

ORGANIZATIONAL AND ECONOMIC MECHANISM OF AGRICULTURAL ENGINEERING MANAGEMENT

Abdullayeva Dिल्фуза Abubakirovna¹

¹PhD student, Tashkent State Technical University, Tashkent, Republic of Uzbekistan

Abstract— The article discusses the organizational and economic mechanism of management of rural engineering. A statistical analysis of the development of agriculture and engineering. At the end of the article, the author has developed scientific proposals for improving the organizational and economic mechanism of managing rural engineering.

Index Terms— management, mechanism, agriculture, machinery, organization, economic structure, system.

1. Introduction

World practice shows that the development and introduction of innovations is not only a way to improve the competitiveness of an enterprise, but also an important stimulus for the economic development of a country. The growth of their competitiveness, however, there is the emergence of resistance to innovation.

It is important to raise the efficiency of socio-economic reforms in agriculture in order to improve the livelihoods of the population in Uzbekistan, to ensure the sustainable development of the national economy and accelerate the integration into the international community.

Therefore, in the modernization and diversification of today's economy, Uzbekistan pays special attention to the state support of agricultural producers. Large-scale works are being carried out to deepen the reforms in agriculture, to strengthen the material and technical basis of the industry and, most importantly, to further improve the efficiency of the farming movement, which is becoming a decisive force in the development of the country's economy.

2. Analysis and results

Production efficiency is the main task of each enterprise. It describes the quality and quantity of managing, as well as the relationship between commodity and living expenses and the results obtained. At present, the demographic statistics of industrial enterprises of the republic are reflected in the following figures: as of the end of 2017, more than 41,000 enterprises and organizations were created, which is 25.2 percent more than in the same period last year. The number of liquidated enterprises and organizations decreased by 2.7% in comparison with the corresponding period of the previous year and reached 26.5

thousand. As a result, the number of enterprises and organizations operating at the beginning of the year increased by 6.4% (17.1 thousand units) and their total number was 285.5 thousand.

As of January 1, 2018, there are 5517 enterprises operating with foreign capital, of which 3087 are joint ventures and 2430 foreign enterprises.

In order to improve the effectiveness of the reforms, create conditions for comprehensive and dynamic development of the state and society, modernize the country and liberalize all spheres of life, the Action Plan of the five priorities for the development of the Republic of Uzbekistan in 2017-2021 [2] to promote the development of small businesses and private entrepreneurship, as defined in the third priority He went upstairs. In particular, the unreasonable interference of the state and other competent staff into the activities of private enterprises is being abandoned, the rights of the employees of the enterprise are legally protected, and all these processes are under strict control. In order to accelerate the development, modernization, technical and technological re-equipment of the enterprise, and to introduce modern, flexible technologies, the full range of activities aimed at attracting foreign investment is fully provided by the state.

As a result of the implemented work savings in the enterprises are reduced and the efficiency of their use is increasing. The concept of "efficiency" is less commonly used, such as earnings, reducing costs, increasing productivity, fund returns, profitability, and efficiency, but not conforming to the market economy requirements, but rather with concepts such as pricing, profit, income, expense. Effective performance means getting targeted benefits, cutting down costs and losses, better use of productive capacities and workforce, increasing productivity, improving

product quality.

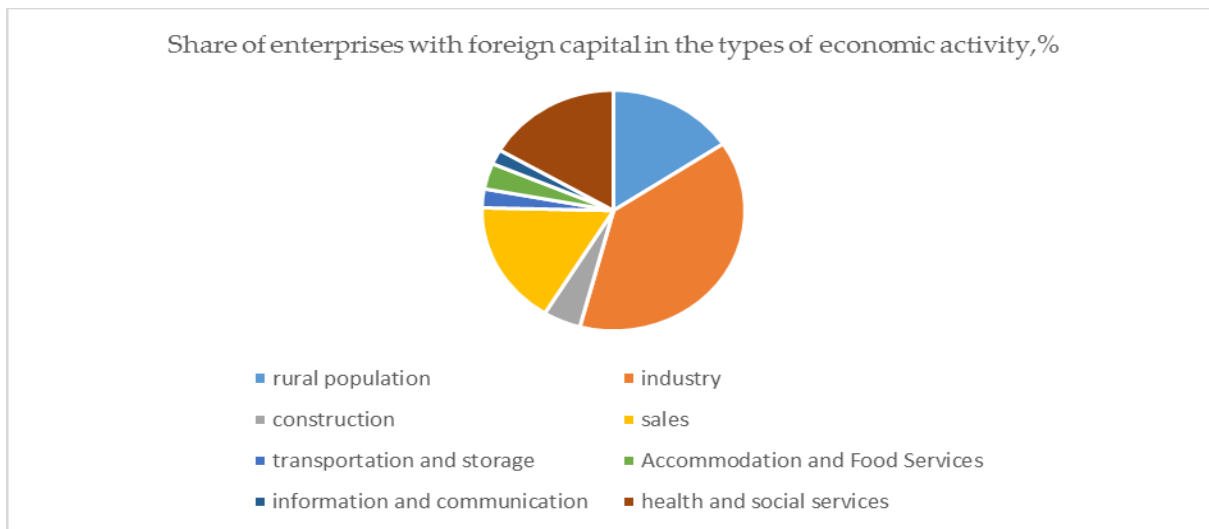


Fig. 1. Share of enterprises with foreign capital in the types of economic activity for 2017 y. (in %)

Source: www.stat.uz

As a measure of efficiency, it predetermines many technical, economic, project, and economic decisions. The enterprise derives from its effectiveness in determining its economic, scientific, technical and investment policies. Economic efficiency is a bit narrower than efficiency. It describes the feasibility of the decisions taken and in each case is determined as the ratio of the product to the cost of production (production resources). The lower the cost (without affecting the quality of the product), the higher the efficiency, the greater the cost-effectiveness. Socioeconomic efficiency is characterized by the efficiency of production taking into account the labor conditions, the enrichment of its creativity, and the difference between mental and physical labor. Socioeconomic efficiency is at the same time the cause of the effectiveness of production, the successful operation of the enterprise, the comprehensive development of the individual and the use of all its capabilities. Direct social benefits are reflected in the growth of knowledge and skills, expertise and culture of the staff, improved health and lifelong survival.² Employability efficiency is primary in terms of social effectiveness: economic success helps to solve social problems of the enterprise. For example, growth of profits, growth of savings will allow the company to expand and solve social problems.

Each of the above factors of raising the efficiency of the economy is carried out by taking into account the interconnected costs and resources of production, using different forms and types of activities. [1]

Expenditures on production of goods are the largest in the structure of expenses of production enterprises. The production costs are decreasing with the increase in prod-

uct output. Continuous reduction of expenses is the norm of production in the market economy. It is ensured by constant growth of labor productivity, increase of cultural and technical level of workers, rational use of material and labor resources, improvement of management methods. The importance of reducing production costs is rising every year, as every percentage of the reduction reduces the absolute size. In other words, the company will save a considerable amount of its financial resources by reducing the cost of its production by 1%. This is one of the most pressing issues facing any enterprise. It should be noted that the cost-effective use of all resources is one of the most pressing issues facing each organization today. Improving the competitiveness of enterprises through the introduction of a cost savings scheme, stimulating production costs and product cost, and thus strengthening its market position, developing an effective mechanism for promoting leadership and responsible staff to achieve defined variables in cost reduction, and so on. is one of the most important issues.

The ways to reduce production costs in economic literature are as follows:

Increasing the technical level of production while reducing the costs will have a complex impact on the introduction of new techniques and the reduction of the process of manufacturing technology. They make it more efficient to use material resources to reduce the cost of labor costs. Modernization of existing equipment and the use of existing equipment can greatly reduce production costs. With the new technology and progressive technology, material resources and living can be saved. Saving past runs of ma-

terial resources allows you to produce more products than the same number of raw materials and materials: saving on live labor increases the productivity of your product, which allows you to produce more products per employee. This is facilitated by science and technology development. Increased labor productivity, based on improved production management using new technology and advanced technology, which reduces production costs. It is important to adhere to the cost savings of material and financial resources. Reducing the cost of equipment, material, as well as maximizing the use of industrial wastes, reducing losses caused by braking, increasing the efficiency of their funds, rationalizing the wage fund, reducing the cost of the workshop and the cost of the whole plant - low prices. Improving logistics reduces production costs. The breakdown of the raw material, materials, fuel and energy supply leads to a breach of the production rhythm, cancellation and, consequently, immeasurable costs. There is also a negative impact on the enterprise's economy over excessive over-regulation. When the reserve increases, the working capital increases, the financial situation deteriorates, the profitability of production decreases. [3] Reduction in production costs has a major impact on improving labor organization. Not all appliances, even new ones, can be used maximally without the proper organization of production. Therefore, besides mechanization and automation of technological processes it is necessary to pay great attention to the organization of work on scientific basis. The report's role is great when reducing the cost of product. Accountability allows for rational use of fuel and energy, raw materials and supplies, reducing costs, and increasing business fund. It is important to plan and take into account the cost of the production team to reduce the cost of the workforce to the cost of the product. It is important to analyze these costs in order to identify ways to make economies and disclose the cost of excessive costs. An analysis of the production cost reduction plan is crucial to improving the overall performance of the enterprise to increase production profitability. However, the analysis is not limited to the assessment of the cost reduction plan, but also organizational and technical efforts to further reduce production costs. [9] The active involvement of workers in product analysis is an important factor in reducing it.

Costs vary depending on factors that are not enterprise-dependent. For example, the cost of the resource changes the cost of the various services, irrespective of the company's wishes. When the scope of production increases, the resource consumption is reduced, as they are less waste. Costs will be drastically reduced when introducing resource saving technology. The average cost will vary with

labor productivity in reverse proportion. Increasing labor productivity also reduces material and labor costs and increases profits by reducing labor costs. Continuous downsizing costs serve as a major tool to maximize profits. After all, the basic elements of the content of the product cost are cost effective. Consequently, the lower the cost, the more profitable it will be. One of the main directions for reducing production costs is to achieve the rational use of science and technology achievements. The use of science and technology advances enables us to use more efficient and more efficient production capacities, raw materials, and fuel resources. Also, the creation of a new, high-performance machine, a new technological process at the workshop and its introduction into the production will eventually increase the efficiency of production at the enterprise. The peculiarity of science and technology development in the second half of the twentieth century is characterized by the transition to a principled new technological method. The advantage of its existing technological production methods is not only relatively high cost-effectiveness, but also the ability to produce material benefits and services in terms of quality.

One of the main ways to reduce costs is to improve productivity and productivity. This is a reduction in costs by reducing production losses, which in turn leads to the saving of livelihoods, ie, the efficiency of production. Efficiency as an economic factor means the ability of the product to meet some of the needs of people. Efficiency will have a quantitative measurement. In the economy, above all, high efficiency often explains the increase in productivity resulting from the use of capacity. It is not difficult to explain that the whole complex of productivity is the highest maximal productivity. Each brand new brand expands its productivity to its highest level of efficiency. According to the law that reduces the maximum efficiency, the higher efficiency level of each of the next generated nutrients is lower than the previous one. Thus, the effectiveness of creating additional benefits to a measure is lower than the results obtained in the preceding step. Economic efficiency is characterized by several economic indicators, and production efficiency by several relative indicators. [4] The overall performance indicator is labor productivity. It is expressed in terms of the productivity of the total product. Living wage is counted on hours. In addition to productivity, labor productivity is also used. The labor force is determined by the proportion of live labor. The economic performance of the product's capacity is also of great importance in our time. Material capacity is determined by the proportion of consumed materials to the product. The efficiency of production assets is measured by the product's stock capacity

or return on assets.

In the transition to a market economy, especially in the current conditions of the country, increasing productivity is a very serious matter. The fact is that in the present time many resources are limited, most of them imported from abroad, lacking modern technology, and a high level of human resources. Therefore, it is necessary to pay sufficient attention to the means of increasing efficiency, such as the efficient use of resources, the increase of productivity, the placement of national and foreign investments in the most relevant sectors, training highly-qualified personnel. One of the directions within the localization program was the comprehensive support and incentives for the exporting companies in the country, and the strengthening of export potential. This has played an important role in the more stable operation of such enterprises. For this purpose, strict measures were taken to support enterprises to increase their competitiveness in foreign markets. Among them are the prevention of unjustified growth of prices for energy and utility services, reduction of prime cost by optimizing technological processes at enterprises, introduction of new mechanisms for forming export prices, extension of bank guarantees, reduction of term of return of value added tax and other measures. Thus, based on the Anti-Crisis Program in our country, the structure of expenses for production of goods at the enterprises has been studied and unreasonable increase of cost of the cost of production is not allowed. This led to a further improvement in the financial position of enterprises [6].

It is well known that in the age of globalization and international economic integration, the most important priority is to improve the living standards and well-being of the population, especially the foodstuffs. Indeed, the natural growth of the population requires a more serious approach, as the global food security problem is global. Socio-economic surveys from the World Bank show that around 30 percent of the world's population lives in poverty.

The 14.3 percent of the world's population is experiencing low levels of food intake, 12 percent or 842 million people suffer from chronic hunger and 827 million live in developing countries (1).

It should be noted that as a result of population growth and rapid economic growth, demand for land, water resources and agricultural products is rising every year.

At present, the country's modernization and diversification of agriculture has led to an increase in agricultural production by 6.6%, including fruits and vegetables - by 11.2%, potatoes - by 9.7%, and vegetable growing by 10.4% growth.

Implementation of measures to support and protect private property and entrepreneurship has led to the creation of more than 32,000 small business entities in 2016, or 18% more than in 2015. The share of small businesses in the country's GDP increased up to 56.9% and in industry by 45% .[10]

The country's food security, welfare improvement, industrial and other sectors' needs for essential raw materials require immediate development of agriculture and water management, as well as improving the quality and output of agricultural products. At the same time, further boosting the economic efficiency of agricultural production contributes to the further perfection of the existing financing system.

In this regard, a number of activities are being carried out in the country, including the Program of development of multi-profile farming enterprises for 2017-2020, which is planned to gradually reduce crop rotation and cotton cultivation. The key task is to rationalize the use of land and water resources, to introduce modern intensive agro technologies, to improve the product storage and deep processing infrastructure. Another key task is to improve the existing system of financing agriculture. Only in this case will we ensure guaranteed sustainable yield, development of the whole agro-industrial complex, and, most importantly, to increase financial interests of farmers and improve living standards in rural areas. This should be a solid basis for ensuring our country's food security (4).

We know that in accordance with the Budget Code of the Republic of Uzbekistan, expenditures of the State Budget of the Republic of Uzbekistan are as follows:

- Expenditures of the republican regulatory and supervisory bodies in the field of agriculture and water resources, the costs of water, agriculture, forestry and agricultural pest control services;
- Expenditures on financial support of farms producing agricultural products for low-yield land;
- Budgetary funds in line with earnings from single land tax paid by agricultural producers and targeted budgetary funds allocated annually within the framework of approved basic parameters of the Irrigated Land Reclamation Fund under the Ministry of Finance of the Republic of Uzbekistan.

From the State budget of the Republic of Uzbekistan in 2015 to the economy expenditures will amount to 4 732.9 billion soums. The expenditures on the maintenance and development of the agricultural and water management system amounted to UZS 2.178.4 bn. soums.

Table 1.
Expenditures of the State Budget of the Republic of Uzbekistan for Agriculture and Water (UZS billion)

T/p	Agriculture	358,19
1.	Ministry of Agriculture and Water Management of the Republic of Uzbekistan (Agriculture)	6,992
2.	Plant Protection Centers	7,774
3.	Seeding Inspections	6,568
4.	Animal Disease Stations	41,432
5.	Agricultural plant pests and diseases prevention activities	8,125
6.	Epizootic Disease Precautions	5,601
7.	Targeted financing of farmers producing agricultural products for low-yield land needs	252,581
8.	Other agricultural arrangements	29,117
	Water management	1820,2
1.	Water management organizations	1 819,3
2.	Expenses of the National Irrigation and Drainage Committee under the Ministry of Agriculture and Water Resources of the Republic of Uzbekistan	0,07
3.	Expenditures on the maintenance of "State Hydraulic Works" inspection	0,39
4.	" Expenditures on the maintenance" of territorial subdivisions of the State Water Management Inspectorate	0,4
	Total:	2 178,4

Source: Based on the data of the Ministry of Finance of the Republic of Uzbekistan.

In our opinion, one of the key factors in raising the efficiency of agricultural resource utilization is to further improve the system of financing modernization and diversification of the sector and to use the proceeds of the financing system on the basis of available capabilities to be targeted and targeted and effectively used. In this regard, it is necessary to strengthen the use of off-budget funds, including the effectively monitored use of funds allocated by the State Fund for Reclamation of Irrigated Land under the Ministry of Finance of the Republic of Uzbekistan and the State Fund for Technical Assistance for Agricultural Provision.

According to information, 504.8 billion. The funds were directly funded by off-budget funds.

In addition, it is necessary to improve the system of targeted and productive use of the funds allocated through the Investment Program aimed at the financial support of the integrated development of agriculture in our country.

The above information shows that centralized investments at the expense of the Fund for Reclamation of Irrigated Land under the Ministry of Finance of the Republic of Uzbekistan and centralized investments at the expense of the state budget of the Republic of Uzbekistan totaled 725.1 billion soums in 2016. soums. Of course, proper

and targeted use of these funds will create a basis for further development of agriculture and water management.[10]

In general, it would be desirable to pay attention to the following innovation aspects of improving the agricultural financing system:

- Improvement of the mechanism of state and market

support of the rural and water economy by stimulating the effectiveness of the Republican Budget, Extrabudgetary Funds and Investment Programs through the Investment Program;

- widespread introduction of corporate governance, which is a modern form of financial management in agricultural enterprises, thus increasing the efficiency of use of material resources;

- Ensuring the extension of opportunities for financing agricultural enterprises along with seasonal but not permanent employment, diversification of production through private farms through the development of specialized agricultural cooperatives;

- development of guaranteed and encouraging market mechanisms of attraction of free money resources of physical and legal persons to financial support of agricultural enterprises;

- Achieving financial sustainability by providing them with financial and technical opportunities through further simplification of leasing activities in agricultural enterprises;

- redistribution of resources, created by further stimulation of its activity based on the stimulus function of the agricultural insurance system, on the financing of agriculture;

- Further simplification of the system of agricultural crediting and development of mechanisms of state stimulation of gradual increase of the level of commercialization of commercial banks' resources allocated to the agro-industrial complex based on the effectiveness of the co-financing;

- Enhancing the export potential of the agrarian sector by developing mechanisms to support innovation projects under government guarantees to stimulate domestic and foreign investment in agriculture.

3. Conclusion

When exporting the products, export is not always the same. In such circumstances, due to the lack of timely sales of the product sold, or the lack of technology or technology for the production of more products, the production of the products at the enterprises may be temporarily suspended or the production of fixed quantities. The provision of preferential loans by banks will be a great help to businesses. At the same time, the production will be accelerated, which means labor productivity and profitability of fixed assets will increase. These two indicators are directly dependent on the costs incurred by the enterprise at the cost of production. As a result, the cost of production at the enterprise will decline.[8]

Having studied the cost savings and increasing productivity of industrial enterprises, the following conclusions have been reached:

1. Great attention is paid to optimizing periodic costs. First of all, it is necessary to save administrative and managerial costs, that is, to revise the management system and to abandon unnecessary positions. Meanwhile, the enterprise should take the necessary measures to save costs on product sales. In this case, it is important to reduce the cost of manual labor used by machine-readers to replace the handwriting, to use low cost transportation services to deliver finished goods to the point of sale, automate the storage, processing, sorting and packaging of products.

2. It is necessary to find ways of reducing the cost of products manufactured at the enterprise. The cost of the product can be reduced by two ways: first, by increasing the output of the product, and, secondly, by reducing production costs. The company has the capacity to increase the production of the products, but also the potential for the

realization of the products produced. It is impossible to increase the volume of production without studying the market demand. In addition to the domestic market, it is also essential for the enterprise to explore the external market and open new sales channels. A number of measures should be taken at the enterprise to reduce production costs.

3. Automation of all processes of production using latest achievements of science and technology;

4. Increased use of local, inexpensive and high-quality raw materials in production, increasing labor productivity using skilled workforce.

In our opinion, the above suggestions serve as an important factor in achieving economically efficient production at enterprises.

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