

THE ROLE OF CORPORATE GOVERNANCE IN THE EFFECTIVE MANAGEMENT AND COMPETITIVENESS OF INSURANCE COMPANIES

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Annotation

Reforms in the development of corporate governance, mainly the introduction of modern corporate governance in the national corporate governance system, radically increase the efficiency of joint stock companies, attract foreign investment, ensure their transparency and attractiveness, create favorable conditions for strengthening the role of shareholders in strategic management. The main task is to radically change the principles and approaches in the system of corporate governance, to give it a real character, which is typical of a market economy.

Keywords: effective management, competitiveness, joint stock companies, national corporate governance, attractiveness, principles and approaches, project management, corporate, insurance market, owners, stakeholders, organizational and economic mechanism, set of norms, restrictions and standards, market economy, abuse, corporate strategy, board of directors, executive management, capital market, public sector, legislation and labor market, managers market.

Introduction

Reforms in the development of corporate governance in Uzbekistan, mainly the introduction of modern corporate governance in the national corporate governance system, radically increase the efficiency of joint stock companies, attract foreign investment, ensure their transparency and attractiveness, strengthen the role of shareholders in strategic management. Great work is being done to radically change the principles and principles of the corporate governance system, to give it a real character, which is typical of a market economy.

In particular, in 2014 a new version of the Law "On Joint Stock Companies and Protection of Shareholders' Rights" was adopted by the Decree of the President of the Republic of Uzbekistan dated April 24, 2015 No PF-4720 "On measures to introduce modern corporate governance in joint stock companies". The "Program of measures to radically improve the system of corporate governance" was approved and the tasks and measures set out in it were implemented, the Code of Corporate Governance Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated April 26, 2021 No. 236 "On approval of the Regulations on the procedure for issuing a certificate of corporate governance" and its recommendations introduced in the activities of joint stock companies.

The role of corporate governance in the effective management and competitiveness of insurance companies that are participants in the insurance market is invaluable. Here are the views of scholars on the term corporate governance.

According to one of the well-known scientists in the field of corporate governance D. Suyunov, the mechanism of corporate governance is a set of elements that drive the socio-economic, legal and organizational relations necessary to achieve the goals of corporate property. The corporate governance mechanism includes all laws, norms, regulations, measures and procedures aimed at resolving the problems arising from the direct control of property owners, ensuring the efficiency of the enterprise and protecting the interests of owners and other stakeholders (employees, creditors, partner companies) includes a system that determines the relationship between managers and owners (shareholders) of the enterprise on the issues.

Sh. Kurbaniyazov tried to describe the organizational and economic mechanism of corporate governance, in his opinion, this mechanism consists of complex elements and is aimed at increasing the effectiveness of management relations. However, in our opinion, this definition does not fully reflect the essence of the organizational and economic mechanism of corporate governance, because, firstly, it does not specify what elements the mechanism consists of, and secondly, it is not interpreted in terms of improving the efficiency of the economic mechanism. One of the Russian authors, I. Shitkina, interpreted corporate governance mechanisms as, in essence, means of establishing corporate control. Another Russian scholar, T. Pochekeylo, understands the mechanism of corporate governance from two perspectives: economic and legal. Economically, the mechanism of corporate governance is a set of principles, methods and forms of governance, through which the corporation's management uses economic laws to increase its investment attractiveness, capitalize its value, the effective use of share capital. Legally, the corporate governance mechanism is a set of norms, restrictions and standards that address the problem of achieving the goals of corporate governance, including the protection of the legitimate rights and interests of participants in corporate relations (primarily shareholders and management). predetermines the optimal solution.

The author T. Dolgopyatova studied the mechanisms of corporate governance in terms of the transition to a market economy. According to him, in a market economy, corporate governance mechanisms are aimed at ensuring the realization of property rights and the formation of certain structures of corporate control. In essence, the mechanisms work as a means of controlling the management of the enterprise by its owners in the transition to a market economy, as well as as a means of self-defense and counter-influence of leading managers. In practice, other influential forces (different levels of government, large labor collectives) are also involved in the process of corporate control. They pursue their personal interests by entering into alliances with shareholders and managers.

According to A. Bushev and A. Seryakov, the mechanism of corporate governance consists of certain elements, tools, procedures, etc. They provide the company with the opportunity to create and maintain a system of "balance of interests and mutual restraint" necessary for decision-making, which takes into account the interests of all stakeholders, abuses the creation and use of resources common to all. cases are not allowed.

Many literatures consider various complex mechanisms of corporate governance. In particular, the authors V. Burkov and others distinguish seven classes of corporate governance mechanisms: corporate order distribution mechanism, corporate finance distribution mechanism, corporate price formation mechanism, corporate taxation mechanism, corporate strategy formation mechanism, corporate insurance mechanism, corporate resource exchange

mechanism. However, in our view, the authors have studied corporate governance mechanisms from a management perspective.

In general, the theory of corporate governance distinguishes two types of elements of the corporate governance mechanism: internal and external. The external elements of the corporate governance mechanism are related to the influence of the external environment of the organization, while the internal elements are the result of management actions within the organization. The elements of the external and internal mechanism of corporate governance represent the influence of the external environment (external mechanisms of governance) and the internal practical mechanisms of governance in the corporation. Accordingly, in most literatures, the internal and external mechanisms of corporate governance have been the subject of separate research, with the authors including one type of elements in the external mechanism of corporate governance and other types of elements in the internal mechanisms.

Foreign scholars D. Denis and J. McConnell also describe the mechanisms of corporate governance internally and externally, the internal mechanisms of corporate governance work through the board of directors and the ownership structure, and its external mechanisms are related to the external market of corporate control, he emphasizes. Authors A. In their work, Nandelctad and M. Rosenberg show that the internal mechanisms of corporate governance consist of the general meeting of shareholders, board of directors, executive management, as well as external mechanisms of the capital market, public sector, legislation and labor market and determine their relationship to company efficiency. Many studies by Radygin and others have examined some practical issues related to financial markets as external mechanisms of corporate governance, corporate control market, board of directors as bankruptcy and internal mechanisms, dividend policy, and state participation in corporate governance.

According to A. Cuervo, the author outlines a number of corporate governance mechanisms that help solve corporate governance problems, including internal and corporate control markets, managers' markets, products and services markets, such as rewarding managers, boards of directors, and control by major shareholders. .

Corporate governance is the management of organizational and legal formalization of business, optimization of organizational structures, the organization of internal and external firm relations in the company in accordance with the adopted goals.

There is no single definition of corporate governance. According to the World Bank, corporate governance is a combination of legislation, standards and good practices of the private sector that enable the company to attract financial and human resources, operate effectively and, as a result, its shareholders in the interests of shareholders, other stakeholders and society. to maintain its existence by increasing its long-term economic value.

In the principles of corporate governance of the Organization for Economic Cooperation and Development, the concept of "corporate governance" is defined as a set of relations between the company's management, its management, shareholders and other stakeholders.

By other definitions, corporate governance is:

- System of interaction between managers and owners (shareholders) of the company on ensuring the efficiency of the company and protecting the interests of owners, as well as other stakeholders (company employees, creditors, partner companies);
- All laws, norms, regulations, measures and procedures aimed at solving problems arising

from the direct removal of control from the owners of corporate property;

- A set of organizational, legal and economic measures to combine the interests of key stakeholders in the organization of effective management of the company.

It is a conceptual model of theoretical and methodological significance of the organizational and economic mechanism of corporate governance, which includes the following elements:

1) Elements of the organizational mechanism of corporate governance:

- management structure (indicates which management entities (ie corporate governance bodies) are involved in corporate governance and how they interact and interact);
- Organizational measures and factors (indicates what organizational measures and factors should be implemented by each management entity in the effective organization of corporate governance and effective decision-making);

2) Elements of the economic mechanism of corporate governance:

- Economic methods (shows what economic methods can be used by management to ensure the effective operation of the corporation);
- Economic incentives (indicates what economic incentives can be used by management entities to influence the effective operation of the corporation);
- Forms of economic influence (indicates on the basis of what types of documents economic influence can be exercised by the subjects of management);
- Information support (indicates what information is required by management entities to use the methods, supports and forms of economic influence on the effective operation of the corporation);
- Criteria for assessing economic efficiency (indicates on what criteria the economic efficiency of the corporation can be assessed and determined).

3) organizational and economic goals of the corporate governance mechanism:

- Organizational goals (goals to be achieved in the organization and implementation of good corporate governance in the corporation);
- Economic goals (goals to be achieved in ensuring sustainable economic growth and efficient operation of the corporation).

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