



IMPROVING MANAGEMENT MECHANISMS TO ENSURING ECONOMIC EFFICIENCY IN AGRICULTURE

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Abstract. The article studies the theoretical and practical aspects of improving management mechanisms to ensure economic efficiency in agriculture. It is substantiated that the sustainable development of the agricultural sector in the conditions of market relations is directly related to the formation of an effective management system. The study analyzes the areas of rational use of resources in agricultural enterprises, strengthening financial management, introducing digital technologies, developing cluster and cooperation systems, and improving human capital.

Key words: *agriculture, economic efficiency, management mechanism, agrarian reforms, digital technologies, agrocluster, cooperation, financial management, rational use of resources, profitability, innovative development, agrarian sector of Uzbekistan.*

Introduction. In the current context of globalization and deepening market relations, agriculture is gaining special importance as one of the priority and strategic sectors of the economy. Providing the population with high-quality food products, ensuring the uninterrupted supply of industry with raw materials, increasing export potential, and ensuring employment in rural areas are among the main tasks of the agricultural sector. In this regard, the issue of increasing economic efficiency in agriculture has become an important direction of state economic policy.

In particular, in the conditions of Uzbekistan, large-scale reforms being implemented in the agricultural sector are aimed at improving land relations, developing a multi-level management system, accelerating clustering processes, and introducing digital technologies. The effectiveness of these reforms directly depends on how well management mechanisms are established.

Economic efficiency in agriculture is the achievement of maximum economic results through rational and economical use of available land, water, labor and financial resources. However, the specific features of the agricultural sector - dependence on natural and climatic conditions, seasonality of production, the priority of biological processes and high risks - impose special requirements on the management system. Therefore, traditional management methods may not provide sufficient results in modern economic conditions.

In the conditions of the modern agrarian economy, improving management mechanisms is of urgent importance in the following areas:

- strengthening the strategic planning and forecasting system;
- improving financial management and control mechanisms;
- introducing innovative and digital technologies;
- increasing production efficiency based on clusters and cooperation;
- developing human capital and strengthening managerial competencies.



Today, achieving high economic results in the agricultural sector is determined not only by increasing production volumes, but also by reducing product costs, creating added value and producing competitive products. This requires scientific basis of management decisions, optimal allocation of resources and the presence of an effective monitoring system.

The purpose of this study is to reveal the theoretical foundations of improving management mechanisms to ensure economic efficiency in agriculture and to develop practical proposals and recommendations. The research process used a systematic approach, analysis and synthesis, economic and statistical methods and comparative methods.

As a result, it is substantiated that it is possible to strengthen economic stability, increase production efficiency and increase the competitiveness of agricultural enterprises by modernizing management mechanisms in the agricultural sector.

Literature review and methods. The issues of ensuring economic efficiency in agriculture and improving management mechanisms are one of the important scientific areas of agricultural economics. Many scientific studies have been conducted to improve the efficiency of agricultural production, rational use of resources, increase profitability, and strengthen competitiveness.

The theory of economic efficiency was developed by classical and modern economic schools, which substantiates the issues of optimal use of production factors, improving the ratio between costs and results, and creating added value. In modern scientific literature, increasing efficiency in the agricultural sector is interpreted inextricably linked with institutional, organizational, and innovative mechanisms of management.

A number of scientific studies have been carried out by leading agrarian economists of our republic on the theoretical foundations of agricultural management and factors for increasing efficiency. These works cover the stages of agrarian reforms, the development of farm activities, the introduction of an agrocluster system, the improvement of cooperative relations, and the strengthening of financial management.

International experience also pays special attention to the issue of improving management efficiency in agriculture. In particular, reports published by the Food and Agriculture Organization (FAO) note that institutional reforms, resource-saving technologies, and the introduction of digital management systems in the agricultural sector are important factors in increasing economic efficiency.

Also, World Bank studies emphasize that transparent management in the agricultural sector, expanding access to financial resources, and developing market infrastructure are among the main conditions for sustainable economic growth.

In the conditions of Uzbekistan, the issues of modernization of agriculture, improving land relations, expanding the cluster system, and updating management mechanisms through the introduction of digital technologies are gaining urgent importance. An analysis of existing scientific sources shows that although individual aspects of management mechanisms have been widely studied, there remains a need to study them on the basis of a comprehensive approach, inextricably linked to economic efficiency.

Results. Within the framework of this study, the main directions of improving management mechanisms in ensuring economic efficiency in agriculture were analyzed and their practical results were evaluated. The results obtained confirm that the modernization of

the management system in the agricultural sector has a significant impact on the sustainable growth of economic indicators.

The analysis showed that the rational use of land and water resources and the scientific organization of agrotechnical measures lead to an increase in productivity. Especially in farms that have introduced intensive technologies:

- increased productivity;
- decreased production costs;
- improved labor productivity.

As a result of the use of resource-saving irrigation technologies and modern agricultural equipment, production costs have been reduced and profitability has increased. This once again confirms the importance of management decisions in resource planning and control.

Strengthening financial discipline, establishing cost monitoring, and improving investment planning will help strengthen the economic stability of agricultural enterprises.

According to the results of the study:

- optimizing production costs increases profits;
- effective use of loans and subsidies reduces the shortage of working capital;
- farms with a financial planning system have a lower risk level.

International experience also shows that transparent and effective financial management in the agricultural sector is an important factor in economic growth. In particular, World Bank studies have emphasized that free access to financial resources and an effective management system in the agricultural sector increase economic efficiency.

The introduction of digital technologies significantly increases the efficiency of the agricultural management system. Electronic monitoring, agroplatforms, remote control and decision-making systems based on databases allow for accurate planning of production processes.

The cluster model allows for the creation of added value by combining production, processing and sales processes under a single management system.

The results showed that:

- revenue from product sales increases;
- intermediary costs decrease;
- export potential expands;
- market risks decrease.

This process is yielding positive results, especially in connection with the widespread introduction of the cluster system in the agricultural sector of Uzbekistan.

The results obtained show that increasing economic efficiency in agriculture is ensured not by a single factor, but by a comprehensive improvement of management mechanisms.

Efficiency is formed as a result of the interaction of the following factors:

- strategic and operational planning;
- financial stability;
- use of innovative and digital technologies;
- development of human capital;
- improvement of market infrastructure.



Also, in the agricultural sector, natural and climatic risks, price instability, and external market factors require a high level of flexibility in the management system. Therefore, the process of improving management mechanisms must be continuous and systematic.

Conclusion. In conclusion, it can be noted that this study was aimed at studying the issues of improving management mechanisms to ensure economic efficiency in agriculture based on a systematic approach. According to the results of the study, the main factors for increasing efficiency in the agricultural sector are:

- Rational use of resources - effective allocation of land, water, labor and financial resources increases productivity and profitability.
- Improving financial management - optimizing costs, planning investments and effectively using credit resources increases the stability of the enterprise.
- Introduction of digital and innovative technologies - electronic monitoring, agro-platforms and remote management tools accelerate decision-making and reduce errors.
- Development of cluster and cooperation systems - by integrating production, processing and sales processes into a single system, it is possible to create added value, increase market share and expand export potential.
- Development of human capital - improving the skills of agricultural managers and specialists significantly increases management efficiency.

The study showed that economic efficiency can be increased by modernizing management mechanisms in agriculture, but this process requires a continuous and integrated approach.

The following practical recommendations have been developed to improve management efficiency in the agricultural sector:

- Expanding digitalization - it is necessary to introduce digital platforms in irrigation, crop monitoring, financial control and production planning.
- Improving the financial management system - it is recommended to simplify the mechanisms for using loans and subsidies, and constantly monitor the income and expenses of the enterprise.
- Developing cluster and cooperative projects - it will be useful to combine production, processing and sales units in the cultivation of cotton, grain and vegetables into a systematic cluster.
- Developing human capital - it is important to organize advanced training courses, international exchange of experience and scientific and practical seminars for agricultural managers and specialists.
- Strengthening strategic planning and forecasting - forecasting market demand in advance, efficient allocation of resources and optimization of production processes should be the main components of management decisions.
- Ensuring inter-sectoral balance - by developing integration between agricultural enterprises and industrial sectors, it is possible to create added value and save resources.
- Increasing export potential - it is recommended to make agricultural products competitive in the domestic and foreign markets by controlling the quality of manufactured products, optimizing logistics and trade mechanisms.

Improving management mechanisms in agriculture is a key tool for increasing economic efficiency. This study showed that:

- introducing modern digital and innovative technologies;

- strengthening financial and strategic management;
- developing a cluster and cooperation system;
- increasing human capital

It will serve the sustainable and highly efficient development of the agricultural sector. As a result of implementing these recommendations, agricultural enterprises will be able to reduce costs, increase profitability, and produce competitive products.

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