

**MODERN APPROACHES TO ORGANIZING THE MANAGEMENT ACTIVITIES
OF CORPORATE ASSOCIATIONS**

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Abstract: Achieving peak efficiency in corporate associations, the rational use of modern technologies, and management mechanisms to obtain maximum profit in minimal time remain highly relevant today. This paper analyzes the shortcomings of traditional management systems and highlights the implementation of modern approaches such as Lean management and platform-based management. It also examines the role of digital tools in optimizing the activities of local corporations and proposes practical recommendations for improving their management models.

Key words: Corporate governance, corporate associations, management efficiency, modern approaches, digital transformation, economic efficiency, Agile, ptimization, Lean management, platform-based management, traditional management, local corporations.

Introduction. In the context of rapid global economic transformations and intensifying competition, achieving a high level of efficiency in the management of corporate associations has become a matter of fundamental importance. The effective utilization of modern equipment and advanced technologies, the optimization of available resources, and, most importantly, the implementation of management mechanisms aimed at achieving maximum output with minimal time expenditure remain among the most pressing challenges of contemporary corporate governance. As noted by Erik Brynjolfsson and Andrew McAfee in their work “The Second Machine Age,” the exponential growth of intelligent technologies necessitates a fundamental reconsideration of traditional management systems and organizational approaches. Under these



conditions, conventional hierarchical management models are increasingly unable to meet the flexibility and adaptability requirements associated with modern Agile management principles. Consequently, the need to explore and implement innovative and adaptive management approaches in corporate governance has significantly increased. Although the issues of corporate governance have been extensively examined by both international and domestic scholars, the integration of Lean management principles and platform-based management models into the operational practices of local corporations has not yet been sufficiently investigated in a comprehensive and systematic manner. This gap highlights the importance of further academic inquiry into modern managerial approaches within the context of national corporate structures.

In the Republic of Uzbekistan, the reform and modernization of the corporate governance system have been identified as one of the priority directions of state economic policy. In particular, the Development Strategy of New Uzbekistan for 2022–2026, approved by Presidential Decree No. PF-60, emphasizes the need to reduce the state's direct participation in the economy and to introduce modern standards of corporate governance that correspond to international best practices. A corporate association can be defined as a form of economic integration in which several independent legal entities—such as enterprises, organizations, and financial institutions—unite in order to achieve common economic objectives, strengthen their competitive position in the market, and consolidate their resources for more efficient operations. In the process of modernizing Uzbekistan's national economy, the effective organization and management of corporate associations—such as holdings, concerns, and business unions—have become one of the key priorities of state policy. In particular, significant efforts are being undertaken to transform enterprises with state participation while simultaneously fostering the development of corporate culture and governance standards within the private sector.

Literature Review. Issues related to corporate governance and the improvement of its efficiency have been studied by economists for many years.

The textbook “Corporate Governance” provides an analysis of the economic and legal mechanisms of corporate governance, ways to improve management efficiency, and international experience in this field. The book also discusses the application of modern management methods within the context of the national economy and serves as a theoretical foundation for improving the activities of corporate associations (Xodiyev, 2011).

Researchers from the Massachusetts Institute of Technology (MIT), James Womack and Daniel Jones, developed innovative management approaches, particularly the concept of Lean management. They are also the authors of the work “Lean Thinking: Banish Waste and Create Wealth in Your Corporation.” This work explains mechanisms for eliminating the waste of time and resources in corporate organizations and increasing management efficiency (Qosimov, 2021).

The book “The Second Machine Age” was written by Erik Brynjolfsson, a researcher at Stanford University, and Andrew McAfee, a researcher at the Massachusetts Institute of Technology (MIT). The authors recommend that corporations move away from traditional vertical management structures and transition toward platform-based models. According to them, in the digital era the only effective way to achieve higher profits in a shorter period of time is to maximize the automation of processes and make decisions based on data (Nazarov, 2020).

The classical theory of corporate governance primarily focuses on the relationship between shareholders and managers, and the effectiveness of this system is considered a fundamental basis for economic profitability (Xodjayev, 2020).

The textbook “Corporate Governance,” approved by the Ministry of Higher and Secondary Specialized Education of the Republic of Uzbekistan, provides a detailed explanation of the theoretical foundations of corporate governance, the mechanisms of its formation, the activities of governing bodies in joint-stock companies, the prevention of corporate conflicts, and the functions of management bodies (Elmirzaev, 2021).



Under the conditions of modernization of Uzbekistan's economy, the sustainable development of corporate structures largely depends on the application of innovative management methods and their ability to adapt to local market conditions (Mustafakulov, 2021).

As digital technologies are increasingly integrated into management activities, some traditional management functions are becoming automated, which in turn increases the demand for modern management models. This process requires qualitative transformations within the structure of corporate associations (Qodirov et al., 2023).

Research Methodology. This study, such methods as the systemic approach, comparative analysis, logical analysis, and economic–statistical analysis were employed. The theoretical foundation of the research is based on international corporate governance models and the scientific works of domestic economists. As a data source, open reports and statistical indicators of joint-stock companies of the Republic of Uzbekistan were selected.

Results and Discussion. Today, in the management of corporate associations—such as holdings and clusters—horizontal and network-based management models demonstrate higher efficiency compared to traditional vertical management structures. In such models, management functions are not concentrated solely at the central level; instead, authority and responsibilities are distributed among branches and divisions. As a result, the decision-making process becomes faster, internal bureaucratic barriers are reduced, and the ability to adapt to market changes increases. Analytical evidence indicates that corporations that have transitioned to decentralized decision-making systems experience an average reduction of operational costs by approximately 15–20%.

An analysis of the activities of corporate associations in the economy of Uzbekistan has revealed several key challenges:

High level of state participation in management: In many large joint-stock companies, strategic decisions are still made on the basis of administrative command methods.

Low level of digital transformation: The exchange of information among enterprises within corporate associations—particularly through integrated enterprise resource planning (ERP) systems—has not yet been fully established.

Within the framework of this study, the results of implementing an Agile approach to corporate governance were also examined. This approach enables various enterprises within a corporate association to respond more rapidly to market changes and improve the flexibility of managerial processes. Although Agile initially emerged in the field of information technology, it is now widely applied across different segments of corporate organizations. Considering specific statistical indicators within the scope of the research:

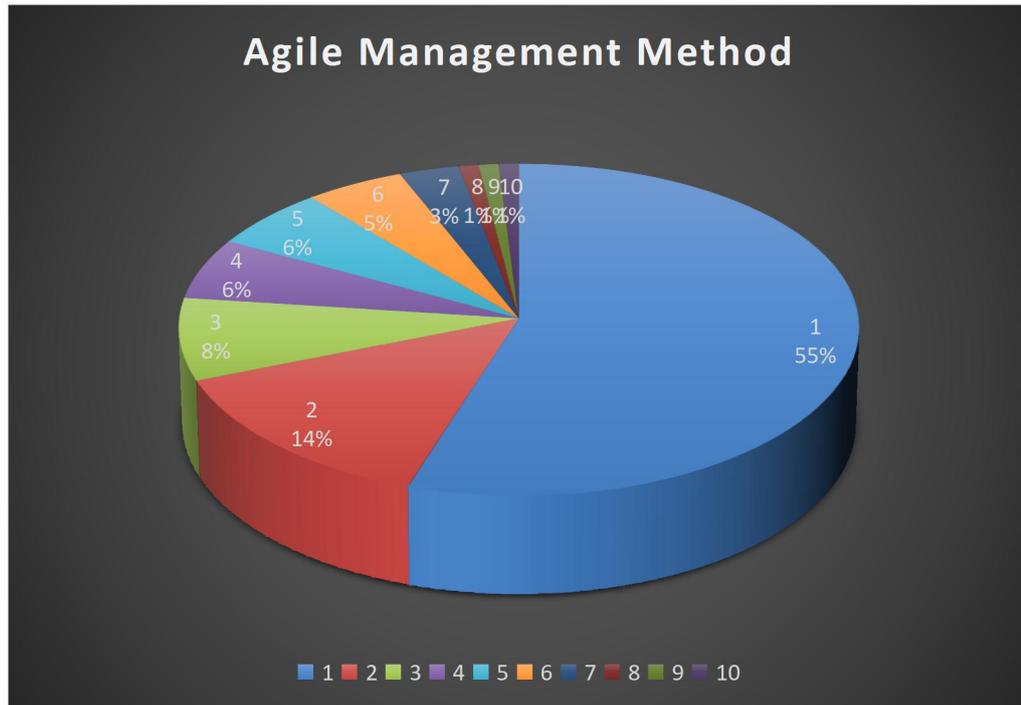
United States and Western Europe: Approximately 80–90% of IT and technology companies use Agile methodologies such as Scrum and Kanban.

Marketing and management: According to the State of Agile Marketing 2024 report, 86% of marketing teams plan to fully or partially transition to Agile systems.

Business value: In corporate associations that have adopted Agile models, the speed of decision-making has increased by 30–40%, while work efficiency has improved by approximately 20–25%. **Integration with artificial intelligence:** By 2025, about 39% of Agile teams have begun using artificial intelligence agents to optimize their operational processes.

The diagram presented in Figure 1 illustrates the distribution of major Agile methodologies and the proportion each method represents within the overall Agile framework.





1	Scrum	55%
2	Hybrid (multiple methodologies)	14%
3	ScrumBan	8%
4	Scrum/XP hybrid	6%
5	Other (please specify)	6%
6	Kanban	5%
7	Iterative Development	3%
8	Spotify model	1%
9	Lean Startup	1%
0	Extreme programming (XP)	1%

Figure 1. Key Components of Agile Management

Source: Compiled by the author based on data from the 10th Annual State of Agile Report (VersionOne).

- Scrum leadership (55%): More than half of the world’s corporations use the Scrum methodology. This method demonstrates high efficiency in management through short-term planning cycles (sprints) and the work of small, result-oriented teams.
- Hybrid approach (14%): Large corporate associations often do not rely on a single method. Instead, they prefer hybrid systems that combine several methodologies adapted to their organizational structure.
- Combined methods: The presence of ScrumBan (8%) and other hybrid forms indicates that in modern management, flexible toolsets that can adapt to specific situations are more important than rigid frameworks.
- Scrum/XP Hybrid (6%): This approach represents a combination of Scrum (as the management framework) and Extreme Programming (XP), which focuses on technical quality and development practices.
- Other (6%): This category includes specialized or less commonly used Agile methodologies.
- Kanban (5%): This method is mainly applied in corporate support, marketing, or operational service departments.



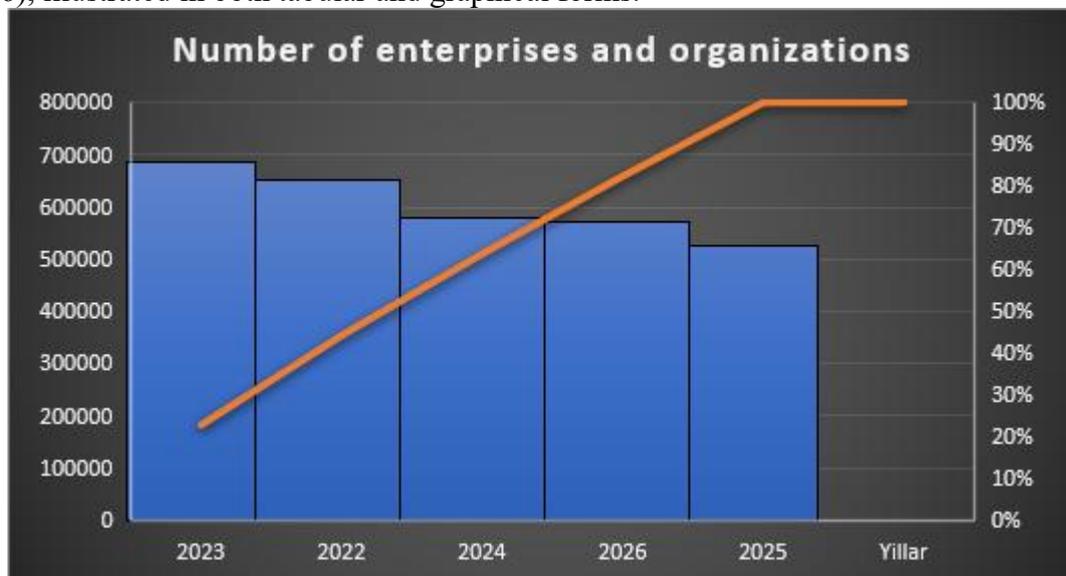
- Iterative Development (3%): In this approach, products are developed gradually in small increments rather than being completed all at once. With each cycle (iteration), the product becomes more refined and improved. It is often used in corporate support, marketing, and operational service divisions.

- Spotify Model (1%): This model increases organizational autonomy by dividing the company into Squads, Tribes, Chapters, and Guilds.

- Lean Startup (1%): This approach focuses on testing the viability of a product with minimal costs through the concept of a Minimum Viable Product (MVP). It is based on the “Build–Measure–Learn” cycle.

- Extreme Programming – XP (1%): This method emphasizes frequent releases, continuous code review, and minimizing errors through rigorous technical practices.

In recent years, the economic reforms implemented in the Republic of Uzbekistan and the processes aimed at transforming the corporate sector have been reflected in the number and structural dynamics of enterprises and organizations. Figure 2 presents statistical data on the number of enterprises and organizations operating in Uzbekistan over a five-year period (2022–2026), illustrated in both tabular and graphical forms.



As of February 1

Years	Number of enterprises and organizations	including:		
		Business Entities	including:	Farmer' and Peasant farms
			Small Business Entities	
2022	652 040	470 163	467 096	118 613
2023	687 166	507 443	503 804	115 145
2024	580 173	418 710	415 002	97 055
2025	525 036	367 340	363 628	93 542
2026	572 666	415 184	411 074	90 313

Figure 2. Number of Enterprises and Organizations Operating in the Territory of Uzbekistan

Source: State Committee of the Republic of Uzbekistan on Statistics, Annual Statistical Collection, as of February 1, 2026.

As of February 1, 2026, the total number of enterprises and organizations operating in the Republic of Uzbekistan amounted to 572.7 thousand. An analysis of the five-year period (2022–2026) indicates a distinctive fluctuating trend in the number of enterprises:



Maximum value: In 2023, the number of operating entities reached its highest point, totaling 687.2 thousand.

Growth rate: By 2026, the growth rate reached 109.1%, demonstrating a positive dynamic (recovery) following a decline in 2024–2025. This trend can be interpreted as a result of the effectiveness of modern strategies aimed at ensuring stability in corporate governance.

Analytical data also show that approximately 71.8% of all enterprises in the Republic (411.1 thousand) are represented by small businesses and microfirms. This figure highlights the necessity of implementing flexible management (Agile management) and network-based collaboration approaches in corporate governance.

According to the table data, there is a declining trend in the number of farmers' and dehqan farms, decreasing from 118.6 thousand in 2022 to 90.3 thousand in 2026. This indicates the integration of dispersed agricultural entities into larger corporate associations, such as clusters and cooperatives. Figure 3 presents a diagram illustrating the level of digitalization and the increase in management efficiency in the Republic of Uzbekistan during 2024–2025.

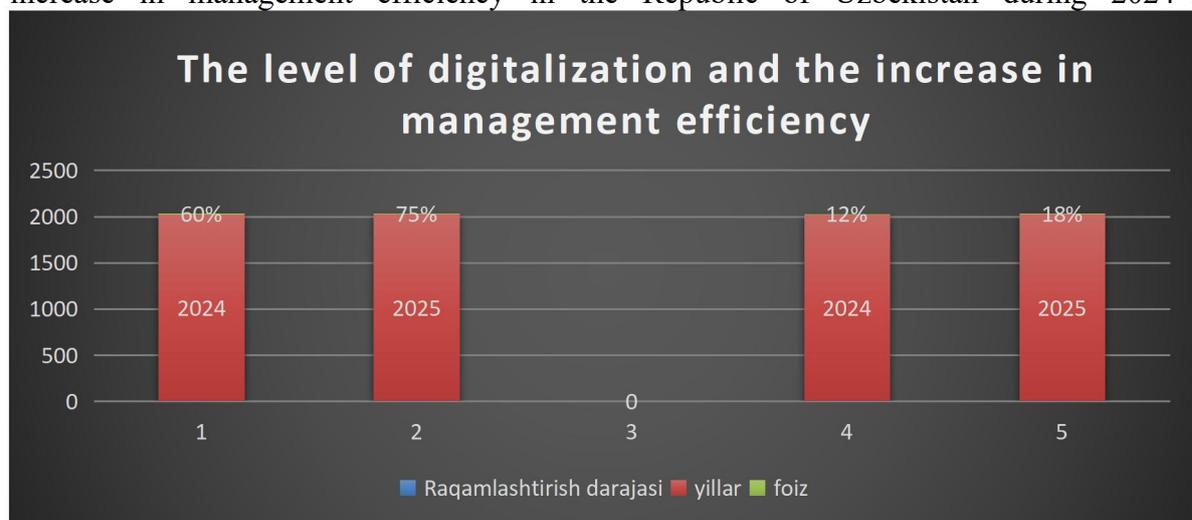


Figure 3. Level of Digitalization and Improvement in Management Efficiency

Source: Diagram compiled by the author based on analytical data from 2024–2025. The left side of the diagram illustrates the level of digitalization in corporate associations for 2024 and 2025. In 2024, the digitalization rate was 60%, increasing to 75% in 2025. This growth can be attributed to the widespread implementation of ERP systems, electronic document management, and remote management platforms within corporate structures.

The right side of the diagram shows the growth rate of management efficiency. In 2024, efficiency increased by 12%, reaching 18% in 2025. Thus, within one year, the efficiency growth rate improved by 6 percentage points.

The analysis indicates that as the level of digitalization rises, management efficiency correspondingly improves. From 2024 to 2025, digitalization increased by 15 percentage points, resulting in a 6 percentage point increase in management efficiency. This trend confirms that modern management approaches—particularly Agile methodology and digital transformation—have a direct positive impact on the performance of corporate associations.

Conclusion and Recommendations

In conclusion, the extensive implementation of digital technologies plays a strategically important role in organizing corporate governance activities. As the level of digitalization increases, the speed, transparency, and economic efficiency of management systems also improve.

Research indicates that in modern corporations, approximately 56% of management processes correspond to the Scrum methodology. This confirms that, within corporate



associations, a result-oriented horizontal teamwork approach is more effective than traditional vertical management, particularly among subsidiaries and larger enterprises.

Transitioning to qualitative growth—that is, not merely increasing the number of enterprises but enhancing their survival rate through digital governance—and managing the consolidation of farmers and small entities should not be viewed negatively. Instead, this process represents their transformation into more efficient and larger corporate structures, thereby increasing the potential for positive outcomes.

Sustainable development in corporate associations can only be ensured when modern management approaches—such as Agile methodology, digitalization, KPI systems, HR analytics, and risk management—are implemented in an integrated manner. Therefore, the modernization of governance systems should be carried out systematically and in phased stages, rather than in a fragmented or ad hoc manner.

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