

Possibilities of investment activity and its effective management in industrial enterprises

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Abstract: This article describes the investment activity of industrial enterprises and the possibilities of its effective management.

Key words: economy, investment , industrial enterprises, foreign experience, strategic trends, innovation



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INTRODUCTION

In modern conditions, there is strong competition between industrial enterprises, which requires them to have effective investment management strategies. Only industries that can make optimal use of available resources and maximize return on investment can survive and thrive in the market.

Technologies are developing rapidly and they play an important role in the investment activities of industrial enterprises. They require keeping up with the latest technological trends and adapting them in the operations of industrial enterprises to effectively manage investments, giving advantages in innovative products or improved production processes.

The 26th goal of the development strategy of New Uzbekistan for 2022-2026 calls for further improvement of the investment environment in the country and increasing its attractiveness, taking measures to attract 120 billion US dollars, including 70 billion dollars of foreign investments, in the next five years. According to it, on the basis of the "bottom-up" principle, the implementation of a new system for the effective use of investments and the increase of export volumes, the implementation of the strategy of attracting foreign and local investments until 2026, energy, transport, health care, education on the basis of public-private partnership , it is not for nothing that it is determined to attract investments equal to 14 billion US dollars in ecology, communal services, water management and other fields¹.

Modern society places increasingly high economic, environmental and social demands on enterprises. Industrial enterprises should be aware of the problems of effective investment management and act accordingly to ensure compliance with these requirements while being ready to invest in sustainable development and social responsibility.

Taking into account these factors, conducting research in the field of effective management of investment activities of industrial enterprises is becoming more and more relevant. In this regard, the development of scientific innovations, new guidelines and management models will help industrial enterprises achieve high efficiency and sustainable development.

The choice of this topic is related to the urgency of the problem of effective management of investment activities of industrial enterprises. In the conditions of intense technological development and market competition, effective management of investments becomes the main factor of enterprise success. Constant changes in the economic environment, market conditions and legal norms require new approaches and tools in the management of investment projects.

Review of literature on the subject

Issues related to the effective management of investment activities of industrial enterprises are reflected in the research of Thomas Farol, A. Morisson, P. Kizkovich, S. Jensen, J. Wang, Xiaming Chen, SK Leong, Gokan Akinchi, A. Ibenstein, H. Sirera and other foreign scientists. found

¹ Decree of the President of the Republic of Uzbekistan No. PF-60 dated 28.01.2022, <https://lex.uz/docs/5841063#5842914>

CIS scientists T.P. Danko, P.V. Pavlov, Ye.F. Avdokushin, R.I. Zimenkov, S. Prikhodko, N. Troshin, N.A. Orlov, S. Zakharov, N. Mironov, L.G. Leskova, D.R. Arutyunov, Ye.I. In the scientific works of Mironov and others, the specific conditions of effective management of investment activities of industrial enterprises, their functioning mechanisms, issues of regulatory and legal regulation, their place in the world economy are widely covered.

A number of economists-scientists of our country have gained world experience in effective management of investment activities of industrial enterprises. Khalikulov, H.R. Khamroyev, A.B. Nizamov, S. Mirzaliyev, A.R. Bozorov, N.G. Muminov, A.V. Vahabov, Sh.Kh. Khojibakiyev, A.T. Shermukhamedov, U.A. Shermukhamedov, K.Kh. Abdurakhmanov, M.S. Kasimov, Z.G. Kudratov B. B. Toshboyev, N.M. Makhmudov, Sh.T. Yuldoshev, A.U. Akmalov, B.B. Valiyev and others are covered in scientific works.

Research methodology

In the process of writing the article, normative, comparison, scientific abstraction, grouping, SWOT analysis and other methods were used.

ANALYSIS AND RESULTS

Investments play an important role in the development of industrial enterprises and serve to increase their growth, modernization and competitiveness. Investment activity allows to eliminate limitations and problems related to the capabilities and resources of enterprises, to achieve new successes and create conditions for sustainable development.

In addition, investments in industrial enterprises are important for the economic development of the country and region. Investments aimed at the development of the production sector serve to create new jobs, increase the income of the population and reduce poverty. They also stimulate economic growth by increasing trade and exports, attracting foreign direct investment, encouraging innovation, and increasing labor productivity.

Investment activity is also of long-term importance for the sustainable development of industrial enterprises. This allows to create an infrastructure that ensures the efficient operation of enterprises, to develop and support scientific and technical potential, to introduce environmentally friendly technologies and to increase the social responsibility of business.

Investments play an important role in the development of industrial enterprises, serve their growth, competitiveness and sustainable development. They allow not only the financing of various projects and activities, but also create the basis for the long-term success and prosperity of enterprises, regions and the whole country.

The classic approach to investment management requires diversification of the portfolio to manage investment efficiency, profitability and risk, as well as risk, and is based on a comprehensive approach to management, taking into account internal and external factors. It is based on the principles of rational use of resources and optimization of investment results.

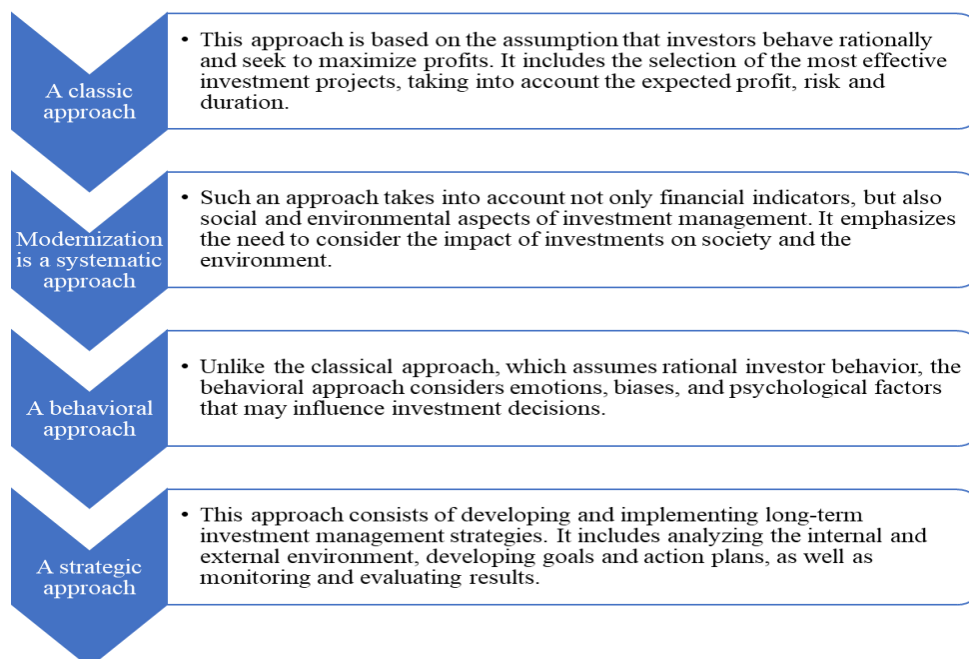


Figure 1. Theoretical foundations of investment activity management²

A modernized approach combines these approaches, taking into account the specific conditions and goals of investment activity. It helps to overcome challenges and obstacles such as uncertainty, changing market conditions and competition.

²Author development based on research and research

A behavioral approach to investment management is based on the assumption that investors do not always make rational and informed decisions. Instead, they may be exposed to emotional and psychological factors that can impair decision-making.

Table 1.

The role of investments in the development of industrial enterprises³

/r	The role of investments	Description
.	Develop ment of new products and technologies	Investments allow financing of research and development, as well as introduction of new technologies and innovative solutions. It helps to create a competitive advantage, improve product quality and increase efficiency.
.	Expansio n of production capacity	Investments make it possible to expand the production capacity of industrial enterprises, build new enterprises or expand the scale of existing ones. This makes it possible to increase the volume of production, expand the range of products and meet the growing demand.
.	Improve quality and reduce costs	Investments in upgrading equipment, automation and optimization of production processes allow to improve product quality, increase efficiency and reduce production costs. This, in turn, helps to increase competitiveness and increase profits.
.	Develop ment of human capital	employee training and development help improve the skills and competencies of employees. It helps to increase labor productivity, innovation and adaptability of the enterprise to changing market conditions.
.	Creating new jobs	aimed at the development of industrial enterprises serve to create new jobs and reduce unemployment. This has a positive effect on the economic and social development of the region or country.
.	Increase competitiveness	Investments aimed at improving production processes, product quality, and mastering new products and technologies serve to strengthen the competitiveness of industrial enterprises in the market.

Major investment projects require a solid methodological and organizational approach to management, including planning, evaluation, control, and resource management. Poor project management can lead to delays, missed budgets, and poor quality.

Internal factors such as poor communication, resistance to change, lack of cooperation between management and departments can also cause problems in managing investment activities. It is necessary to take into account these obstacles and take measures to eliminate them.

As part of the research, an analysis of the STEEP strategy of effective management of investments in industrial enterprises was carried out. STEEP strategy analyzes 5 factors: Social, Technological, Economical, Environmental, Political.

Table 2

Analysis of the STEEP strategy of effective management of investments in industrial enterprises

<i>Social</i> (Social factors)	<ul style="list-style-type: none"> - high-paying jobs and attracting qualified personnel - Improving the standard of living and well-being of the population in the areas where large enterprises operate - Development of social infrastructure and implementation of corporate social responsibility programs
<i>Technologic al</i> (Technological factors)	<ul style="list-style-type: none"> - advanced production technologies, automation and robotization - Development of centers of competence and training programs in the field of Industry 4.0 - Creation of a system of technology transfer and commercialization of scientific developments
<i>Economical</i> (Economic factors)	<ul style="list-style-type: none"> - Attract public and private financing through public-private partnership mechanisms - Tax incentives and financial incentives for investments in modernization - increase energy efficiency and competitiveness
<i>Environme ntal</i> (Ecological factors)	<ul style="list-style-type: none"> - Introduction of environmentally friendly production technologies - Waste disposal and recycling, reducing the negative impact on the environment - Development and production of "green" and environmentally friendly products
<i>Political</i>	<ul style="list-style-type: none"> - Improvement of the legal framework for supporting investment activities

³Author development based on research and research

(Political factors)	<ul style="list-style-type: none"> - Stability of political and macroeconomic situation in the country - Active international cooperation and attraction of foreign investments
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Attracting investments plays a key role in the development of industrial enterprises, which allow modernization of production facilities, introduction of new technologies and expansion of operations. In this regard, it is appropriate to study the experience of foreign countries in managing investments in enterprises.

Table 3

Uzbekistan in industrial enterprises investments effective of management SWOT analysis⁴

Strengths	Weaknesses
<ul style="list-style-type: none"> - State support for political stability and investment projects - The presence of large business groups with a diversified portfolio of assets - Access to internal and external funding sources - Experience in implementing successful investment projects 	<ul style="list-style-type: none"> - In some regions, the infrastructure is not sufficiently developed - Limited skilled personnel in certain fields - High volatility of the national exchange rate - Underdevelopment of the stock market
Opportunities	Threats
<ul style="list-style-type: none"> - Implementation of state programs for modernization and infrastructure development - Opening of new export markets, especially to Central Asian countries - Attract foreign direct investment in high-tech industries - Expanding the use of public-private partnership mechanisms 	<ul style="list-style-type: none"> - Increased competition from foreign companies in the domestic market - Geopolitical tensions in the region affect the investment climate - Possible changes in the economic and tax policy of the state - Changes in the prices of energy and raw materials in world markets

A comprehensive approach to the implementation of these strategies allows large business associations of Uzbekistan to effectively manage investment activities in a changing economic environment.

The following tools and mechanisms can be offered to increase the efficiency of management of investment activities of industrial enterprises:

1. Development of long-term investment programs closely related to the strategic goals of the company according to the strategic and investment planning system, application of scenario and project analysis methods in the evaluation of investment projects, and use of modern tools of business planning and financial modeling.

2. Formation of a balanced investment portfolio taking into account the risks, profitability and strategic importance of the investment project portfolio management system, implementation of project management methodology for effective implementation of investment projects, use of IT solutions to automate investment management processes.

3. Development of key performance indicators (KPI) to evaluate the efficiency of investment activity for improving the monitoring and control system, regular monitoring and analysis of the main indicators of investment activity, integration of the control system and management report make it happen.

4. Development of professional skills of employees participating in investment activities to increase the qualification and activity of employees, introduction of a motivation system that encourages effective management of investments, increasing the participation of managers and specialists in investment planning and decision-making processes.

5. Using modern financial instruments, structural financing such as project financing, leasing, venture financing, using public-private partnership mechanisms in the implementation of investment projects, and attracting IPO, bonds and other investment resources from the stock market.

The complex application of these tools and mechanisms allows to increase the efficiency of management of investment activities of industrial enterprises, to achieve strategic goals and to increase the competitiveness of business.

CONCLUSIONS AND SUGGESTIONS

Industrial enterprises play a key role in the country's economic development, and effective management of their investment activities is important for strengthening competitiveness and ensuring sustainable growth.

Investments are the main factor of modernization, technological development and competitiveness of industrial enterprises. Effective management of investment activities allows large enterprises to successfully adapt to changes in the market situation, introduce innovations and increase production capacity.

⁴Author development based on Internet data

Industrial enterprises face unique challenges in managing investment activities due to complex organizational structures, high capital requirements of projects, and the need to coordinate multiple departments.

It is important to develop effective investment management strategies to ensure the sustainable development of industrial enterprises and increase their competitiveness.

It is very important to optimize investment decision-making processes and increase the profitability of investments in the conditions of limited financial resources and the volatility of the external environment. Studying and implementing the best practices of investment activity management allows industrial enterprises to allocate capital investments more effectively and strengthen their position in the market.

Effective management of investment activity of industrial enterprises requires a comprehensive approach and consideration of various aspects of enterprise activity. Strategic planning, innovation, development of human resources and control of investment results are the main strategies that help enterprises to increase efficiency, stability and competitiveness in the market.

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