y.
Cotton yarn	thousand tons	307.2	348.9	427,3	470,0
Finished yarn fabric	mln. m2	182,9	198,7	210,9	235.5
Knitted fabrics	thousand tons	53.4	62.8	65.9	75.6
Knitted goods	million pieces	184.3	219.4	271.8	280.3
Sewing products	billion sum	45.8	57.2	261.9	301.0
Sock’s products	million pairs	38.9	46.1	109.0	168.9

The results of Table 2 indicate that over the next years, there is a tendency for the growth of manufactured products by the subjects of the textile industry. In the course of the study, it was revealed that this trend is the result of a correctly developed strategy by the subjects of the textile industry that are members of the Association of Textile Light Industry of the Republic of Uzbekistan. It should be noted that, along with resource provision and stability of the external environment, in order to ensure the correct implementation and effectiveness of the adopted strategy, it is important for business entities, including textile enterprises, to focus on providing labor reserves. Table 3 below shows the data of a textile enterprise, which analyzed the number of employees for the efficient operation of the enterprise.

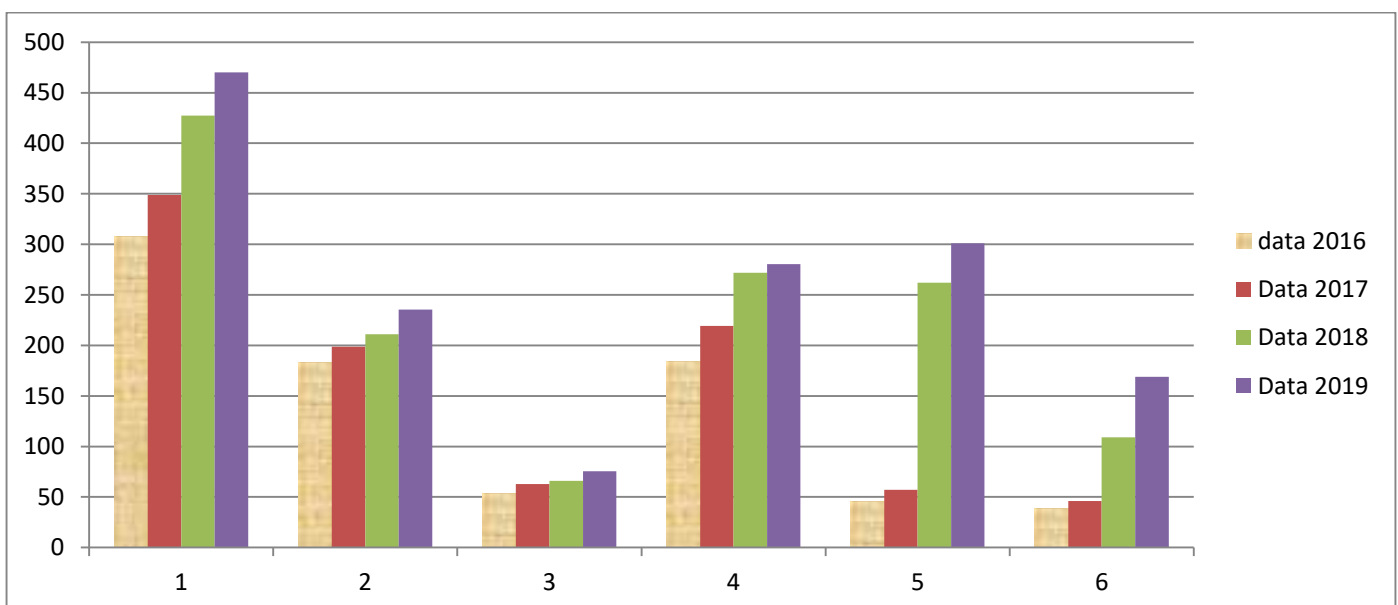


Figure 1. Dynamics of production volumes at “Uztuqimachilik sanoati” association in 2016-2019

Table 3
Analysis of the total number of employees of the enterprise and their ratio

№	Staff	2018		2019		2020	
		People	%	People	%	People	%
1.	Main production staff	432	49,6	416	51,5	313	49,6
2.	Auxiliary production staff	107	12,3	98	12,1	79	12,5
3.	Engineering staff	233	26,8	199	24,7	148	23,5
4.	Administrative staff	98	11,3	94	11,7	91	14,4
	Total:	870	100	807	100	631	100

From the data in Table 3, it can be concluded that in the context of three reporting periods, there is a trend of dynamic growth of the personnel of a textile enterprise. It can also be seen that in 2020 there is a reduction in all parameters, this is due to a decrease in labor intensity and the use of automated means of production in many aspects of textile production.

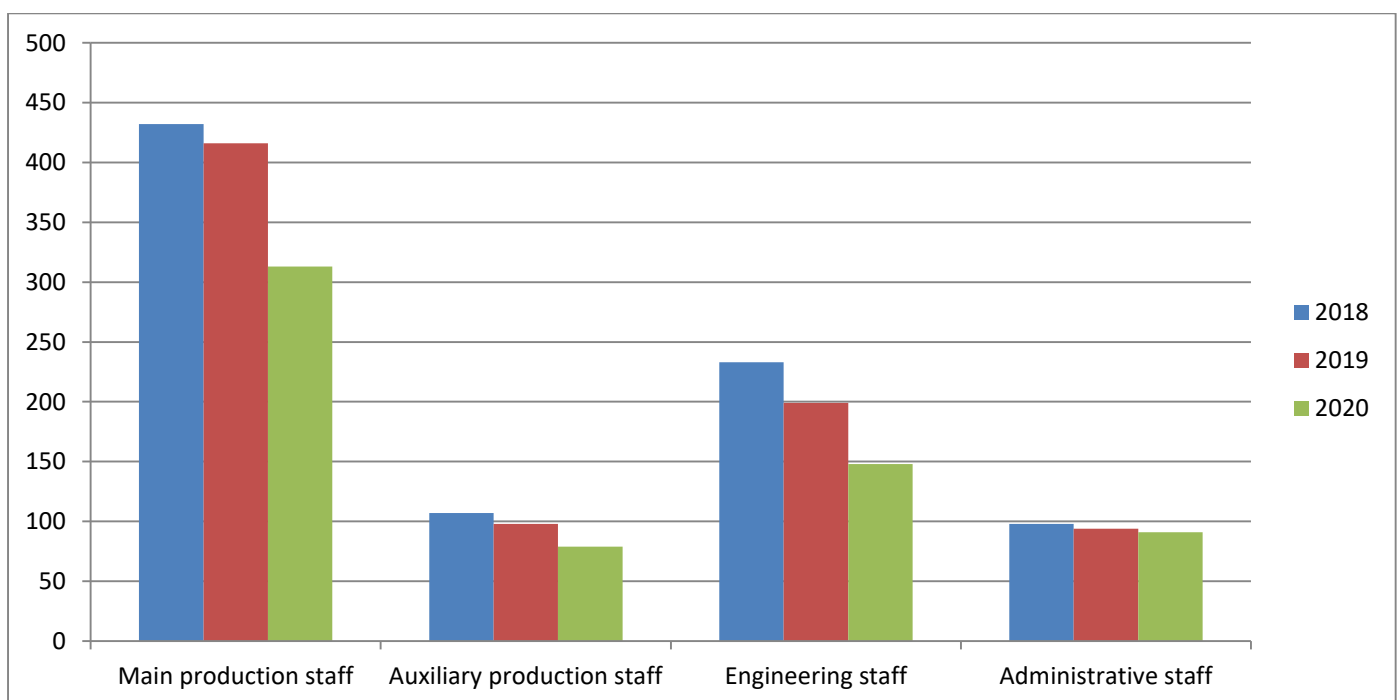


Figure 2. Analysis of the total number of employees of the enterprise and their ratio

7. FINDINGS:

In a market economy, an important problem for textile enterprises is the restructuring of the mechanisms of their functioning on the basis of developing and implementing a strategy in the main key areas. In the course of the study, it was revealed that to ensure the successful operation of a textile enterprise, to ensure high profitability and profitability, a high level of competitiveness, it is necessary to use a market orientation of production in a flexible combination with the improvement of both the design process of textile products and correct development and implementation of the strategy and ensure the effectiveness of management in the long term.

Analysis of the existing reference business development strategies allowed us to single out the strategies of the first group - the strategy of concentrated growth, the second - the strategy of integrated growth, the third - the strategy of diversified growth and the fourth - the strategy of reduction. It was revealed that the strategic work at the enterprise should be carried out constantly, since it is important not only to form a program or strategy for the development of the enterprise, but also to provide a mechanism for its implementation. Identified the most significant goals for industrial enterprises of the garment industry using the method of a priori ranking. A model for the selection of analytical methods for obtaining initial information for the purposes of developing a strategy is proposed. The model for choosing the priority variant of the strategy for the development of an industrial enterprise using the program (normative) method on graphs has been determined.

An organizational and economic mechanism for the implementation of the chosen strategy is proposed, taking into account the classification of the conditions for the operation of industrial enterprises of the garment industry, which includes control, assessment and adjustment of the planned activities.

8. RECOMMENDATIONS:

For the effective development of the textile light industry in the Republic of Uzbekistan, a set of works is underway to improve management mechanisms for developing a strategy. In particular, financing of measures to introduce international standards at enterprises of the textile and garment and knitwear industries, certification of finished products, taking into account the requirements of foreign markets; covering the costs associated with the participation of industry enterprises at international exhibitions and fairs, the creation and promotion of national brands; implementation of research and innovation projects, training, retraining and advanced training of personnel, including sending them to foreign countries; strengthening the material and technical base of the Association "Uztekstilprom", material incentives for employees of its executive office, as well as the maintenance of foreign representations and compensation for the costs of attracting foreign specialists.

9. CONCLUSION:

It should be noted that a properly developed strategy is the basis for the future functioning of the enterprise, its competitive advantage and sustainable development. The introduction of new industrial technologies, the use of high-performance modern equipment in combination with effective management ensure high labor productivity at the enterprises of the industry, an increase in production volumes and an increase in the quality of products. There is an annual growth in absolute indicators, and 61 types of new goods have been added to the traditionally produced assortment. According to the research, the following conclusions can be drawn:

- take into account the influence of external factors when making a forecast for the development of the industry;
- to increase the export potential of the textile industry by increasing labor productivity;
- to increase the competitiveness of the industry's products by introducing the latest technologies;
- to create new capacities in the country for the production of finished types of textile products for the external and internal markets.

REFERENCES:

1. The strategy of actions in five priority areas of development of the Republic of Uzbekistan in 2017-2021, approved by the Decree of the President of the Republic of Uzbekistan dated February 7, 2017 No. UP-4947
2. Resolution of the President of the Republic of Uzbekistan dated December 21, 2016 No. PP-2687 "On the Program of Measures for the Further Development of the Textile and Garment and Knitting Industry for 2017-2019" // <https://lex.uz/docs/3080758>
3. R. Abaturov, "Review of the development of the textile industry in Uzbekistan in 2017-2020" // <https://uzts.uz/obzor-razvitiya-tekstilnoy-otrasli-uzbekistana-v-2o7-2o2o-godah/>
4. "Association" Uztekstilprom "was the first among industrial organizations to introduce international standards ISO 9001: 2015" // <https://etextile.uz/2021/03/01>
5. DJURABAEV O. FORMATION OF MODEL BEEKEEPING FACILITIES AND MODERNIZED INTERINDUSTRIAL COMMUNICATIONS IN HUMAN BEARING MANAGEMENT // Архив научных исследований. – 2020. – №. 11.
6. O. Djurabaev Management is the foundation of the digitalization of the economy // Архив научных исследований. – 2020.
7. Guskov, Yu.V. Strategic management: Textbook / Yu.V. Guskov. - M.: Alfa-M, 2019. -- 448 p.
8. Damodaran, A. Strategic risk management: principles and methods / A. Damodaran. - M.: Williams I.D., 2017. -- 496 p.
9. Dudin, M.N. Strategic management (for bachelors). Textbook / M.N.
10. Shanazarova G. Features of innovative management strategy of the automotive industry of Uzbekistan // Архив научных исследований. – 2019.
11. Shanazarova G. Analysis of the organization and management of innovation activities in Uzbekistan // Архив научных исследований. – 2019.
12. Azlarova M. Analysis methods of the factors influencing on consumer market // Архив научных исследований. – 2019.
13. Azlarova M. Development of the consumer market in the republic of Uzbekistan // Архив научных исследований. – 2019.