

THEORETICAL ASPECTS OF ENTERPRISE MANAGEMENT BASED ON A BUSINESS MODEL

A. E.Tangirov

professor of Samarkand institute of economics and service, candidate of economics

Abstract: The article deals with the issues of improving the efficiency of enterprise management in the conditions of fierce competition in the market without the formation of an effective business model, the essence of the concept of a business model, 2 different approaches to determining the essence of the concept of "business model", the concepts of a business model and strategy are theoretically studied and the application of business models.

Key words: business, model, enterprise, market, business model, business process, approach, strategy, competition, value, profit.

Introduction. Today, it is becoming increasingly difficult for most enterprises to maintain a competitive advantage. Enterprises around the world are looking for new levers that can be used to take a leading position in the market. High quality, a rationally structured system of business processes and other factors of maintaining competitiveness become a particularly important feature for participation in the global market. In such conditions, ensuring the effective operation of business entities is of particular importance, which is confirmed by an increase in the market value of the enterprise. The issues of increasing the efficiency of enterprises cannot be solved without forming their effective business model. Therefore, the topic under study is relevant.

Analysis of relevant literature: The studied literature provides examples of the theoretical and methodological foundations of the formation of an enterprise business model, which is the main platform for the formation of competencies for selecting, testing and competently using an effective business model in enterprises [1,2,3,4,5,6].

Research methodology. In the research process, economic analysis, comparative analysis and synthesis, induction and deduction, systematic analysis, scientific abstraction and other methods were widely used.

Analysis and results. The business model is one of the new concepts of modern entrepreneurship and strategic management. Interest in business models in scientific and research circles arose relatively recently, at the end of the last century. Despite some achievements in recent years, this area of research still contains many unresolved problems and problematic areas. The lack of a single point of view on understanding the essence of a business model, undeveloped conceptual and methodological approaches to the formation and analysis of business models significantly complicate the practical use of this concept in the activities of enterprises.

Based on the above, the main attention is paid to highlighting the relevant theoretical aspects of forming an effective business model of an enterprise, taking into account various approaches.

The market forces the enterprise to constantly search: compare its place in a highly competitive market, its uniqueness, its opportunities to achieve its goals. In other words, it is looking for its

own unique business model.

Business is an activity that brings income or other material benefit.

Model (from French *modele*, from Latin *modulus* - measure, analogue, sample) - a representation, copy, scheme, layout, image, some material or mental imagined object or phenomenon, replacing the original object or phenomenon with a simplified one, preserving only some of its important features.

A model can also be a successively repeated project with a set of certain parameters and characteristics inherent only to this model. This can even be implemented in a number of products (projects).

There are 2 different approaches to determining the essence of the concept of "business model".

- 1) an approach focused on the activities of the enterprise or its internal business processes.
- 2) an approach focused on the external environment of the enterprise (focused on value / customers);

The first approach is associated with considering the activities of the enterprise from the point of view of business processes and technologies (the focus is on the inside of the enterprise).

The second approach involves focusing on the value that the enterprise creates for external customers, as well as the results of operations.

The business model allows you to get answers to the following questions: what and how to do to achieve the desired result?

The main elements that determine the content of the business model of any enterprise are:

- value for external customers, which the company offers in the form of products and services;
- the system for creating this value, which includes suppliers and target customers, as well as value chains;
- the assets that the enterprise uses to create value;
- the financial model of the enterprise, which determines both the cost structure and the method of generating profit.

A business model is a way for an enterprise to choose a customer, shape and define its offering, allocate resources, determine which tasks it can perform itself and which tasks it can outsource, enter the market, create value for customers, and receive a profit in return.

When defining the essence of the term "business model", it should be noted that this term is often confused with the term "strategy", replacing one concept with another, or considering strategy as one of the components of a business model. The fact is that a business model is closely related to strategy, but is not essentially the same as strategy (table).

In our opinion, a business model based on an approach focused on the internal activities or internal business processes of an enterprise is a description of the enterprise as a complex system, a certain specification of all its objects (essence), processes, rules for performing operations, an existing development strategy, as well as criteria for assessing the effectiveness of the systems.

A business model based on an approach focused on the external environment of an enterprise is a method of conducting business that supports itself, that is, makes a profit. A business model explains how an enterprise earns money, specializing in a situation in the value chain.

The relationship between a business model and a strategy can be shown by the "value equation" proposed by M. Levy:

$$B=M \times S$$

Here, B-Value

M-Business Model

S-Strategy

This equation shows that an enterprise should choose the best business model to implement its strategy.

1-table

The difference between a business model and a strategy

Parameter	Business model	Strategy
Creating value and turning it into profit	Focuses on profit creation and describes how the company converts the value created into profit.	Takes a long-term view and focuses on creating a sustainable competitive advantage
Business value	It creates an architecture for the adoption of innovation that is economically significant for entrepreneurship, but it does not answer the question of how to turn business value into profit for owners and shareholders.	The focus is on increasing the future value of the business
Estimated level of knowledge about the business environment	Creation does not require deep knowledge of the business environment	The adequacy of strategy development depends on a more sophisticated analysis, which requires more complete information about the environment in which the enterprise must develop.

Business models can be developed:

- for a specific product or service (group of similar products or services);
- for an entire enterprise;
- for a group of enterprises or holdings.

Business models can be used in the following cases:

Solving problems such as improving the quality of products or services, entering foreign markets, etc., necessitates the enterprise to move to a new stage of development, in which case a business model is formed to improve the management process.

A business model answers the questions WHAT and HOW to do to achieve the desired result. It provides a unified picture of the mechanism of the enterprise's operation.

In addition, it is wrong to assume that a business model is only a set of documents describing the enterprise's business processes.

1. Assessment and analysis of the efficiency of the enterprise's work in relation to other similar enterprises.
2. Assessment of the future potential and investment attractiveness of the enterprise's business.
3. Optimization of the enterprise's business from the point of view of the strategy of maximizing the value that the enterprise creates for customers and other stakeholders in its business

The business model is formed on the basis of the enterprise's development goals, which together determine the composition of all the main components (cross-cutting business processes) of the business model, which together represent a certain methodological platform:

- business functions that describe WHAT the business does;
- business processes that describe HOW the enterprise performs its business tasks;
- organizational structure that determines WHERE business functions and business processes are performed;
- stages (phases) that determine WHEN (in what sequence) these or those business functions will be implemented;
- WHO determines the execution of business processes.
- rules that determine the interactions between WHAT, HOW, WHERE, WHEN and WHO.

Conclusions and recommendations. Based on the main components of a business model, the most accurate list of attributes that a business model should describe is distinguished:

- influence on the initiation of each stage of the business process;
- performers of each step (this can be both people and programs and mechanisms);
- influences regulating this step (legislation, market conditions, etc.);
- the result obtained as a result of a certain stage of the business process.
- The essence of the concept of “business model” is revealed by focusing on business processes/roles or value/customer.
- The main difference between a business model and a strategy is that an enterprise must determine the best business models to implement its strategy.
- Business models can be created for a specific product or service; for the enterprise as a whole; for a group of enterprises or a holding.

- A business model is formed on the basis of the goals of the enterprise development, which together determine the composition of all the main components of the business model (cross-cutting business processes), which together represent a certain methodological platform.

There are 2 approaches to defining the essence of the concept of “business model”.

In our opinion, a business model based on an approach focused on the internal activities of the enterprise or internal business processes is a description of the enterprise as a complex system, a certain specification of all its objects (essence), processes, rules for performing operations, an existing development strategy, as well as criteria for assessing the effectiveness of the systems.

A business model based on an approach focused on the external environment of the enterprise is a method of conducting business that supports itself, that is, makes a profit. A business model explains how the enterprise earns money, specializing in the situation in the value chain.

Solving problems such as improving the quality of products or services, entering foreign markets, etc., requires the enterprise to move to a new stage of development, in which case a business model is formed to improve the management process. A business model answers the questions of WHAT and HOW to do to achieve the desired result. It provides a single picture of the mechanism of the enterprise's operation.

References:

1. Antropova L. V. Training future managers in the conditions of the Russian business school to manage the economic behavior of an employee in a modern corporation // Bulletin of the Plekhanov Russian University of Economics. - 2018. - No. 4 (100). - P. 19-27.
2. Business models [Electronic resource]. [http: http://www.e-xecuti-ve/ru](http://www.e-xecuti-ve/ru)
3. Business model - the key to business development based on innovations [Text]. Soolyatté A. Yu. Innovation management 01 (09) 2010 pp. 6-15.
4. Business model and enterprise management map [Electronic resource]. Access mode: <http://www.orgo.ru/>
5. Tangirov Abdukholik Egamovich Challenge desert pasture livestock problems and their solution American Journal of Research www.journalofresearch.us 5-6 May-June 2022 info@journalofresearch.us
6. Tangirov Abdukholik Egamovich Factors to increase competitiveness of desert pasture livestock British View ISSN 2041-3963 Volume 7 Issue 1 2022 DOI 10.5281/zenodo.6777984 Universal impact factor 8.528 SJIF20224.629: Website: <http://britishview.co.uk>
7. Ugli, K. B. K. (2023). Analysis of Investment Activity of Insurers Operating in the Insurance Market. EUROPEAN JOURNAL OF BUSINESS STARTUPS AND OPEN SOCIETY, 3(5), 77-84.
8. UGLI, K. B. K. (2024). ANALYSIS OF INSURANCE ORGANIZATIONS BY INSURANCE CLASSES. Gospodarka i Innowacje., 46, 181-197.