



ACHIEVING EFFICIENCY BY INCREASING PRODUCT COMPETITIVENESS IN ENTERPRISES

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Abstract

This article analyzes the role and significance of product competitiveness in improving the efficiency of enterprise activities. The factors shaping competitiveness, including product quality, pricing policy, innovation, cost reduction in production, and adaptation to market demand, are examined. In addition, the ways to strengthen the economic stability of enterprises and their market position through enhancing product competitiveness are highlighted. The research findings are of practical importance for making effective management decisions in enterprises.

Keywords: Enterprise efficiency, product competitiveness, market economy, innovation, quality, pricing policy, production efficiency, economic stability.

Introduction

In the context of economic modernization, regulating production and sales plays a crucial role in improving the performance of manufacturing enterprises. One of the key factors in this process is the quality of manufactured products, which has become widespread in developed countries and continues to expand across new sectors of the economy. The development of structural changes implemented in the industrial sectors of our country, along with measures aimed at developing service enterprises, has led to the growth of manufacturing enterprises, which is directly dependent on production and market relations.

The general characteristic of any economic system is efficiency, and the main objective of improving organization or management is to increase the efficiency of production or other types of activity.

The economic efficiency of the quality management system in a region can be considered from both social and economic perspectives.

On the one hand, economic development creates conditions for implementing social initiatives. The ultimate goal of regional development is to more fully satisfy the needs of the population.





On the other hand, social factors increasingly determine the pace and direction of economic development, imposing higher requirements on production, its culture, and attractiveness. Under market economy conditions, the importance of social factors such as professional knowledge and the educational level of workers increases, the impact of environmental protection measures strengthens, and the significance of balancing living standards across regions grows.

According to the above analysis, although the number of certified companies is rapidly increasing, their share among all enterprises in the republic remains relatively small. Many experts believe that this is due to the large number of small enterprises that do not feel a strong need for ISO standards.

In our view, the size of a company is not the main indicator. We believe that a company must first “mature” metaphorically in order to reach ISO standards. Primarily, a quality management system must be formed within the enterprise itself. For such a system to be established, the business must operate stably and sustainably over a long period.

In small businesses, many enterprises are indeed established but soon close, meaning stability and continuity are often lacking. Entrepreneurs frequently try different sectors; if one fails, they move on to another. Some succeed, while others end unsuccessfully. Naturally, until a stable business is formed, they do not consider implementing a quality management system.

It takes no less than 5–6 years to form a quality system within an enterprise. The time required to reach ISO standards may vary depending on circumstances.

ISO 9001 is a quality management system that, in essence, exists in every enterprise. However, it is necessary to identify the differences between an enterprise’s existing quality management system and the requirements of the ISO 9001 standard. Logically, every enterprise consciously or unconsciously strives to develop a quality management system and eventually adopts the internationally recognized ISO 9001 standard.

ISO standards can be adopted by individual entrepreneurs as well as large industrial enterprises. Even a small enterprise can obtain ISO 9001 certification for approximately 500 euros to enhance its image and gain a competitive advantage. It can be confidently stated that quality management systems are necessary for all enterprises. Today, ISO 9001 is applied worldwide in banking, services, healthcare, and even sports. For example, ISO 9001 is used to systematize the management of football teams. Large food manufacturers are also required to provide certification to retail outlets selling their products to ensure compliance with all standards.

Currently, insufficient attention is being paid to this system.





After the adoption of Resolution No. 173 of the Cabinet of Ministers, the number of clients seeking certification increased significantly. At the same time, many consulting companies unrelated to the ISO field attempted to enter this new market. Naturally, market prices declined. Clients with limited knowledge of ISO were attracted by low-cost consulting services. Companies accustomed to providing consulting services in areas such as financial audit or legal services, but lacking expertise in ISO, approached ISO consulting with uncertainty and excessive formalization, leading to unnecessary paperwork. As a result, excessive bureaucracy, formalism, and a negative attitude toward ISO systems emerged.

In our opinion, the most promising sector for implementing ISO standards in Andijan region is the sector whose products and services are in demand on the international market. In this regard, Uzbekistan has significant potential in textiles, agriculture, and tourism. It should also be noted that there are prospects for applying ISO standards in the education system and public administration.

We believe that in the medium term, all local certification bodies will be officially recognized worldwide.

Such a systematic mechanism can be developed at the regional level within the framework of a concept based on the fundamental principles of quality management systems.

The first principle is the priority of management goals and objectives and ensuring quality in managing the regional socio-economic system. Quality objectives should play a primary role in managing business processes and administratively managing industrial complexes at the regional level. Quality issues must be considered at all stages and levels of management.

The second principle is the integration of quality with process management. According to this principle, all systems for managing industrial complexes at the regional level should be integrated around the goals and objectives of ensuring, supporting, and improving the quality system. In this context, managing the region as a quasi-corporation should be based on a quality management system, which serves as an important integrating element in managing the regional economic system.

The third principle is the chain reaction principle. High-quality products and services expand consumption opportunities, increase monetary circulation stability, contribute to improved living standards, enhance production development, improve working conditions, trade, environmental protection, and public health.



The fourth principle is that methods and approaches implemented within quality management systems should outpace the development of business process organization forms and methods of quality institutions.

The fifth principle is the self-organization principle of quality management systems. The sixth principle is the dual approach to quality management. On the one hand, quality is the object of management, and on the other hand, it is a management function.

Currently, internationally recognized quality and safety standards are widely applied in product manufacturing. The choice of standard depends on the industry and type of product. The main standards include:

Most widely used international standards:

- **ISO 9001** – Quality Management System. The basic standard for almost all sectors; ensures consistent product quality.
- **ISO 14001** – Environmental Management System; compliance with environmental requirements and waste reduction.
- **ISO 45001** – Occupational Health and Safety; ensures employee safety in production.
- **ISO 22000 / HACCP** – Food Safety; critically important for food production.
- **GMP (Good Manufacturing Practice)** – Pharmaceuticals, medical devices, cosmetics.
- **ISO 13485** – Quality of medical devices; for medical equipment manufacturers.
- **IATF 16949** – Automotive industry; auto parts and mechanical engineering.
- **AS9100** – Aviation and aerospace industry; requires very high precision and reliability.

Compliance and market access markings:

- **CE marking** – for access to the European market
- **RoHS / REACH** – restriction of hazardous substances

Proposals for Achieving Efficiency by Increasing Product Competitiveness in Enterprises:

1. Improving product quality by implementing international standards (ISO and others) to enhance reliability and trust.
2. Introducing innovative technologies by using modern equipment and digital technologies to increase production efficiency.
3. Optimizing production costs through rational use of resources and application of cost-saving technologies to reduce production costs.





4. Flexible pricing policy by developing competitive pricing strategies based on market conditions and consumer demand.
5. Strengthening marketing activities through market analysis, brand development, and advertising strategies to increase product demand.
6. Developing human capital by continuously retraining employees and improving their qualifications to enhance labor productivity.
7. Studying consumer feedback by implementing customer feedback mechanisms to continuously improve products.
8. Expanding export potential by producing goods that meet foreign market requirements to increase enterprise revenues.

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