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PROSPECTS FOR DIGITALIZATION OF CORPORATE GOVERNANCE IN CORPORATE STRUCTURES OF THE REPUBLIC OF UZBEKISTAN

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Annotation

The article discloses information on digital management and problems of application in the activities of joint-stock companies of the Republic of Uzbekistan, and also examines the digitalization of corporate management processes. The process of automation of management processes in joint-stock companies is studied. A roadmap for the implementation of digital technologies of corporate management is developed. The main directions for improving the efficiency of joint-stock company management in ensuring economic growth are highlighted, as well as a comprehensive study of their digitalization.

Key words

joint stock companies, corporate governance, digital information technology, digitalization, digital platform, digital governance factors, digital technologies, technological changes.

Introduction

Technological changes inherent in the digital economy can create new market rules for producers and buyers. In such an environment, companies need to look for new competitive strategies and increase competitiveness. In order to survive in the competitive struggle and at the same time develop in the new conditions, companies need to form an image in the field of digital information technologies. Ensuring the technological development of enterprises depends on the relationship between modern digital management and production factors.

In recent years, the Republic of Uzbekistan has been taking comprehensive measures to actively develop the digital economy, the widespread introduction of modern information and communication technologies in all sectors and industries,

especially in public administration, education, healthcare and agriculture. Significant work is also being carried out to introduce digital management into the activities of joint-stock companies of the Republic of Uzbekistan. In order to accelerate the development of the digital industry, the Decree of the President of the Republic of Uzbekistan of October 5, 2020 No. UP-6079 "On approval of the Digital Uzbekistan Strategy - 2030 and measures for its effective implementation" was adopted, which reflects the step-by-step implementation of digitalization.

Modern digital management is the achievement of optimal results based on the set goal in the form of active management of personnel activities using modern concepts of marketing, innovation and information technology. Today, digital technologies have become an integral part of corporate management, since digital technologies allow for more efficient management of global operations and ensure communication and synchronization at the global level, and digital technologies can help meet these new needs.

The development of digital management technologies is becoming a key factor in improving the efficiency of corporate governance and creating an innovative economy. For successful digital transformation, it is necessary to review and optimize corporate governance models that determine how decisions are made, resources are allocated, activities are monitored, and performance is assessed.

Currently, the application of digitalization in corporate management is a key element of modern company management strategies, ensuring effective and innovative business management, increasing transparency and promoting more accurate data analysis.

Today, in developed countries, the digital management factor is recognized as a factor of independent development, such as management culture, management philosophy, management methods, economic resources. The main problem of the development of society and entrepreneurship in developing countries has become the rational organization of digital management.

Analysis of the literature on the subject

The issues of digital economy, digitalization of management and evaluation of management efficiency in joint stock companies have been reflected in the scientific research of a number of economists.

According to P. Drucker, one of the leading scholars in the field of digital governance, "The problem of all developing countries is the lack of highly effective digital governance" [2]. According to the Australian Government, "the digital economy is an economic and social activity that uses the Internet, as well as mobile and touch networks." According to the World Bank, "it is a new stage of development of the economy based on knowledge and digital technologies, which will form new digital skills and opportunities for society, business and the state." According to the consulting company Deloitte, "The basis of the digital economy is the growing process of interconnection between organizations and machines, formed by the Internet, mobile technologies and the Internet market." According to The Economist, "... an economy that offers high-quality telecommunications network infrastructure and directs the opportunities created by telecommunications networks for the benefit of consumers, businesses and the state" [3].

According to the Digital Economy Country Assessment (DECA), the structure of the digital economy consists of the following [4]:

- non-digital factors (policy and strategic planning, leadership, legislation, human capital, innovation, business environment, trust and security factors that provide an environment for the implementation of digital transformation processes);
- digital factors (digital infrastructure for the production of digital technologies, collaborative digital platforms);
- Digital sector of the economy (information and communication sector, content sector and the media).

Russian economist T. Gileva defined the structure of digital transformation, proposed a conceptual scheme based on the elimination of the gap between the current and target level of digital maturity management of the enterprise, as well as presented a methodology for analyzing the readiness of enterprises to work in the digital economy [5]. Economist E. Demyanova developed theoretical principles and practical recommendations for the development of valuation methods for companies, gave and classified exogenous and endogenous factors that affect the value of companies, introducing modern financial technologies [6]. Another economist, N. Sedegov, proposed the functional structure of the information system of appraisal organizations and also describes the functions of the appraisal system that meet the needs of the appraisal organization in the provision of appraisal services [6].

The modern fundamental foundations of the digital economy are given in the works of Uzbek economists Sh. Shokhazami and G. Tashpulatov, which can serve as a theoretical and methodological basis for systematic research and the construction of the digital economy, used in digital assessment organizations [9].

Research Methodology

The article used grouping, comparison, systematic approach, analysis and synthesis methods.

Analysis and Results

A digital company management system is a set of interconnected elements united by a digital platform for organizing and implementing activities using modern digital technologies. With proper organization of digital management, the business will be successful and profitable, which in turn requires proper organization and a comprehensive study of digital management issues in companies.

The formation of a large number of databases throughout the company, their processing leads to an increase in the speed of transaction exchange at different levels of platforms, and as a result, the transformation of the value chain. It is thanks to the digitalization of management that companies increase efficiency, added value, profitability and affect the optimization of costs and the expansion of the product market. These circumstances emphasize the urgency of a deep study and development of digital management issues.

Modern technologies and platforms have helped businesses and individuals reduce costs by minimizing face-to-face interactions with customers, partners, and

government agencies, and by speeding up and simplifying interactions. The result is a resource-based, digital, or e-economy.

Digitalization processes using artificial intelligence, computer technologies, and digital platforms are becoming a practical reality in the activities of business and management organizations in our country. Today's rapid digitalization process, in turn, has created a "new economy." Having an effective digital management system reduces the number of tactical discussions on managing and managing an organization's digital presence by clearly identifying the person in the company's digital team who has the right to make decisions in various areas.

In our opinion, the need to use digital management in the activities of joint-stock companies of the Republic of Uzbekistan can be expressed as follows.

- firstly, during the pandemic, the issue of digitalization of management processes in joint-stock companies of the country is necessary, but is not considered a priority. Strict quarantine measures to prevent the spread of the pandemic, increased attention to the elimination of its complications, led to the acceleration of the digitalization process;

- secondly, there is a significant difference between the concepts of digitalization and automation of management processes, and when automation refers to the implementation and use of new technical means and technologies in management processes, digitalization of the collection and analysis of data from management processes covers issues related to manufacturing;

- thirdly, the introduction of digital technologies into the management system will be carried out through the full automation of these processes. The level of efficiency of automation measures directly affects the level of implementation of digital technologies;

- fourthly, the introduction of digital technologies into the management system requires the development of a clearly defined plan and an algorithm for its implementation.

The application of digitalization in corporate management can be divided into two segments:

1. Digitalization of information and operational processes aimed at improving the efficiency of decisions:

- Digital data analysis based on big data;
- Artificial intelligence and analytics;
- Cloud technologies;
- Mobile applications;
- Blockchain;

2. Digitalization of corporate management processes aimed at simplifying interactions between owners and managers:

- Virtual meetings and communication;
- Electronic voting.

The opportunity to participate in corporate meetings without being physically present is provided for by the Law of the Republic of Uzbekistan "On Joint Stock Companies and Protection of Shareholders' Rights", i.e. "When holding a general meeting of shareholders, information and communication technologies may be used to ensure the possibility of registration for remote participation in the general meeting, discussion of agenda items and decision-making on issues put to a vote. The general procedure for remote participation in the general meeting of shareholders and remote electronic voting using information and communication technologies is established by the authorized state body for regulating the securities market" [1].

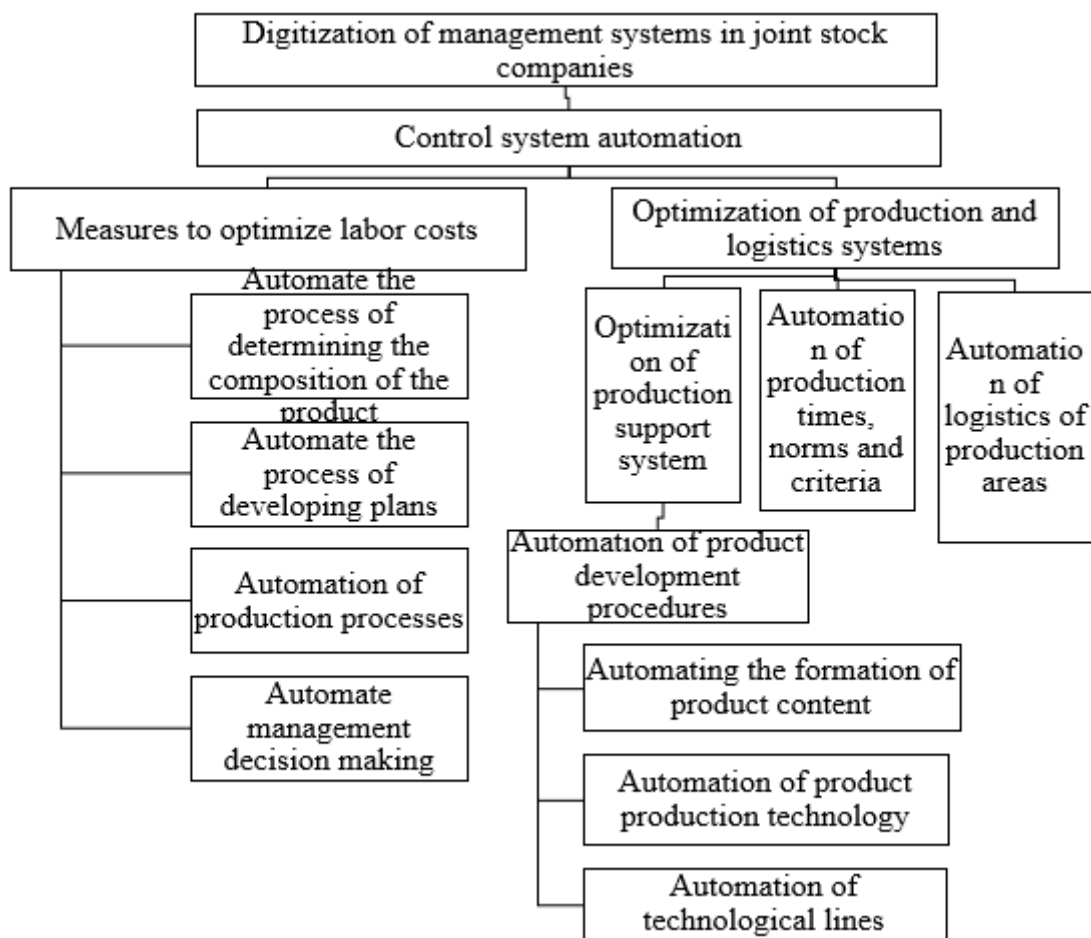
With the right organization of digital management, the business will be successful and profitable. Management processes are digitalized by introducing a system of key management functions, such as planning, analysis, control. Digitalization of management decisions is carried out on a digital platform.

The digital platform independently selects and evaluates solutions, analyzes target processes and risks. The management will only have to approve the most effective and productive development scenario. The interaction of employees in the company using electronic document management, online project management systems, modern communication tools includes the creation of a digital organizational management structure.

The digital strategy of joint-stock companies includes digitalization aimed at ensuring the success of the goals and activities of joint-stock companies. Achieving the set goals may be impossible due to risks that may arise in the company's activities. Digital transformation brings with it new risks that require the creation of a digital risk management system based on intelligent predictive analysis. Thus, all management elements can be formed through the company's digital platform, which, in turn, is the core of the organization's management system.

The long-term success of any enterprise depends on the developed strategy. If an enterprise does not have a development strategy, it is designed with errors, which does not allow the enterprise to occupy stable and strong positions in the market. Modern science and practice have extensive experience in strategic planning and management, but many strategies still cannot adapt to changing conditions of the external and internal environment. This indicates that not all the problems of corporate management have been solved yet, which is primarily related to the development of mechanisms for the strategic sustainability of enterprise development.

Digital technologies play a decisive role in all areas of business. The first step towards digitalization of management processes in joint-stock companies is the formation of an automated system covering the production cycle.



Tab. 1 Automation of management processes in joint stock companies

Manba: Developed by the author based on the data

There are some problems with the implementation of digitalization of corporate governance processes in joint-stock companies of Uzbekistan, and they can be summarized as follows:

Most joint-stock companies have not yet developed digitalization of corporate governance processes. The problems of applying management and digital technologies are as follows:

1. Despite the provision for the possibility of holding absentee voting, the Charters and other internal documents often lack clear rules and conditions for its implementation using digital technologies. This leads to a loss of efficiency and the possibility of participation of shareholders, especially those who cannot physically attend the meeting.

2. The absence of a single platform or system for digital governance. This hinders the consistency and interaction between different aspects of corporate governance.

3. Uncertainty in the forms and types of remote processes. Uncertainty in how remote meetings and electronic voting can be held, which creates uncertainty among shareholders.

At the same time, one of the main problems that many joint-stock companies face is an ineffective management system, which negatively affects their activities and leads to losses. The use of digital management can help solve these problems. In particular, the transition from simple software for monitoring human resources to digitalization of the management system, in turn, can lead to transparency and decentralization of the process that does not require the human factor in personnel matters.

The development of the digitalization process of the joint-stock company management system is necessary:

- through the flow of data related to planning, production and delivery;
- by combining data flows related to producers (personnel, machinery and equipment, etc.) into cyber-physical systems.

Table 1

Stages of implementation of digital technologies of corporate management *

Stages	Title	Summary
1 st Stage	Preliminary preparation	- Needs assessment: conducting research to identify needs for digital technologies at meetings and voting; - Forming a working group: creating a multifunctional team including representatives from various departments, selecting a responsible person
2 nd Stage	Development of internal documents	regulating the conduct of remote meetings and electronic voting
3 rd Stage	Selection of software	Market research of digital solutions for meetings and electronic voting
4 th Stage	Education and training of personnel	organizing trainings for key employees and managers on the use of digital tools, system administrators
5 th Stage	Pilot implementation	Implementing digital technologies at a few selected meetings, collecting feedback and identifying potential improvements
6 th Stage	Evaluation of the effectiveness of project implementation	collecting feedback, assessing the level of satisfaction of participants, comparing results with initial goals and plans, adjusting strategy and scaling the project.

** Developed by the author based on data*

Particular attention should be paid to improving the efficiency of digital management in joint-stock companies. Sustainable and sustainable development of the national socio-economic system contributes to improving the performance of enterprises in the real sector of the economy, which in turn ensures a high level of efficiency and effectiveness at these enterprises using modern digital management methods. Modernization of the economy, ensuring technical progress depends on the relationship between modern digital management and production factors.

At all enterprises operating in Uzbekistan, digitalization of corporate management processes has not yet been developed. In our opinion, it is necessary to develop a roadmap, which is given in the table below.

Conclusions and suggestions

Based on the materials studied, it can be said that electronic voting and remote meetings, which became possible thanks to the development of digital technologies, were actively used during the pandemic and became a key resource for effective corporate governance. But it was revealed that most joint-stock companies of the Republic of Uzbekistan were not ready for management through digital technologies. At the same time, the introduction of digital management in the activities of joint-stock companies will, first of all, lead to cost savings and efficient use of raw materials, and the system will be completely modernized, which will allow for high-quality storage and timely delivery of products.

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