

Methods and Methods of Financial and Economic Analysis in Increasing the Efficiency

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ABSTRACT

The article describes the organizational structure necessary to identify and analyze the methods and techniques of financial and economic analysis to improve the efficiency of an enterprise, as well as a set of relationships and responsibilities between management and other stakeholders, allowing decision-making. to improve the efficiency of the enterprise and make management decisions.

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Introduction

Like any system, the methods of financial and economic analysis in improving the efficiency of enterprises have characteristics that can be measured using qualitative and quantitative indicators. Each component of the generation of financial and economic activities of enterprises can be represented as a set of various elements that make up its composition. The total amount (summary expression) of these numerous elements, their vector, that is, a specific target direction, is studied as a specific model of the financial and economic activities of enterprises.

In principle, the object of research can also be expressed using traditional economic-statistical and analytical methods, but the methodology of modern research and scientific analysis is so formed that it allows interpreting the research results in a completely new way, much more qualitatively. than before. In order to increase the efficiency of enterprises, it is important to develop scientific and practical proposals and recommendations aimed at determining the scientific foundations of reforming the national economy, based on the tasks set by the methods of financial and economic analysis.

Literature review

In the works of foreign scientists R.S. Kaplan, D.P. Norton broadly covered the issues of increasing the efficiency of the enterprise in the system of strategic management and the development of financial and economic activities.¹ According to these scientists, the main attention is paid to the methods of financial and economic analysis of enterprises, both qualitative and quantitative indicators for assessing its effectiveness. According to I. Ansoff, in the system of strategic management, an important role is played by the study of the prospects of the enterprise and the assessment of the factors influencing them². In his opinion, it is necessary to constantly manage an enterprise with risk, make forecasts for its long-term work, and use the extrapolation method. M. Porter's views examine the role of innovations in the development of companies, the peculiarities of their application, the impact of innovations on the sustainable development of a company, only the constant introduction of innovations and the achievement of competitive advantages of companies.³ According to R.S. Muratova, I.A. Jalolova, S.Sh. Aripova, the enterprise is considered as a separate object, its content and essence, requirements for it, the system of indicators, financial stability and management are described in detail.⁴

Despite research work and scientific research, in the context of today's globalization and democratic market reforms, the methods of financial and economic analysis of an enterprise in the strategic management system are also systematically aimed at assessing the factors influencing qualitative and quantitative development.

¹ Kaplan R.S., Norton D.P. A strategy-oriented organization. How Organizations Applying Balanced Scorecard Prosper in a New Business Environment

² Ansoff I. Strategic management. - M.: Economics, 1989. -- 358 p.

³ Porter M. International competition: Per. from English / Ed. V.D. Shchetinin. - M. International Relations, 1993. -- 64 p.

⁴ Muratov R.S., Dzhallolova I.A., Oripov S.Sh. Korkhona itisodiyoti. Darslik - Toshkent, 2014- 35-b.

Methodology

The article discusses scientific works devoted to the analysis of sources that ensure the implementation of the development of methods of financial and economic analysis in order to increase the efficiency of enterprises. As a research methodology, a comparative analysis of the literature and methods of substantiating hypotheses were used.

Analysis and results

Using modern research methods, the connections observed in the economic and financial activities of enterprises can be characterized as very simple and concise (abbreviated) based on various data, to some extent structured in a certain way. At this stage, structured data related to the research object can be examined in the form of appropriate matrices. These matrices reflect the efficiency of the generation of various components of the economic and financial activities of enterprises (Figure 1).

Each component of the generation of the economic and financial activity of enterprises consists of several elements. These elements can be studied in terms of technology or efficiency. In both cases, the results obtained are determined within the framework of an interrelated vector of development. In this case, it is very important to be able to correctly determine the vectors that have a stronger effect on the results of the economic activity of the enterprise.

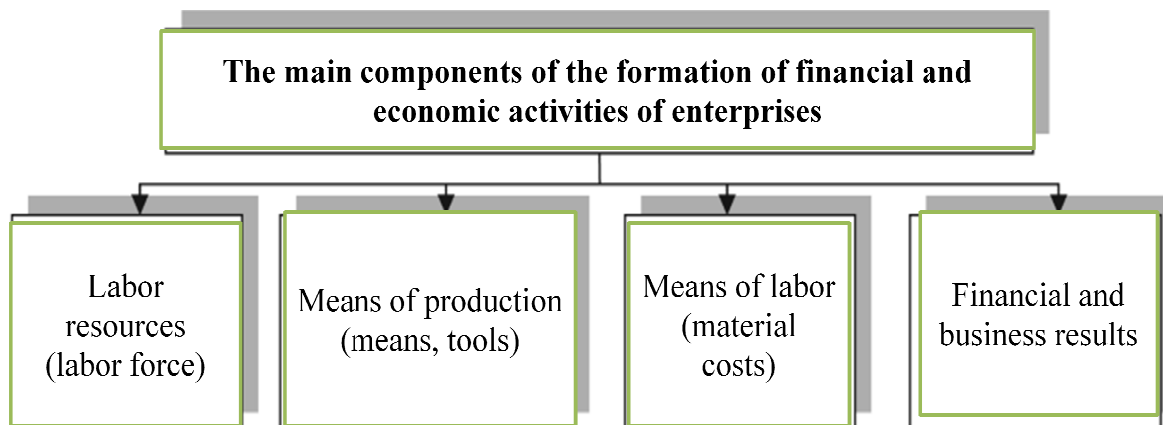


Figure 1. The main components of the formation of financial and economic activities of enterprises

In the process of analyzing the priorities of the financial and economic activities of the enterprise, i.e. gradients, the structure of the directions of resource use plays an important role (Figure 2).

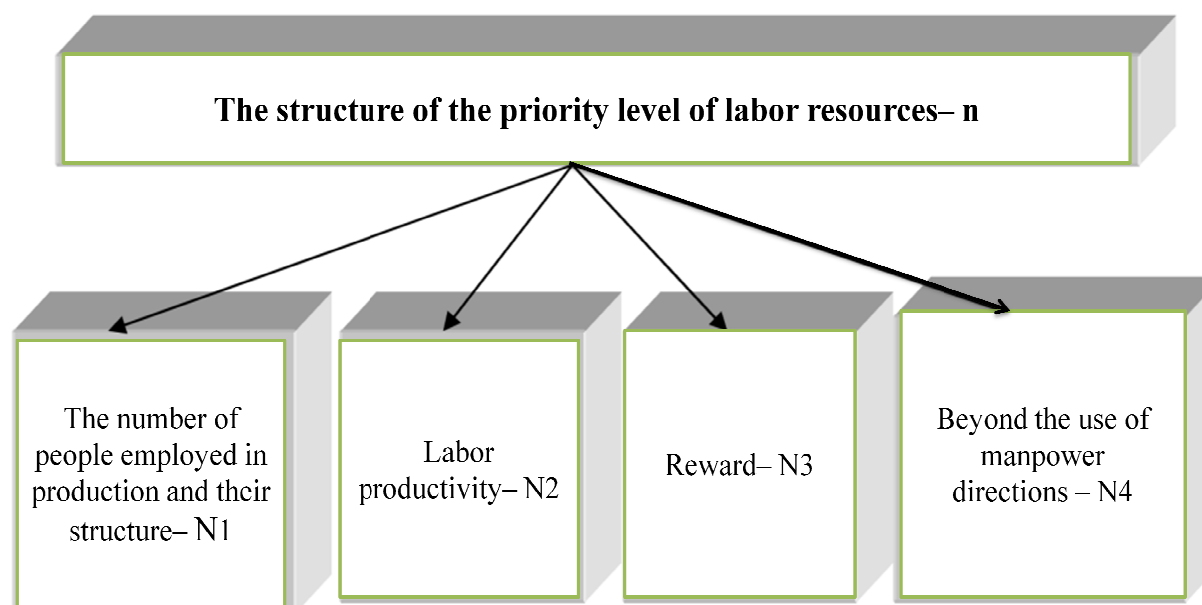


Figure 2. The structure of the priority level of labor resources

Among the four areas of labor use mentioned above, the number of people employed in production (especially their qualifications) and labor productivity are of particular importance, since these two indicators are very important for maximum economic efficiency. The rest of the indicators perform an auxiliary function.

These areas of development can be explored by dividing them into different groups. These groups are formed in accordance with the goals to be achieved in the formation of economic and financial activities. The next important area of priority groups

is capital goods (capital, tools). Their structure is shown in Figure 3. For the effective management of economic and financial activities of enterprises, it is important to reasonably use the means of production (capital, tools), that is, fixed assets.

In this regard, it is very important to be able to correctly choose the ratio between the active (production) and passive (non-production) part of fixed assets. It should be noted that only funds allocated to the active part of fixed assets (related to production) can affect the final result.

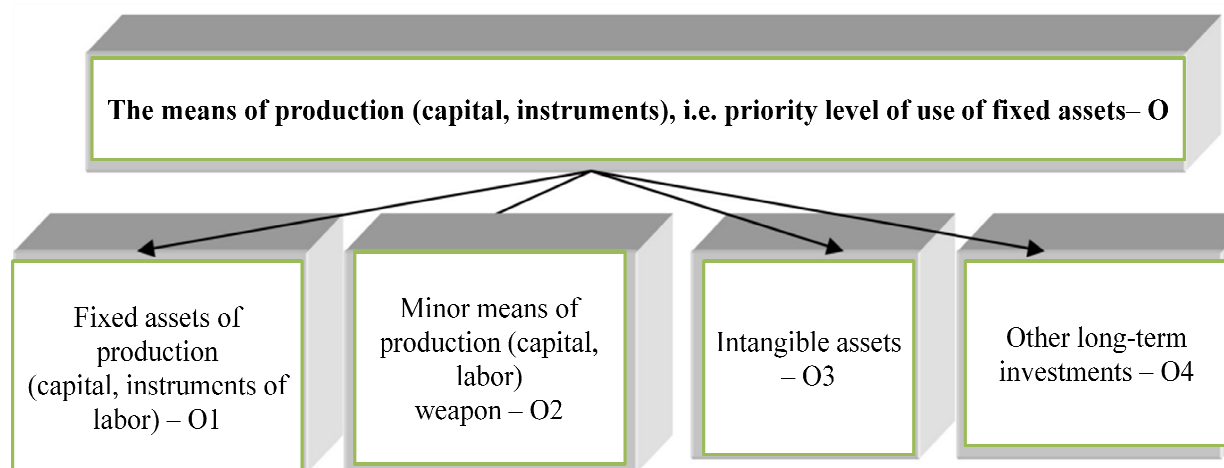


Figure 3. Means of production (capital, instruments of labor), ie. Priority level of the use of fixed assets

Most of the indicators of methods of financial and economic analysis in improving the efficiency of enterprises are determined using quantitative indicators, that is, measures (size, cost), which can be expressed in numerical terms. These parameters can take the form of absolute or relative values, growth rates, ratios, and so on. Their common feature is that they are presented in stages in processes that are measured using temporal measurements (dynamic, periodic). Quantities with this property are called scalars (from the Latin word *scalaris*, which means step). The cost of such quantities can be expressed in one number. For example, the volume of production, the number of employees (workers) employed in the production, materials used in production, the amount of funds, etc.

The aggregate expression of these values is a hierarchical system of indicators (scalar relations of financial and economic activities of enterprises), which are interrelated in content. The cumulative scalar dependence essentially reflects the characteristics of the onset of the financial and economic activities of enterprises, expressed through quantitative indicators of monitoring, analysis and diagnostics. Scalar relationships are usually categorized into types.

The first type, reflecting the hierarchical, i.e. the scalar relationship of the financial and economic activities of enterprises is characterized by the division of all information related to financial and economic activities into attributive (identifiable) and variation (variation) categories. This means that the first type of scalar, that is, hierarchical, relations can be created using identifiable (attributive) and variation (variation) groups. In this case, indicators of variation of scalar relations can be constructed in discrete or interval form. Based on these types of dependencies, it is impossible to observe features with average (average) characteristics.

Conclusions

All of the above types of scalar ratios are present in all components of the formation of the financial and economic activities of enterprises. However, in the final cycle of scalar relationships, separate types of relationships are formed. They represent indicators of the efficiency of the financial and economic activities of the enterprise. This is a system of specific indicators that show the final result of economic activity. Here we would like to state that the better the results of production activities, the less accurate the assessment of productivity for certain elements of financial and economic activities.

It is advisable to evaluate the financial and economic indicators of an enterprise on the basis of its performance indicators, because in the current conditions it is possible to give a comprehensive and accurate assessment of activities only when the effectiveness of the final result is achieved. The efficiency of the financial and economic activities of an enterprise can also be assessed using a scalar relationship system. Scalar relationships with scalar dimensions should be distinguished from each other.

Scalars are quantitative measures. Scalar relations are the state of an economic object, the laws and principles of development (actions, activities), expressed by time indicators (measurements), as well as specific qualitative characteristics indicating factors, causes and consequences affecting the financial and economic activities of the enterprise. The main tools for the formation of scalar relationships are the analysis of quantitative and qualitative indicators reflecting the financial and economic activities of the enterprise, the assessment of the current state of the system, the study of existing problems and their solutions.

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