



PROSPECTS FOR IMPROVING FINANCIAL MANAGEMENT

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Abstract. The article analyzes the issues of systematically increasing economic efficiency, effectively using intensive production methods, and determining the main directions of organizing financial management in the economic environment.

Key words: market relations, finance, management, enterprise, economic efficiency, profitability, key indicators, profit, material costs, income.

Introduction. The formation of a financial management system in agribusiness enterprises is one of the least studied scientific research problems today. The essence of this problem is that farms are forced to use loans from commercial banks in addition to their own funds to achieve financial stability. This requires the development of normative amounts of working capital of farms to increase its efficiency. The development of diversified production opens up opportunities for farms to use working capital. However, financing new types of production and ensuring its efficiency requires farm managers to develop normative levels based on a preliminary forecast of future profits based on the level of productivity of production factors. In this case, taking into account that the normative levels, i.e. coefficients adopted in science, are adapted for the activities of industrial enterprises, it is necessary to study agricultural enterprises based on the characteristics of crop types or areas of activity.

Literature review and methods. In the second half of the 1950s, as a result of systematic scientific research on the composition of capital and sources of financing, which are considered important theoretical elements of financial management, scientists such as D. Duran, F. Modigliani and M. Miller developed the "capital structure theory". Many authors were engaged in the development of the "capital structure theory", among which F. Modigliani and M. Miller, who published the work "Theory of Capital Cost, Corporate Finance and Investments" in 1958, are considered the first. The capital structure theory answers the following primary questions of financial management: the formation of capital necessary and sufficient for starting and running a business, the effective (profitable) placement of attracted funds.

Results. In a market economy, each enterprise will be able to independently determine its financial policy and priorities, expand the scale of production and services based on its material and financial capabilities, and ultimately, as a result of the rational implementation of current and strategic tasks, ensure the stability of the enterprise's financial and economic indicators. Of course, the management of enterprise finances, determining the composition and value of capital, managing long-term assets, attracting sources of financing, evaluating and searching for investment opportunities, issuing securities, developing a capital investment budget, dividend policy, investment portfolio management, financial risk management, investment risk management, operational risk management, financial diagnosis and control, budgeting and current activity planning, profit and cost management, working

capital management, operational decision-making, financial decision-making, investment decision-making policies and the characteristics of the management system determine the directions of financial management organization and areas of its application.

The financial management system at enterprises is organized directly depending on the functions and tasks performed by the financial manager, the work performed.

The process of organizing financial management at enterprises or their financial management system can have such a complex structure, depending on the volume of production and services or the scale of operations, the form of ownership and the diversity of the type of activity.

Of course, based on the characteristics of each enterprise, the place, role and conditions of organization of financial management in it differ accordingly. In organizing the financial management system at enterprises, in particular, the conditions for organizing financial resources and financing from other sources, the method (method) and directions of their distribution can differ mainly depending on the following aspects: the scale or volume of economic and financial activities; stages of the development cycle of enterprises; organizational and legal forms of conducting business, etc.

Taking into account the scale of activities carried out (volume of products produced and sold, capital investments, number of employees, etc.), enterprises can be divided into the following three groups: large, medium and small. The belonging of enterprises to this group and their size, the amount of direct financial resources needed and the variety of types of financial activities also affect the organization of the financial management implementation system and the degree of its specialization, that is, based on the size of enterprises, they determine the financial management system and functions, types of financial operations and the amount of financial resources required to launch production activities.

Enterprises go through several developmental processes or stages of development throughout their entire life. From a philosophical point of view, these stages of development or advancement can also be compared to the stages of a person's life from birth to old age. The stages of development of the life cycle of enterprises can be divided into the following: "birth", "growth", "independent period", "aging".

At each stage of development of enterprises, their need for financing their activities, opportunities for attracting capital, the level of risks in their activities or operations, the number of entities participating in financial relations, the possibilities for implementing investment activities, obligations to the budget and other financial institutions, their financial and economic indicators, etc.

One of the main requirements for more effective management and organization of enterprise finances, and for the correct establishment of a financial management system in them, is to take into account and thoroughly study the main aspects and characteristics of each stage of development of enterprises. Another aspect that should be paid attention to when organizing financial management in enterprises is their organizational and legal forms. As we know, the economic activity or entrepreneurial activity of enterprises is carried out on the basis of a certain organizational and legal form.

In a market economy, enterprises determine the organizational and legal form in which they operate based on their financial policy. From an economic point of view, the main differences between the legal forms of conducting business activities are: distribution of income; liability for obligations; distribution of risks; control over entrepreneurial or

economic activities; transfer of property rights to another party; opportunities to attract financial resources. Sole proprietorship is the ownership of personal property by one person in his own name. The assets, liabilities and income of such a firm, enterprise are the assets, liabilities and income of its owner. Financing can be carried out at the expense of the owner of the firm or at the expense of borrowed (loan) funds received from a third party. The owner of the firm, the enterprise, is personally liable for all its obligations through its available financial and material resources and property, and bears the risk of damage that may occur as a result of its activities, that is, its level of liability is unlimited. Enterprises with an organizational structure based on partnership differ from enterprises based on the form of personal ownership in that they have a greater number of owners, that is, owners of the enterprise. The process of financing the partnership is carried out at the expense of the partners' own funds or at the expense of borrowed funds.

In our country, in the conditions of market relations, rational organization and improvement of the financial management system in enterprises, setting priorities taking into account all factors affecting the activities of enterprises, and achieving strategic goals in the future without deviations largely require the definition of the tasks and responsibilities of the financial manager or employees responsible for managing the financial activities of enterprises.

Currently, one of the main tasks facing financial managers or financial departments of enterprises in the effective management of enterprise activities is to thoroughly study all factors affecting the financial activities of enterprises, to constantly be aware of all changes taking place in the economy, and to coordinate the activities of enterprises in accordance with the external economic and social environment.

Today, the bulk of agricultural products are grown by farmers, peasant farms, and homestead landowners. In his January 24, 2020 Address to the Oliy Majlis on the most important priorities for the development of our country, our President emphasized that "the only way to ensure the stability of food prices in the consumer market is to increase the volume of fruit and vegetable production, livestock farming and other food products and create a continuous chain "from field to store."

Conclusion. Financial management services are one of the most relevant services that meet today's needs in correctly assessing the financial condition of enterprises and effectively using commodity and material resources. Because one of the main management objects of financial management is anti-crisis management at enterprises. In foreign countries, great attention is paid to the organization of financial management services at enterprises. Also, the subject of financial management is financial managers, who are entrusted with the most responsible tasks of the enterprise. Therefore, financial managers are one of the highest earners. In general, based on the results of this graduation qualification work, we can draw the following conclusions:

- Financial management effectively organizes anti-crisis management in enterprises. It can foresee crisis situations and develop measures aimed at eliminating them and implement them in the activities of the enterprise. This, in turn, maintains the financial stability of the enterprise.

- Financial management is one of the most responsible services in enterprises. Financial management is responsible for the effective management of the finances of enterprises. Financial management is now one of the developing sectors in our country and takes all



measures to maximize the private capital of the enterprise and effectively use the material reserves of the goods.

- Another of the main management objects of financial management is cash flows, and financial managers take all measures to effectively manage them. In cash flow management, the state of cash flows, the amount of cash in enterprises, the state of sufficiency or excess of cash, the level of cash turnover, as well as currency cash flows are studied.

- One of the main management objects of financial management at enterprises is the investment activity of the enterprise. Investment activity at enterprises is mainly carried out during the period of diversification of financial resources at enterprises. If the enterprise, along with its production activities, partially engages in other activities, the risk of financial losses in the financial position of the enterprise is reduced. In addition, as a result of effective management of cash in the main activities of enterprises, cash turnover increases. This, in turn, leads to the release of a certain part of cash. Cash temporarily freed up from production can be directed to investment for more effective use.

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