

Enterprise Competitiveness as an Economic Category

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Abstract:

The relevance of the topic is that all enterprises and organizations, to a greater or lesser extent, face such a problem as competition. In order to survive in such conditions, as well as for development, it is necessary to analyze the situation in the market, as well as decide on measures to improve competitiveness. Thus, the relevance of the topic is explained by the fact that increasing the competitiveness of an enterprise is a necessary condition for the survival of an organization in a market economy.

Keywords: enterprises and organizations, competition, competitiveness, market economy, production, product, market.

Introduction: The competitiveness of an enterprise is an economic category that characterizes the ability of an organization to produce competitive products, using its potential better than competitors. In this case, of particular importance is the ability of the organization to promptly and adequately respond to changes in the consumer environment, to respond to the tastes and preferences of customers. The launch of a competitive product on the market is the starting point in the work of the company in the field of market development and consolidation on it, after which a long stage of competitiveness management and its assessment begins, requiring maximum systematization and attention.

The level of competitiveness of an enterprise is a relative concept and can only be identified and evaluated in the process of comparing organizations that produce similar products or provide relevant services in the local, regional, national or global market. This leads to the fact that the same enterprise can be competitive in the local or national market and not be competitive at the regional and global level.

The theory of enterprise competitiveness and its competitive advantages began to develop in the 18th century in the works of such scientists and economists as Adam Smith, David Ricardo, Eli Heckscher and Bertil Ohlin. However, the current dynamically developing trends in the world economy require a revision of orthodox views on the concept of competition and competitiveness. Over the past decades, the most significant contribution to the study of the issue of enterprise competitiveness has been made by such American economists as Igor Ansoff and Michael Eugene Porter, who analyzed the reasons for the high level of competitiveness of enterprises. After conducting an appropriate analysis, economists concluded that the level of competitiveness of an enterprise largely depends on the conditions and efficiency of their use in the state in which the enterprise operates. The above conditions include:

- the necessary factors of production;
- developed demand, the maturity of the competitive environment;
- quality of management;
- rational state policy.

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To determine the economic essence of the competitiveness of an enterprise, one should consider the market within which it operates as a single economic system that includes functionally homogeneous objects and the external environment that forms the requirements of these objects. The requirements of the external environment and the results of the activities of objects can be represented as some indicators that have different economic meanings. It should be noted that the goal of each of the above objects is to achieve the highest possible performance results that are presented to consumers.

Competitiveness, as an economic category, characterizes a specific area, which includes design, production, distribution and consumer aspects of the result of economic activity. Competitiveness is inherent in all structural elements of the economic system and manifests itself in the struggle, the result of which is the redistribution of market share in their favor.

The analysis of numerous definitions of the concept of "competitiveness", which are known and widespread in modern economic science, allows us to highlight a certain range of aspects that are certainly important for deriving a comprehensive description of competitiveness and determining its place in the system of economic categories. These indicators are presented in Figure 1.

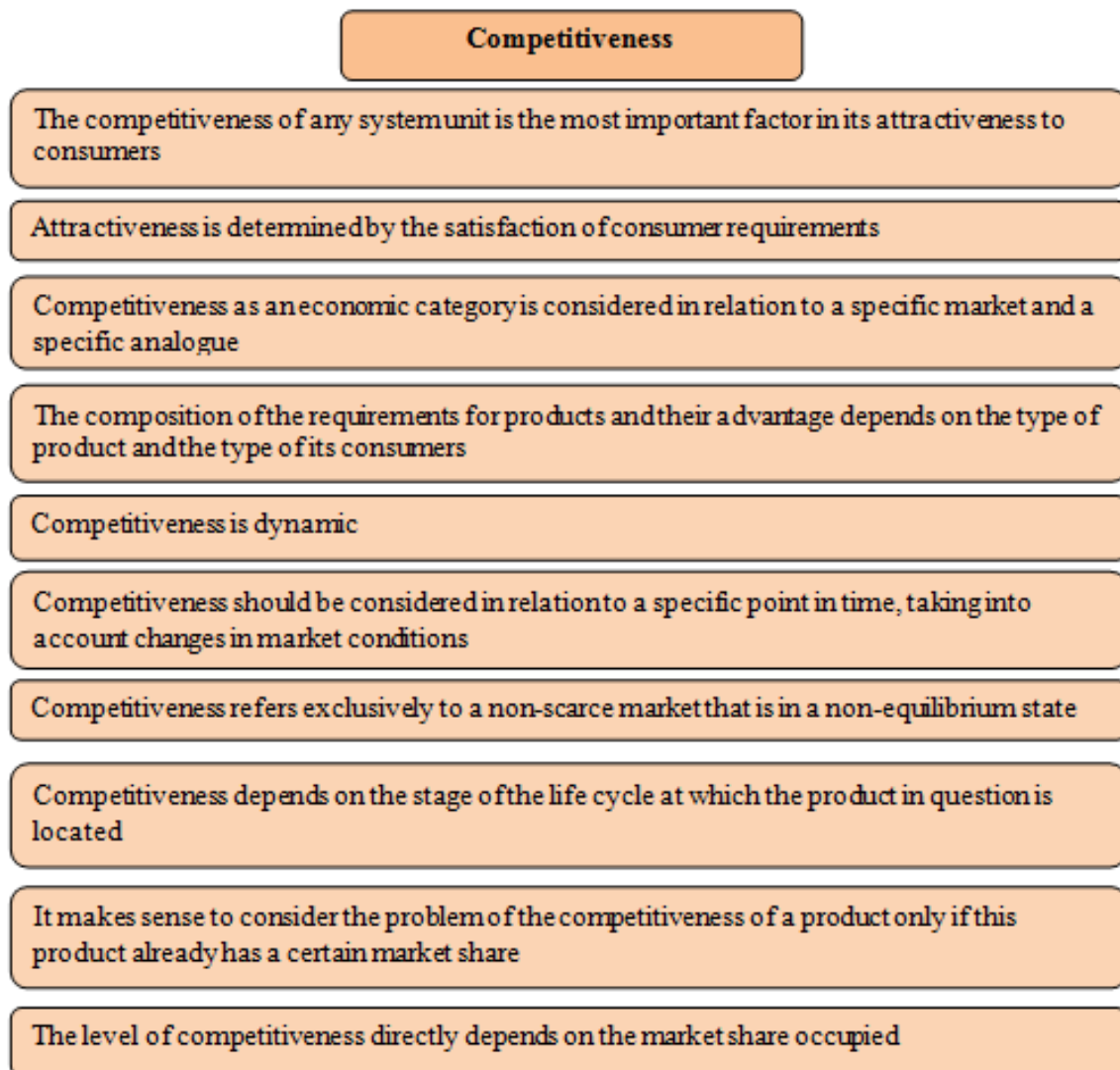


Figure 1 - Characteristics of competitiveness as an economic category.

Based on the foregoing, the American professor of economics Michael Eugene Porter defined competitiveness as a property of an object that has a certain market share, characterizing the degree of its compliance with technical, functional, economic, organizational and other characteristics. The market share belonging to a given object is determined by the level of consumer requirements that prevent the redistribution of this market in favor of other objects.

Thus, based on the above definitions and characteristics of competitiveness as an economic category, it is fair to say that:

1. Only products that have different indicators in a particular market that are not inferior to competitive ones can be considered fully competitive.
2. The basis for assessing competitiveness is a comprehensive market research that allows you to correctly determine the place of the enterprise under study in it.
3. The consumer always makes a choice in favor of the object that satisfies his needs to the greatest extent, taking into account the amount of material costs.
4. The market share of an object depends on its share in the previous period and the potential for competitiveness at the moment: a high level of potential can upset the equilibrium established in the market or change the course of transient processes of redistribution, and a low level of potential, in turn, cannot have the proper impact to market processes.

Thus, competitiveness is an important economic and market category, which reflects one of the most important market properties - the presence of competition. If the qualitative characteristics of a market unit remain unchanged, its competitiveness can change in a fairly wide range, reacting to various factors that are determined by the competitive market environment.

Conclusion.

The problem of competitiveness is complex and requires a comprehensive study. To correctly determine the essence of competitiveness, the possibility and justification of replacing the property of competitiveness with the properties of quality and efficiency, presenting competitiveness as an independent category, competitiveness should be assessed and analyzed at various levels:

- at the local level - a specific enterprise;
- at the industry level;
- at the regional level - in a specific subject of the federation;
- at the level of the national economy as a whole.

To justify the concept of competitiveness of an enterprise, the term competition should be considered. Competition is rivalry, competition of people, groups, organizations to achieve similar goals, better results in a particular area of society. In the process of any competition there is a clash of interests: political, economic, scientific, and so on.

An important role in the development of competition in the modern market environment is played by the level of development of the legislative framework in the field of relevant issues.

The Civil Code of the Republic of Uzbekistan also does not allow restriction of competition and guarantees its freedom, defines the basic concepts of subjects of market activity, regulates their activities in the framework of their financial activities.

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