

**WAYS TO IMPROVE THE ECONOMIC EFFICIENCY OF BUILDING MATERIALS
PRODUCTION ENTERPRISES**

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Annotation: Factors and problems of increasing the economic efficiency of construction materials production enterprises in the Jizzakh region were studied. The author substantiated his views and formed them as a result of construction work, housing construction related to population growth, and the construction of industrial and social infrastructure facilities. This, naturally, sharply increases domestic demand for construction materials and sets such pressing tasks for enterprises as expanding production capacities, increasing the range of products, and increasing economic efficiency. Therefore, it is advisable to continue the analysis by studying the dynamics of the commodity composition of construction materials produced in the Jizzakh region.

Keywords: economic efficiency, construction materials, technologies, working capital, production model, profitability, production efficiency.

The dynamics of the volume and structure of construction plastic products produced in the Jizzakh region at market prices were formed under different influences of both physical production volumes and changes in average market prices. Thus, in 2014, despite the growth in the volume of production of solid plastic pipes, shells, and hoses in natural terms by 60.7%, the average price for this product decreased by 2.1%. In 2023, the increase in production costs by 52.5% was mainly due to the increase in the average price of products - by 50.1%, while the physical volume of products increased by only 1.6%. In other years, the influence of changes in volumes and prices was also observed, but in a less pronounced form. For example, in 2019, production volume increased by 3.6 times, of which the growth of 2.4 times was attributed to the physical quantity of products, and the remaining part - to the increase in average prices (1.5 times). Overall, during the period under review, there was a steady growth trend in both natural production volumes and average prices for construction plastic products [1-3].

Changes in the natural volume of production and average prices for soft plastic pipes, shells, and hoses occurred in various directions. During the period 2013-2016, the volume of production in physical terms increased by an average of 8 times per year, while the growth of average prices was in the range of 5-10% per year. In 2017-2018, the growth rate of prices accelerated significantly - more than 2 times per year, while production volumes also increased by an average of 17.7% per year. In subsequent years, the price growth rate stabilized, averaging about 8% per year. At the same time, in 2020-2022, the growth of production volumes in natural terms accelerated again and increased by an average of 6 times annually. Despite a 5.2% decrease in production volume in physical terms in 2023, the total selling price increased by 14.6% due to an increase in average product prices by 20.9% [4-6].

The decrease in the volume of production of plates, sheets, films, foils, and tapes from plastics in recent years was due to both the reduction in their quantity in natural terms and the decrease in average prices. In particular, in 2022-2023, the volume of production of these products in physical terms decreased by an average of 5.9% per year, average prices decreased by 8.8%, and the total selling price decreased by 5.3%. The production of non-metallic mineral construction materials, not included in other categories and occupying second place in terms of specific weight in the structure of construction materials in the Jizzakh region, demonstrated stable growth, excluding the period of 2014-2015 and the pandemic period in 2020. Despite the fact that the share of asphalt mixtures for road surfacing in 2013-2017 was on average 93.4% in the structure of this group of products, their production volume decreased from 22.6 billion soums to 14.6 billion soums. From 2018 to 2023, the production of asphalt mixtures began to grow again at a high rate due to the expansion and diversification of the range of non-metallic mineral construction materials. However, their share decreased to 51.2% in 2018 and to 38.8% by 2023 [7-10].

The diversification of this group began in 2018, when the volume of stone and other mineral products not included in other categories increased sharply - 56 times compared to the previous year, reaching 34.2 billion soums. Their share in the total volume increased from 3.8% to 48.8% over the year. In subsequent years, the volume of production of this product gradually decreased and amounted to 32.6 billion soums in 2023, while the share decreased to 7.3%. This decline is explained by the further deepening of product diversification.

Thus, in 2021, the volume of production of asphalt products and similar materials increased sharply, the share of which amounted to 6.2%. In 2022, the production of slag wool, mineral-silicate wool, and similar mineral wool (including in the form of mixtures), as well as blocks, sheets, or rolls, increased significantly - the volume reached 126.1 billion soums, which amounted to 60.4% of the total production. In 2023, the volume increased to 185.0 billion soums, however, their share decreased to 41.4%, despite maintaining their leading position in the group. This decrease is attributed to the release of a new category of products worth 52.6 billion soums - cracked vermiculite, expanded clay, expanded slag, and other expanded mineral materials, including their mixtures, in 2023. Their share in the overall group structure was 11.8%.

During the analyzed period, in the Jizzakh region, in addition to the main building materials, stone, limestone, gypsum, chalk, shale, wooden building structures and carpentry products, paints, varnishes, and similar substances, fire-resistant and clay building materials, carved and finished stones, as well as building structures and products made of ferrous and non-ferrous metals, were also produced. However, their share in the total volume of construction products remains insignificant. The share of non-ferrous metal products, in particular, decreased during the period 2013-2023, while the remaining types of products continue to consistently contribute to the growth of the region's construction industry.

Against the backdrop of a sharp increase in production volumes, expansion of the product range, and increased market competition both within the region and abroad, ensuring economic efficiency through cost optimization and rational use of resources is becoming a priority task for construction industry enterprises in the Jizzakh region.

In this regard, it is important to identify the key factors influencing the effectiveness of producers' activities, as well as to highlight the main problems they face. Below is an analytical review based on preliminary generalized data on the main financial indicators of construction materials production enterprises in the Jizzakh region for 2016-2023 (see Table 1).

Table 1

Main financial indicators of construction materials industry enterprises of the Jizzakh region (in million soums)

Indicators/year	2016	2017	2018	2019.	2020	2021	2022	2023
Net revenue from product sales	114.5	144.9	378.8	618.6	991.6	1617.2	1831.5	2458.6
Cost of goods sold	95.3	93.3	259.0	461.8	602.2	939.1	1049.9	1488.7
Total expenses	122.9	184.5	414.9	606.7	989.1	1394.4	1418.4	2063.7
Gross profit from product sales	19.2	51.6	119.9	156.8	389.4	678.1	781.7	969.9

Based on the data in Table 1, it can be concluded that in the period from 2016 to 2023, all considered financial indicators of construction materials industry enterprises in the Jizzakh region demonstrated a stable growth trend. In particular, the volume of net revenue from the sale of products of enterprises in this industry increased from 114.5 million soums in 2016 to 2458.6 million soums in 2023. This means that the revenue grew by an average of 60.3% per year, or increased 21 times compared to the beginning of the analyzed period. This growth was driven by several factors, including the increase in construction work volumes, the growth of investments in industrial infrastructure, and changes in construction material prices.

The volume of the cost of goods sold decreased by 2.1% in 2017 alone and showed stable growth in subsequent years, reaching 1488.7 million soums by 2023. Overall, during the analyzed period, this indicator increased by an average of 56.2% per year, which is 16 times higher than the 2016 level. The growth rate of production costs in almost all years was lower than the growth rate of net sales revenue. An exception was only in 2023, when the increase in cost price was 41.8%, while net revenue increased by 34.2%.

Such a high growth rate of net revenue compared to cost indicates, first of all, that industry enterprises receive an effect from increasing the scale of production. In addition, this positive dynamic led to an increase in the volume of gross profit from the sale of products by 51 times compared to 2016 or an average of 84.8% per year. This trend indicates that during the specified period, construction materials production enterprises in the region were able to cover their total costs through revenue from product sales, which indicates an increase in the efficiency of using total resources.

In this equation, the level of gross profitability of total costs is expressed by the product of the profitability indicators of net sales revenue, the ratio of net sales revenue to the cost of goods sold (the degree of coverage of the cost of goods sold), and the share of the cost in total costs.

The dynamics of changes in the levels of resultant and factor indicators included in this constructed multiplicative model (1) is presented in Table 2 below.

Table 2

Dynamics of gross profitability of total costs of construction materials industry enterprises of the Jizzakh region and factors influencing it, %.

Indicators/year	2016	2017	2018	2019.	2020	2021	2022	2023
profitability of net revenue from product sales	16.8	35.6	31.6	25.3	39.3	41.9	42.7	39.4
Net revenue cost recovery level	120.2	155.3	146.3	134.0	164.7	172.2	174.5	165.1
share of cost in total costs	77.6	50.6	62.4	76.1	60.9	67.3	74.0	72.1
gross return on total costs	15.6	28.0	28.9	25.8	39.4	48.6	55.1	47.0

Under the influence of high rates of labor productivity growth in the Jizzakh region, a significant increase in the volume of construction materials production was also observed. The impact of this factor on production growth averaged 34.3% per year. At the same time, in 2015-2018, as well as in 2021 and 2023, the impact of labor productivity on the growth of production volume was significantly higher than the impact of the increase in the number of employed. The greatest positive impact on labor productivity was observed in 2021, when its contribution to the growth of production volume amounted to 103.1%. This indicates a sharp increase in labor productivity under conditions of technological renewal and process rationalization. At the same time, in 2020 and 2022, the impact of this indicator on production volume was negative - respectively -12.6% and -5.7%. This decline could have been due to temporary difficulties in adapting to new technologies, disruptions in the production chain, or external economic factors. Overall, these changes indicate the effective use of labor resources in the industry. Increasing labor productivity became possible due to the accelerated introduction of new technologies, modernization of equipment, and optimization of production processes, which, in turn, ensured an increase in production volumes without an equivalent increase in the number of personnel.

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