

## DEVELOPMENT OF INDUSTRIAL ENTERPRISES AND ANALYSIS OF THE FACTORS OF THEIR COMPETITIVENESS

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**Abstract:** Since the widespread use of factors of competitiveness of industries is an important factor, the article examines the issues of modern competition to identify potential buyers of an enterprise, study and satisfy their desires, and ensure the expansion of market activity. The paper presents practical proposals and recommendations based on the analysis to improve the competitiveness of industrial enterprises.

**Keywords:** Industry, enterprise, industry, competition, economy, production.

The current market reforms in Uzbekistan are aimed at improving the well-being of the population by ensuring long-term sustainable economic growth. The material basis for sustainable economic growth is national production, in which the widespread use of the competitive potential of industries is an important factor. Consequently, the development of the economy requires the improvement of organizational, economic and legal relations, which are necessary for the effective use of the production potential of industries. It is important to expand the range and improve the quality of products produced by the country's industrial sectors, effectively organize a commodity policy, determine and improve the directions of its formation in order to take a worthy place in the competition in our domestic and world markets. Modern competition requires a company not only to search for the target market, but also to identify potential buyers, study and meet their needs in order to ensure the expansion of market activity. As a result, the positions of these enterprises in exports are maintained at a reasonable level, and favorable conditions have been created to ensure financial stability.

The worsening epidemiological situation due to the global pandemic had a significant negative impact on the global economy in 2020. According to preliminary estimates of the International Monetary Fund (IMF), the world economy contracted by 3.5% in 2020 and will recover by 5.5% in 2021. A competitive environment is an environment in which the necessary conditions are created for continuous and unrestricted competition. This environment is typical of a highly competitive market. Its main features are freedom of private property, freedom of economic choice, free pricing, free choice of methods of economic competition. The following factors mainly affect the competitiveness of an enterprise: the level of service of the enterprise during

the warranty period and the warranty period of competing products; the level of product promotion in various ways and its effectiveness; the level of organization of service of the enterprise and its efficiency; reputation of the company and trademarks of the company; change in prices for the company's products depending on demand and supply in the market; an increase in the share of exported products in the total volume of production (which indicates the breadth of the market), etc.

The difficult situation in the global economy in 2020 also influenced the dynamics of GDP growth in the country. At the end of 2020, the volume of investments in fixed assets in real terms decreased by 8.2% compared to 2019 and amounted to 202.0 trillion. soums. At the end of 2020, the country's foreign trade turnover amounted to \$ 36.3 billion (13 percent less than in 2019). At the same time, the total export volume amounted to \$ 15.1 billion (13.4% less than in 2019), excluding gold exports - \$ 9.3 billion (30% less than in 2019). The sharp decline in exports was negatively affected by the decline in exports of services (41.7%) as a result of a sharp decline in its composition in terms of energy (79.8%), raw materials (19%), investment goods (2.4%). By the end of 2020, imports of goods and services amounted to \$ 21.2 billion, which is 12.8% less than in the previous year [6]. The implementation of programs for reforming, restructuring and diversifying production, strengthening the material and technical base laid the foundation for the development of industrial production in the country. As a result, in 2020 the volume of industrial production will increase by 0.7% compared to the previous year and will reach 367.1 trillion. soums. The low growth rates of industrial production were influenced by a 21.9% decrease in the production of mining products (the share in the industry as a whole - 9%). The processing industry, which accounted for 83 percent of the industry, grew by 7.1 percent. The share of high-tech industries in the total technological structure of the manufacturing industry is 1.9% (in 2019 - 1.5%), medium- and high-tech industries - 22.4% (25.4%), medium-low-tech industries - 40.1 percentage (36.6 percent) and low-tech industries - 35.6 percent (36.5 percent). To achieve an external competitive advantage, a firm must provide a product with a quality advantage, reduce costs, and ensure profitability. This situation increases the firm's influence on the market and allows it to offer goods (services) at a higher price than competitors. For firms to gain the advantage of internal competition, they need to innovate in production and reduce the cost of competitors' goods (services). Based on the methodological approaches used, we have determined the competitive environment in the retail trade of Fergana for 2019-2020 between the countries producing knitwear.

The share of children's underwear produced in Uzbekistan, including the Fergana region, is 45-46%. However, the share of Uzbekistan in women's outerwear is the lowest - 15-16%, and in men's outerwear - 16-18%. 42-52% of women's underwear and outerwear are produced in Turkey. Analysis of the average prices for commercially

available knitwear shows that the cheapest of them are produced in Uzbekistan. Development is the most important task for an enterprise, and management strategies are important for promoting an enterprise's development (Chui et al., 2020; Nakayama et al., 2021). As a management center for experience and innovative knowledge in enterprise development, the optimization and application of management strategies are crucial (Plageras et al., 2018; Ruel et al., 2019). Although the optimization of enterprise knowledge management (EKM) strategies is not perfect at present, many studies have provided technical support. Tomlinson (2020) pointed out that with the rapid development of the economy and technology and accelerated market globalization, enterprises are now facing an increasingly complex competitive environment. The traditional enterprise model can no longer adapt to this unpredictable competitive environment; therefore, virtual enterprises have emerged as the times require (Cai et al., 2022; Zhenget al., 2021a, 2021b).

Knowledge management can be regarded as a magic weapon for competitive advantage of virtual enterprises (Liet al., 2019; Tomlinson, 2020). Marabelli & Newell (2019) showed that the exponential growth of data and emerging technical tools in the era of big data have put forward new requirements for EKM, thus the innovation and exploration of EKM is significant for improving the core competitiveness of enterprises based on big data (Marabelli & Newell, 2019; Zheng et al., 2021c). Chatterjee et al. (2021) indicated that innovation is the first driving force for development. This indicates that innovation-driven high quality economic development is an inherent requirement for realizing the transformation of development momentum and improving the quality of development. To accelerate the growth of an innovative country, implementing an innovation-driven development strategy and highlighting technological innovations that lead to all-round innovation are necessary (Fan et al., 2022; Zhang et al., 2021; Zhou et al., 2022).

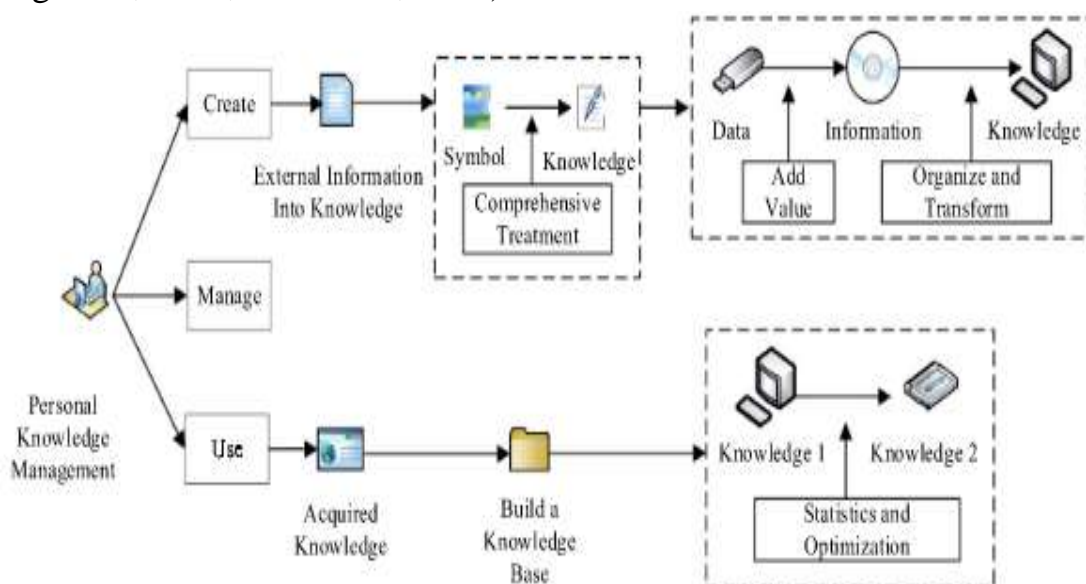


Fig. 1. Personal knowledge management framework.

Knowledge management is a key driver of technological innovation. On the one hand, the implementation of knowledge management can tap the potential of enterprise innovation; on the other hand, it can reduce innovation risks. Knowledge management effectively promotes the continuous development of enterprises' technological innovation. Therefore, how to use knowledge management methods to efficiently integrate and promote technological innovation has become the primary issue for improving enterprises market competitiveness (Chatterjee et al., 2021; Chopra et al., 2022). Sorokin et al. (2020) demonstrated that with the continuous improvement of the economy and technology, technical means and artificial intelligence, particularly, artificial neural network (ANN) technology, have gradually attracted attention. ANN technology can imitate the relevant system structure and process the dynamic technology of the model using an Internet platform to achieve the actual goal of Internet management and control. With the maturity and improvement of relevant technologies, ANN technology has been widely used (Kumar et al., 2021; Sorokin et al., 2020). Gui & Xu (2021) suggested that in enterprises, the risk of knowledge sharing is a direct factor affecting the success or failure of EKM activities.

Effective risk prediction of enterprise knowledge sharing leads to assessment of possible risks and help the enterprise to control them before occurrence. Timely adaptation to changes in the external environment is extremely important for enterprise development. Neural networks (NNs) technology can provide reliable risk prediction for the enterprise through calculation and management thus promoting effective enterprise development (Al-Qerem et al., 2020; Gui & Xu, 2021). The summary of this paper is as follows: the current situation of EKM is understood, and its strategies are analyzed. Second, specific algorithms and applications of NNs technology are elaborated. Finally, NNs technology is applied to EKM strategies research, and the evaluation and optimization of EKM are analyzed. It not only provides technical support for the optimization of EKM strategies but also contributes to the development of enterprises. EKM strategies and innovative development Theory of EKMEKM is divided into three parts: personal knowledge management, knowledge value management, and knowledge creation. Personal knowledge management refers to employee management of their own problem-solving skills and methods. There are four steps to personal knowledge management. First, employees can formulate methods and strategies to acquire knowledge according to their needs. Second, employees can filter the knowledge or information they acquire according to their conditions of use. Third, they formulate a specific usage strategy for filtered usage data. Finally, they can build their own databases based on the large data they have obtained and make adjustments at any time according to specific needs (Elgendy et al., 2021; Oliva et al., 2019).

The specific requirement of personal knowledge management is that the enterprise's employees use of information and data ensures they can quickly obtain

therequired work data, thus improving the quality and efficiency of theirwork (Cvitic et al., 2021;Friedrich et al., 2019). The framework of per-sonal knowledge management is illustrated in Fig. 1.From Fig. 1, individuals shouldfirst collect the data needed in thework process of the enterprise in personal knowledge managementand convert the collected data into their own knowledge.

All knowl-edge statistics are then built into their own independent knowledgebase through accumulation, such that they can timely obtain whatthey need in the process of work (Bouncken et al., 2022;Gou et al.,2019).Knowledge value management refers to the use of knowledge byenterprises, which includes the acquisition, adjustment, and utiliza-tion of knowledge (Bouarara, 2021;Orenga-Rogla & Chalmeta, 2019;Singh & Sachan, 2021). In the process of acquisition, the enterpriseneeds to obtain information from external sources based on its needsand process this information into knowledge that meets the enter-prise's needs. Finally, the obtained knowledge is managed and usedthrough building a knowledge base (Lv et al., 2022;Mohd Selamat et al., 2020). The specific process of enterprise knowledge value man-agement is shown inFig. 2.FromFig. 2, Enterprises manage the value of knowledge throughvarious processes, such as processing, expansion, innovation, andreconstruction. The resulting knowledge statistics are sorted andbuilt into a knowledge base used in the process of operation toimprove the value of the enterprise (Gacanin et al., 2019;Sheng et al.,2022). Knowledge creation is significant in the development of enter-prises, as through acquiring external knowledge according to its owndevelopment experience, the enterprise aggregates and sorts out theknowledge to obtain knowledge that can eventually be directly used(Chen et al., 2021;Mullins & Cronan, 2021). The acquisition of poten-tial knowledge should be explored through new activities and con-verted into directly available knowledge. The acquisition of obviosexternal knowledge requires enterprises to strengthen external con-tact in the conducting new activities and then acquire useful knowl-edge (Lei et al., 2022;Skobelev et al., 2019). Ultimately, theenterprise needs to process the acquired knowledge into usefulknowledge, which should be updated and improved in real time, forfuture development process (Sardi et al., 2019). The process of enter-prise knowledge creation is shown.As shown, Enterprises shouldfirst create different typesand scales of activity. In the course of the activities, promptly explor-ing the required internal potential knowledge and external knowl-edge is necessary. Then, aggregating all the knowledge andinternalizing it into the enterprise's own knowledge through process-ing is needed (Evans & Price, 2020;Wu & Zhu, 2021). EKM is crucial to the growth and development of enterprisesbecause EKM can provide data support for enterprises, summarizeexperience, and guide the direction for the development of enter-prises. Modern enterprises are paying increasing attention to knowl-edge management, and the study of EKM is also becomingincreasingly significant.



However, related technology is lacking. Therefore, EKM is researched and analyzed using NNs technology through big data. In the process of enterprise development, NNs technology analyzes and obtains data for enterprises in a timely manner and provides relatively complete knowledge through forward and reverse error calculations. This helps enterprises build an independent knowledge base, evaluate it in real time during the application of the knowledge base, and improve stored knowledge. In other words, using NNs technology can not only create new knowledge for enterprises, but also provide technical support for the development and improvement of EKM. In addition, if enterprises want to strengthen the optimization of knowledge management strategies, they should obtain relevant information from external sources, convert useful information into their own knowledge through exploration, combine knowledge to build a knowledge base to improve the depth of EKM, and extract useful information through development. They should also transform information into their own useful timely knowledge to fill gaps in the knowledge base and improve EKM strategies. In terms of evaluation, enterprises need to strengthen their adaptability to the external environment, improve the vitality of the environment, increase competitiveness and creativity, and comprehensively improve their management ability. Conclusion With the support of big data, NNs technology is used to study and analyze EKM strategies and provide data through step-by-step analysis to enable formulation of relative strategies for EKM. Optimizing EKM should start with improving the adaptability to the external environment of the enterprise, vitality of the internal environment, competitiveness and creativity, and real-time analysis of the current situation of the enterprise. Meanwhile, the management model of the enterprise should be adjusted in a timely manner according to the collection and analysis. Using NNs technology to analyze EKM strategies can not only analyze different enterprises but also calculate the knowledge management indicators of different strategies. The final calculation results reflect the knowledge management indicators and provide calculation errors for the enterprise. Enterprises can adjust their own knowledge management strategies according to the calculated indicators and can also analyze the practicality of the calculation based on the errors provided in the calculation process and adjust the calculation items. The calculation of NNs technology provides technical support for EKM strategies and guarantees optimization. Although the EKM method is relatively comprehensive, it is not ideal for practical application. In the future, this part will be strengthened to improve the application of NNs technology in the optimization of EKM strategies

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