

Development of Business Models in Management of Textile Enterprises Development

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Abstract: The article discusses the features of the development of textile enterprises based on modern business models. The analysis of modern trends in the textile industry is carried out, the importance of introducing business models in the management of textile enterprises to improve their competitiveness is shown. Particular attention is paid to the use of the EFQM model for self-assessment and selection of effective business models in the textile industry. The main aspects and advantages of using business models in the context of globalization and innovative development are considered. Statistical data on the textile industry of Uzbekistan are provided, the results of the introduction of modern management methods at enterprises are reflected.

Key words: textile industry, business model, development management, EFQM model, innovation, competitiveness, textile enterprises.



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The trend of constant increase in the world population is the reason for regular increase in demand for textile products. Therefore, "the share of textile industry in the total volume of industrial production was 6-9% in developed countries, in particular in Germany, France, USA, and 12% in Italy. Over the past ten years, as a result of economic globalization, textile production centers have moved from Europe and the USA to the countries of the South-East, Central Asia and South America.¹ Therefore, an important task is to further develop the management of textile enterprises through the use of business models.

Scientific research is conducted in the field of cost management, economic added value, cost management, personnel management, innovation management in the management of the development of textile enterprises in the world. Business model management, cost reduction based on cost-effective technologies, process-oriented planning and functional-value analysis, budgeting and business modeling, improving the efficiency of textile enterprise management through the introduction of advanced management technologies are among the priorities of scientific research. in this regard.

¹ www.oecd.org

In the new Uzbekistan, special attention is paid to the issues of modernization of leading industries and increasing the competitiveness of the national economy, the introduction of modern management technologies at enterprises, including the use of modern business models. Modern forms of organization of cotton and textile production, including the introduction of a cluster system, exemption from property tax to stimulate exports of manufacturers of garment and knitwear until 2023, reimbursement of interest on a bank loan from the State Fund for Support of Entrepreneurship Development. The introduction of such benefits and the measures implemented in this area are reflected in the content and objectives of the main directions of economic reforms implemented in the country. The Development Strategy of the New Uzbekistan for 2022-2026 sets the task of "doubling the volume of production of textile industry products"², and the successful implementation of these tasks requires the implementation of scientific research aimed at economic justification of the use of business models in the management of the development of enterprises of the textile industry of the republic.

Today, the possibility of sustainable participation in the business environment is not only the facts of successful implementation of development strategies, but also the well-known "intellectual enterprise", "reflexive enterprise", "educational enterprise", "company creating knowledge". "with the possibility of increasing the organizational foundations of innovative sensitivity and efficiency", "Self-developing enterprise", "Ideal enterprise" and others related to new types of enterprises. These examples demonstrate the highest level of self-development - enterprise development.

To understand the essence of these enterprises, their descriptions are needed - "appearances", or, in scientific language, models. In practice, there are many such models. The problem of implementing such enterprises in model form has always been relevant.

Thus, the very concept of a "business model", on the one hand, is aimed at combating complexity and uncertainty, on the other hand, creating a model is always a creative process in which subjective characteristics are manifested in various models of the company. systems are of particular importance, and the desire to formalize it leads to an abundance of ideas about it.

In order to reflect the level of management maturity in creating and using the potential for self-development, we have created a matrix of qualitative assessment based on the well-known enterprise maturity model (Capability maturity model – CMM)³. One of the main areas that allows to significantly increase the level of management and effectively combat the complexity and uncertainty of modern business is the area that has entered science and practice with the term "business model".

In popular definitions of a business model, this term is used to describe the business itself. The term "business model" primarily emphasizes the specific features of a "business system", that is, the analogue of this concept is an effective business concept, including a certain chain of interactions to achieve an optimal combination of all components of the system. systems and their interrelations. It is possible to focus on important aspects. In order to cope with the complexity of representing such an effective enterprise, to emphasize its most important features and characteristics, in fact, a model in the traditional definition is required.

The most important role of a business model is to create a heuristically simplified cognitive map, starting from the representation of technical resources and ending with the representation of social outcomes. In order to create value from a technology, companies will need to create a business model for that technology or allow someone else's business model to enhance the value derived

² Decree of the President of the Republic of Uzbekistan UP-60 dated January 28, 2022 "On the Development Strategy of the New Uzbekistan for 2022-2026". // www.lex.uz.

³ Ахен Д.М., Клауз А., Тернер Р. СММІ: Комплексный подход к совершенствованию процессов. Практическое введение в модель. – М.: МФК, 2005.– 300 с.

from that technology. Among other benefits, a business model creates a common bridge that helps connect the technical activities used in the innovation process and the business-related activities.

In our opinion, a business model should have the following characteristics: the presence of elements of innovation in the creation of the model; the presence of evidence of its practical application; the presence of a real competitive result from the implementation of the model. Their essence is discussed in detail in the dissertation.

The role of the textile industry in the economy of our republic is incomparable. Our republic has accumulated rich experience in the development of this industry, and the corresponding material and technical base has been formed. The textile industry has been further developed, especially during the years of independence. During the years of independence, the necessary legal framework and favorable conditions for the further development of the textile and garment and knitwear industry were formed. However, at the same time, due to the deepening of problems that impede the sustainable development of this industry, the Decree of the President of the Republic of Uzbekistan dated December 14, 2017 No. UP-5285 "On measures for the accelerated development of the industry" textile and garment and knitwear industry ". In this resolution, among the problems that are serious obstacles to the development of the network, it is indicated. Currently, financial and budgetary management methods are used in the management of textile enterprises.

The traditional financial model, which began to be used at the beginning of the last century, is the most common, improved with the development of accounting methods and is still widely used in the process of managing the activities of textile enterprises. An alternative to the traditional financial model are many cost models for determining the efficiency of an enterprise, in which an increase in the efficiency of its activities is associated with an increase in its value.

The second method used in the process of managing the efficiency of textile enterprises is the budget management method. In accordance with the stages of the management cycle, the textile enterprise determines its development goals, which are expressed in indicators of liquidity, profitability and the exact financial side of costs. They reflect the state of the enterprise if all the decisions planned to achieve the goals can be implemented.

Today, 1/3 of those employed in the industries of our republic work in the textile industry, these industries make up 6.9% of the total volume of industrial output and 15% of the manufacturing industry, providing employment for almost 365 thousand people.

For the further development of this industry, our republic has accumulated historical experience, formed a rich raw material and material and technical base. Statistics show that in 2015, 336 thousand tons of cotton fiber were processed in our republic, in 2016 - 400 thousand tons, and in 2022 this figure increased to 992 thousand tons. Intensification of work in this direction ensures an increase in the production of finished products that create added value, foreign exchange earnings, and the creation of new jobs. The results of the analysis show that the volume of products manufactured by the «Uztokimachilksanoat» association in comparative prices in 2022 compared to 2018 increased by 5.27 times, or by 79 trillion 967 billion 200 million. amounted to soums. The growth in the production of textile semi-finished products - cotton kalava yarn, finished thread yarn, knitted fabric amounted to 120.7-245.7% during the study period, while there was an increase in the production of finished garments and knitwear and hosiery. at a rapid pace and 643.2% and 569.7%, respectively. The main reason for this is that today the pace of production of finished textile products (clothing) with high added value is rapidly developing.

The study proposed using the EFQM (European Foundation for Quality Management)⁴ model for self-assessment when choosing business models in textile industry enterprises.

The developers of the EFQM model chose a special criterion – the excellence criterion – as the design goal. To achieve these goals, its developers defined a high-level question about the context and system of constraints in which this criterion was created. This context is determined by fundamental concepts. Thus, the EFQM model is represented by the following main components: fundamental concepts of model construction; the system of criteria and constituent criteria of the model; the RADAR assessment system. Excellence is assessed by two groups of criteria: the criteria of the Capabilities group (5 criteria) and the criteria of the Results group (4 criteria). Each criterion of the model has a score, and the total score for all criteria is 1000 points. The weighting structure of each criterion is determined by EFQM experts, and many users, models and coefficients can change depending on the accumulated experience and changes in the external environment. The Capabilities and Results groups have a maximum of 500 equal points respectively, which are points that indicate the equal importance of both the enterprise's potential and how well this potential is used. The nine criteria of the EFQM improvement model include 32 sub-criteria. The diagnostic self-assessment uses Deming's continuous improvement method - the RDSA (Plan-Do-Check-Act) cycle.

The simplest and most common self-assessment tool is a questionnaire. Today, there are many versions of questionnaires based on the EFQM model criteria, but they differ from each other in form, size and content. For example, one of the questionnaires proposed by EFQM consists of 50 questions based on the model criteria. When filling out this questionnaire, a 5-point scale for assessing the level of development of a textile enterprise was offered for each question.

In the latest ideas about textile enterprises, their development, the following vector of development is distinguished - "hierarchy - network", in which integrity as a parameter characterizes the enterprise at each stage of its transformation. In fact, if all components that ensure network interaction are present, but integrity is absent, then such a network enterprise does not exist. Thus, integrity management functions as an appropriate and necessary action on the part of management.

Integrity management, in comparison with the organization management system, should be understood as a set of decision-making procedures on the system integrity parameter. If we take the integrity parameter "enterprise excellence" as a starting point, the following will be possible:

- 1) technologization of the process of working with this parameter;
- 2) formulation of requirements for assessing the adequacy of the parameter and creation of procedures for its assessment.

It is evident that the initial choice of the EFQM model criterion as the integrity parameter does not limit the enterprise management in implementing the strategy. This choice can be made in favor of other criteria, which will be possible even not when choosing the integrity parameter (there are many such options), but when choosing the path associated with the development of reflexive management.

Based on the main limitations introduced during the development of the algorithm, we will formulate a general algorithm for working with the model. These limitations should include our consideration of the subject as the basis for forming all our judgments and the choice of relationships that can be expressed as subject-object relationships and subject-subject relationships. All models that we consider describe, reflect, and are a means of a leader who is free in his conclusions and possesses the main attribute - choice as a subject.

⁴ Meyer F.A. Radarise your business for success: EFQM, Brussels Representative Office, 2015. – 280 p.

Among the acts of choice performed by the subject, we distinguish the following actions: self-determination (SD); self-regulation (SR); self-starting (ST); self-change (SC). This is a set of acts of self-development of the subject of management, determining the processes of self-development of the enterprise and the transition of the enterprise from one level to another.

Although the main goal of self-assessment is to participate in competitions and receive awards, there is no continuous process of improving results based on self-assessment. Several enterprises included in the Uztogamiliksanoat association were selected as the object of the study, and calculations were made using the example of the limited liability company (LLC) SANAM. The results of the analysis show that the criteria of the Opportunities and Results groups had approximately the same amount of points.

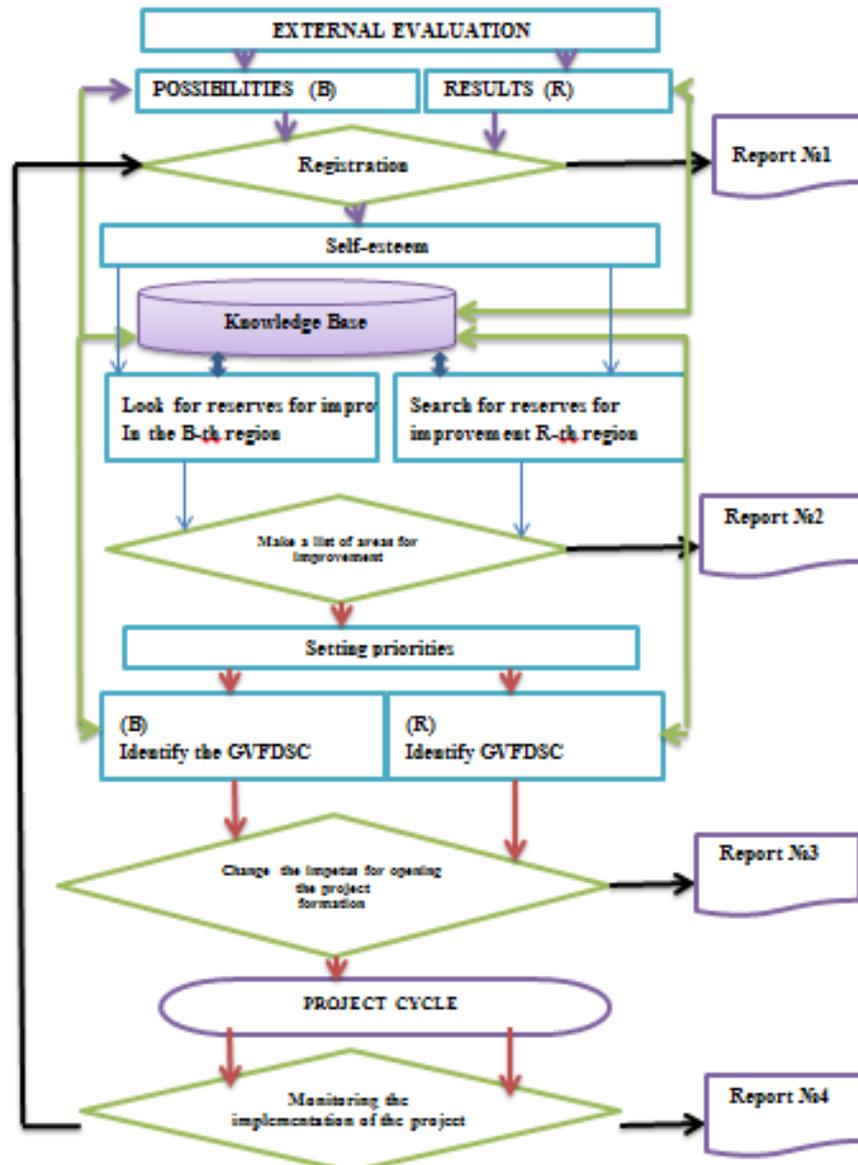


Figure 1. Algorithm for making decisions on the development of a textile enterprise⁵

The use of the modern concept of "business model" is today considered as an effective direction of innovative business development, this position is confirmed by the presence of many publications covering the real achievements of enterprises using this concept, and research on this issue.

⁵ Author's work

During the study, the results of calculations of the plan for the implementation of measures aimed at improving the quality of products based on the use of business models at a sewing and knitwear enterprise, according to the criterion of increasing the amount of profit, showed that wrinkle resistance, air permeability, penetration, and friction resistance of shirt fabrics meet consumer requirements.

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