

SYSTEM OF INDICATORS OF INVESTMENT AND INNOVATION ATTRACTIVENESS OF THE ENTERPRISE

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Article history:	Abstract:
Received: 22 th February 2023 Accepted: 22 th March 2023 Published: 26 th April 2023	<p>In modern conditions, the problem of attracting investments and their effective use for the effective operation of the enterprise is particularly relevant. Investment attractiveness is an integral part of business activities of business entities, including production, innovation, market, marketing and other activities. Formation of investment attractiveness, development of a clear investment strategy, determination of its priorities, mobilization of all sources of investments are important for stable and quality development of enterprises in today's complex environment.</p>
Keywords: small business entities, innovation, enterprise risk, investment potential of the enterprise, investment climate, innovation in enterprises, investment process, investment.	

1. INTRODUCTION.

According to the modern point of view, regardless of the chosen method, the result of investing funds with effective management should be an increase in the cost of the company and other important indicators. Stable competitive operation of any modern enterprise is possible only with its modernization, active and extensive expansion activities and using the latest technologies in both production and management.

The implementation of these measures requires the study of additional financial sources - the most optimal (cheap) sources of investments. Assessing the investment attractiveness of the company plays a very important role, because potential investors pay a lot of attention to this feature, and in most cases, they turn to studying the financial and economic performance of the company for the last 3-5 years. In addition, in order to most accurately assess the investment attractiveness of the enterprise, investors evaluate it as a part of the industry and compare it with other firms operating in the industry, excluding any individual entity. Potential investors depend on the economic viability of firms and the level of stability of their financial situation. These options are considered one of the most important, as they largely describe the investment attractiveness of the enterprise. However, it should be noted that even today, the methodology for analyzing and evaluating the investment attractiveness of economic entities has not yet been sufficiently developed and therefore requires further improvement and updating. There is a very high level of competition for almost any business today. In order to not only survive and take a competitive place in such conditions, enterprises must constantly develop, master international best practices, master new technologies, and expand the scope of their activities [1]. It was with this rapid development that the further development cannot be realized without investment. Thus, investments give a company a competitive advantage and often serve as the most powerful means of growth. It is very important for investors to analyze and evaluate the investment attractiveness of the enterprise, because it allows to minimize the risk of wrong investments.

2. LITERATURE REVIEW.

The concept of "innovation" is used to mean investing in something new. The concept of innovation entered the economy in the early twentieth century. Australian economist J. Schumpeter was the first to address innovation issues and give a detailed description of the innovation process. In the economic literature, many authors have different approaches to the concept of "innovation". Many authors consider innovation to be economically feasible, meaning that new resources are created or existing ones are used in an unconventional way.

According to A. Busigin, innovation is the renewal of fixed capital or products using science, technology and engineering [2].

According to R. Fatkhutdinov, innovation is the end result of innovation, and the change of management of the object is effective in social, economic, scientific, technical, environmental and other ways [3].

Foreign economists B. Needles, H. Anderson, and D. Caldwell consider "intangible assets to be intangible assets that constitute capital investment in acquired assets" [4].

Prof. A. Sheremet defines intangible assets in general as follows: assets that represent a legal and other legal relationship that has no intangible value, bring profit (income) to its owner for a certain period of time, create convenience for users [5].

Innovation is the process of ensuring the systematic and continuous introduction of all innovations in any field, regardless of the field of innovation, published innovations, technical and technological advances and technological processes, product supply and other areas [6].

The investment attractiveness of enterprises depends on the country's investment policy and the created investment climate. In particular, the investment climate is considered as a system of three elements: investment potential, investment risk and legal conditions [7].

Considering the factors influencing the formation of a favorable investment climate in the country/region, it should be noted that it is important for the country to be integrated in the world community in terms of investment attractiveness. The strategy of increasing the country's investment prestige is important for attracting foreign direct investment [8].

Interpretation of "investment potential" as a set of investment resources, consisting of part of the accumulated capital, expressed in the form of investment demand in the investment market, which has the potential to become a real investment demand that meets the material, financial and intellectual needs of capital reproduction reaches [9].

The attractiveness of the investment climate, the economic development of each region depends on the potential of capital and labor resources, the level of their use. It is generally accepted that the economic potential of a region and its potential is determined by the production of vital goods through the efficient use of all the complex resources available there [10].

By Q.B. Khoshimov "Foreign investments - the transfer of certain capital by foreign owners from one economy to various sectors of the economy of another country that are not prohibited by law, taking into account clear and unclear risks, in order to achieve their own benefit and achieve a relatively high level of efficiency are all property, financial, intellectual assets that can be mobilized for a period of time" [11].

Consequently, N.R. Koziyeva, for the purpose of profiting in the future, foreign countries, legal and natural persons exporting capital to countries receiving capital in various forms (movable, immovable property, intellectual property, etc.) and received from them investment of income (profits, interest, dividends, license and commission awards, royalties, technical support and other awards) is called foreign investment [12].

3. RESEARCH METHODOLOGY.

The research methodology was the analysis of innovative activities of enterprises operating in developed countries. The role of foreign investment in ensuring the competitiveness of enterprises, the classification of risks affecting the activities of the enterprise, as well as scientific proposals and practical recommendations for improvement through the methods of systematic analysis were formed.

4. ANALYSIS AND DISCUSSION OF RESULTS.

Normal operation of companies, especially large industrial enterprises, is impossible without actively attracting investors funds. The main goal of the latter is, of course, to save and increase temporary free capital. Therefore, the main subjects of investment activity are investors. They are creditors, customers, may be investors, buyers and other participants of the investment process. The investor chooses the investment, determines the investment size and required effectiveness, the direction of the investment, controls the use of supplements and, of course, acts as an owner due to the investment activity of the object. A characteristic feature of any investor is the refusal to immediately consume existing funds in order to better meet their needs in the future.

The main goal of the investor is to choose the most reasonable investment object. Such an object should have the most favorable development prospects, as well as high efficiency of investments. Choosing an investment object may not happen by itself, because it is preceded by a very complicated process of careful selection, evaluation and analysis of various alternatives. The investment attractiveness of the enterprise is a comprehensive assessment of the parties in terms of its activities and prospects. The main goal of analyzing and evaluating the investment attractiveness of the company is to determine the feasibility of investing in a particular object.

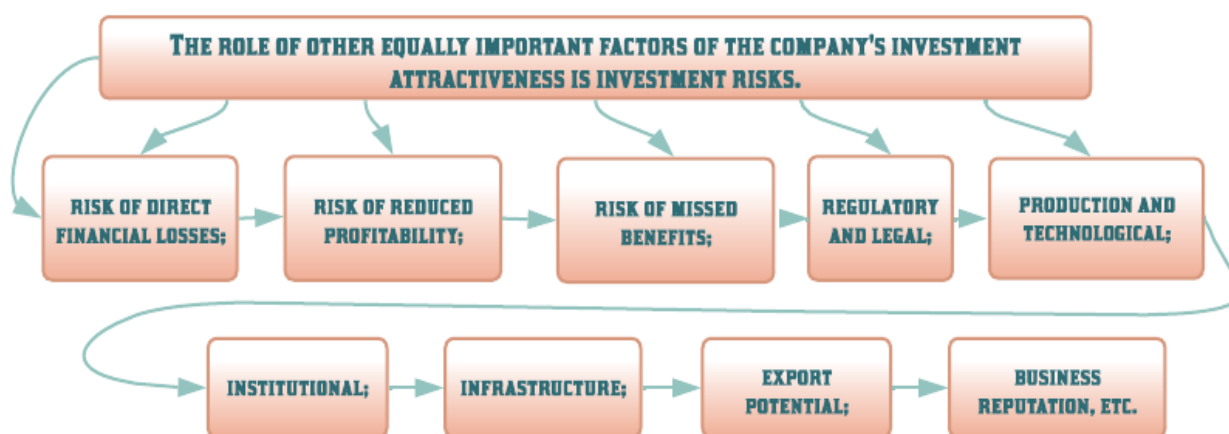


Figure 1. Other equally important factors of the company's investment attractiveness [13]

To date, a number of approaches to assessing the investment attractiveness of companies are popular. The first approach is based on the company's competitiveness and financial-economic performance evaluation indicators. As for the second approach, it activates such categories as "investment potential", "investment risk", as well as methods of evaluating investment projects.

The third approach is based on the valuation of the company. Each approach and each method has its own disadvantages, advantages, as well as limitations of use in practice. Thus, this logical conclusion can be used simultaneously in the process of evaluating methods and approaches, which will increase the confidence and objectivity of the investment attractiveness of the company.

In recent years, a number of large production complexes have been financed by the state budget. In particular, in the conditions of the market economy, the state financed the objects that produce products necessary for our national economy. With the expansion of privatization and the development of the private sector, investments at the expense of state budget funds will decrease. In such cases, in countries transitioning to a market economy, including Uzbekistan, the state budget finances projects in the fields of medicine, science, culture, education, and other social sectors, and this is appropriate. An example of this is medical institutions, educational institutions, housing construction, etc., which have recently been commissioned to be built and used on a large scale in our country. In particular, in 2021, investments made in the capital of Kashkadarya region will be 15321.1 billion. 3 times compared to 2020, amounting to soums. Investments spent on non-production made up 30 percent of total investments and doubled compared to 2019. In Kashkadarya region, about 70 percent of the investments were attracted to the production and service network. can be used in multiplication. Nowadays, subsidies and other aid funds are allocated by the state in order to financially support many enterprises. On the basis of the support policy carried out by the state, it is of particular importance to give tax incentives to enterprises, especially foreign investment or other types of small and medium-sized enterprises that have just started work. Enterprises do not make tax payments during this preferential period and direct these sums to expand their production. In addition, enterprises also sell or lease fixed assets and other assets they do not need. they should have additional funds. Bank loans are of particular importance in financing investment projects from various sources. Taking this into account, great attention is paid to the development of the banking system in our country. In the economies of developed countries, public funds are a necessary source of financing investment projects. The development of the stock market in developed and developing countries serves as the basis for directing public funds directly to investments. Savings are carried out in commercial banks, and the funds of this savings are mostly directed to short-term credit work. It should be said that the number of foreign-invested enterprises in our region reached 192 units in 2021 and increased by 4.2 times compared to 2015. The number of enterprises with foreign capital participation in Kashkadarya region in 2020 compared to 2015: agriculture (9 times), industry (3.2 times), construction (10 times), construction (3.8 times), transportation and storage (4 times) has grown [14]. Conclusions. The task of activating investment processes in the development of entrepreneurial activity is to form appropriate regulatory tools, without these tools, it is natural to develop entrepreneurship.

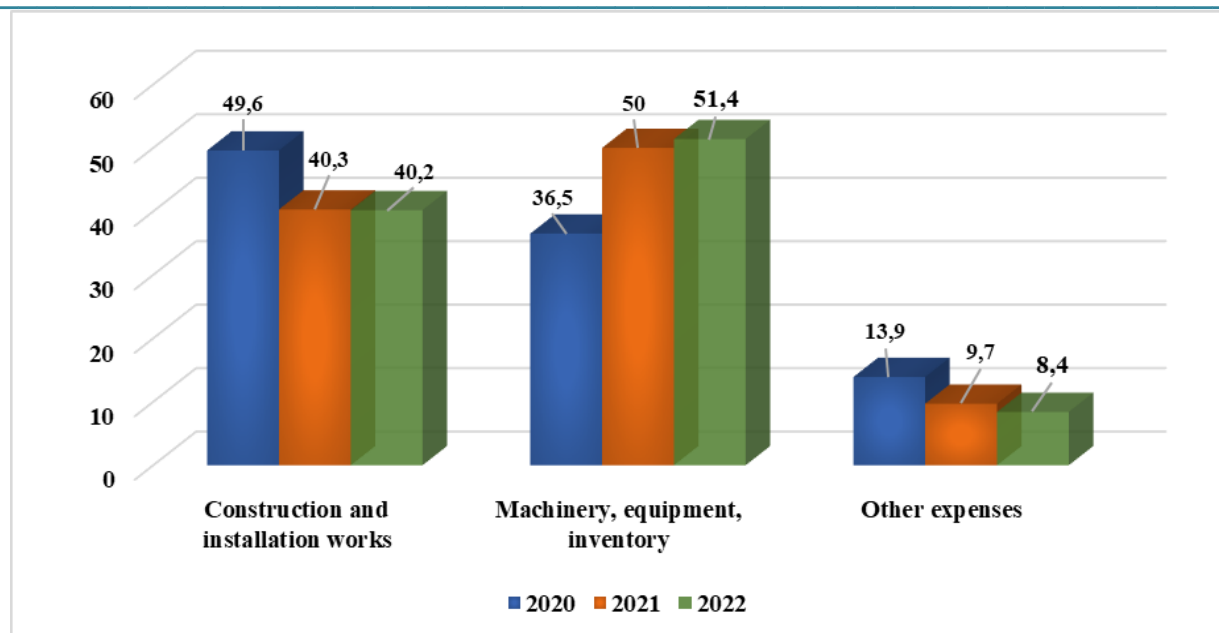


Figure 2. Technological structure of investments in fixed assets dynamics, relative to total (in percent) [15]

In January-March 2020, the volume of investments in fixed assets in order to expand, reconstruct and modernize the activities of enterprises and organizations in the country - 9093.0 billion. soums. The share of new construction in the structure of reproduction of investments in fixed assets in the country is 45.5%, modernization, technical and technological re-equipment the share of armaments and investments in expansion was 27.2%, and the share of investments in other areas was 27.3%.

The socio-economic development of the Republic of Uzbekistan and its becoming one of the most competitive countries in the world is closely linked with the investment policy of the country, the region and its economic sectors, as well as the investment attractiveness of individual enterprises.

Of course, it is a good indicator that investors from foreign countries carry out investment activities within the country. However, the majority of foreign capital-based businesses are in Tashkent, Tashkent region and Samarkand region. It is clear that the distribution of joint ventures by sector and industry has also led to disparities. Joint ventures registered in a single trade sector are 3 times more numerous than in the huge agricultural, forestry and fisheries sectors. However, the majority of investments in the trade sector are in financial terms, and the creation of new jobs is a few times less than in other industries. This, in turn, will minimize the emergence of a new layer of taxpayers and the positive impact on the renewal rate of fixed assets.

Table 1
Share of small business and private entrepreneurship [15]
in% to the total volume

<i>Indicators</i>	2015	2016	2017	2018	2019	2020	2021	2022	2023Q1
<i>GDP</i>	64,6	66,8	65,3	62,4	56,0	55,7	54,9	51,8	43,7
<i>Industry</i>	40,6	45,3	41,2	37,4	25,8	27,9	27,0	25,9	28,4
<i>Construction</i>	66,7	66,9	64,8	73,2	75,8	72,5	72,4	71,6	76,6
<i>Employment</i>	77,9	78,2	78,0	76,3	76,2	74,5	74,4	74,4	-
<i>Export</i>	27,0	26,0	22,0	27,2	27,0	20,5	22,3	29,5	25,3
<i>Import</i>	44,5	46,8	53,6	56,2	61,6	51,7	48,7	49,4	48,4

Recognizing the importance of the role of foreign direct investment in increasing the investment attractiveness of our country, a number of measures are being taken to attract these investments. Attracting and fully utilizing foreign direct investment contributes to the growth of employment and living standards in the country, improving the income of the population, increasing the investment attractiveness of our country in the international arena.

In the current context of developing a market economy, increasing the country's investment attractiveness is one of the most important indicators of capital inflows into the country. Policies to increase investment attractiveness also play an important role in attracting foreign direct investment to the country.

5. CONCLUSIONS AND SUGGESTIONS.

The task of activating investment processes in the development of entrepreneurship is the formation of appropriate regulatory tools, without which the natural movement towards the development of entrepreneurship cannot be realized. The investment policy will bring its expected results only if it is in harmony with the development of the national economy, industries and entrepreneurship in the regions. Creating favorable organizational and legal conditions for investors to bet on the development of regions is an extremely urgent issue today. At this point, in the analysis and implementation of investment processes, emphasis should be placed on the investment directions that are the basis for economic development in the future. In our opinion, investment should be understood as a multi-faceted activity, and it means spending free financial resources on business entities that will create material and financial wealth in the future.

Based on this, it can be said that it is necessary to form financial resources that will be spent on the multifaceted activities of commercial banks and the state related to territorial investment, the own funds of entrepreneurs, and the funds of the population on objects that create material and financial wealth.

The directions of attracting investment to business entities in the regions are as follows:

- distribution of foreign investment;
- attractive opportunity for foreign businessmen;
- projects and cooperation;
- the need to improve the mechanism;
- increasing financial flow.

Based on the above directions, the principles of the implementation of the regional investment policy should include the following:

- supporting the deepening of economic reforms, the formation of a multi-level economy in the regions, including small entrepreneurship, the formation of national and regional markets of goods, labor and capital, as well as the formation of institutional and market infrastructure;
- reducing huge differences in the process of socio-economic development of the regions, gradually creating conditions that strengthen their own economic bases for increasing the well-being of the population.

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