## PRODUCTION POTENTIAL OF INDUSTRIAL ENTERPRISES AND WAYS TO INCREASE IT

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Annotation: The article shows that industrial enterprises are the main link in the national economic complex, which includes all production resources and where the main economic processes, the creation of national wealth, and the formation of national income of the population are carried out. society. In order to solve economic and social problems at the enterprise, appropriate recommendations are given to increase the production potential of industrial enterprises.

**Key words:** production capacity, assortment, products, equipment used, technical level, modernization of production, re-equipment.

Relevance of the topic. Currently, in the conditions of intensified competition, industrial enterprises are experiencing serious tests, which requires the development of a sufficiently consistent, economically based program for its modernization, first of all, focusing on expanding investment activity and increasing investment volume. It is required to make investments in the field and improve the efficiency of their use.

The survival of industrial enterprises in such competitive conditions is determined by the competitiveness of the enterprise based on increasing the quality of the product (service) and entering the market at an acceptable price for the consumer. The competitiveness of the enterprise is a complex integrated indicator that takes into account the quality of the elements, the connection and interaction of which allows the implementation of the production process and at the same time forms the production potential of the enterprise. At the same time, the quality of the structural elements does not always guarantee the high competitiveness of the enterprise. Thus, the problem seems to consist of two parts: formation of enterprise potential and scientifically based assessment and improvement of efficiency of implementation of this potential.

As we know, industrial enterprises are the main link of the national economy complex and contain all production resources. Here the main economic processes develop, national wealth is created and increased, national income of the society is formed, economic and social problems are solved, production and social relations are formed here. In this regard, the objective assessment of the production capabilities of enterprises, as well as the

parameters and characteristics of their production potential, is of secondary importance for decision-making.

Naturally, in order to solve these problems, it is necessary to consider the methodological and theoretical issues of formation, evaluation and effective use of enterprise potential, to determine the criteria for the effectiveness of its use, and to develop relevant indicators and directions for its evaluation.

It can be seen that the scientific research aimed at finding ways to effectively use the production potential is becoming more and more relevant, and this problem itself is gaining national economic importance.

Level of learning. The concept of "production potential" was fundamentally formulated by the American scientists Campbell R. McConnell and Stanley L. Brew, who consider the production potential as "the real volume of output produced by the economy using the available resources fully". who gave a quantitative expression.

Based on his observations, A.B. Rakhmanov says that production potential should be understood as a combination of the following components. Including production capacity, assortment and various types of products, technical level of used equipment, raw material base, composition of consumed energy resources, directions of structural changes. production, as well as possible methods of production modernization and technical reequipment.

Analysis and methods. The production potential of the enterprise is the micro level that can be achieved by the most effective use of production resources among the employees of the enterprise, advanced forms of production organization and the existing level of obtaining the maximum production result regardless of the state of the external environment. are relationships. The contrast of these relations is determined by the internal environment of the enterprise, and the production potential of the enterprise consists in the search and implementation of internal sources of self-development.

Enterprise is primarily a living system. He tries to survive and keep his identity. That is why the enterprise is called a homeostasis system. Homeostasis is the ability of an enterprise to maintain its basic variables in the necessary state when unexpected problems occur, that is, enterprises are self-sustaining. The enterprise tries to ensure the stability of the internal environment and external relations, which resist the forces that have a negative impact on its activity and ensure its development. The ability of the enterprise to maintain and develop itself is called high sustainability in the West. Taking into account the characteristics of enterprises, such as homeostasis, stability and high stability, they can be considered as a unique organism.

Enterprises are distinguished by the following symptoms:

- They have a purposeful nature and organize to achieve certain goals. Their effectiveness is determined by the level of achieved goals.
- To achieve goals, its members share roles and statuses and use them in accordance with the norms and values accepted in the enterprise;

- Enterprises envisage the division of labor and its specialization according to functional characteristics, therefore there will be different horizontal structures in the enterprise;
- Management and controlled systems in enterprises are somewhat separate from each other, so they also have hierarchical vertical structures. This, in turn, harmonizes the activities of horizontal structures and ensures their efficiency, stability and unity of goals;
- The management system develops and implements procedures and specific means of regulation and control;
  - The enterprise selects, places and renews personnel;
- Social enterprises are extremely complex systems, and since the variety of conditions and situations in which they operate are infinite, it is not possible to isolate and manage their behavior.
- Algorithms or paradigms (models) that show specific ways to achieve goals are used when choosing a method of behavior that ensures effective activity. The level of production potential of a small business entity largely depends on the state of the industry in which the enterprise operates and the region where it is located. In turn, the production potential of the region in a certain part of it is determined by the production potential of the entire national economy. It follows that an enterprise in a state of dynamic balance, with "economic health", undergoes adaptation processes without difficulty. However, an economic crisis with significant rates of inflation, taxes, high credit rates, etc. can lead to a violation of the volume of trade, the formation period of "incoming" and "outgoing" cash flows. This inevitably leads to problems with the formation of working capital, which then (as a result) leads to a decrease in the volume of production, which in turn leads to non-payment of payments. In other words, the production potential of the enterprise is mainly determined by the state of the macro-economic system, the economic sub-system and, as a result, the micro-system itself.

Objective assessment of the production potential of enterprises, first of all, the parameters and characteristics of their production potential, is of great importance for making timely economic, technical and social decisions for both current and future development. The need for rational use of production potential - its resources, structure, characteristics, load level and production efficiency as an object of management is becoming increasingly stronger. Concluding the above-mentioned points, we can admit that the main task of the production capacity of industrial enterprises is to produce products, and at the same time to reproduce itself. It is obvious that in order for the productive capacity to be able to carry out this continuous and constantly renewing process, it must itself be continuously and continuously reproduced. Production capacity must have the ability to reproduce itself. In practice, this ability is confirmed by a number of trends: the system of repair and modernization of the main funds of the enterprise. Another form of practical realization of the self-reproduction ability of the production capacity should be taken into account the increase in the number of complex enterprises

in the industrial structure. It should be noted that another form of manifestation of reproducibility of production potential is technical re-equipment and reconstruction of production.

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Abstract. In this article