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A STUDY ON THE FACTORS LEADING TO A SUCCESSFUL CO-MARKETING CAMPAIGN

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Introduction

Increasingly, today businesses have recognized the importance of alliances for future successes. Furthermore, organizations need to build relationships with a range of 'markets'. Rather than doing everything themselves, it may be more practical to enter into partnerships arrangements with other businesses. (Drummond and Ensor, 2001). This creates a lot more opportunities for a range of businesses to be expanded and renowned. Additional boon here can be a reduction in the company's expenditures.

Co-Marketing is a true partnership between two separate brands that will use their combined efforts to market each other's products. They do not create a new product, but because of the commonality between the two products, a co-marketing venture makes sense. They promote each other and have identical marketing plans for the future. It is not the merger of corporations even though companies unite some of their departments. The most significant consideration in this alliance is the ideas of both companies to be contemplated ideally.

Through careful study, it can be generally said that success in co-marketing rests upon the suitability of alliances with another.

1. Finding the right partners

In order to find a suitable partner, the following indicators are needed:

- a) *A similar type of audience.* Two companies can fulfill all needs of consumers since their products or services are interrelated. Similar target market is the first indicator needed in the creation of a cross-promotion. "The key to running a successful cross promotion is to partner with a business that targets similar customers as you are but offers a product or service that doesn't compete with yours," says Carmen Sognonvi, co-owner of Urban Martial Arts in the New York City borough of Brooklyn and author of the blog "Your Guide to Local Success."
- b) *The coincidence in the set of goals and expectations from the partnership.* To avoid disappointment and failure in collaboration, businesses should decide whether this alliance is worth their time and efforts, otherwise there is no need for businesses to cooperate.
- c) *The partner should have expertise in unknown areas.* If the partner has some expertise that the other one has not, they could complement each other and share valuable information. For example, the one can own a ballet studio and know how to attract parents' attention to new programs in that school. However, children's hair salon company may not know about gaining parents' attention to something new taking place in their organization. When two or more companies combined, the best solution is reached owing to experience that each ally has.
- d) *A good reputation of partner's brand and name.* Credibility of two brands realizes the true aim of co-marketing, while poor reputation of an ally brings down another company's business as well. Due to this fact, a lot of companies rarely arrange partnerships since any wrong aspect of their partner's business can harm their image too.

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2. Cross-promotion proposal

When cross promotions unite companies with similar goods but not identical client lists, each company receives support such as exposure to an increased target audience, a growth in respect from coming in a couple with reputed business allies. It may sound very easy to operate such partnerships and take the advantage of this strategy.

However, danger occurs when partners have quite different outputs, client lists, marketing methods. In this case a cross-promotion proposal is needed to minimize misunderstandings and reach consensus easily. The cross-promotion proposal is aided by a test that has only five questions:

- Do the business associates complement and not compete with each other?

This question is one of the most crucial one because all partners should see each other as “friends” to experience cultivation, not a battle. That is why all the parties should question themselves whether they are ready to give in to each other’s improvements and increase the target audience. The word “competition” is to be erased from the minds of business partners.

- Will the cooperation refine the standing of all participators?

Co-marketing that involves cross-promotion is linked to brand images of all partners. When cooperation is initiated, the credibility plays a big part in organization of partnership. As co-marketing is arranged to gain only positive outcomes, it concerns issues with brands and reputations as well. Hence, businesses should partner with the ones that would improve their own brand image.

- Are the reputations, marketing strategies and promotion goals of all partners a good match?

Creation of co-marketing relationship resembles emergence of human relations. People search for friends that correspond to their interests; the same case takes place here in arranging co-marketing. The coincidence in these aspects would exclude further disagreements that could appear.

- Do they address alike but not identical customers?

When customers are indistinguishable, there would not be any need for co-marketing arrangements because each company already would know how to deal with its target market. A little difference in the target audience of partners will saturate client lists of each one because they will share their promotional experience and technique.

- Do all partners accept promotional and financial plans, a timeline, and liabilities?

Even a little doubt can turn into a big complication after a certain period of time. The full agreement and acceptance is a must in such partnerships. These are all important facets regarding law and budget.

This, once more, concerns the finding of the proper partner.

3. The link

Both businesses exchange with their clients by doing certain actions that show the way for consumers to the partner’s company.

In a cross-promotion video released by Sognonvi, she claims, "Hands-down, the easiest way to start a cross promotion is for two businesses to display each other's fliers prominently." While online, cooperative marketing can come off in the form of a link on each other’s website.

Another technique is to recompense consumers who buy from one business with a coupon for a purchase at a partner business.

In a more sophisticated way, Sognonvi recommends to invite consumers to a jointly organized event, where they can examine new products, listen to guest speakers, enjoy the show and receive special offerings.

4. In what ways does co-marketing assist?

Heightened credibility:

Co-marketing endeavors assist in building the brand's credibility. Not only is the brand recognition maximized, but also the disposition made between the company and the partner is reflective of the extent of credence they are willing to invest in the brand.

Expanded access to resources:

When the company plans to collaborate with another business on an equal playing field, it may be in possession of additional resources that the company can take advantage of. Whether it is strategies, relationships with industry dealers or software, the organization incorporates these valuable sources into its campaign.

Time savings:

Co-marketing allows partners instant access to the whole database of new customers. This can take a lot more of time for a business to obtain such an expansive contact database organically. That is why co-marketing is efficient in terms of the time saved, and the scale in which they receive results.

5. A case study

One of the most successful representatives of co-marketing is 21-year-old Intel Inside partnership. The innovative campaign moved the microprocessor manufacturer into the top 10 list of best-known brands while simultaneously building value for thousands of licensed PC makers. They created an image of a strong brand with "Intel inside" strategy that made them instantly unique. Any PC or laptop with a chip of Intel automatically becomes high quality product. They found right partners and established powerful partnerships. Now, the company has a revenue of 55 billion US dollars annually.

Conclusion

No matter how businesses organize their partnerships, they should be sure about their objectives, how they measure success, whether the actions taken are enough to motivate the audience and employees. When all the points and future plans are understood by both parties, higher probability of a successful marketing campaign would result.

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IMPACT OF INVESTMENT IN EDUCATION ON ECONOMIC GROWTH

Sukhrob DAVLATOV , Kudrat DILMONOV *

The close relationship between education and economic development was revealed at the beginning of the industrial age. Thus was noticed by W. Petty, A. Smith, J. S. Mill and other prominent economists and educators, including Uzbek economists.

In the mid 1370's. to local governments that have emerged as a result of the reform policies of the great Amir Timur, arose a very difficult task to determine the main directions of funds local budget, as well as priorities. The indisputable was that in Central Asia and the need to substantially raise people's literacy, and the national economy.

Each approach had both his supporters and opponents. Proponents of the first believe that the main budget resources necessary to invest in local economic development, with a view to creating an economic reserve, use his future earnings for educational purposes. Supporters of the second approach is not considered it necessary to postpone the question of public education, giving priority to them. Eventually has won the second point of view. Already in the late 1860s. for public education costs started increasing.

The study of the relationship between education and economic development has led to the emergence in the mid-twentieth century, scientifically based theory of human capital and the economics of education as an economic sector knowledge. Leading credit for this belongs to the American economist, Nobel laureates Theodor Schultz and Gary Becker. However, it is worth to mention that the way in which they went, was largely predetermined by the logic of Uzbek rulers, who lived for six centuries before this.

Pursuing problems of the agrarian economy, T. Schultz in 1960 he held evaluation of labor costs, including expenditure on education and the "lost" human time spent in school. Unlike many of his colleagues thought T. Schultz human capital is a crucial economic factor, particularly for the countries catching up with the type of economic development. Considering the human capital as the most important economic resource, scientists refer to it in the first place the possibility of the country's citizens in the field of education, experience, skills, as well as their health.

The positive impact of education on individuals' wellbeing is now recognized by all progressive societies. Consolidating individual prosperity in turn determines the wealth of the nation. Besides this, reality confirms that countries with higher per capita income tend to spend more funds on education, which leads to further GDP growth. Investments in education are therefore absolutely crucial for constant economic development, political and social stability in a country.

Unfortunately all these benefits sometimes cannot outweigh government unwillingness or failure to adequately finance education. The motives can be hidden behind historical and cultural values, traditions in the country. Another reason of insufficient investment in education is a lag between actual education and returns from education. Although part of the effect of investment in human capital shows up immediately, it can take up to 20-25 years before this impact on economic growth becomes really visible. Such a time frame is often too long for congressmen elected for a four year term, who hasten to show the results of their work by the next elections.

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All these as well as the other numerous factors determined our desire to devote this paper to the evaluation of the influence of investment in education on economic growth in the Republic of Uzbekistan. There has been no research so far that would assess the impact of investment in human capital on economic growth and development in this country. The paper starts with discussion of the most popular modern growth theories that consider the human capital

In endogenous growth models and Solow model augmented with human capital, human resource created through knowledge, skills and education is the central element of the growth process.

In endogenous growth models, formalized by Kenneth Anew and Marvin Frankel, human capital (knowledge, skills, and training of individuals) is considered as one of the inputs in technological process. This approach is frequently called in literature as «learning by doing». In Cobb-Douglass production function with constant returns to scale human capital is included in parameter A:

$$Y=AK^bL^{(1-b)},$$

where Y, A, K, L arc correspondingly output, technology, physical capital and labor.

The other approach, proposed by Mankiw, Romer and Wail, suggests expansion of the Solow model by introduction of human capital as an independent variable in the production process. This approach is called a “New Economic Growth Theory”. In Cobb-Douglass production function with constant returns to scale human capital is represented in the following way:

$$Y=AK^bH^BL^{(1-b-B)},$$

where H is a human capital.

In both methodologies described above growth occurs thanks to investments in human capital , Parents refrain from current consumption and spend their time and money on their own education and education of their children. Government makes direct investment in education by spending monetary funds on building new schools, paying teachers, buying text books and special equipment, making primary education compulsory» subsidizing higher education etc. A lower price of education in its turn encourages households to spend more on education. Government promotes higher returns to education also by indirect actions, such as the creation and maintenance of favorable legal environment (law and order, protection of intellectual property rights and others), the protection of democracy and equality in the country, securing political stability and so on.

To assess how the model presented above works in reality, we used empirical data for Uzbekistan - for three consecutive years (2010, 2011, 2012 twelve regions, the Republic of Karakalpakstan and Tashkent city. Therefore there are forty two observations in total. The enrollment indicators are for the beginning of 2010/11, 2011/2012, and 2012/2013 academic year. We started with regressing per capita GDP growth in the country with the number of students enrolled in primary, incomplete secondary, secondary specialized including colleges and academic lyceums, and higher education.

To consider unobserved factors related to enrollment that might affect per capita GDP growth we used, fixed and random effect models. Since the fixed effect model resulted in more significant outcomes, only this model is presented below. (Table 1) The analysis of the regressions shows that the relationship between per capita GDP and the number of students enrolled is overall significant at any significance level. The assessment of individual indicators, however, pointed out in all the regressions that, there is very little or no impact of enrolment in secondary specialized institutions on economic growth (that is why this indicator was removed from the regression analysis). The reason for that is probably the high correlation between this indicator

and the number of students enrolled in tertiary education (higher). The correlation is especially high between lyceums and universities, which is explained by the fact that, most of the lyceums' graduates continue their study in the universities (while graduates from professional colleges enter the labor market).

Table 1. Endogenous Growth (Standard errors in parenthesis)

	Model 1	Model 2	Model 3
Lnrdp			
Lnprim	.023696 (.045497)		.019002 (.0445574)
Lninc	267336 (.156482)		230408 (.1460197)
Lnsec	.772052 (262758)		.825738 (.2490119)
Lnhigh	214973 (.304134)	279468 (.3234673)	
cons	2.069584 (1.566331)	7.341379 (.6536695)	2.320202 .510327
F	17.97	23.62	27.49

Note: Calculations are made on Human Development Statistics and Ministry of Macroeconomics and Statistics data.
Macroeconomics and Statistics data.

lnrdp - log annual real GDP per capita in PPP\$

lnprim - log primary enrollment in thousands

lninc - log incomplete secondary enrollment in thousands

lnsec - log secondary enrollment in thousands

lnhigh - log higher education enrollment in thousands

Primary, incomplete secondary and secondary educations taken together have a positive and significant relationship to growth (Model 3). The impact of primary education alone however is insignificant Higher education taken with (Model 2) or without any other enrollment (Model 1) has always been positive and was a very significant influence on economic growth in Uzbekistan. Not surprisingly, this coefficient losses any significance, when the capital city is removed from the regressions. This is because almost half of all the institutes and universities are located in the capital city with more than 40% of all Uzbekistan students enrolled.

To create a more comprehensive picture of the relationship between education and economic growth, we examine below the correlation between education and some other indicators of economic growth. Regressing enrollment on the infant mortality rate, life expectancy and

fertility rate led to insignificant results. Such outcome was expected because of the small time frame. To obtain better results here, it is necessary to include a 20-25 year lag.

Several other interesting relationships were estimated recently by the World Bank specialists. Assessing living standards in Uzbekistan, the World Bank reported the following dependence between education level and different indicators of economic performance (World Bank Report 2012):

Education and Poverty.

There are large disparities in educational outcomes in Uzbekistan. If the head of the household has four and fewer years of education, the incidence of poverty in such family is 23% higher than average. The percentage of poor families is almost the same independently of whether the head has no education at all or full secondary education. Households headed by persons who have some higher education are half as likely to be poor as households headed by persons with nine or fewer years of schooling. Higher education, however, is also not a remedy against poverty: 16.6% of households headed by persons with advanced education are poor. The results presented above are explained by low earnings, especially in the public sector, by unemployment and other factors. Some of these factors are discussed in the following sections.

Education and Employment

The majority of persons in the labor force in Uzbekistan and two thirds of those who are unemployed have secondary or lower levels of education. The labor market, however, and especially the private sector is demanding more graduates of universities than schools. The number of working age adults, who have secondary or lower education therefore, substantially exceeds the number of positions available for employees with such level of education. The high youth unemployment rate (12.7% higher than average; taking into account the share of young employees in the total labor force, youths represent about half of all the unemployed) also indicates an irrelevance of the skills attained in the education system.

The World Bank research also pointed out that better educated people are more likely to participate in the labor market. Education especially affects women's labor force participation. If labor participation rate for men is approximately the same for any education level, for women labor participation rate significantly increases with better education. For example, labor participation rate increases by 39.5% for women with higher education. Labor force participation rate is also significantly higher for those females who completed each education level rather than left this level incomplete.

Education and Earnings

In the private sector only people with higher education have significantly higher earnings than people with lower education. In the public sector, however, wages increase in correspondence with education, because of the effect of the Common Tariff Schedule, which provides standardized higher wages to employees with higher education levels. Unfortunately such schedule doesn't take into account performance and productivity of the workers. Differences in education are also one of the factors* that explain gender differences in wages (females' wages are about 70% lower than males').

Education and Health

Mother's education and knowledge has a crucial effect on her own and her child's health and nutrition. Health status and nutrition in their turn have a strong impact on child's development and eventually on children's education and productivity. As World Bank research shows, women with higher education in Uzbekistan are less likely to be anemic and children whose mothers are

not anemic are also half as likely to be anemic. Children of well educated mothers are much less likely to be underweight

Conclusion

In 1991, Uzbekistan as well as the other post Soviet countries has entered the transition phase that was accompanied by low GDP growth, high inflation and unemployment, and by the other economic distresses. Despite its exceptional importance (due to political, social and demographical factors) education was one of the spheres that didn't do really well in this transition, especially in the first few years. Loss of a significant share of financing in education has negatively affected students' enrollment, qualitative and quantitative characteristics of the teaching personnel number of educational facilities built, quantity of text books and other teaching methodologies issued and so on.

At the same time our research proved that education in Uzbekistan is positively correlated with economic growth and development of the country. The number of students enrolled at all educational levels, for example, has an affirmative effect on per capita GDP growth. Households headed by persons with higher education are at lower risk to become poor than families headed by the people with secondary and lower education. The unemployment rate among holders of advanced degrees is lower and the earnings, especially in private sector, are higher. Mothers' education is also found to have a positive relationship with their own and their kids' health and nutrition.

Since investments in education resulted in sustained economic growth, and economic growth leads to higher investments in education, the comprehensive actions targeted at dynamic development of the Uzbek economy as a whole and education sphere in particular are essential speaking about education alone the following actions from our view would benefit this area most:

On the macro level, the improvement of incomes and employment opportunities will increase the demand for education and therefore attendance in the long run (World Bank Report, May 2003).

To reduce mismatch of the skills attained at colleges and universities the employment and reward opportunities on the labor market should become more transparent

To attract more qualified specialists to the education sphere, the salaries for the faculty and staff should be established based on their knowledge, productivity and marked demand rather than decided centrally by the Common Tariffs Scheme.

To increase the enrollment rate on all educational levels the issues of inequality to access education should be closely addressed. Merit based subsidies for education purposes to poor would probably be the most appropriate.

In conclusion we would like to add that the research that was made in the paper is just the beginning of the work. In later years when more time would be available, it will be possible to provide a more comprehensive and detailed assessment of the impact of investments in education on different indicators of economic growth, and development in Uzbekistan and based on this knowledge to create a better recommendations to policy improvement in this area.

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INNOVATIVE AND TECHNOLOGICAL PROSPECTS OF THE UZBEK ECONOMY

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Introduction

One common concept of innovation and development, which comes on the media every day, is creating brand new products which bring solutions for highly sophisticated customers. In fact, such innovations are usually carried out by popular institutional research centers and intensive companies through the work of highly educated scientists and professors. In this manner, *Jan Fagerberg* and *Martin Srholec* gave the theory that innovation is a typical “first world” activity. However there are other authors like *Kline and Rosenberg* looking at innovation in another way. “In this broader perspective, innovation – the attempt to try out new or improved products processes or ways to do things – is an aspect of most if not all economic activities. It includes not only technologically new products and processes but also improvements in areas such as logistics, distribution and marketing.” Regarding these terms, it is argued that innovation is not only essential to develop economy by providing new technological advances for manufacturing and producing, but it can also bring significant improvements on present industries by renewing or recycling resources and decreasing production and transportation. This article examines the existing literature on the topic with recent evidences on the global reviews of Uzbekistan economy and within country level research results.

Literature review

This part of the paper presents introductory information to the main strands of literature which is applicable for our topic “Several emerging economies – and China in particular – have become significant actors in the global innovation system. There is evidence that R&D played a key role in the take-off of Asian economies such as China, India and Korea. What is more, many emerging economies have industries or firms that are at the technology frontier and need to innovate to compete.” (*Innovation for development, by OECD, May 2012*)

There is, however, another way of looking at economic development that goes significantly beyond the high-tech picture just described. Although the whole world is struggling to catch up with technology to compete in global business, Uzbekistan’s economy remained stable with its rich natural resources and trading partner countries. *The World Bank’s view* on Uzbekistan’s economy as follows: “Since the mid-2000s, Uzbekistan has enjoyed robust GDP growth, thanks to favorable trade terms for its key export commodities like copper, gold, natural gas, cotton, the government’s macro-economic management, and limited exposure to international financial markets that protected it from the economic downturn. Still, the future is not without challenges.”

However, as we show, applied work based on this perspective soon confirmed that the optimistic scenario of this theory did not really fit the evidence, and this led to a search for alternative ways to understand the role of technology and innovation for economic development. In this manner Asad Sh. Ayupov and A. Ergashev claim on their report that “The rational use of natural, non-renewable resources extra actual question for the all countries of the World and it’s a key for their Sustainable Development. Social, economic, and cultural life of any society, securing its sustainable development has always been linked with scientific-technological progress and its efficiency, undoubtedly, clearly reflects welfare and intellectual state of society.”

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Arguments

It is fair to say that the question of how technology and innovation influence economic development is a controversial issue. However writers from other strands like *Shqipe Gerguri and Veland Ramadani* argue that “Innovation is essential for sustainable growth and economic development. Several core conditions enable innovation and encourage economic growth. In the modern economy, innovation is crucial for value creation, growth and employment and innovation processes take place at the enterprise, regional and national level. Innovation will lead to new businesses as well as to the increased competitiveness of existing enterprises.”

Having dealt with what the literature on economic growth has to say with innovation, the next section illustrates closer empirical evidence on the subject matter. “Uzbekistan is the fourth economy in the former Soviet Union (after Russia, Ukraine and Belarus), which inherited a relatively large amount of research and developmental institutions. Scientists and engineers in many fundamental fields of Uzbekistan in applied science and industry have potential for innovation and technology absorption.”(*World Bank review on Uzbekistan 2015*) Apparently the country is not only rich in natural resources, but also it has highly valuable inheritance handed down both in science and education.

Although many of the data sources used to illustrate country-level technological capabilities reflect activities at the firm-level, direct information on innovation activities of firms has been scarce. However, there is an inevitable fact that all innovative and technological researches are highly supported by the government in Uzbekistan. As is stated by President’s decree in July 15, 2008 “On additional measures to stimulate innovation projects and technology implementation into production” there are set challenging exemptions such as in tax breaks and custom benefits. Leading arguments suggest that the country has a significant capacity to carry out researches on various spheres with the help of scientific resources which is mainly sponsored by government institutions.

Findings

A great number of literatures suggest that innovation and education have had a remarkable contribution on the economic growth in various parts of the world on a different scale. For instance, well known researcher John Pencavel and Denison conclude that “research on innovations and education accounts for between 15 percent and 25 percent of growth in the U.S. national income per employee. Its contribution to economic growth has tended to increase over time.”Recent searches showed great results on the work carried out on the national innovation development. The *Ministry of Economy of the Republic of Uzbekistan* reviews that “Innovation centers, modernization and innovation funds have been established by 18 large enterprises. Nearly 242 projects in general have been financed by Modernization and innovation funds, to 8.55 billion soums.”

Conclusion

Innovation is creating a new product or service, implementing new technology to organization’s production process, or enhancement of existing technologic process. The formation of a new economy in today’s world is called “the innovative economy” pointing out the role innovation and technology to develop economy. After gaining independence, Uzbekistan’s policy in science management has to be directed mainly towards achieving technological advances in cooperation with several developed countries and International Organizations. Nowadays, science and technology in Uzbekistan has been developed in a large scale with financial support from the government and private companies, as well as from other international sources. These activities

and improvements are aimed at supporting an economy based on knowledge and innovation are critically important factors for sustainable development.

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INTERNATIONAL EXPERIENCE TO STIMULATE INNOVATION ON THE BASIS OF TAX INSTRUMENTS

Feruza ISHMURATOVA *

The First President of the Republic of Uzbekistan Islam Karimov, speaking at the meeting of the Cabinet of Ministers to review the outcomes of socio-economic development in the country in 2015 and crucial priorities of economic program for the year 2016 emphasized that "...The main reference point for us is to be a continuous technological and technical renovation of production, as well as the constant search for internal reserves, the implementation of deep structural changes in the economy, modernization and diversification of the industry".

In this regard, there is a need for the gradual transition to an innovative path of development. Formation of innovative economy in Uzbekistan requires the creation of the country's integrated incentive system, effectively transforming new knowledge to the development and implementation of modern technologies, products and services that find their real consumers in different markets.

The global competition will inevitably win the one who has a developed infrastructure and institutions for commercialization of innovations. At the present time, when all countries are affected by the economic crisis, it is clear that from this situation with minimal losses will be those countries that timely measures are taken to re-production and development of new technologies, ensuring thereby competitive products at the lowest cost.

Innovative activity is characterized by complexity and high risk. To initiate innovation is insufficient availability of internal incentives and capabilities. Here, a decisive driving force can be external stimuli and in particular government support. The scope of active state support is, first and foremost, the phase "fundamental science". Scientific ideas cannot be directly used in the economic activity, the purpose of which is profit. Therefore, the government largely takes over the business function of providing one of the most important resources of the innovation process - scientific knowledge and ideas.

By providing support for innovation, different countries follow policies below, which differ in the level and the forms of support:

- active intervention strategy;
- decentralized control strategy;
- mixed strategy;

The essence of the strategy is the active intervention by the state in scientific recognition, science, technology and innovation as a major determinant of economic growth of the national economy. The government takes an active role in the organization and funding of many important programs and projects that are making a significant contribution to the development of the national economy (Japan, France, and the Netherlands).

Decentralized control strategy is a more complex mechanism of government participation in research and innovation. State plays an important role in the strategy, but there is no strict policy communication, that is specific to active intervention strategy. Research organizations and industrial firms are in the first place, and the role of government is to provide them with the necessary legal, economic and other conditions (US, UK).

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A mixed strategy is used in countries where a significant part of the economy consists of a public sector in the economy and the government is interested in supporting the high export potential of the industry in this sector. In relation to government it uses active intervention strategy to the others - the strategy of decentralized regulation (Sweden).

The experience of developed countries shows that in the first stage of formation of an innovative economy it is important to effectively develop its four basic components:

- Scientific and engineering organizations that use the world experience and knowledge;
- Access to information, companies with low costs;
- Education and skills of the population able to work with the new equipment and to produce competitive products;
- Business environment, stimulating domestic and foreign enterprises for the creation and use of existing technologies.

Another basic condition for the formation of the innovation system is effective to stimulate innovation, including through the implementation of tax mechanisms to stimulate innovation.

For the development and implementation of effective fiscal instruments it is advisable to turn to the experience of industrialized countries.

In real world practice, the following types of tax exemption are used to stimulate activity of innovation:

- research and investment tax credit
- Reduction of tax on the increase of innovation costs;
- "Tax holiday" for several years on the profits derived from the implementation of innovative projects;
- Preferential taxation of dividends of businesses and individuals, received on shares of innovative companies;
- Reduction of income tax rates aimed at customized and collaborative R&D;
- Communication of benefits, taking into account the priority of ongoing projects;

Recognized as a world leader in innovation, Japan traditionally uses the following methods to stimulate innovation development:

- The possibility of accelerated depreciation used for research equipment;
- Tax relief on expenditure on innovation;
- Tax relief on the cost of acquisition of foreign technologies;
- Tax relief on research and development costs

For instance, significant tax benefits for innovation in Sweden. So, shall be exempt from 10% of the company's expenses for research work, in addition, a special tax relief of up to 20% is set in the amount of cost growth on the research in the current year, compared to last year's level of taxation the amount invested.

In some industrialized countries, in addition to tax benefits, other methods are used to support innovation activities such as grants and subsidies. Widespread took the system of accelerated depreciation of fixed assets for use in the field of scientific research.

Also used other forms of tax incentives for innovation:

- Tax credits to pay for the costs of research staff and the creation of jobs in research laboratories;
- Tax relief on investments in equipment research laboratories;
- The release of the innovative companies from income tax and corporate tax, etc.

Given the strategic importance of the development of innovation clusters, it is advisable to use the achieved experience of developed countries in this regard. Thus, in the present time in Russia the most relevant system of tax incentives aimed not only at promoting research programs, but also encourages the beginning of the innovation.

Developed countries pay a lot of attention to the development of innovation and its support. This area is for them a priority, as it is directly connected to the development of these countries in general and to increase their competitiveness in the international arena. Ranks of countries on innovative development can be determined by rating The Global Innovation Index. The Global Innovation Index is an annual ranking of countries by their capacity for, and success in, innovation. It is calculated in accordance with the international business school INSEAD, France. A study carried out in 2007 and currently represents the most comprehensive set of indicators of innovation development in different countries of the world.

The index is calculated as a weighted sum of the scores of the two groups of indicators:

Disposable resources and conditions for innovation (Innovation Input):

Institutions;

Human capital and research;

Infrastructure;

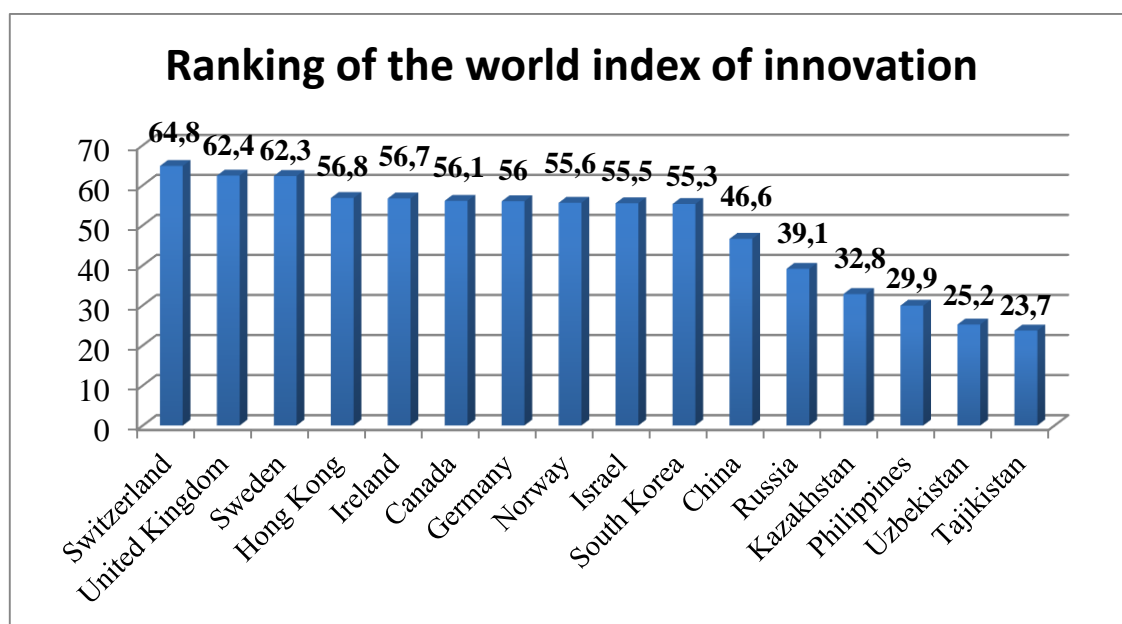
The development of the internal market;

Business development;

Achieved practical results of the innovation (Innovation Output):

Advances in technology and knowledge-based economy;

The results of creative activity.



Source: Information-analytical portal

The existing policy of reducing tax rates on income by government, despite its certain advantages, yet it is considered as a less effective mechanism stimulating innovation.

Currently, in order to enhance innovation, the tax component should be reduced in the price of production of scientific and innovative nature. To do this, the following measures should be used:

- First, taking into account the specifics of innovative organizations (the necessity to have a significant amount of qualified employees in the state of the organization), it is proposed to lower the rate of the unified social tax (hereinafter - SST) and other payments from the wage fund for organizations engaged in research and innovation.

- In the second place, it is advisable to introduce the tax exemption on the importation the of high-tech equipment used for scientific research and the creation of innovative products, components and spare parts.

In our view, these measures will strengthen the process of modernization of the real sector of the economy, enhance the use of innovations in the production of products with high value.

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CONTENT CHANGES IN NATIONAL ECONOMICS AND THEIR PROSPECTS

Pazliddin KHASHIMOV, Dilnoza NISHONOVA*

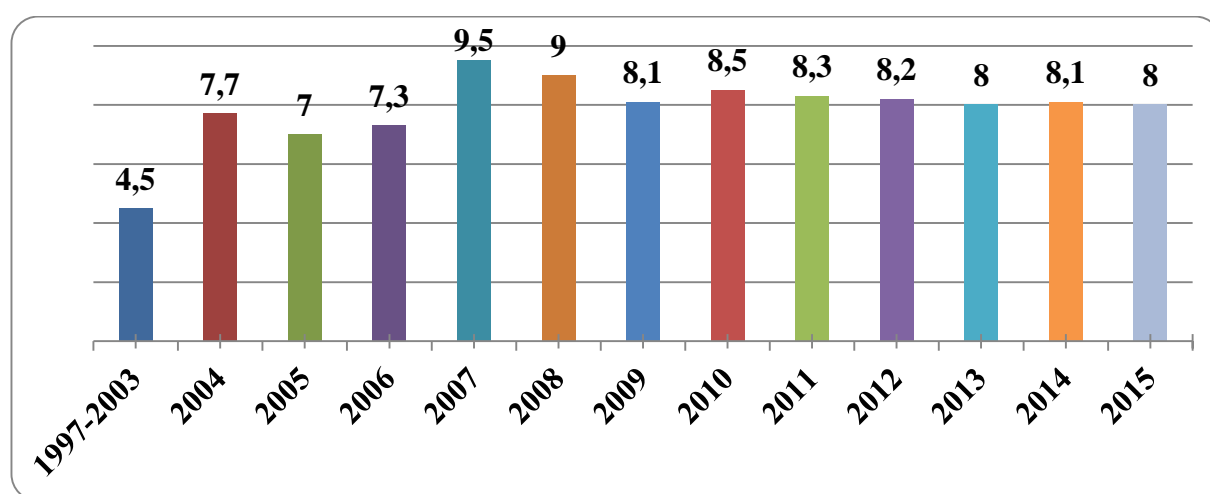
After our country has gained independence, the main aim of economical reformation has been chosen and appointed to be formation of market relations socially oriented taking into account individual properties and features of this Republic. As a result of these measures the purpose of preventing reduction in the level of production, manufacturing and population living standards along with rapid increase in the internal and external debts of the government. In our country thoroughly considered and planned reforms have been conducted in terms of formation of stable and efficient economics. In the process of deepening economic relations the main focus has been directed to modernization and diversification of the leading sectors of economics, providing population income increases, formation of the proprietors classes, strengthening efficient external trade and investment processes, reformation of industry and agricultural sectors, stable development of small business and private entrepreneurship, strengthening the market infrastructure, besides in this respect, considerable proportion of progress and achievements can be listed.

Every country attempts to achieve economical growth. Because as a result of economical growth:

- Living standards and life prosperity will increase;
- Correct use of limited resources will be provided;
- There will be new ways of meeting limited needs;
- Confidence and trust level in the country will rise and the position of the country in the world will strengthen.

The economy of Uzbekistan has developed on an average of 3.8-5.2 percent rates throughout the period from 1997 to 2003. As a result of reforms beginning from 2004, the statistics has been showing 7-9 percent of economic growth annually, and these growth rates have always been steady.

Figure 1: Growth rates of Gross Domestic Product in Uzbekistan
(in a percentage scale compared to the previous year's results)



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Currently, there is a macroeconomical stability under the basis of economical growth. In our country the government has provided all the conditions and facilities for rapid development of basic sectors, particularly, the oil, gas, colored metal, chemical and oil-chemical industry during the transmission period which is very complex and difficult to endure.

As a result, deep quality changes has taken place and distributed content of Uzbekistan industry has been diversified.

Table 1: Content of Gross Domestic Product in terms of economical sectors
(on a percentage scale)

Years	1990	2000	2005	2010	2012	2013	2014
Total	100	100	100	100	100	100	100
Industry	17,6	14,2	21,2	23,9	24,0	24,2	24,1
Agriculture	33,4	30,1	26,3	18,0	17,5	17,6	17,2
Construction	5,8	6,0	4,8	6,5	5,9	6,0	6,8
Transport and communication	5,2	7,7	10,5	11,5	11,9	12,0	11,4
Trade	4,5	10,8	8,8	9,2	8,6	8,5	8,6
Others	22,2	18,7	17,7	21,7	24,4	23,8	23,5
Net taxes	11,3	12,5	10,6	9,2	7,7	8	8,4

During 1990-2014s as a result of growth in industry and service sectors the share of the agriculture in our country's local gross domestic product declined from 33.4 % to 16.6 %. Uzbek national economy in terms of these indications is approaching the ranking of the rapid developing world countries with the agriculture share in gross domestic product no more than on 10 % range.

In the speech during the meeting held by the Cabinet of Ministers dedicated to the most essential and prior principles of the economic program oriented to 2015 as well as to the total revenues of the passing by 2015 as a report of social and economical development process results in 2015, President of Uzbekistan Republic claimed: "...after having conducted deep analysis of world economic development processes, assessing the locally available resources and facilities on a real account, we have all the evidences to make plan and implement a plan to achieve the growth of local gross domestic product rate as high as twice by the year of 2030."

To achieve the implementation of this plan, it has been decided to rapidly develop industry on the account of making root changes and targeting 40 % of industry share in gross domestic product from the share of 33.5 % which was recorded from 2015 year-statistics. Apart from that it's also required to reduce the agricultural sector share of the gross domestic product from the 16.6 % which is now recorded, to 8-10 % in the near future.

Rapid development of servicing and catering too is one of the most vivid signs for the fact that there are quality changes in the republican economics. Share of the services in the gross

domestic product of the year 1990 contained 33.8 %, this rate reached 54.5 % by the year of 2015.

The Decrees of the President of the Republic of Uzbekistan adopted in 2012, on May 10 “on development program of servicing and catering in the Uzbekistan Republic during 2012-2016” and the Presidential Decree adopted in 2013, on April 17 “on the measures of rapid development of the servicing and catering in the agricultural territories throughout 2013-2016”, these two Decrees have been serving as the main source of these reforms and progressive changes.

Particularly Presidential decree adopted in 2015, on March 4, “on the program of measures of providing modernization and diversification, content changes in production process throughout 2015-2019” has been serving as the main source of renovating all the manufacturing processes in our country and implementing innovational technologies in these important sectors.

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ANALYSIS OF SOCIAL MEDIA ADVERTISING (FACEBOOK) INFLUENCING STUDENTS' STUDY DESTINATION DECISION ABROAD

Khojiakbar ORIPOV*

As a result, a massive number of higher education institutions have already started their advertising campaigns to gain more and more international students, often, by bombarding them with a variety of advertisements via TV, Radio and, most frequently, via social media channels such as Facebook. It is therefore higher education institutions are in need of not only well-designed advertisements, but they need to seek the most appropriate place to deliver their messages to the international students. In fact, making the students aware of the existence of any international university isn't enough to persuade them to study there. It is no secret that Facebook is one of the dominating social media channels where people from all over the world visit in a regular basis, and it can be said that say Facebook has become a second home for many internet users to socialize.

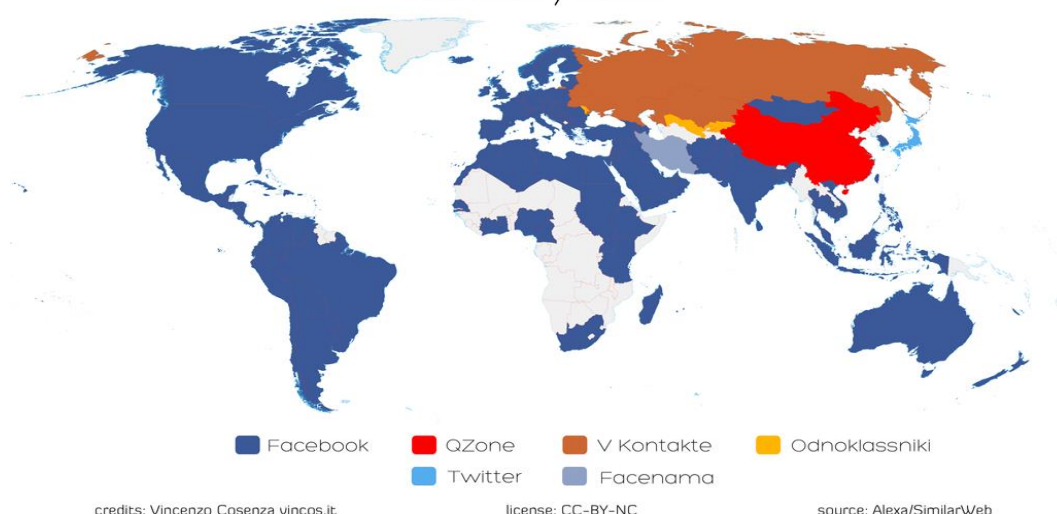
Taking the above mentioned facts, a lot of higher educational institutions are using Facebook advertising and other online platforms in order to advertise their institutions to the prospective applicants who are willing to study and gain college diploma, bachelor degree and other levels of higher education.

Background of the Study

Mobilization of international student market and globalization has greatly impacted on universities all over the world and made them adjust their competitive strategies to gain more international students by using powerful marketing tools and promotions. As examined by Alejandro Ortiz et al. (2015) 27 billion USD was brought by the international students to the United States of America in 2014 which is 12 percent higher than 2013 with 24 billion US dollars respectively. In fact, according to Statista (2015) for the fourth quarter of 2015, number of active Facebook users reached up to 1.59 billion.

WORLD MAP OF SOCIAL NETWORKS

January 2016



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Statement of the Problem

There is not enough information based on empirical investigation that assists to better perceive international student recruitment market from developing countries. Although a lot of investments are being made in this market, still there is no confident data ensuring marketers to

Although there is always high demand for gaining international knowledge and skills, not all students decide to leave their home country in the light of lacking or promotional efforts such as advertising in developing countries, usually, marketers in such countries may fail to inform student about the existence of suitable universities and attractive offers by higher education institutions which can stimulate and satisfy their needs.

Research questions

The study aims to analyze social media (Facebook) advertising's impact on students' study destination decision abroad. Specifically, it answers the following questions:

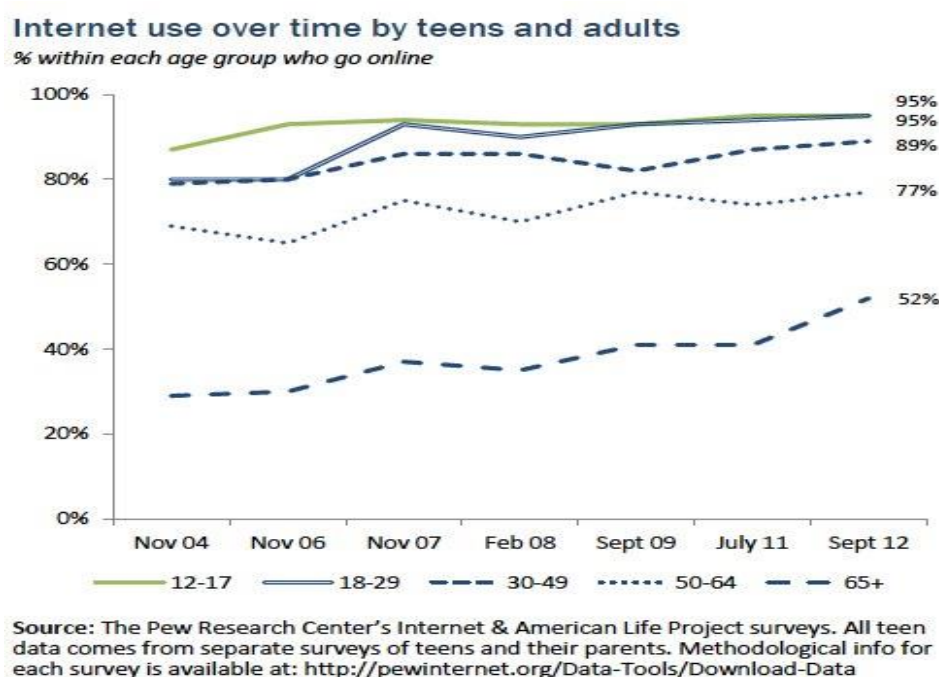
- 1) Is Social Media (Facebook) advertising important to potential international students' decision to study abroad?
- 2) What factors in Facebook advertising are important to be taken into consideration in drawing prospective international students' attention?
- 3) How effective is Social Media (Facebook) advertising for the prospective international students' decision abroad?
- 4) What problems are encountered by prospective international students using Social Media (Facebook) advertising for their decision to study abroad?

Literature Review

According to Dr Rahul Choudaha (2013) there are at least four exquisite advantages of social media, they are: "1) Speed, 2) size of relevance 3) Costs, 4) Personalization"; and these advantages make social media very appropriate to resource efficiency in terms of international student market.

Furthermore, it is wise to expect that high involvement of social media channels as part of higher education institutions might make greater contribution to growing enrolment numbers; as for Marc C and Zinck Stagno, (2011) it may assist prospective international students to become well informed in terms of their choice of abroad study. D. Nikolayev (2013) suggests that "Social advertising can have an effective impact on the students-teenagers at the systematic use of its value orientations". M. Dooney (2014) found that the university he researched on used the group mainly as an approach of letting prospective international students to contact with each other.

Cara Rousseau (2012) says "Admissions offices are not surprised by the trust high school students are placing on social media platforms when researching schools".



Research Methodology

Research design

A qualitative research method was required for this dissertation. Predominantly, the study was based on **Non-probability Sampling** which involved **Purposive, and Convenient Sampling**. Non-probability sampling provides a group of sampling techniques and it assists researchers to pick units from a population that relates to their studies. Conjointly, these units form the sample that the researcher studies to extract more of terms, for example; “unit, sample and population” (Laerd Dissertation, 2012).

Research locale

For sampling, international students from different countries, cultures and regions were chosen; they are Uzbeks, Yemenis, Chinese, and Thais. The decision on choosing the sample is not based on random selection nor based on country of origin, but they were selected from my previous institution “University Malaysia Perlis” and friends of friends as it was mentioned above.

Sampling procedure

There were two types of sample chosen for this study, first were international students, and second were prospective international students. Numbers of each group was 50, and the reason of equaling respondents' number was to make the data accurate and comparable at the end.

Instrumentation

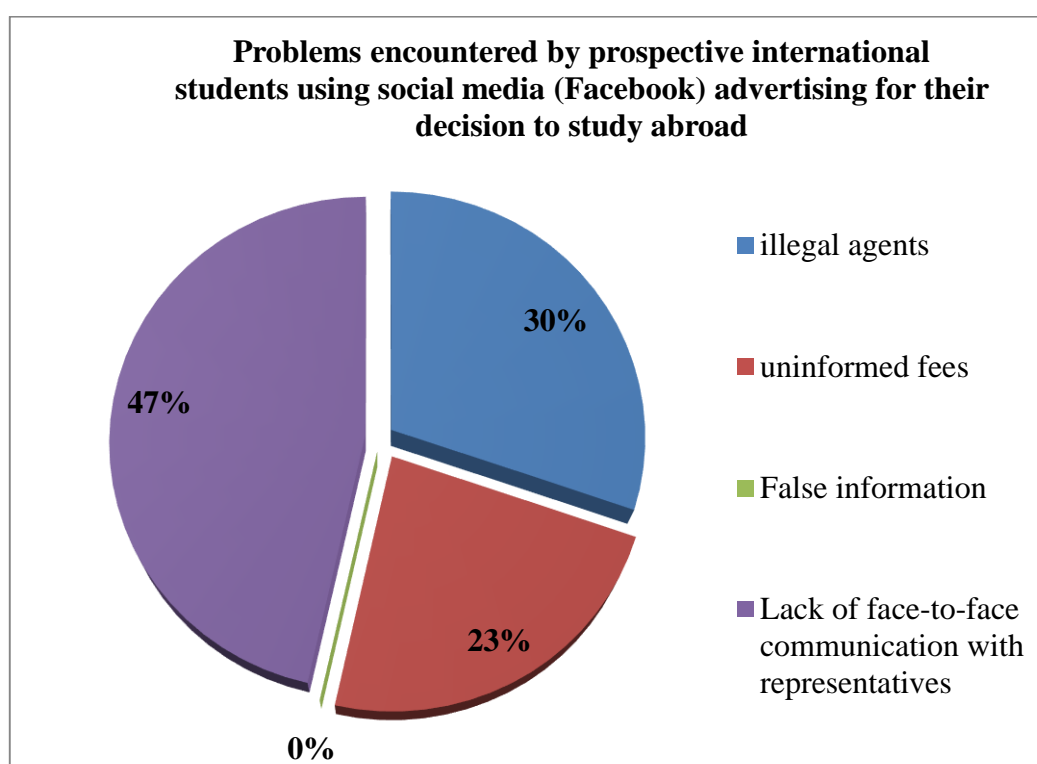
- 1) **Ordinal** that puts the questions in a relative ordering, for example, Every day, frequently, sometimes and never.
- 2) **Nominal** – where related or similar ordering of the categories do not exist.
- 3) **Likert Scales** – this specific question was used to examine the responses with five possible options starting from “very effective” to “very ineffective” where the respondents indicated preferred option. In addition, only one “Yes/No” question was used in the study. See appendixes A and B for the questionnaires.

Data collection

Details of data collection procedure: The international students were asked to answer to the questionnaire questions mostly through the Internet (Facebook) by sending them a research questionnaire. In order to get accurate data, they were asked to inform when they have free time so that they would not be bothered which would, in turn, protects from confusable and not well thought answers. At the same time, prospective international applicants from Uzbekistan were sent another questionnaire specifically designed for them, and this was sent via Facebook message board as well.

Example of the presentational data method

Problems encountered by prospective international students' using social media (Facebook) advertising for their decision to study abroad?	Frequency	Relative frequency
Illegal agents	13	30%
Uninformed Fees	10	23%
False information	0	0%
Lack of face-to-face communication with representatives of institutions	20	47%
Sum	43	100%



Findings

Based on the answers of the respondents the study came up with the following findings:

B.1 Importance of Social Media (Facebook) advertising to current and potential international students' decision abroad:

(Current international students) It has been found that 28 (56% out of 100%) number of current international students considered social media (Facebook) advertising as non-important by encircling the option (No).

43 (86% out of 100%) prospective international students encircled the option “Yes” between YES and NO options to the question if Social media (Facebook) advertising important in their decision to study abroad.

B.2 Factors in Facebook advertising that are important to be regarded in drawing prospective international students’ attention

(Current international students) the majority of 20 out of 50 respondents (40%) checked the option “info about scholarships” as the most important factor that drew their attention in Facebook advertising.

(Prospective international students) very similar number of respondents chose the two options given for this question as the most important variables to be drawing their attention, which is “Comments” by 34% and “info about scholarships” by 30% respondents respectively.

B.3 Effectiveness of Social Media (Facebook) advertising for the prospective international students’ decision abroad

B.3.1 (Current international students) to the question how much did Facebook influence in their decision to study abroad the majority encircled the option “Very slightly”.

(Prospective International students) to the question how much is Facebook advertising influencing their decision to study abroad, 68% respondents chose the option “Strongly”.

B.3.2 (Current international students) to the question to indicate the level of effectiveness of Social Media (Facebook) advertising in study abroad decision 38% international students checked the option “Average”.

(Prospective international students) To the similar question 25 respondents (50%) answered as “Effective”.

B.4 Problems encountered by prospective international students using Social Media (Facebook) advertising for their decision to study abroad

(Current international students) 48% of respondents checked the option “Illegal agents” as the most problematic factor in using Facebook advertising in their decision to study abroad.

(Prospective international students) 20 respondents (47%) out of 43 (100%) checked the option “lack of face-to-face communication with the representatives of institutions. 7 respondents didn’t answer to this question.

Conclusion

It can be concluded from the study with only 100 respondents overall which is insufficient to make concrete assumptions or hypothesis to the overall sample of this population as well as most responses gathered from both groups of respondents did not fit to each other showing different percentages to the same question. Importance and effectiveness of the Facebook advertising were analyzed and problems encountered by Current and prospective international students were identified. Overall, the author attempted to find answers to the primary research questions of this study and described the results by using simple statistical tools such as table and pie chart.

DEVELOPMENT OF INNOVATIVE TECHNOLOGIES MOTIVATE COMMERCIAL BANKS STAFF AS A FACTOR OF SUSTAINABLE AND STABLE ECONOMY

Gulrukh RAKHIMOVA*

Effective activity of commercial banks is an essential condition for the further economic development of the country and largely determines the rate of growth of our economy. With the improvement of market conditions in the banking system there is a need for the introduction of innovative technologies, modern methods and models of management, aimed at improving its competitiveness.

Of particular importance, in order to achieve long-term goals of sustainable development and the commercial banks are the modern innovative technologies that allow banks to improve and enhance the effectiveness of services, create a competitive advantage and strengthen its market position. The direct impact on the development of innovative banking technology provides the current situation in the financial markets.

Development of innovative activity of commercial banks is extremely complicated due to the unsuitability of the previous innovation management system to the new economic conditions. Large-scale restructuring and reorganization of the system, put the problems of existence and their economic growth. Innovation policy should be aimed at increasing the production of new types of services and banking technologies, expansion of services, all of this requires the formation and development of innovative entrepreneurship.

The concept of "innovation" is applicable to all innovations in all areas of operation of the bank, has certain positive economic or strategic effect. Banking innovative technologies should be defined as a set of new banking techniques and methods of organization of the bank, affecting the development of the bank in all areas of its operations and improve the efficiency of the bank's activities. (meeting the needs of the bank's staff, clients and shareholders).

The definition of "innovative technologies motivation" as a new system for your organization the tools to encourage employees to effectively work, directing it to the achievement of organizational goals, ensuring employee satisfaction with their work.

In the science of innovation within the life cycle of innovation is valid are several main stages:

1. Origin - awareness of the needs of the search, the development of relevant innovations;
2. Mastering - an experiment on introduction of the object, the implementation of the necessary changes;
3. Diffusion - reproduction, distribution innovations;
4. Reutilization - implementation of innovations in stable, permanent operating facilities.

The process of innovative technologies of personnel motivation in banks is 4 stages:

I. Development of a special program of introduction of innovative technologies motivation of staff with direct participation of heads of banks.

II. Allocation of responsibilities between managers and specialists for the execution of each activity (determination of the structure of reporting on the implementation, the calculation of costs for works).

III. Creation of a task force, which will coordinate and guide the entire process in accordance with the approved schedule.

IV. Monitoring the introduction of innovative technologies of personnel motivation, their assessment, identifying strengths and weaknesses of the mechanism side, the development of measures for their future improvement.

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The three main tasks of formulation of the hypothesis in the development of motivation of labor activity of bank employees of commercial banks:

- 1) Are there technology and material and moral motivation, used in limited settings for some reason in human resource management systems in commercial banks;
- 2) Satisfaction of employees with their work below and organizational challenges more in those organizations in which a smaller amount of introducing innovative technologies of personnel motivation;
- 3) There are objective and subjective reasons for which the organization is not adopting at the moment for new technologies to motivate staff.

There are several methods that are used in the implementation of innovative technologies:

1. Forced method. It provides for the use of force to overcome the resistance from staff. It is a costly and undesirable process in social terms, but giving the benefits of strategic planning time. Used in a severe shortage of time and only in those cases where the nature of the resistance is clear and frank, display of force is not required.

2. The method of adaptive variation. In this approach, the strategic changes occur by gradual small changes over a long period. The process leads not to the higher authorities, and a specially created project team. Conflicts are resolved through compromises, deals and movements in the manual. This method is useful when the condition of the environment, when danger or opportunities easy to foresee and therefore of special urgency in taking action there. In the case of extraordinary events in the external environment, the method may not be effective.

3. Crisis Management. The method can be used in situations where the administration is in a crisis situation, such as changes in the environment threaten its improvement and she was in a cruel position.

4. Management of resistance. If forced and adaptive methods are extreme measures of changes, this method is an intermediate and can be implemented within the timeframe dictated by developments in the external environment. The duration of the process of change should take into account the time available.

For the changes in the commercial banks, the manager must perform the following tasks:

1) Analysis of the field forces. Manages the change manager. He needs not only to plan the change, but also to convince the feasibility of implementing the innovations is that it will benefit, as well as to neutralize the effect of the change of opponents.

In the analysis of the situation is useful to highlight the driving forces, i.e., forces that cause or contribute to change, and restraining forces, directed against the changes. Of course, it is important to take into account the relative "power" forces.

If the driving and restraining forces are equal, then nothing happens. To upset the balance in favor of the change, the manager needs to strengthen the driving forces and weaken the constraints. To this end, it is useful to identify the potential for change, that is, the potential forces that are capable of becoming the driving forces of change, but currently has no effect.

2) The main forces of resistance to change. There are four main reasons for resistance to change:

1. Narrow proprietary interest - is, in particular, individuals waiting loss of something of value (money, status, etc.) as a result of changes. Such expectations are not always justified, and manager able to explain the real impact of the changes and propose any compensatory measures.

2. Misunderstanding the situation is usually associated with the incorrect interpretation of the intent of management, a low degree of confidence in him or even complete lack of confidence. The manager is able to deal effectively with the wrong understanding of the situation, actively explaining the real essence of innovation as in the meetings, as well as individually.

3. A different assessment of the situation by employees compared with the leadership leads to an unfavorable perception of innovation. Usually it is based on the availability of important information, which, in their opinion unknown. If such employees express open disagreement, the problem of resistance to innovation can be removed by the discussion.

Information available to them will be brought to the management and thoroughly discussed. As a result, either they will be convinced of the unfounded doubt or plans can be amended in accordance with the newly received information, or to set a fundamental divergence of positions, with the result that the employee will have to change the position or the bank.

4. Low tolerance of change may be based on the natural conservatism of people unwilling to change anything (an effort to save effort), or a fear that in the current situation after the introduction of innovations will emerge lack of their knowledge, skills or abilities. The manager is able to increase the tolerance for change, explaining its benefits to the organization as a whole and for each individual employee, in particular, examining officer duties after the implementation of innovations.

3) Methods of overcoming resistance to change. The manager can use different methods to overcome the resistance to change:

- Provision of information
- The involvement of employees
- Help and support
- Negotiations
- Manipulation
- Coercion

Development and introduction of innovative technologies of personnel motivation in conjunction with the improvement of management practices will improve the effectiveness of incentive schemes in banks, increase the interest of workers in the results of their work, to get the maximum effect of the use of intellectual capital and unique technologies that, in turn, can help improve competitiveness.

The positive effect of the introduction of innovative technologies is obvious. There is usually a rapid and substantial increase in productivity equal to the grocery and then a higher commercial effect, the high share of productivity gains. All this is due to the improvement of production processes. Because technological innovations provide a reduction in production costs, and further prices, the biggest beneficiaries of these innovations receive commercial banks holding a higher share of the banking market.

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INTRODUCTION TO AROMA MARKETING

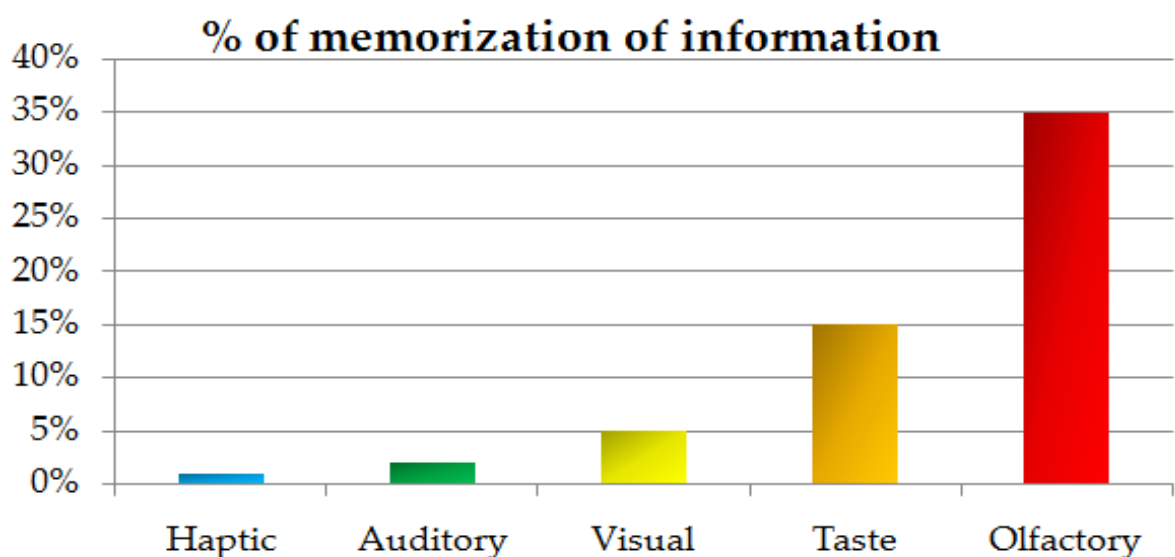
Ruslan SAYFIEV *

“75% of the emotions we generate on a daily basis are affected by smell.”
(According to investigations of Neuromarketing agencies and Rockefeller University)

Numerous studies have demonstrated the powerful impact of scent on consumer behavior. In 1995 Hirsch examined if pleasant odors influence the amount of money spent on slot machines in Las Vegas casino, aromatized with various scents over a period of time. The author reveals the presence of the aroma in the aromatized section increased the revenues whereas there were no alterations in the unscented section. In addition to this, Chebat and Michon (2003) found that ambient odor affects mall perception, shoppers' arousal very strongly to purchase, while perception of products quality had very little impact albeit it is deliberated as imperative on emotions. Furthermore, Pearson's (2009) study depicts that for a normally odorless store, a pertinent scent in the form of associated scent can enhance shopping behavior.

Scents have an immediate and compelling effect as they are directly linked to the brains limbic system which is the part of the brain responsible for our memories and emotions. Therefore scents go beyond our rational perception and have an ultimate impact on our emotions. Martin Lindstrom (a well known author and a brand consultant) found that brand impact increased by 30% when more than one sense is engaged and by 70% when three senses are integrated into the brand message. It is not even significant to make customers feel the smell, it is important to make them remember this smell. To figure out to what extent aroma marketing must be reckoned as imperative, below it is depicted the efficacy of the odor with comparison of other types of information:

- 1% haptic information (touch)
- 5% visual information
- 35% olfactory information
- 2% auditory information (hearable)
- 15% taste information



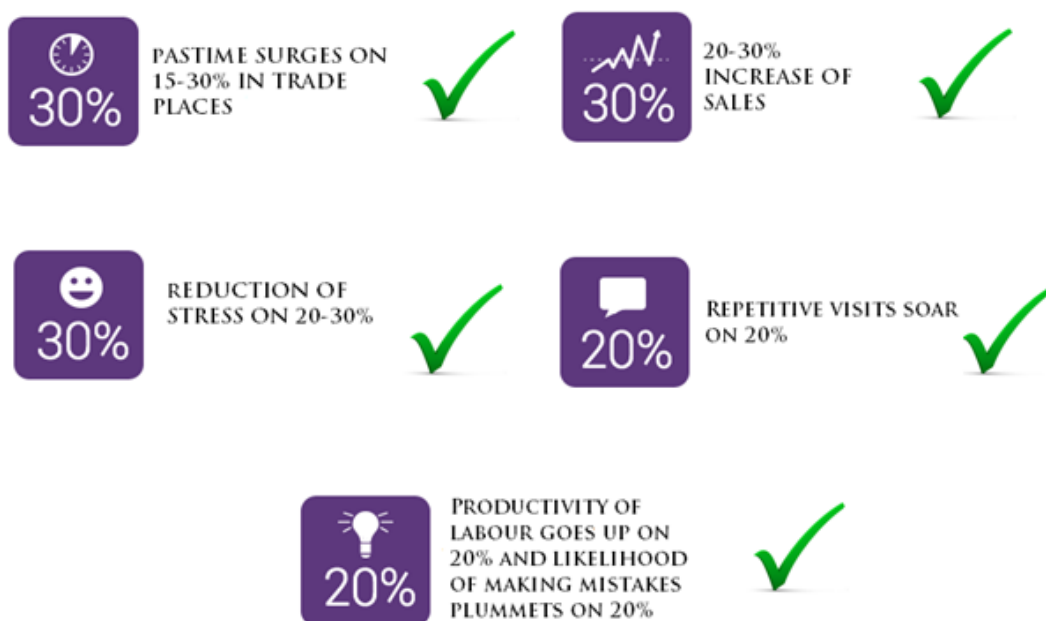
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The supplied percentages were established by a study conducted at the Rockefeller University which maintains that pertaining the short term memory, human-beings memorize just 1% of what they touch, 2% of information they hear, 5% of what they behold, three times more than last figure of what people taste (15%) and importantly for the research 35% is kept in mind of what persons smell.

Odor is reckoned as the main marketing tool which exacerbates the situation in a market and any business craves to possess own aroma that is differentiated feature pertaining to the competitiveness and primarily emphasizing an inimitable advertisement. To elucidate this point, imagine that a company is overwhelmingly prominent with odor and has a secret formula like Coca-Cola with its beverage. In a while, there is a great opportunity to relinquish advertising and just produce products using scent like Coca-Cola act nowadays. They do not need advertisement, customers are obsessed with the taste, and one day there will be a company that customers will like for that scent. So, the novelty of aroma tendency and evaluating companies according to their odor reputation and its effectiveness will break out.

Lastly, there is a great possibility to be engaged into synergy with companies where the main focus area will be an odor. Scent companies will make an extra profit and the key role will be played in the market not by products but by the odor.

Paramount Benefits of Aroma Marketing



The given data is available from LABORATORIOS **BILPER** GROUP which exists form 1958 which main activity is the research, development, manufacture and marketing of chemical products, based on the needs and demands of the market.

Sphere of usage

Aroma marketing can be widely used, literally in all trade places. To penetrate into the market in terms of the prices, it was generally established, there are two strategies such as price skimming and price penetration, however these tactics are well-renowned to public thus these strategies are not effective anymore for the reason that potential customers consider too small or huge prices as a just blur to draw attention, so as a backup, Marketing is on the threshold of facing to a new strategy – aroma strategy. It is implicated that certain odor is exploited in definite spheres as it is described there under:

1. Retails

Favorable odor of fig harmonizes with colorful condition of retails and fulfills the atmosphere of retails with the smell of grapefruit and may-lily. This mixture of aroma piques consumers' interest and strengthens positive impressions from visiting a shop and offered goods.

2. Airports

Human-beings feel uneasy abiding the announcement of their plane's advent. It takes much time to sit in the waiting hall which reverberates on internal stressors leading to inevitable random gaffes during the process of checking luggage or for possessing hazard material. Especially, at the latter matter people seem to be anxious which prompts suspicions and police department check innocent men elaborately which is wasting time to some extent.

The smell of fresh lavender, which can be used in airports, brings the sense of freshness and widen place. Owing to this aroma the subjective evaluation of amount of time spending on expectancy reduces in zones of checking and getting luggage.

3. Cinemas

People come to cinemas without precise knowledge and expectations what they will see. Occasionally, there are movies which last for a long time making spectators feel tedium and demotivation to watch further.

The odor of sea freshness can be used in cinemas. Slight and sensible odor gives visitors sense of freshness and warmth. Moreover, this smell creates a desired fettle and the ambiance of rest.

4. Educational premises

The scent of essential oils such as mint oil provokes concentration, reduces tiredness and betters brain activity which makes a lecture or a lesson more lively and students will not waste time that we actually experience some students attend classes just for not missing them and not getting admonitions.

The scent can be located in exam rooms. The point is that students listen to lectures and feel the smell of mint oil. Afterwards, when the moment of taking exams come, the same odor can be placed in exam chambers and will remind students about the information they got on lectures feeling the familiar scent. It is a good tactic of reduction the likelihood of failure.

5. Sport centers

For each zone of sport centers is set a certain scent. The odor of Mochito is used for changing rooms, and smell of blossoming lime is used for training zones, whereas the latter odor reduces stress and tiredness which is essential not to have for training. (For note, stress is the key distraction of keeping the body fit, the muscles regenerate too slowly and some cells are annihilated).

6. Trade Centers

The smell of lotus for example is distributed in Shopping Mall called Carosello, which attracts attention and prolongs the pastime. Moreover, in plurality malls, there is a bakery and as experts maintain, if there is scarce of bread odor, special aroma devices are set in the left top corner considering from the entrance. It influences so much and the scent is allotted through the whole mall. This exemplification must be replicated in "Korzinka".

7. Medical Centers

The majority of patients have a dread of doctors and especially the smell of medicine while abiding in the queue. One of illustrations is dentists' location. The noise is regarded as an auditory data. To compare olfactory information with hearable one, after medical processes patients will forget the smell and noise of drilling referring to the fact where 5% auditory data is kept in the brain at the same time 35% of olfactory is kept. To deduce, olfactory is dominant over other types of data. So, as a solution to scaring medicine and everything connected to it, the scent of orange alleviates the issue and

reduces the worry, the aroma penetrate the limbic system which creates fettle of tranquility.

8. Offices

It is proved that unpleasant smell has a bad influence on productivity of employers and employees, their analytical and creative abilities. The apt odor plunges aggressiveness, irritability and betters the brain activity. Important to note is that impact imposed not only on workers but on clients too. The smell of coffee weakens the symptoms and consequences of stress according to experiments on laboratory animals in Korea, Germany and Japan. Here, the pleasant scent relates to the Herzberg's motivation theory of hygiene factor.

9. Book shops

10 days of research with 201 participants, when a person feel the smell of chocolate, visitors are overwhelmingly active and psychologically ready to purchase a book 5 times more than in zones with mediocre condition. Thus, the odor of chocolate can retrieve the tendency of reading real books that e-versions using electronic devices taking into account that reading the latter ones is hurtfully especially for eyesight. Indeed, it is more pleasant to feel the smell of an actual book after its production than e-books. All in all, the scent of chocolate will alter the whole way of readers' life and surge the income of bookshops.

SWOT analysis

To gauge the overall condition of a company, SWOT (Strengths, Weaknesses, Opportunities and Threats) implements this process by assaying businesses both from inside and outside angles. The key focus is made on internal strong and weak points of business and evaluating the capability to contend in an outside market relating to its opportunities and threats. After completion of SWOT analysis, marketers can exploit specific strategies, object to weaknesses supplied from analysis and simultaneously proceed to execute those tactics where the business is pondered as strong.

Taking into profound account the consolidation of Aroma Marketing and Strengths & Weaknesses from SWOT Analysis, surveys and researchers have been hold and hence, the best illustration of scent role in marketing is depicted in a table there under.

Strengths	Weaknesses
<ul style="list-style-type: none"> ❖ The variety of scents mingling together pertinently is nonstop ❖ Odors are bonded with a mind which is reverberated on emotions ❖ Scents are lucid and not exorbitant to set in a market ambience ❖ Aromas are not apparent to customers as haptic or visual clues 	<ul style="list-style-type: none"> ❖ There is a possibility that customers dislike a certain odor/the odor is excessively strong ❖ Some scents are reckoned as allergic for customers ❖ It is complicated to identify the effectiveness of scent without a zealous investigation

Conclusion

We already possess aroma marketing in Uzbekistan (it is used in “Chekhov Gym” in Tashkent, “Korzinka” in Samarkand, and few others), despite that fact, it is only traits of aroma marketing, not the full usage throughout our country. When a company is offered to deplete aroma marketing it considers it as inapt. The prompt to acquiesce and be quenched by exploiting it can be the fact that aroma marketing is trusted by the best brands in the world such as:



Thereby, there is something to achieve and the torrent of aroma marketing must be harsh, huge, outstanding, and be proceeding infinitely as a waterfall. As we learn from mistakes and gaffes, the new major in marketing like aroma one was proved as effective and efficient, the scent impacts the behavior of customers, thus why do not be absorbed in it and emphasize more on Aroma Marketing in Uzbekistan?!

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THE WAYS OF UTILIZING INNOVATIVE MARKETING IN THE OPERATION OF SMALL BUSINESS

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Innovative marketing concept, is care business of marketing, service market research and finding the company's competitive strategy.

Currently, the most important sectors of the economy in the conditions of market economy, modernization and technical re-equipment of the measures taken to implement the programs is especially important. As a result, innovation and modernization can be regarded as a guarantee of stability.

The primary duties of marketing divisions of finding innovations are given below:

- 1) Demand and the level of competition;
- 2) The buyer's nature and the dynamics of its advantages;
- 3) The availability of competing products and new learning opportunity to compete in the market.

Acceptance of the goods according to provisions of the innovative marketing consists of the following stages;

- 1) The primary awareness. Consumer is announced about innovation, but the information is not enough.
- 2) Brand recognition. Consumer knows some of the information, is interested in news: further detailed information about news (you can search for advertisement, prospects and information as well)
- 3) Identification of the new goods. Consumer makes the decision about testing the new good. Consumer introduces the news with his own needs.
- 4) The evaluation of the opportunity of using news.
- 5) Consumer tests the news in order to get the information of innovation and the possibility of buying.

Today, logo printed products are exported to many countries of the world and, as a result of the country's export potential is increasing every year. At the same time, a variety of forms, including a wide range of small businesses operating in the import-substitution programs are implemented, the quality is inferior to the standards of the world, selling a variety of goods and commodities produced. Each element of the company's marketing complex product to a large audience. Because it satisfies the needs of consumers of goods. Product into a modern and popular product, the marketing manager of duty. As a result, it is marketing new ideas, modifications, and creates a new more flexible and should be looking at new product assortments. The marketing idea is not to sell certain goods (profitability).

A market economy and marketing activities, especially in the production and sale of brand new establishment, the profits of the company is stable, especially in the binding of a product bankrupt reduces the risk considerably. All lead to the effective functioning of the national economy, it is marketing, particularly in the market for variety- the production of a variety of new goods.

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Types of businesses, we have only producers of other types of companies innovate, try to create a new product. It will always be a competitive process. The current production of goods and the creation of new products for each firm to choose the optimal ratio is one of the urgent problems. The necessity for continuously updated products in the market, as the cause of global scientific and technological development, and it is associated with a steady increase in the level of quality is also reflected in the development of the needs of consumers. This is as a result of the influence of the main factors observed rapid aging of spiritual goods, and over a shorter period of their life. New types of products to satisfy the new needs of new goods, new goods satisfy the existing demand, the commodity composition difference and the use of new materials and technologies, new packaging of the goods available in the market for news.

For innovative marketing the principle of synergism which contains the whole marketing, the types of manufactured goods and services is important.

During the period of modern scientific- technical development, establishing innovative marketing strategies is of paramount importance. In general, this approach includes all in the field of marketing, progressive forms and methods, new technology of exchanging scientific and technical knowledge, production secrets ("know-how") permission for customer's use-license.

Allowance will be given for the use of certain time and a certain time and certain reward. This form of implementation of marketing strategy for the company is used when it cannot be found in foreign markets for any reason, in some cases, for example, political, economic and other factors of production.

At the moment there are many license agreements. Objects of intellectual property (patents for innovations) and "know-how" are common harmonized for sales of technology licenses.

In many countries the inventions issued from 15 to 20 years: if to be exact, industrial copies are given from 3 to 15 years; the certificate of registration of trademarks are given 10 to 20 years. Legally protection of export operations with patent is used for the methods of competitive business and the monopolization of the market sales of the firms.

The situation called "Under the protection of patents" does not allow for manufacturing and copying such products to competitors and the owner of intellectual property will be able to sell his goods in a high monopoly price. It is not the secret to anyone that the great attention is being given to the development of the export potential of business in social and economic policy of our republic.

The mobility and flexibility of small business, the changes of market conditions and quick adaptability to the needs of consumers create new jobs and promote the development of the country. These measures along with tax and credit incentives cover further depending the institutional reforms in order to create a favourable business climate as an urgent task for the development of small business and private entrepreneurship.

Under the socio-economic policy of our Republic, it is known to everybody that government is paying great attention to improve export skills of the small business and private entrepreneurship subjects. During the development of our country, small business has become the most comfortable and favourable medium in terms of creating new job opportunities and increasing public income.

The formation and development of market relations in the economy of the country has its own ways of people's economic, social, cultural properties taking into account a gradual basis.

The formation of small business and private entrepreneurship in our country, its operation, participation in economical relations also has its own peculiarity. Therefore, service sectors and

development trends of small businesses and current challenges in their operations are different from the peculiarities of certain enterprises in developed countries.

One of the most important guarantees of the small business consists of wide application of the marketing system, utilizing its advanced trends and mediums adequately in practice. The most important aspect of the application of marketing system in small business and private entrepreneurship is necessity and opportunity of company's direct communication with customers.

Constantly changing and unstable requirements, changing technology and competitive environment in accordance with the conditions to be able to market their company, its brand and create new markets. Even the production of goods on the market in a series of after issued, it will be necessary to apply the appropriate marketing strategy. As a result, the company wants to have a place in the market settled after a new brand to the market a permanent modification and other measures will be needed to support.

Thus, in front of every company comes up two ways:

- 1) A new type of production is required;
- 2) The possibility of the success of the new brand.

One way to solve such a complex and serious issue is that the implementation of the company to invent new types of goods, works constantly, consistently, and accurately targeted to go. This means that companies selling goods production from time to time to conduct research to bring new products to the world.

Therefore, in the activities of small business and private entrepreneurship, everything ranging from creating functional marketing to putting into practice before and after sale services has its unique features. The presence of enterprises with manufacturing nature in the small business and private entrepreneurship, it prioritizes all the elements of marketing and some of them are followings:

- studying market circumstances and trends, forecasting and determining the most effective market segments;
- the findings of scientific research and experimental design, continuous improvements in the type of products, manufacturing on the basis of customers order;
- setting straightforward communication with customers and controlling their payment abilities;
- improving the ways of selling products and distribution channels;
- the promotion of advertising and sales, organizing after-sale services for delivered products and etc.

Strategic planning for marketing is choosing the best one out of different alternative plans. Formation of marketing strategies of small enterprises includes the following:

- Coordination of the efforts of the operating units within the enterprise;
- Identifying the expected development factors of the external environment and its fluctuating level;
- To ensure the effective cooperation between the performers.

To sum up, applying the above-mentioned use of practice areas, developing and implementing according to local conditions to small business and private entrepreneurship subjects who operating under market conditions, undoubtedly, ensure full development of the small business and private entrepreneurship's.

EVOLUTION OF CORPORATE MANAGEMENT OF THE PERSONNEL IN NATIONAL ECONOMY

Bobur URINOV*

In 19th century legal bodies were subdivided into corporations and establishments (organization). Among corporations were allocated:

- Associations;
- Societies with external unity;
- Actually corporations.

Associations were defined as association with small numbers of people connecting own efforts for achievement of an overall aim. Their number included full associations (trading houses), associations on belief, and also industrial associations. The property of associations was considered as their general property, the profit shared to proportionally brought shares, the death of one of members attracted for themselves termination of activity of association, therefore members of association did not possess the status of the legal person.

Society with external unity represented more difficult association. They consisted of the big number of members, were considered in relation to persons (unlike full associations) as the unit and had the special body selected general meeting which were considered as the representative of a society. The joint-stock companies, banks, scientific, literary and artistic societies, clubs concerned this category. They were special legal units from an outer side, but internal relations between members were under construction almost on the same beginnings, as associations - property, the profit and debts were considered as the general for all members and were distributed proportionally to their contributions. Legal bodies they, as a whole, did not admit, and were considered as special group of the legal relations based on the contract of association.

The history of occurrence and development of joint-stock companies have begun in 17th century when the well-known ost-Indian, English, Dutch companies have been created. Almost two centuries they were unique largest representatives of the new organizational form of business. They centralised huge capitals with a view of creation of the large enterprises, realisation of scale projects in various areas of economy. Building of railways became an impulse to creation of joint-stock companies in ряде the countries of Europe and America.

With the market economy beginning the new life of the joint-stock companies begins. A number of acts for joint-stock companies, about societies with limited liability is undertaken. Originally there were many not qualified representations about the right of legal bodies. There were many discrepancies, restrictions or, on the contrary, unjustified freedom.

Gradually Uzbek legislations have got lines of the civilised right. The basic lines modern joint-stock society are:

- 1) Limitation of risk of shareholders in the sizes of their contributions;
- 2) System of the organisation of management of joint-stock company which allows proprietresses of controlling interests to dispose actually capital, many times surpassing their own capital and a company fixed capital.

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Besides, there is a possibility to supervise activity of the joint-stock enterprise and not being the proprietor of its securities that is carried out by means of transfer of management by securities that is carried out by means of transfer of management by securities by special departments of banks, investment to the companies or directing bodies of the joint-stock company.

In the process of historical development, strengthening it is command - administrative management methods there were the various restrictions, concerning fields of activity of associations, degrees of responsibility of members of association, reception of special permissions at the governmental level.

In the western countries technical progress has led now to the concentration of capitals expressed in numerous associations of the enterprises. Such method of increase of motivation of the personnel, as participation in corporation profits is widely used also. The majority of large corporations of the West aspire to that the personnel possessed actions of the given enterprise and directly has been interested in increase of efficiency of activity. During the periods of cyclic fluctuations the steadiest are associations of corporations. Efficiency of use not only financial and material resources, but also managements of the personnel of the corporations entering into association thus raises. It occurs at the expense of an exchange of the most successful methods of work to the personnel. Widespread forms of associations were franchises and holdings.

According to this strategy, according to the author's concept should be developed and actions for a corporate management of the personnel of a various sort of corporate associations

The concept financially - industrial groups is that in general. However the problem consists in basic discrepancy of possibilities of corporate structures and in general the integrated structures to those problems of macroeconomic character which are assigned to them. This discrepancy creates essentially biased basis for an estimation of activity of corporate structures, and it, in turn, leads to inadequate conclusions concerning perfection of their works. The final formula is as a result created: if these some, declared essentially important, problems are solved, corporate sector, certainly, will solve the problems put by them.

The important problem is not enough effective utilisation of labour potential of a society and especially at level of the separate enterprise, corporation. In conditions when the enterprises becomes bankrupts or many work not on the full capacity, qualified engineering - technical workers, working unique trades, high educated experts remain without business. Such position reduces value of the human capital, there is a loss of the saved up labour potential, and, as consequence, there is a decrease in a standard of life of the population, destruction of values, morals falling, criminality growth.

Taking into account decrees of the President of the country of a problem on increase of a standard of life of the population and social responsibility of business is considered to provide necessary following principles at the organisation of a corporate governance the personnel:

- The maintenance of a social package for the personnel of the corporations, allowing to raise a standard of living, well-being of members of a family;
- Working out and financial support of plans for development of the personnel as last years transition to market relations the domestic system of a professional training did not meet the requirements of corporate development;
- Introduction of model of management by the personnel by means of the motivation based on studying of interests, moods, the personal purposes of employees and possibility of integration of these purposes with the industrial purposes of corporation;

- System engineering of frame management with a view of increase of personal responsibility for collectively made decisions;
- Creation of conditions for increase of a material interest of workers in high results of corporate activity.

Introduction of the given principles of formation of corporations in Uzbekistan our sight, will allow to improve system of a corporate governance of the personnel that will inevitably raise economic efficiency. It is especially actual because corporations provide reproduction большей parts of the blessing a society. They exist in forms of joint-stock companies, the state enterprises, specialised financial institutions (banks, development corporations...).

At the same time recommendations given below will help to increase effectiveness of company by rising effectiveness of human resources. Correct usage of behavioral science will always assist to increase effectiveness as for single worker, and for whole company personnel.

For effective moving to aim of company, manager should coordinate work, and make or stimulate personnel to do it. Managers realize their ideas in reality by using theoretical principles of motivation. For more deeply understanding essence of arising situation of motivation process significant to use situation method. Situation method based on alternative gaining of same goal in the process of realization of managerial decision, accounting unforeseen situations. Concert situations could be change in accordance of content, type of managerial decisions by time, resources and ways of supporting managerial decisions.

In modern stage of development of economy more frequently activity of managers concentrated to activate usage of innovation process. Innovative method is oriented to develop innovative creations and implementing novelty. By this way as M. Porter considered activity of personnel should be focus on consideration of production factors and investments, as an asset scientific innovative activity, but not in development stage of economy of country

At last, global method, which nowadays used for solution of problems of international standardization, metrology and certification, informational support of management of different complicated objects and corporations. Essence of global method is conclude in formation and solution of problems providing competitiveness of big objects. In addition, review must answer to requirements of system, consistency, completeness within the scope of world community.

In our country there are the specific circumstances inevitably dictating necessity of radical turn to formation of a corporate link and use of corporate forms of management by the personnel. It is connected with genetic, historical bents of our people to a collectivism, to democracy, to a transparency of economic relations.

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