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MECHANISMS FOR ASSESSING AND REDUCING RISKS IN THE COTTON AND TEXTILE INDUSTRY WAYS OF IMPROVEMENT

Saidakhmedov Nemat Khamidovich
Andijan State Technical Institute
Senior Lecturer of the Department of Economics
E-mail: nematjon19602408@gmail.com ,
Phone: +998979910403

ANNOTATION: This article explores mechanisms for assessing and mitigating internal and external risk factors arising in cotton textile enterprises in the context of modern globalization and economic integration. To ensure the sustainable operations of textile enterprises, the implementation of a modern "Servitization" business model and an incremental innovation strategy are analyzed. The object of this study is The activities of the enterprises OOO Sakhovat Teks and FAYZ-M were selected, a comparative assessment of their innovation level, consumer experience indices and the possibilities of applying the closed-loop economic system model was carried out, and corresponding scientific proposals were formulated.

Key words: cotton and textile industry, risk assessment, servitization, incremental innovation, circular economy, added value, economic efficiency.

INTRODUCTION

In the current conditions of globalization and integration, increasing competition at the international level leads to technical. Increases the influence of risk-related factors on the development of technological, innovative, investment, labor, and production activities. Leading companies in developed countries, in particular, are intensively conducting scientific research into the creation of economic mechanisms aimed at assessing and mitigating risks, improving and activating existing mechanisms.

In our country, accelerating risk assessment and mitigation mechanisms at textile industry enterprises, effectively utilizing existing textile enterprise strategies, mitigating and eliminating risks, and strengthening measures to combat them are among the most pressing issues. Ensuring insurance coverage for the economic interests of national exporters against commercial and business risks that impede the fulfillment of contractual obligations assumed by foreign partners abroad is yielding results within the framework of the "New Uzbekistan – Country of Competitive Products" program.

Risk factors influencing the activities of textile enterprises can be divided into two groups by economic nature:

External risk factors: Sociopolitical risks (employment, population welfare, immigration, and cultural attitudes), macroeconomic risks (inter-enterprise relations, competitiveness, economies of scale), and scientific and technological risks in innovation. Furthermore, damage to raw materials due to climate change and natural disasters, as well as exchange rate fluctuations, have a direct negative impact on the price index.

Internal risk factors: Covers all internal organizational and economic processes of the enterprise, from the provision of raw materials to the production and sale of products.

RESEARCH METHODOLOGY (METHODS)

The study used a systems approach, comparative analysis, index assessment, scoring scale method and economic and mathematical modeling. The modern **model of "Servitization"** was taken as a methodological basis for the systematization of risks in the textile industry.

Servitization is a concept of complex product production aimed at continuously satisfying consumer demand by expanding the scope of production and service.

The study focused on the laboratories and production performance of the textile enterprises **Sakhovat Teks LLC** and **Faiz-M LLC , both operating in the Andijan region.** The Net Promoter Score (NPS) , Initiative Score , and Customer Experience Score were used to assess the enterprises' risk levels and customer satisfaction . Using the incremental innovation implementation model, the minimum (6.87) and maximum limits of internal changes were analyzed.

RESULTS OF THE STUDY

The results of the analysis and assessment of two enterprises on a scoring scale based on models within the servitization framework showed the following:

Level of satisfaction of consumer needs of products The quality of products produced by **Sakhovat Teks LLC** was recognized as high. Using an index-based assessment system, the company demonstrated a high level of customer satisfaction with its products, and the role of promoters in this process was significant. The company's level of innovation is high, and product stability is based on added value. amounted to %.

AT FAYZ-M LLC, the products produced do not have a high satisfaction rate, but they do have a high attractiveness score. However, when analyzing the recommendation index, we observed a passive market acceptance of the product due to customers not being fully aware of its quality and benefits. The level of product innovation at this company.

This is 6% less **than** that of Sakhovat Teks LLC, and the sustainability of products based on added value was 19%.

Changes in performance indicators are predicted due to the introduction of an incremental innovation mechanism at enterprises (Table 1).

Table 1.

Indicators of risk reduction and economic efficiency as a result of the implementation of the mechanism of incremental innovation activity in enterprises

Name of the company	Innovation level (%)	Stability of added value (%)	Increase in labor productivity (times)	Net profit growth rate	Profitability ratio
LLC "Sakhovat tex"	High (basic)	27%	Systematic growth	Positive dynamics	Stable

LLC "FAYZ-M"	-6% (Less)	19%	Up to 3.1 via incremental model	Growth trend	Increasing

Among other things, in order to reduce the negative impact of the textile industry on the environment, within the framework of the Circular Economy model A project for producing nettle fabric was developed. According to this project, the annual drying, grinding, and packaging processes are significantly more cost-effective than traditional methods, yielding the following results:

Possibility of increasing labor productivity **up to 3.1** ;
Increase in environmental efficiency **by 3.7%** ;
Increase in economic efficiency **by 1.09%** ;
It is substantiated that the overall investment attractiveness of the project will reach **5.2%**.

DISCUSSION AND CONCLUSION

The study's results show that residual risks at textile plants exhibit a reverse linear impact pattern, which is linear within each cycle. This enhances the feasibility of using a mechanism for rapid risk assessment and control.

Assessing the intermediate limits of satisfaction levels in the customer service standard using a minimum **score of 6.87** allows for the minimization of internal and external risks, ultimately achieving an excellent performance score **of 72 percent.**

Sakhovat Teks LLC currently produces fabrics primarily in melange quality. However, to ensure its future viability and competitiveness in the international market, the company is advised to first establish carded and combed quality production , thereby establishing it as a fully incremental, innovative product by **changing at least 70% of its output.** FAYZ-M LLC is recommended to transition to a closed-loop system based on alternative raw materials (nettles, mushroom waste, tree bark, and leaves).

In conclusion, the introduction of servitization model mechanisms and incremental innovations in textile industry enterprises, the creation of value chains using digital technologies, and systematic risk monitoring are the main drivers that ensure enterprise resilience to global crises and economic sustainability.

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