

SIGNS AND APPEARANCE OF ECONOMIC HELPLESSNESS

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Annotation: The article scientifically analyzes questions about the signs of financial insolvency of enterprises in the conditions of market relations, about their manifestation and achievement of financial stability.

Key words: enterprise, economy, financial insolvency, crisis, economic insolvency, bankruptcy, reorganization.

The adverse effects of the coronavirus pandemic require the development of a mechanism for economic regulation of production processes and product sales. These processes should ensure the sustainable financial development of the enterprise. Because financial instability will eventually lead to the termination of the enterprise.

The formation of an optimal system of economic activity of the enterprise depends on many factors. They are manifested as requirements for the activities of the economic entity. These requirements can be conditionally divided into requirements that reflect the requirements of national legislation and adaptation to changing market conditions. The nature and system of market demand, the ability to anticipate their changes in the future, and the creation of appropriate goods and services will determine the fate of enterprises.

Under the conditions of the pandemic, uneven development of the economy, uneven volume of production and sales, a certain decline in production can adversely affect the financial condition of the enterprise, increase receivables and payables, protests by partners and even the company in crisis. It may face a period of transition to a market economy rather than a day-to-day situation.

In such cases, the unfavorable situation that may arise as a result of failure to take appropriate organizational, economic, marketing and financial measures in a timely manner means that the enterprise is economically weakened and deviates from the current balance, unable to continue financing. The company is on the verge of bankruptcy. In this case, the company will not be able to make timely payments to the budget as a result of deteriorating financial condition.

Getting out of such a situation requires immediate special measures. Firms will be forced to introduce innovations due to competition, as they are required to offer relatively high quality and affordable goods in order to maintain and expand their position in the market. This, in turn, requires an increase in labor productivity, the production of modern competitive new products. The basis of modernization of production is investment processes, which are aimed at increasing labor productivity and improving product quality and ensuring economic growth.

An important way to get out of a crisis situation is to mobilize employees to work well. At the heart of this is the need for them to make regular efforts to stay in a well-paying job. Their productivity, quality, sense of responsibility for the reputation of their firm has a significant impact on the results of the enterprise.

It is known from economic practice that if the advantage in the competition begins to grow, and the loss leads to a state of crisis or bankruptcy of the enterprise. The main reasons for bankruptcy can be summarized as follows: failure to anticipate the risk of bankruptcy, failure to adapt to market demand in a timely manner; reduction in production volume, deterioration of product quality, falling prices, rising production costs, declining profitability, irrational borrowing, etc.

Therefore, business leaders should use modern methods of production management in market conditions, pay timely attention to changing market requirements, take appropriate measures to improve the performance of the enterprise, taking into account possible changes. According to many years of observations by American scientists, the reasons for the crisis of 90% of American firms are the incompetence of company managers, their inability to apply qualified and innovative management methods in a changing objective environment. Therefore, our country pays special attention to the system of education of specialists and youth, based on the best practices of developed countries. A system of training personnel with knowledge at the level of modern requirements, capable of implementing advanced management principles is being introduced for manufacturing enterprises.

In the context of deepening market relations and liberalization of the economy, based on the existing economic information base in the economy and the enterprise and accounting marketing data, using modern achievements and methods of financial analysis and marketing research, it is possible to predict the economic future. This will prevent enterprises and firms from falling into crisis. First of all, it is necessary to establish a modern system of financial control in order to understand such a situation earlier.

The main symptoms of discomfort, in our opinion, can be expressed in the following:

Increased negative views and objections from business partners on the activities of the enterprise; suppliers of resources required by the enterprise, creditors, banks. the objections of the recipients of the product should be taken as a warning that the changes taking place in the enterprise will not lead to good results.

Other signs include changes in the management structure, the emergence of various disagreements between management staff, which can quickly lead to a bad situation of the enterprise or firm.

Economic practice shows that at the beginning of the crisis in the enterprise there is a sharp decline in the quality of accounting. When conducting accounting at the level of claims, the data of financial statements and their analysis clearly show the negative changes in the enterprise, and, conversely, it is impossible to predict bankruptcy in the situation:

- late submission of accounting reports indicates that such a situation is due to intentional actions of employees or their unwillingness or unwillingness to perform their duties. Both cases indicate the inefficiency of financial management in the enterprise;

- violation of the balance between liabilities and assets in the items of the balance sheet;

- a sharp increase or decrease in the volume of inventories, which can be interpreted as a sign that the company does not fulfill its obligations to deliver products to consumers on time;

- increase in the amount of debts of the enterprise or firm from its partners;

- Decrease in the company's income, decrease in profits, decrease in the share price, unreasonably high or low price for the finished product.

The onset of the crisis may be caused by an extraordinary sudden inspection of the enterprise, unreasonable restriction of its commercial activities, revocation or revocation of the license. Improving the financial condition of the enterprise requires the use of effective strategies or tactics to protect against crisis or bankruptcy, which should be developed in accordance with the characteristics of each enterprise.

Based on the experience of studying crisis situations in a number of enterprises and firms, two main tactics can be recommended.

Defensive tactics or austerity tactics. The main goal is to drastically reduce all costs, including the cost of production, sales of fixed assets and staff. Such an approach will ultimately lead to a reduction in total costs, but can also lead to a reduction in production. Therefore, this path does not always give good results. This justifies itself when internal causes predominate in a crisis. However, the state of crisis and bankruptcy will depend not only on the internal environment of the enterprise, but also on the economic changes taking place outside. Enterprise protection tactics are mainly focused on the implementation of certain operational measures: compensation or total loss of losses, a sharp reduction in costs, identification of existing internal reserves, staff turnover, strengthening discipline, delays in debt repayment, and others.

Attack tactics are carried out in conjunction with operational measures and strategic measures at the highest level. They are aimed at saving resources, intensifying work in the field of marketing, ie the conquest of new markets, optimizing prices, improving production. This will require new investments, funds will be directed to the modernization of equipment and technology, the renewal of fixed assets, the introduction of modern advanced technology. An important part of attack tactics is to strengthen the management of the enterprise, appoint new managers with modern experience and professional.

It should be noted that the relevant government agencies monitor the compliance of enterprises with the financial crisis. The primary signal for these bodies is the data of financial statements of enterprises. Based on their analysis, effective anti-bankruptcy guidelines are regularly developed by anti-bankruptcy bodies and ways to achieve the set goal are indicated.

The onset of bankruptcy is marked by the following signs:

Failure to submit the report on time is a sign of poor performance for the departments responsible for reporting and financial affairs in the enterprise;

abrupt changes in the financial statements, especially in the structure of the balance sheet, including a sharp decrease in the amount of funds in the account, an increase or expiration of receivables, an imbalance between receivables and payables, an increase in accounts payable, a decrease in output.

Bankruptcy can be divided into the following stages: the latent stage - in which the latent decrease in the "total value" of the enterprise is reflected in the decrease in the capitalization of profits.

The second stage is the emergence of financial instability, or cash difficulties. At this stage, managers can resort to "cosmetic" methods, such as borrowing from a bank, buying a portion of assets, paying dividends, and so on. Life shows that sometimes, when the situation worsens, leaders can switch to raising funds through risky risk and fraud.

The third stage is bankruptcy, which is obvious from a legal point of view. In this case, the company will be unable to repay its debts on time.

Bankruptcy cases are considered in accordance with the Law of the Republic of Uzbekistan "On Bankruptcy", including economic courts

External management may also be introduced for economically insolvent enterprises. Crisis management may include the following actions:

- special diagnostics of the state of the enterprise or firm;
- prevention of unintended, aimless development;

- Measures to improve the quality and content (rehabilitation, reorganization);
- overcoming the crisis by attracting new owners;
- administrative and organizational changes in the enterprise, change of property relations, etc.

Rehabilitation is the process of improving the condition of an enterprise with a relatively slow mastery, which is carried out by the state or by specialized firms. Under these conditions, the organizational system of the enterprise, the subject of its operation, the volume of production will be preserved, but management methods, work style, types of control will be improved, austerity measures will be taken, regular financial monitoring will be established.

If the above measures do not allow the enterprise to survive, then the enterprise will be liquidated completely. This way, ie the voluntary liquidation of the enterprise is carried out only in the absence of bankruptcy.

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