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## Development Of Methods For Calculating The Level Of Sustainable Development In Textile Enterprises On The Basis Of Diagnosis

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### ABSTRACT

The article examines the issues of improving the method of calculating the level of sustainable development of textile enterprises through diagnostics on the basis of competitive advantage in a market economy, and develops proposals to ensure the sustainable development of these textile enterprises.

### KEYWORDS

Industry, enterprise, diagnostics, sustainable development, integral indicator, evaluation.

### INTRODUCTION

The control mechanism of a market economy is mainly implemented through the competition category. It should be noted that now both the method and form of competition have changed somewhat and the main focus is on competitive advantage. The textile industry, one of the key sectors of the economy of the Republic of Uzbekistan, exports most of its products abroad. Foreign consumers, on the other hand, place high demands on the quality of their products and in order to fully meet these requirements, first

it is necessary to summarize the available opportunities. Therefore, the Action Strategy for the five priority areas of development of the Republic of Uzbekistan for 2017-2021 identifies important tasks to "deepen structural reforms, increase its competitiveness through modernization and diversification of key sectors of the national economy" [1]. Successful implementation of such huge tasks is important to assess the level of sustainable development on the basis of competitive advantage by diagnosing the

impact of strategic competitive advantages on the sustainable development of enterprises in the textile industry, one of the leading sectors of the economy.

### ANALYSIS OF THE RELEVANT LITERATURE

The practice shows that the sustainable development of the enterprise is formed under the influence of a wide range of factors, but its basis is competitiveness. Therefore, some researchers suggest evaluating the sustainability of an enterprise based on its competitive potential [2]. Competitive potential is formed on the basis of competitive advantages. The theory of competition, the management of competitive advantage, the most numerous works of M. Porter in the foreign and domestic literature. All literature is devoted to competitive advantage or competitiveness that refers to his book, International Competition. In it, M. Porter proposed a set of typical strategies based on the idea that each of them has its own competitive advantage. If the company takes an advantage and develops its own competitive advantages, it will be able to implement the chosen strategy. To do this, the company must decide which competitive advantage to take and in which area: low cost or product differentiation? [3]. Choosing a low-cost competitive advantage means developing, manufacturing, and selling a comparable product at a lower price than a competitor. Selling the product at a competitive price allows the company to make a large profit [4].

Sustainability is embedded in international instruments (such as the Rio Declaration on Environment and Development [5], the 21st Century Agenda [6], as well as the adoption of

specific issues of global importance on the basis of conventions and multilateral agreements and the ability of the system to continue to operate at the normal level within the framework of adoption. Sustainability requires a balance between population and available natural resources. The needs of an industry and the number of products produced in the relevant industries should be taken into account, but the needs of future generations should not be neglected.

### RESEARCH METHODOLOGY

The research methodology is a dialectical method and methods such as selective observation, comparison, and expert evaluation were used in the research process.

### ANALYSIS AND RESULTS

The results of the analysis of the economic situation of the textile industry of the country show that in order to ensure sustainable development, it is necessary to have competitive advantages and their continuous development. Therefore, in order to find the factors and opportunities for sustainable development, we believe that it is necessary to carry out a comprehensive diagnosis using more in-depth and effective methods. Therefore, we have developed a method for diagnosing the level of sustainable development of textile enterprises based on their production characteristics. Based on this method, the diagnostics of the sustainable development rate of textile enterprises includes the following steps:

The first stage "Diagnosis of the level of sustainable development of the industrial enterprise";

The second stage "Identification and assessment of existing competitive advantages of the industrial enterprise";

In the third stage, "Assessment of the impact of strategic competitive advantages on the sustainable development of the industrial enterprise."

The rules of methodology for diagnosing the impact of strategic competitive advantages on the sustainable development of textile enterprises are discussed and the necessary calculations and additional information are required. The first stage covers the following issues:

Selection of an empirical basis for evaluation;

Collection of indicators from reliable sources and their initial processing;

Calculation of specific and general integral indicators for the sustainable development components of the inspected textile enterprise;

Interpretation of the results obtained;

Identification of key components that determine the sustainable development of textile enterprises surveyed.

As an empirical basis for testing the diagnostic methodology, we selected several textile enterprises those are members of the Association of Textile Industry.

The following circumstances determined the choice of enterprises:

The first group of enterprises is located in the same area. In this regard, the strategic competitive advantages at the regional level

are the same for the selected enterprises those are members of the Association "Uztextile Industry";

Representation of existing and new enterprises is necessary to compare the conditions for sustainable development. In the first case, among the strategic competitive advantages, priority is given to those defined by industrial characteristics, in the second case, immediate attention is paid to the formation of strategic competitive advantages from the "Competition stratification" and "New Opportunities" groups, as the introduction of market relations can be used to implement an innovative scenario for the development of a textile cluster system.

The risk component of sustainable development is broadly the internal property of the enterprise, which helps to maintain its integrity by potentially altering its integrity as a result of various disturbing influences of the external and internal environment. The risk component describes the ability to link strategic and tactical risk factors and activity management processes in such a way as to ensure the sustainable development of the textile industry enterprise.

In the course of the research, the method of calculating the level of sustainable development in textile enterprises based on the risk component model based on a system of criteria and indicators was improved by using an integrated indicator. Its criterion is the assessment of the impact of the external and internal environment of the textile industry on production, economic and business activities. The integral indicator consists of indicators of strategic and tactical

risk factors of the internal and external environment and is calculated using formula (1):

$$R_x = \sqrt{T_x * C_x} \quad (1)$$

where,  $T_x$  – is a tactic that affects the stability of the textile enterprise an indicator of risk factors;

$C_x$  – affecting the stability of the textile industry an indicator of strategic risk factors.

Depending on the type of enterprise, the field of activity, the type of product produced, each enterprise identifies the most important indicators that characterize the level of impact of environmental risk factors on its level of sustainable development.

The data required for the calculation of specific and integral coefficients were

The results of the calculations are presented in Table 1.

provided by the textile enterprises under study as part of the expert work.

A key component of sustainable development is a stable economic situation. The value of the special integral coefficient, which measures the level of economic stability, is the highest among other special integral coefficients. This is due to the fact that in the development of a new project to create a textile enterprise, market relations mechanisms were implemented in a competitive environment and new strategic competitive advantages - technological, technical, design, management and organizational innovations - were introduced.

The data required for the calculation of specific and integral coefficients were provided by the textile enterprises under study as part of the expert work.

**Table 1**

**Calculated values of the overall integral coefficient characterizing the level of sustainable development in the textile enterprises involved in the study**

Name of enterprises	The value of the coefficient
«ALKIM TEKSTIL» LLC	0,61
«BEK MEGA TEXTILE» LLC	0,31
«Crystal Color Textile» LLC	0,38
«Textile Lux» LLC	0,4
«BEST COLOR TEXTILE» LLC	0,55
«COTTON TEXTILE» LLC	0,72

**Source:** Textile enterprises were calculated by the author on the basis of report data.

The data in Table 1 show that the normal level of sustainable development is typical for “COTTON TEXTILE” LLC. A key component of sustainable development is a stable economic situation. The value of the special integral

coefficient, which measures the level of economic stability, is the highest among other special integral coefficients.

## CONCLUSIONS AND SUGGESTIONS

Based on the results of the analysis of the current situation in practice, the main directions of development of strategic competitive advantages in textile enterprises should include:

Be able to anticipate the future needs of consumers of textile products;

Creating a favorable institutional environment;

Activation of innovation activity;

Activation of marketing activities;

Increase the efficiency of a management system that can respond adequately;

Increase the efficiency of the management system, which can respond in a timely manner to the rapid changes in factors and working conditions;

Effective use of digitization technology in all areas on a large scale.

The advantages of the proposed method for diagnosing the impact of strategic competitive advantages are:

- 1) Awareness (complexity and multidimensionality, including many factors of the internal and external environment, most of the strategic competitive advantages);
- 2) Availability (use of publicly available enterprise reports);
- 3) Flexibility (use of general and integral indicators from a set of specific indicators);
- 4) Versatility (in different industries);
- 5) Early reporting of problems (allows to identify the source of problem areas during the assessment);
- 6) Allows to determine the dynamics of development.

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