



## IMPROVING THE MANAGEMENT PROCESS OF LOGISTIC CHAIN ACTIVITY IN CONSTRUCTION

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<b>Received:</b> 4 <sup>th</sup> January 2022 <b>Accepted:</b> 4 <sup>th</sup> February 2022 <b>Published:</b> 11 <sup>th</sup> March 2022	In our country, optimization of costs and improvement of management processes in the construction industry, including the logistics chain, diversification of enterprises and diversification of production and service processes, increasing the economic potential of enterprises through the full formation of value chains in the industry, thereby ensuring employment, great attention is paid to meeting the needs of the population in construction products and improving their welfare.

**Keywords:** construction industry logistics, inter-enterprise coordination, logistics chain management, supply chains, cost chain

### INTRODUCTION

Increasing the functional efficiency of management processes in the construction industry in the world on the basis of extensive use of internal resources, the formation of new methods and criteria, increasing the level of competitiveness in the logistics chain and optimizing the management of the industry, improving the quality of construction services. A number of scientific studies are being conducted to improve the methodology of performance appraisal, digitization of the construction industry through the creation of additional subsystems and databases, improving the system of application of innovative technologies in the production of building materials and construction of facilities. Currently, research is being conducted in priority areas such as digitization of the construction industry, improving the system of integrated development of settlements, creating new technological services in the logistics chain of the construction industry and increasing their share in GDP by optimizing costs in logistics chains. The Action Strategy for the further development of the Republic of Uzbekistan for 2017-2021 sets priorities for "increasing its competitiveness through the deepening of structural reforms, modernization and diversification of key sectors of the national economy." Ensuring the effective implementation of these tasks requires the organization of activities based on the horizontal and vertical integration of management in the logistics chain of the construction industry and the improvement of the management system. Successful implementation of the tasks requires the development of measures to improve the volume and quality of construction activities, the competitiveness of enterprises in the construction sector and the optimization of management mechanisms and models in the logistics chain through the modernization of management processes in the logistics chain.

Some theoretical and practical aspects of the development of the construction industry, deepening market relations in the field, improving management processes in the construction industry M.Sharifkhodjaev, Y.Abdullaev, NKYuldashv, R.I.Nurimbetov, Sh.N.Zaynutdinov, S. K.Salaev, B.B.Jumaniyazov, K.S.Tashmuhamedova, U.Djumaniyazov, A.Abdullaev, G.Sh.Khonkeldieva, A.T.Mirzaev. These studies study the development characteristics of the construction industry, the organization of management processes in the industry, the development of logistics services in the industry, changes in the construction industry in the context of digitalization of socio-economic systems, as well as improving mechanisms to improve the management of construction..

### ANALYSIS AND RESULTS

Under the influence of global changes, the share of the services sector in the gross domestic product has been steadily growing in the country. The analysis of the dynamic series, reflecting changes in the composition of GDP, shows that the volume created by the services sector in the period before the pandemic and from 2020 has a steady growth rate compared to other sectors and industries of the national economy. Although the volumes created by the construction industry are not included in the services sector according to the national classification, given that most construction-related activities are carried out by service systems, the main macro-level indicators are trends in the service sector and its structure. tried to evaluate.

Taking into account the above-mentioned features and the peculiarities of entrepreneurship and consumption of our country, in recent years the share of services in the main macroeconomic indicators in Uzbekistan is growing. The analysis of the research process allows us to observe significant progress in the field of services over the past years in terms of potential and development. (1- table)

**1- table**  
**Changes in some macroeconomic indicators of the Republic of Uzbekistan in 2011-2020 <sup>1</sup>**  
 (trln. at the expense of soums)

Indicators	Йиллар										In 2020, compared to 2011, times
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Gross domestic product	<b>97,0</b>	<b>120,2</b>	<b>144,6</b>	<b>177,2</b>	<b>210,2</b>	<b>242,5</b>	<b>302,5</b>	<b>406,7</b>	<b>510,1</b>	<b>580,2</b>	<b>6,0</b>
Gross domestic product growth rate, %	107,5	107,1	107,3	106,9	107,2	105,9	104,4	105,4	105,7	101,7	-5,8
<b>Total services</b>	<b>35,2</b>	<b>44,4</b>	<b>55,9</b>	<b>68,0</b>	<b>78,5</b>	<b>97,1</b>	<b>118,8</b>	<b>150,9</b>	<b>193,7</b>	<b>218,9</b>	<b>6,2</b>
The share of services in GDP, %	36,3	36,9	38,7	38,4	37,3	40,0	39,3	37,1	38,0	37,7	1,4
The growth rate of the volume of services, %	117,2	114,7	114,4	114,2	113,4	114,7	110,7	108,9	113,2	103,0	-14,2
<b>Construction works</b>	<b>9,5</b>	<b>11,8</b>	<b>15,2</b>	<b>20,1</b>	<b>25,4</b>	<b>29,4</b>	<b>34,7</b>	<b>51,1</b>	<b>71,2</b>	<b>87,8</b>	<b>9,2</b>
The share of construction work in GDP, %	9,8	9,8	10,5	11,3	12,1	12,1	11,5	12,6	14,0	15,1	5,3
Growth rate of construction work, %	107,8	113,7	117,2	117,6	118,8	107,2	106,0	114,3	122,9	109,5	1,7

The level of development of the national economy can be explained by the fact that the country's macroeconomic indicators have achieved a stable growth trend in the period under study. In 2011-2020, we can observe the level of sustainable development of macroeconomic indicators in our country. In particular, the gross domestic product (GDP) in 2011 amounted to 97.0 trillion soums, and by 2020 - 580.2 trillion soums. The growth rate reached 6.0 times compared to the base period of the analyzed years. The use of the chain link method of statistical analysis allows us to more accurately see the fluctuations in some time intervals of the time series of the country's gross domestic product. In particular, the GDP growth rate was stable in 2011-2015, ie around 7.0%, while in 2016-2019 this figure was around 4.4-5.9%, and in 2020, reflecting the conditions of the pandemic, 1,7%.

The volume of all services created in the country in 2011 amounted to 35.2 trillion soums, 218.9 trillion soums in 2020, an increase of 6.2 times over the period under review. The share of services in GDP for the last 10 years was around 36.3-40.0%, in general, the share of services in GDP increased by 1.4% over the past period. The use of the chain link method of statistical analysis allows us to more accurately see the fluctuations in some time intervals of the time series in which the volume growth of services is observed. In particular, a statistical analysis of the change in the growth rate of services in 2011-2020 shows that this indicator has undergone variational changes under the influence of various factors, while the change trend has had a steady downward trend over the past 10 years. The services sector is a complex, comprehensive sector that covers a number of areas of economic activity (from trade and transport to education and insurance) and is one of the most promising sectors of the modern economy. The development of the service sector in our country, along with increasing employment, will increase the welfare of the population and reduce poverty. With this in mind, efforts are being made to further develop service activities in order to develop the regions in a balanced way. As mentioned above, the volume of services created by the services sector does not include the volume of construction work in the classification of the national statistical system, construction work is carried out as a separate indicator of GDP based on the criteria of work performed. The statistical analysis of the volume of construction work performed at the national level in 2011-2020 shows that the volume of work performed in the field is much higher and more stable than in other sectors. In particular, the final volume of the industry increased by 9.2 times over 10 years, while its share in GDP increased from 9.8% in 2011 to 15.1% in 2020 due to growth over the years around 6.0-23.0% and growth in the period under review was 5.3%.

Based on the above analysis, the study sought to analyze and compare changes in the services sector and the volume of construction work in Uzbekistan on the basis of statistical data and to identify trends in the development of services and construction in the country.

The structural changes in the country, which began in 2017, consider the construction industry as one of the main "drivers" of development, and on this basis it is planned to accelerate economic growth through the development of the construction industry and related industries. However, the volume of construction work is determined by the laws of the market, based on the volume of demand and need for it. In order to assess the volume of this demand, the quantitative indicators of the housing stock in the country were analyzed. As mentioned above,

<sup>1</sup> Developed by the author on the basis of data from the State Statistics Committee of the Republic of Uzbekistan.

the volume of construction work in the country is formed based on the size of the existing housing stock and the volume of demand for housing. (2- table).

**2- table**  
**Dynamics and structure of changes in the housing stock in Uzbekistan <sup>2</sup>**

№	Indicators	Unit of measurement	Years										Growth (decrease) in 2018 compared to 2013, %
			2011 year	2012 year	2013 year	2014 year	2015 year	2016 year	2017 year	2018 year	2019 year	2020 year	
1	Total area of the housing stock	млн. м <sup>2</sup>	439,5	446,4	457,9	466,2	477,1	490,8	507,5	521,2	536,8	548,9	124,9
2	From: State Housing Fund	млн. м <sup>2</sup>	3,2	3,2	3,3	3,3	3,3	3,3	3,4	3,5	3,5	3,6	112,5
	<i>share in the total housing stock area</i>	%	0,7	0,7	0,7	0,7	0,7	0,7	0,7	0,6	0,7	0,7	0
	- private housing fund	млн. м <sup>2</sup>	434,5	438,2	454,6	462,9	473,8	487,5	504,1	529,8	535,1	542,4	124,8
	<i>share in the total housing stock area</i>	%	98,9	98,2	99,3	99,3	99,3	99,3	99,3	99,4	99,7	98,8	-0,1
3	The level of housing of the population	м <sup>2</sup>	15,1	15,1	15,1	15,2	15,2	15,4	15,7	15,8	15,9	16,0	105,9

During 2011-2020, the total area of the housing stock formed in our country has grown in proportion to the level of sustainable growth of the population and families. In 2011, the area of the housing stock amounted to 439.5 mln. m2, of which 0.7% (3.2 million m2) belonged to the state housing fund, 98.9% (434.5 million m2) to the private housing fund. In the current year, the level of housing was 15.1 m2. By 2020, the total area of the housing stock will increase by 24.9% compared to 2011 to 548.9 million. m2. At the same time, there was no change in the share of public housing in the total (0.7%), while the area of private housing increased by 124.8% compared to 2011, but the share in the total decreased by 0.1%. Over the past 10 years, as a result of changes in the construction sector, the level of housing has increased by 5.9% compared to 2011 and amounted to 16.0 m2. Although the analysis of general indicators shows that the level of housing has improved to some extent, in fact, the level of satisfaction of the demand of the population and enterprises for new construction projects is still high.

**CONCLUSION**

The volume of services created by the services sector in our country does not include the volume of construction work in the classification of the national statistical system, construction work is carried out as a separate indicator of GDP based on the criteria of work performed. The statistical analysis of the volume of construction work performed at the national level in 2011-2020 shows that the volume of work performed in the field is much higher and more stable than in other sectors. Theoretical analysis of the factors influencing the cost competitiveness and quality management processes of logistics chains in the construction industry explored the factors influencing the formation of the above-mentioned demand and supply, creating management relationships in activities ranging from the creation of construction services to the delivery of construction objects to the consumer.

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