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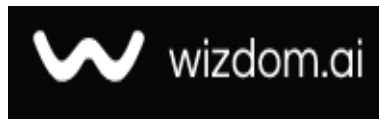
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Strategic Advancements for Competitive Edge in the Food Industry

Kemajuan Strategis untuk Keunggulan Kompetitif di Industri Makanan

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Abstract

This study explores the strategic management and enhancement of competitiveness within the food industry. Amidst a backdrop of fluctuating market conditions and a need for modernization, this research identifies a significant gap in the effective utilization of foreign investments and the adaptation of industry practices to contemporary standards. The primary aim of this research is to propose methodologies for fostering investment, modernizing operations, and expanding production capacities to stabilize and grow the market presence of food industry enterprises. Employing a methodological approach that combines theoretical frameworks with empirical data analysis, the findings suggest that increased competition and new production capabilities can significantly improve market supply and price stability. The implications of this research underscore the necessity for strategic interventions that not only respond to current industry demands but also anticipate future market conditions, thereby ensuring sustainable development and competitive advantage in the food industry.

Highlights:

- Foreign Investment: Essential for technology infusion and practice improvement.
- Operational Modernization: Adapts enterprises to contemporary market demands.
- Production Expansion: Increases supply and stabilizes prices through new capacities.

Keywords: Food Industry, Management Strategy, Market Stability, Production Expansion, Competitive Mechanism

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Introduction

Management of product quality and its competitiveness, as in all enterprises, there are several forms and types of assessment in the activities of food industry enterprises. They include such factors as improving the quality and efficiency of the product and the improvement of the boorish system. As in any organization, there is no general standardized "universal" view of effective management of activity and its competitiveness. It is impossible to analyze the presence of competition in this type of market and its analysis with modern economic indicators in order to accurately control the competitiveness of the activity of a food company [1].

Each of the sub-structures of food industry enterprises is represented by indicators of evaluation of the processes of organization and management of activity. It recommends extensive use of the expert evaluation method for all indicators of the subsystem and as the main indicator.

During the transition to the market economy, it is important to create real opportunities for the development of free competition relations. The reason is the belief that the economy cannot sustainably develop without a competitive mechanism. However, under the influence of this belief, the ideological views of the administrative command system, which prevailed until recent times, are being completely destroyed [2].

Creation of conditions for state support and encouragement of the mechanism of free competition in the Republic of Uzbekistan and improvement of regulation based on the requirements of market relations, its wide introduction, necessary conditions for modernization and diversification of the production process creates.

The share of the food industry in the republic's industry increased from 14 percent to 16.6 percent. In the next five years, the introduction of effective mechanisms to support the production of industrial products, modernization of existing facilities, technical and technological re-equipment, attracting investments to new projects, further expanding the range of competitive products on the market, production of import-substituting products it is aimed to increase the volume of production of high value-added products by 1.5 times and export indicators by 2 times due to diversification.[3]

Due to the fact that the formation of a competitive environment in the conditions of renewal and modernization of the economy is a long-term and complex process, it includes many factors and develops through their influence. However, the diversity of forms of ownership in the economy and the privatization of property by expropriating it from the state take a leading place in the development of the competitive environment and mechanism [4].

The investment policy consists of a set of measures related to the allocation of capital to economic sectors, the creation and modernization of basic funds, the improvement of the taxation mechanism, and the easing of credit and currency control policies. The fact that this situation is under the attention of the country's government is considered worthy of recognition. In particular, the Decree of the President of the Republic of Uzbekistan dated February 7, 2017 "On the Strategy of Actions for the Further Development of the Republic of Uzbekistan" No. 72 PF-4947, Direction 3 "Further Development and Liberalization of the Economy" as stated, "to ensure the stability of the national economy, to introduce modern technologies for the production of competitive products, products and goods intended for export, to introduce modern principles and mechanisms for the development of transport and logistics infrastructure, entrepreneurship and investment attractiveness for foreign investors it is necessary to implement such measures". [5]

One of the most important factors in increasing competition among food enterprises is the improvement of its quality and the types of services provided. However, by increasing the assortment of new types of goods of the manufacturing enterprise, its consumption level and specific characteristics will be improved, as a result, the quality level of the goods will be increased. This, in turn, leads to an increase in the volume of demand for these types of goods and services, as a result of which it affects the increase in the volume of sales and the expansion of the capacity of products in the market.

The current state of the food industry requires increasing the volume of production using an economic mechanism. For this, it is necessary to develop integration processes in the food industry, to strengthen the technological dependence of enterprises, and to search for and implement opportunities for connecting with the product market [6].

Literature Review

Today, the development of food industry enterprises is not only in the attention of state leaders, but also in the attention of economists, and there are different views and approaches to its specific features and problems. A number of economists consider large enterprises producing food products as the basis of the modern economy to be the main economic creators. Each of these views has its own basis.

In the research conducted by N.M. Ziyaviddinova, one of the scientists of our country on improving the activities of the food industry, the formation of the market strategy in the food industry enterprises, the development of directions for their development, and the organizational structure of the network management were improved.[7]

Due to the increase in the number of producers in the food market today, the competitive environment is much stronger than in other sectors of the economy [8]. However, when observing the dynamics of prices in the market over the years, the prices have a tendency of continuous growth. This confirms that the food market is monopolized and consumption is strongly affected by inflation. One of the ways to eliminate this negative situation in the market of food products is to achieve price stability by increasing the supply of products to the market through the creation of new production facilities. Since the majority of food production is in the hands of the private sector, increasing production can occur by encouraging the entry of new business entities into the industry. The basis of the incentive mechanism is the expansion of opportunities for business entities to obtain bank loans. Also, public funds play an important role in the formation of investment resources.[9]

M.D. Magomedov, A.V.Zazdravni, G.A.Afanaseva in their researches, as a result of the food industry, on the one hand, the economic efficiency of finished products was calculated, on the other hand - the creation of consumable raw materials, and the various aspects and characteristics of product production and sales were deeply studied. researched.[10]

We consider it appropriate to point out some of the shortcomings of the existing definitions of the food market. For example, the definitions of S.U. Nuraliyev and D.S. Nuraliyeva, Yu.B. Kostrova and A.L. Aliyeva and T. Svetlorusova. The definition they gave did not take into account the characteristics of the food market and resembled a general definition that could be applied to any market. P.T. Burdukov did not take into account the infrastructure, which is an important component of the food market. The definitions of V.D. Goncharov and N.P. Ketova repeat each other with partial changes.

M.V. Taradina is a science of management related to the study of several methods that help to further increase the efficiency of food industry enterprises and to develop a detailed plan for the sustainable development of activities, as well as the need for practical application of its theoretical elements and a process-oriented approach. conducted research.[11]

The food market is defined as a complex economic system, for example, S.S. Vorokov gives the following definition: "The food market is the maximum use of commodity-money relations through the market mechanisms of supply and demand for food of the population of this area is a complex multi-level organizational and economic system aimed at meeting the needs of [12]

Taking into account that the tension related to the production of the world-wide food industry is a factor of the shortage of raw materials or resources, the Republic has developed a food state program. In this program, great importance is attached to localization of production, expansion of production of food and other consumer goods. In the address of the UN Secretary General Ban Ki-moon on October 17, 2008 on the International Day for the Prevention of Poverty, as a result of the world financial and economic crisis, approximately 100 mln. He said that about 100,000 people will remain in poverty. [13]

According to I.G. Ivogla, "The market of food products is formed under the influence of the state agrarian policy and international integration processes, providing the population with a sufficient amount of consumer products at the expense of domestic production and imports, agricultural raw materials and is a system of interactions between market entities for the production, storage and movement of food products". [14]

The increase in the share of small enterprises, which are considered efficient in the preparation of food products, of our national economy will accelerate this process and increase its share in the products of the food industry. Localization of this industry today is important because it meets modern requirements and serves to reduce imports, as well as solve issues such as creating new jobs. Diversification in the activity of food enterprises, that is, changing and expanding the previous system, ensures a sufficient range of products. [15]

Professor J.L. Klein of the University of Maryland, USA, believes that regional location does not play a role in the development of entrepreneurship in the food industry. In this case, he said that the main question to be discussed is whether the entrepreneur engaged in the production of food products will be formed from within the network, or will he come from outside, that is, from another field? - he asks. To this question, J.L. Klein answers that the future entrepreneur working in the field of food in the USA will be a university graduate or at least the second level of education, that is, he will be a graduate of a vocational college.[16]

Since the majority of food production is in the hands of the private sector, increasing production can occur by encouraging the entry of new business entities into the industry. The basis of the incentive mechanism is the expansion of opportunities for business entities to obtain bank loans. Also, public funds play an important role in the formation of investment resources.[17]

Taking into account that the process of organizing the activity of the food industry is directly connected with the agriculture of the agro system and their supply system of raw materials, and the land resource is considered the basis of agriculture, in this sequence they represent continuity. there are thousands.

The general description of the systems used to manage the activities during the implementation of the management processes of the food industry enterprises is understood. These processes include: production, employees, external

relations and other processes related to enterprise activity.

The management process of food industry enterprises mainly starts at the level of managers. It is also carried out by middle managers who communicate directly with the leaders.

The process of managing the entire activity in the food industry is a process aimed at the production of a complete food product with a significant influence on the laws of the economic system.

Establishing effective and well-thought-out management in the food industry system is based on the joint concentration of different levels of authorities and the agrarian sector, in which the organized component of vertical and horizontal management laws allows for the operation. In the organization of this process, the combination of both vertical and horizontal types of management and the possibility of reducing socio-economic risks in them as much as possible increases.

Methods

In the article, the importance of the competitiveness management mechanism in food industry enterprises and the existing problems in the field are scientifically studied, comparative comparison, statistical data study and economic comparison and analysis, logical thinking, scientific abstraction, analysis and synthesis, induction and deduction methods are widely used.

Result and Discussion

Management of food industry activities, economic, legal, as well as non-traditional methods and methods, and using certain types of advantages, economic in the form of a method that has an impact on the social change of the resources used during the activity. reflects the mechanism.

In order to study the products and quality indicators of food industry enterprises, to further improve their activities in this field, a questionnaire survey was conducted by two groups of experts. The composition of experts participating in the survey consists of 40 people [18].

1. In the survey, experts evaluated the activity of food enterprises and their level of competitiveness on a ten-point scale.
2. In the survey, expert estimates of "average value" for subsystems of food industry enterprises were determined, and the obtained results are shown as data in Table 1.

Scale Value %	Evaluation results
0 to -35	The level of competitiveness in the enterprises producing food products is low, and the management system of the enterprise needs to be improved.
35.1 to -70	The enterprise should try to achieve a higher position of competitiveness and use the available opportunities. The level of competitiveness is explained by the compliance with the requirements and standards developed by the enterprise.
70.1 to -100	It is characterized by the modern management of the activity and its positive effect, according to the highest level of competitiveness in the market.

Table 1. Results of evaluation of integrated indicator of activity competitiveness of food industry enterprises

The conclusions obtained by evaluating the level of competitiveness of food industry enterprises in this way show that they are in different positions in entering the competition and that the level of competitiveness should be brought even higher [19].

This level of competitiveness is carried out within the framework of the current main type of activity, the existing accounting policy and the strategy to be implemented, and it should be emphasized that the competition does not stand in one place and it is necessary to strive during continuous activity [20].

Exogenous and endogenous factors affect the competitiveness of food products: internal (technical and technological, organizational and economic, marketing, social) and external (political, state regulation, environmental, scientific and technological development).

We will consider the conditions for the successful operation of food industry enterprises, as well as the approach to evaluating this activity, including directions for the organization of evaluation indicators. In order to form competition, it is necessary to quickly and regularly implement the management of this system. It is necessary to focus on the implementation of the functionality, consistency, proactivity and organic nature of the management system of food industry enterprises. Accordingly, the indicators of competitiveness assessment should confirm these criteria.[21]

Food industry enterprises as a system can show great economic performance in the short term and accordingly do not make any effort to develop in the long term. Therefore, this system can use the existing production capacity with absolute capacity, without taking into account further development. In this case, in the long term, the private competitiveness index of this system may be less than the competitiveness index shown in the short term [22].

At the same time, the range of important values used for the economic interpretation of the estimated parameters accelerates the involvement of various sources of statistical data. In this case, the main condition is that the characteristics of economic values are the most consistent with the methodological content of the estimated parameters of the competitiveness of these systems.

Due to the one-sided consideration of the evaluation model in the official statistics, the variable nature of the evaluation model makes it convenient when it is difficult to determine the economic parameters that clearly show the relevant indicators of the competitiveness of the food enterprise [23].

Systematic indicator shows the efficiency of food industry enterprises in the short term. This, first of all, shows the economic efficiency in relation to the use of various resources in the production process. For the economic interpretation of this indicator, the values determining production efficiency are the most optimal. As the organization and consistency of the process increases, the use of various resources becomes more effective (Table 2).

Indicators	Methodological content of the assessment indicator	Economic values explaining the content of the indicator
Functionality	Short-term work, that is, customer satisfaction	- volume of sold products;- turnover of enterprises;- turnover of enterprises by type of economic activity
Systematic	Availability of supply of raw materials to the enterprise and its effective use	- the total size of the enterprise when each employee is taken into account;- product in relation to the number of employees
Activity	Considering factors based on SWOT analysis	- the total amount of innovative activity;- the number and availability of digital technologies.

Table 2. *System of indicators of competitiveness of the food industry enterprise*

Shows that a product manufacturer or product has competitive advantages determined by specific cost. It covers these indicators depending on the current management system of these industrial enterprises and the extent to which it is introduced or used in the production process.

The operational competitiveness of food industry enterprises and its index reflect the effectiveness of the management system for the implementation of modern innovative innovations and the integration of international scientific achievements.[24]

It is important to form an effective system of attracting, training and retraining qualified personnel for the needs of food industry enterprises. In order to strengthen the competitive potential of food industry enterprises in this area, it is important to improve the quality of local human resources and attract qualified specialists from other countries [25].

Long-term ensuring the competitiveness of food industry enterprises can be implemented only through a continuous innovation process that relies on qualified personnel.

Conclusions

The following scientifically based conclusions were reached in connection with the qualitative organization of the activities of food production enterprises and the application of theoretical knowledge in practice, as well as the study of additional positive results involved in the management of the main activities of the enterprise:

1. The approach to raw materials and other types of resources in food industry enterprises is a socio-economic system. Helps to more fully reveal and understand economic relations in the enterprise: means (as resources) - action (as management) - result (as competitiveness).

2. Members of food industry enterprises are united in a constant resource situation and in the factor of exchange and distribution. To implement the production process, all legal entities need certain resources, which turn into finished products as factors of production. Then the finished product is offered to other organizations both inside and outside the food industry enterprise as a resource element or condition. Such mutual cooperation can also be interpreted as cross-sectoral cooperation.

3. Currently, the methods of evaluating the efficiency of integration processes in food industry enterprises are divided into the following groups: quantitative (cost) methods of evaluating the efficiency of integration; qualitative methods of evaluating the effectiveness of integration; complex methods of evaluating the effectiveness of integration.

Integration processes are characterized by an indicator for evaluating the capitalization of integrated enterprises, the level of security of enterprises with intangible assets, and the coefficient of independence of integrated enterprises.

The food production industry is always the guarantor of the country's food security. Improving the activity of the state's food industry, which has a legal basis, will help export national food products to international markets. It is necessary to prepare high-quality consumer goods for people and to take into account the total number of consumers in this process, to implement modern approaches to the organization and management of production activities that meet the demands of highly competitive markets. One of these approaches is risk management, which is designed to cover the risks of food industry enterprises in an unstable economy.

As part of measures to stabilize the financial situation of food industry enterprises, providing them with the main types of local raw materials and equipping them with modern technologies will make it possible to increase the competitiveness of this industry. The implementation of modern and digital technologies in the food industry, increasing the competitiveness of food products, which are considered primary consumer goods, due to the maximum use of raw materials of the agricultural sector, will make it possible to fully supply the markets with food.

Food industry products and its market, production of products and inability to adequately master today's opportunities lead to lagging behind in the creation of food products from a scientific point of view. In the country, the food industry occupies an important place in the structure of the regional economy, which, in turn, sufficiently provides the primary needs of the population.

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