

Effective Use of Gr-Governance Mechanisms in The Development of The State, Society and Business

Djuraev Dilshod Davronovich

Applicant for the Department of Management and Marketing

Tashkent State University of Economics

Tashkent, Uzbekistan

E-mail: Dilshod.d.djuraev@gmail.com

Abstract: The article examines the need and factors, goals, objectives and problems of using the GR-management mechanism in the development of the state, society and business at the present stage of liberalization and modernization of the economy in the Republic of Uzbekistan. The advantages and features of the effective use of the GR-management mechanism for the development of the state, society and business in the prospects for the country's socio-economic development have been scientifically substantiated. The possibilities of effective use of the GR-management mechanism in the corporate governance system of the Republic of Uzbekistan have been studied and recommendations have been developed.

Keywords: Commercial and non-profit organizations, business structures, public authorities, the rights and obligations of an enterprise, freedom and public-private partnership, management of the organization's interaction with the state, GR-management mechanism.

I. INTRODUCTION

Dynamic changes in economic reality, the growing importance of globalization and information processes have led to the transformation of the relationship between business and the social sector with the state [1]. In this context, not only the boundaries between society, business and the state, but also the conditions of their interaction, the criteria and conditions of interest and responsibility are changing. The aggravation and complication of social and economic relations is leading to the search for and creation of new mechanisms and technologies to manage the interaction of business structures and non-profit organizations with government bodies, an issue that is currently insufficiently studied by the scientific community.

The state is the most important of all the stakeholders of the institution, that is, the person who is more interested in its activities and is interested in its results. Within the legal space, any institution carries out bilateral interaction with the authorities determined by the state and is tested for its managerial impact. In addition, governments are often economic counterparties of institutions, while commercial companies supply their goods and services to government agencies. Thus, the success of the organization's activities depends on the effectiveness of managing the processes of interaction with the state.

The need to study the problems of managing the interaction of commercial and non-profit organizations with the state is associated with the emergence of a new reality in management theory and practice - GR-management ("Government relations management").

In the context of increasing levels of state regulation of the economy, the importance of the theoretical revision of the process of managing the interaction of the enterprise with the state is growing. In addition, the relevance of the study of GR-management in the current situation is due to the active development of GR-departments within large foreign and national corporations and non-profit organizations, the need to develop effective mechanisms for managing the interaction of enterprises with government.

Reforms in Uzbekistan in recent years in the formation and effective operation of the system of management of interaction with the state, in particular, the use of effective methods, models and technologies of GR-management mechanism, interaction with the state in terms of rights and obligations, freedom and public-private partnership effective organization and management, ensuring openness and transparency of this process has become one of the important issues at the level of public policy.

In conclusion, the lack of theoretical, methodological and practical aspects of the GR-management mechanism as a tool for managing the interaction of the enterprise with the state in the Republic of Uzbekistan as a special, independent research object determines the relevance and scientific-practical significance of this scientific article.

II. LITERATURE REVIEW

Issues of interaction between the state, business organizations and the social sector were studied by foreign

scientists Donner R., Schneider B., Alipatov A., Belokrylov K., Bogaturov A., Varnavsky V., Djaparidze R., Ignatov V., Ignatova T., Kabishkina. V., Ketova N., Lapina N., Nekrasov V., Nikitaeva A., Ovcharenko G., Ogar I., Osadchay I., Popandopulo A., Pushkin A., Sirotovskiy A., Chirikova A., Cherkasova T. , Khlebnikov K., Ukolov V., Shoxin A. and others have been discussed in detail in their studies [3 - 9].

However, the problems of communication management Anopchenko T., Kirillina V., Rev V., Fedotova M., Shepel V. reflected in the scientific work of CIS scientists such as [10-12].

Foreign scholars Akoff R., Freeman R., Gardner Dj., Clarkson B., Cleland D., Mitchell R., Post D., Preston L., Sachs S., Frumen A . [13-14] made a worthy contribution. Application of the theory of stakeholders in the Russian context Kuzmin S., Kushnir L., Fomina L., Petrov M., Popov S. And cited in the works of others [15-17].

From Uzbek economists: academicians I.Iskandarov, S.Gulamov, M.Sharifkhodjaev, i.f.d. Professors M.Tursunkhodjaev, Sh.Zaynutdinov, M.Ikramov, N.Yuldashev, R.Nurimbetov, G.Kasimov, N.Mahmudov, Sh.Shodmonov, A.Vakhobov, Mustafakulov, S. I.[20], Tursunov, B. O. [21] is devoted to the works of [18] including the theoretical and practical problems of enterprise development in the effective means of management system are studied in detail [19]. However, despite the diversity of scientific approaches and theoretical research, there is no comprehensive research on the formation and effective operation of the GR-management mechanism as a tool for managing the interaction of the enterprise with the state.

It should be noted that the problems of effective management of enterprise interaction with the state in the digital economy in our country have not been fully resolved, especially in this process, the mechanism of GR-management has not been studied comprehensively. In this regard, it is necessary and important to improve the study of this problem and, in general, to develop proposals and recommendations for the formation and effective operation of the GR-management mechanism as a tool for managing the interaction of the enterprise with the state.

The solution of these topical issues will serve as a basis for choosing the topic of this scientific article, defining its goals and objectives.

III. RESEARCH METHODOLOGY

GR-management is the management of the organization's interaction with the state and municipalities, increasing efficiency, increasing economic profitability and minimizing the risks arising from the state.

At the present stage, GR-management is a tool for establishing relationships between organizations and governments, which allows to coordinate and reconcile the interests of the organization with the interests of the state. This defines the place and role of GR-management in the system of interaction between the state, society and business.

The diversity of the relationship between commercial and non-profit organizations and the state gives rise to their different models. Based on the author's classification of these relationships, the following models of GR management are distinguished:

- proactive model;
- reactive model;
- corporate (institutional) model;
- topic-related model;
- country (national) model. In our opinion, the implementation of a proactive model of GR-management is an algorithmic system of interaction with the authorities, which allows to organize the relationship with the authorities on a regular basis and ensure their non-contradictory nature.

IV. ANALYSIS AND RESULTS

The complexity of the processes of governing social relations and economic life, as well as the strengthening of state regulation, has become a decisive factor in a new phenomenon in the theory and practice of corporate governance - (Government Relations).

From the middle of the twentieth century, the relationship of commercial and non-profit organizations with the state as the most important stakeholder of the organization began to take an institutional form, the implementation of which became the right of specialized units - GR-services. In a modern organization, GR is a management subsystem that allows the organization to reduce external risks and costs.

GR-management infrastructure in Uzbekistan is still developing. Institutional platforms have been formed, through which dialogue and interaction between business and government are carried out:

- industrial associations and unions;
- Advisory councils under government agencies;
- "Open Government" and "Single Window" systems, etc.

GR-management is an interdisciplinary field of scientific research based on the principles of economic theory and management theory, as well as political science, sociology, law and others.

In our opinion, the economic and management paradigm of GR-management research is the most promising. This paradigm is based on the economic nature of GR-management, which is expressed in increasing the efficiency of the organization by reducing the organizational costs incurred in the process of interaction with public authorities through various management processes.

Theoretical and methodological bases of studying GR-management problems within the framework of economics and management paradigm include: general selection theory of economic theory and management theory, transaction cost theory, communication management theory, stakeholder theory and public-private partnership theory.

The economic and management paradigm of GR-management allows a comprehensive and complete review of its goals and objectives. In general, the purpose of GR-management is to facilitate the administrative environment and ensure mutually beneficial cooperation with government agencies, increase the efficiency and economic profitability of the organization and minimize the risks posed by the government.

To achieve this goal, it is necessary to ensure that the following tasks of GR-management are fulfilled:

- creating a single information environment between the organization and the government;
- providing information to the management of the organization on the activities of the government;
- establishing direct contacts and communication systems with government officials;
- Interaction with public organizations, industrial and political associations;
- participation in public-private partnership programs;
- Participate in the development of decisions of public authorities;
- Amendments to the legislation aimed at improving the status of the organization, etc ;
- Ensuring state support (including subsidies, grants);
- Obtaining assistance from the state authorities in obtaining permits, licenses for a particular type of activity by the organization;
- Ensuring the receipt of government orders;
- regulatory risk management.

In the organization, GR-management performs information, analytical, communicative functions and the function of representing and protecting the interests of the organization in government agencies.

It is necessary to highlight several key elements of the GR-control mechanism (technology):

- information and analytical support of interaction with the authorities;
- organization of communication with government agencies;
- Representing the interests of the organization in government and solving problems that arise in the process of interaction with them.

Given that these technologies are implemented in series, the implementation of each of them constitutes a phase of GR-management activities.

In the first stage of their activity, GR-managers carry out the following:

- information and analytical support of the process of interaction with the government through the collection and processing of information about the system of government and their actions;
- study of the regulatory framework;
- Analysis of political processes and socio-economic dynamics;
- predicting possible decisions and actions of the authorities.

At the next stage of their activities, GR-managers organize and establish a system of communication with government agencies using the following tools:

- Participate in the activities of advisory bodies in government agencies (tripartite commission, departmental commissions and councils of the Republic of Uzbekistan);
- Participation in the Oliy Majlis and exhibition events;
- creation of a contractual basis for interaction, conclusion of cooperation agreements with the authorities;
- Establish personal contacts with executors and participants of public policy.

The stage of representing the interests of the organization in government is the most responsible, because it is at this stage of the activities of GR-managers that the problems that arise in the process of interaction with the state are resolved. Among the methods of direct interaction with the authorities are:

- information and legal support for the solution of organizational issues in government agencies;
- Negotiations with the authorities;
- Influence on public authorities through the public, industrial associations, etc.

Creating an effective organizational structure of the GR department, training and retraining of GR managers is the key to external environmental safety, effective cooperation with public authorities and the successful operation of the organization.

The GR department is a structural unit of the organization that implements a set of measures for interaction with the authorities. GR divisions should be formed within the leading companies of the Republic of Uzbekistan, which are the largest taxpayers.

The responsibilities of the GR department include: prevention of unfavorable situations in the company as a result of actions of the authorities and the implementation of the necessary measures for them, maintaining a positive image of the company in state and municipal authorities, etc.

At the present stage, the work processes of GR departments are characteristic, as such areas of GR management have undergone the greatest development, such as obtaining permits and licenses, supporting social partnership as a means of interaction with the authorities, experts. support for government activities, regional GR.

One of the specific directions of GR management in the Republic of Uzbekistan is the use of tools of corporate social responsibility. The use of the social partnership mechanism allows the organization to create the image of a responsible participant in the socio-economic processes, a reliable counterparty to the government, which allows the GR-manager to increase the efficiency of its activities. Elements of corporate social responsibility include voluntary social reporting, sponsorship, and charity.

Another important area of GR management of organizations is the expert support (support) of the activities of public authorities and administration through the monitoring of existing legislation, review of draft laws and resolutions, etc. An actively developing area of government relations is regional GR.

In order to increase the efficiency of the organization, in our opinion, it is necessary to diversify the routes, use the GR-management mechanism at the expense of investment, tax and legal spheres.

A promising area of application of GR-management methods is the field of investment. The need to use GR methods in the implementation of investment activities is often explained by the need for active interaction with public authorities for the effective implementation of the investment project. In addition, the goodwill of government agencies in the investment project can increase the profitability of the project by obtaining government benefits and preferences in the implementation of the project, including tax benefits.

GR-support measures for investment activities include a set of measures aimed at ensuring the submission of investment projects to public authorities, participation in congresses and exhibitions, participation in public-private partnerships, signing of mutual agreements with public authorities, etc.

Another topical area of application of the GR mechanism is the tax area. The application of GR methods in the tax field allows the company to minimize tax costs. The application of GR methods in the field of taxation also ensures the balance of interests and the solution of the target tasks of all subjects of the tax process.

The tasks facing GR specialists in the field of taxation can be divided into two groups: cooperation with public authorities on optimizing the tax burden; interaction with tax authorities on tax administration issues.

Among the interrelated tasks of the tax authorities on the calculation and payment of taxes are:

- Improving the efficiency of business processes as a result of cooperation with the tax service;
- creation of a system of communication with the tax service in order to provide prompt advice on various issues in the field of taxation;
- Interaction with tax inspections to ensure the impartiality of inspections;
- Cooperation with tax authorities on tax calculation;
- resolving situations that arise as a result of technical failures, illegal actions of the taxpayer or tax inspector.

An important area for improving the work of GR-managers is to further deepen the work in the legal field. In addressing company issues, GR managers should use a variety of legal means of interaction between the business community and the state, such as law enforcement, the institution of self-regulatory organizations, public examination of draft regulations, contracting with the government, etc.

It is also necessary to use various legal means of interaction with the authorities. It should be noted that due to the constructive dialogue between the institutions of business, government and civil society, the current legislation of the Republic of Uzbekistan is dynamically improving, creating new institutions of transparent interaction.

The purpose of the study of the effective use of the GR-management mechanism for the development of the state, society and business is to develop scientific and practical recommendations to highlight current trends in the formation and effective operation of the GR-management mechanism as a tool for managing enterprise interaction with the state.

To achieve this goal, the following tasks must be performed:

- to study the concepts and models of the system of interaction of the business community and the social sector with the authorities;
- Scientific interpretation of the categorical description of the essence and content of GR-management;
- Substantiate the diversification of methodological approaches to the study of GR-management;

- Formation of mechanisms and models of GR-management: implementation of a comparative analysis of foreign experience and practice of the Republic of Uzbekistan;
- Scientific interpretation of the quality description of GR-management technologies and tools;
- Clarification of the features of the organization and operation of the GR-service at the enterprise;
- Scientific substantiation of the decomposition of the main directions of GR-management in ensuring the balanced development of the state, society and business in the Republic of Uzbekistan;
- Development of a set of recommendations aimed at improving the effectiveness of the use of GR-management methods.

V. CONCLUSION AND SUGGESTIONS

In the framework of the new management policy in the context of modernization and liberalization of the economy of the Republic of Uzbekistan, taking into account the current tasks of socio-economic development, - Management mechanism ”,“ GR-management technologies and tools in effective areas of public-private partnership ”,“ openness of the economy and business environment ”. allows you to:

-systematic approach provides a new interpretation of the concepts of "GR-management mechanism as a tool for managing the interaction of the enterprise with the state", "GR-service in the enterprise", which includes an improved terminological apparatus developed;

- Scientific analysis of the factors determining the need for a new approach to the study of modern trends in the organization of GR-management as a tool for managing the interaction of the enterprise with the state in the Republic of Uzbekistan and substantiate their effective management measures;

- A methodology for assessing the prospects and effectiveness of corporate governance will be developed to identify current trends and priorities for the formation and effective operation of the GR-management mechanism as a tool for managing the interaction of the enterprise with the state, ensuring the laws of balanced development of the state, society and business;

- Prospects for the use of advanced foreign experience in the context of Uzbekistan in the context of modern trends in the formation and effective operation of the GR-management mechanism as a tool for managing the interaction of the enterprise with the state;

- On the basis of a new conceptual scheme of studying the interrelationship of various factors, a system of complex measures will be developed to implement medium and long-term tasks to improve the current trends in the formation and effective functioning of the GR-management mechanism as a tool for managing enterprise interaction with the state.

REFERENCES

- [1]. President of the Republic of Uzbekistan Sh.M. Decree of Mirziyoyev No. PF-4947 of February 7, 2017 "On the Strategy of actions for further development of the Republic of Uzbekistan."
- [2]. Resolution of the President of the Republic of Uzbekistan Concept of socio-economic complex development of the Republic of Uzbekistan until 2030 ID-9413.
- [3]. Doner R., Schneider B.R. Business Associations and Economic Development: Why Some Associations Contribute More Than Others. *Business and Politics*, 2000.-456p.
- [4]. Alipatov A.A., Pushkin A.A., Dzhaparidze R.M. Public private partnership. - M.: Alpina Publishers, 2010.-356s.
- [5]. Belokrylov K.A., Ketova N.P. Institutional structure of interaction between the state and business. - Rostov on / a: Assistance - XXI century, 2010.-231s.
- [6]. Nekrasov V.N., Limareva D.A. Public-private partnership in the public administration system. - Rostov-on / D: JURIF RANEP, 2012.-312s.
- [7]. Nikitaeva A.Yu. Management of interaction between the state and business in the economic system of the region: methodology, theory, mechanisms: dis. ... Dr. econ. sciences. - Rostov on / a.: SFU, 2008.-324s.
- [8]. Khlebnikov K.V. Mechanisms of interaction between the authorities and business structures in the implementation of regional development strategies: author. dis. ... Cand. econom. sciences. - M.: Institute of Economics RAS, 2012.-27s.
- [9]. Ukolov V.F. Interaction between government, business and society: textbook.-5-ed. - M.: Publishing house "Economics", 2019.-567s.
- [10]. Anopchenko T.Yu., Moiseenko E.A., Chernyshev M.A., Boloshin G.A., Malichenko I.P., Chalova A.I. Communication management. Ethics and culture of management. - Rostov on / D.: Phoenix, 2010.-353s.
- [11]. Kirillina V.N. Implementation of modern principles of corporate governance taking into account social performance // Higher school. - 2008. - No. 4, p.34-38
- [12]. Shepel V.M. Communication management. - 5th ed. M.: Gardariki, 2019.-423p.

- [13]. 13. Post J.E., Preston L.E., Sachs S. *Redefining the Corporation: Stakeholder Management and Organizational Wealth.* – Stanford University Press, 2002.-512p.
- [14]. 14. Freeman R. *Strategic Management: A stakeholder approach.* - Boston: Pitman, 1984.-421p.
- [15]. 15. Kuzmin S.S. Theoretical aspects of the interaction of a firm with stakeholders // *Economic Sciences.* - 2010. - No. 6, p.19-25.
- [16]. 16. Kushnir L.L. Modeling the system of resource provision of the national economy using the provisions of the theory of stakeholders // *Problems of modern economics.* - 2013. - No. 1 (45). Pp. 56-63
- [17]. 17. Popov S.A., Fomina L.L. From the theory of stakeholders to the implementation of the concept of common values // *Russian Journal of Entrepreneurship.* - 2013. - No. 2 (224). - S. 60-65.
- [18]. 18. Tursunov, B. O. (2020). Ways to improve of financial security management at textile enterprises in Uzbekistan. *Central Asian Problems of Modern Science and Education, 2020(4), 19-32.*
- [19]. 19. Burkhanov, A. U., Hudoykulov, H. H., & Tursunov, B. O. (2019). The factors effecting net actives of investment funds. *Economics and Innovative Technologies, 2019(2), 6.*
- [20]. 20. Mustafakulov, S. I., Tursunov, B. O., & Tursunov, U. A. (2019). The empirical research on causal relationship between export and foreign investments in the economy of Uzbekistan based on granger test. *International Journal of Engineering and Advanced Technology, 9(1), 4631-4635.*
- [21]. 21. Tursunov, B. O. (2020). Mechanism for determining optimal management of use of production capacity at the textile enterprises. *Vlakna a Textil, 27(1), 99-106.*