

THE ROLE OF LABOR PRODUCTIVITY IN INCREASING THE ECONOMIC POTENTIAL OF INDUSTRIAL ENTERPRISES

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Abstract: *In this article, it is shown that the question of increasing the economic efficiency of enterprises is one of the most pressing topics today, and the scientific researches of many scientists and specialists conducting scientific researches in this direction are analysed. Also, the importance of labour productivity, which is one of the main factors influencing the improvement of the economic efficiency of enterprises, is revealed. Several ways to increase labour productivity are indicated.*

Keywords: *Labour productivity, production efficiency, product, production, actions.*

Relevance of the topic. One of the main factors of the current economic development of our country, increasing labor productivity is not a priority for business entities, because for them it is important to strengthen the market position, increase the level of competitiveness and financial stability, and increase high productivity. Integrated production system, which is provided not by individual live labour, but by the whole set of factors of production. As a result, personnel labor is considered only as one of the factors of market success, without paying attention to the process of its use. It is related to the need to solve the problem of increasing labor productivity in modern conditions, because this category no longer reflects the level of efficiency and usefulness of the activity of Labor teams in the production of material and spiritual benefits.

The goal of current scientific research is to reveal the economic essence of labor productivity, to understand the main reasons for its increase among industrial enterprises. Labor productivity is the most important factor of the country's competitiveness and describes the efficiency and potential of the economic system. However, according to the World Bank, today the level of labor productivity in Uzbekistan is 7.5 times lower than that of the USA, 6.5 times lower than that of Great Britain and France, and 6 times lower than the level of Germany and Norway. Commonwealth countries: almost four times lower than Kazakhstan, three times lower than Russia.

In addition to showing how effective the labor process is, labor productivity sets tasks for improving it to a specific employee. Solving these tasks requires looking for

ways and opportunities to improve one's labor activity in order to increase the value of its use or create new material assets. Only when there are relevant motivational factors, the efficiency of the economic activity of the enterprise will increase.

Literature review. Since the issue of increasing the economic efficiency of enterprises is one of the most important topics today, many scientists and specialists are conducting scientific research in this direction. In their scientific work, they have their own point of view in reviewing and analyzing the factors influencing the improvement of the economic efficiency of enterprises. These are Khojiboev B.D., Mamazhanov K.K. from our country, Balashov G.F., Aleksandrov K.I., Samsonov S.S., Sherbakov D.S. from the CIS countries works of scientists like R. Mankind, E. Corelli et al.

On the other hand, the development of the productive forces of society is required to increase the productivity of social labor. This means that the growth of labor productivity is a factor of economic growth, which ensures the growth of real output and income.

Currently, many scientists emphasize that the level and quality of life of the country's population depends on increasing labor productivity. The basis of this idea is the connection between the costs of living labor in the production process and the labor embodied in previously produced products, characterized by the ability to create new value. In particular, the decrease in the share of live labor in the produced product against the background of the reduction of the total labor in the production unit, including materialized labor, has the right to speak about the increase of labor productivity and its economic essence. Only then can labor productivity be seen as a qualitative indicator of economic growth and an increase in the volume of production of quality, competitive products demanded by the market and the resulting profit. It depends on the amount of physical and human capital, various resources and technologies available to producers. Therefore, representatives of management at all levels of the management hierarchy, including the state management system, cannot forget that the standard of living and quality of life of the population in the country depends on the ability of the economy to produce and maintain production services. They should create conditions for economic growth by variously encouraging high rates of accumulation of factors of production and guaranteeing their efficient use.

In order to ensure economic growth, it is appropriate to take into account the limited resources, and to use them effectively, it is possible to reduce the share of materialized labor in its result. However, this inevitably leads to an increase in the cost of accumulation as part of GDP, which in turn leads to a decrease in the level of consumption per capita. In the conditions of growth of the fund, to increase it, it is necessary to increase labor productivity, which once again emphasizes the importance of labor productivity in ensuring economic growth and improving the well-being of the country's population.

High labor productivity allows reducing the cost of production and selling prices, which leads to an increase in consumer demand. As a result, the profitability and profit of industrial enterprises increases. This, in turn, helps to modernize production, increase the volume of production and, as a result, increase the gross domestic product and economic growth. Consequently, the higher the labor productivity in the country, the faster the economy should develop and the higher the GDP growth. On the contrary, it is impossible to achieve the growth of social production and the economy as a whole without eliminating the decline and ensuring the further growth of labor productivity.

If we talk about the labor productivity of the production staff in industrial enterprises, it is accepted to evaluate it using the capital productivity indicator through the ratio of the volume of the produced product to the value of the main funds. However, if there is no demand for the manufactured product, even a positive indicator of capital productivity cannot show the effectiveness of socially useful activities, as well as the growth of labor productivity. If the produced products are not sold, the resulting lack of profit and a decrease in wages will inevitably lead to a decrease in labor intensity and productivity at the next stage of the reproduction process.

A decrease in the volume of production will inevitably lead to the limitation of the number of jobs, in which the population will be deprived of the opportunity to further improve and deepen their professional skills. This leads to lower wages even after a new job is found, which hinders productivity growth.

Given that wages are not only the most important means of stimulating the improvement of material production efficiency, but also the price of labor, its low level does not provide an opportunity to meet the various needs of workers, and as a result, it leads to a decrease in wages. Motivation for rational use of production resources. This leads to a further decrease in the volume of production and a decrease in the quality of products: cheap labor has never shown high labor productivity.

If we think on the scale of the country as a whole, the decrease in production will cause the young generation to leave and not enter this sector, as well as being out of the scope of work for a long time will make them not want to engage in work at all, which will lead the youth to illegal behavior, harms the future of society.

It follows that labor productivity cannot be considered separately from the demographic situation in the country, because only the active part of the population employed in the country's economy is engaged in professional activities and participates in creating the gross domestic product. Therefore, in the study of labor productivity, it is mandatory to analyze the population by age, because it allows to see the ratio of productive and unproductive categories of the population.

The above-mentioned points lead to the conclusion that the following factors affect the increase in labor productivity:

- increases the results with fixed costs or even their reduction;

- reducing costs with variable or increased results;
- the growth of costs and results, if the growth rate of the result is higher than the growth rate of costs;
- cost reduction, if the rate of cost reduction is higher than the rate of reduction of results.

Some conditions show increased productivity, including:

- increase production volume, but reduce costs;
- the production volume increases faster than the cost increase;
- reducing costs without changing the volume of production (developing a cost reduction program at the enterprise);
- to increase the volume of production, but to leave the costs of the enterprise unchanged;
- Ensuring a low rate of cost reduction when the volume of production is decreasing.

In conclusion, we can say that due to the classification of factors, it is possible to determine the reasons that caused the change in labor productivity. Factors that increase labor productivity should be studied, because with this, the impact of each factor can be more accurately assessed, since they all act differently. Some of them have a temporary effect, while others ensure a steady increase in labor productivity. Some factors require more actions that are different and costs to implement them, while some require less. Due to the study of the growth factors of labor productivity, conditions are created for making economic calculations to determine the level of their influence on the change of labor productivity.

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