

THEORETICAL AND PRACTICAL ASPECTS OF MANAGING ORGANIZATIONAL COSTS IN THE ECONOMIC SECURITY SYSTEM

B.F. Azimov,

Associate Professor,

Asia International University

Hamidov Abduhamid

1st year master's student,

Asia International University

Annotation: This scientific article is devoted to the theoretical and practical aspects of managing organizational costs in the economic security system. The article analyzes the concept of costs, their classification, management principles and methods, the essence of economic security and its role in cost management. Historical trends, current state and future prospects of cost management, as well as foreign experience are studied, and recommendations are given for improving the cost management system in the conditions of Uzbekistan.

Key words: Costs, cost management, economic security, budgeting, activity-based costing method, target costs, cost reduction.

Introduction

In the context of global economic integration, the stability and competitiveness of organizations depend on their effective management. Cost management is an important element of ensuring economic security, helping to ensure the financial stability of enterprises, reduce risks and rational use of resources. This article is aimed at analyzing the theoretical and practical aspects of managing organizational costs in the economic security system. The article considers the concept of costs, their classification, principles and methods of management, as well as the essence of economic security and its role in cost management. The article analyzes historical trends, current situation and future prospects, and also studies foreign experience and gives recommendations for improving the cost management system in the conditions of Uzbekistan.

Concept and classification of costs

The theoretical foundations of cost management, practical aspects, historical trends, current situation, future trends, foreign experience and ways to improve cost management in the conditions of Uzbekistan are analyzed.

Costs are the monetary expression of resources spent on the production of goods, services or activities. In the economic literature, costs are interpreted as a broad concept. For example, Kaplan and Atkinson (1998) define costs as the abandonment of resources, which includes all types of resources spent to achieve a specific goal. Proper classification of costs helps an organization to manage them effectively, develop cost reduction strategies, and increase profitability. Costs can be classified according to various criteria, such as production dependence, volume, and time dependence. Examples of cost classifications:

- Direct costs: materials, labor payments
- Flexible costs: increase with increasing production volume (electricity)
- Fixed costs: do not depend on the volume of production (rent)
- Costs that affect decision-making:
 - o Sunken costs (sunk costs that do not affect the decision made)

o Relevant costs (that affect decision-making)

Basic principles and methods of cost management

Cost management is the process of planning, accounting, analyzing, controlling, and reducing costs. The basic principles of cost management include planning, accounting, analyzing, controlling, and reducing. Following these principles helps organizations achieve their goals. There are various cost management methods, such as standard costing, target costing, activity-based costing (ABC), and budgeting. These methods help organizations manage costs effectively. Cost management methods include:

- Standard costing: comparing costs with predetermined standards
- Target costing: determining target costs based on product cost and profit
- Activity-based costing (ABC): analyzing activities and assigning costs to them
- Budgeting: planning costs and revenues
- Cost analysis: studying the composition and structure of costs
- Cost reduction: optimizing costs to improve efficiency

The concept of economic security and its role in the management of organizational costs

Economic security is a set of measures aimed at ensuring the financial independence, stability and competitiveness of an organization. Economic security covers all areas of the organization's activities, including cost management. The main threats to economic security can be financial, market, operational, political and legal risks. Cost management is an important tool for ensuring economic security. Effective cost management helps an organization increase financial stability, reduce risks, rationally use resources, increase competitiveness and increase profits. Ensuring economic security includes the following aspects:

- Financial stability: maintaining solvency, managing the debt burden
- Risk management: identifying and mitigating financial, market, operational and political risks
- Efficient use of resources: rational use of raw materials, energy and labor resources
- Increasing competitiveness: reducing prices, improving product quality

Historical trends in cost management

Historical trends in the field of cost management have gone through several stages. Initially, cost management was mainly based on simple calculations. With the industrial revolution, as production volumes increased, the standard cost method and budgeting began to be widely used. In the second half of the 20th century, with increased competition and the development of technology, more in-depth approaches to cost management emerged. The activity-based costing method (ABC) and the target costing method were widely used. Globalization and digitalization have created new opportunities for cost management. Historical development stages of cost management:

- Simple calculations: early methods of calculating and controlling costs
- Standard costing and budgeting: became widely used with increasing production volumes
- ABC and target costing: became widely used with increasing competition and technological development
- Digitalization and globalization: created new opportunities

Current status and challenges of cost management

Currently, organizations are paying great attention to cost management. Increased competition, limited resources, and economic uncertainty are increasing the need for effective cost management. However, there are still problems in cost management: lack of information,

complexity of cost management systems, lack of staff skills, and ineffective use of technology. These problems reduce the effectiveness of cost management in organizations. Current Cost Management Challenges:

- Information Gap: Lack of accurate data
- System Complexity: Complexity of cost management systems
- Staff Skill Gap: Lack of skilled staff
- Inefficient Use of Technology: Not fully utilizing modern technologies

Future Cost Management Trends

The following trends are expected to be observed in the future in the field of cost management: digitalization and automation, real-time data, strategic importance of cost management, transition to a green economy, and integration of risk management. These trends will help organizations make their cost management systems more effective. Future trends:

- Digitalization and automation: automating cost management processes
- Real-time data: capturing and analyzing data quickly
- Strategic relevance: aligning cost management with strategic objectives
- Green economy: leveraging green technologies
- Risk management integration: linking cost management with risk management

Experience of foreign countries

There are various experiences in cost management in foreign countries. For example, in the USA, the activity-based costing method (ABC) is widely used. In Japan, the target costing method and the principles of continuous improvement (Kaizen) are popular. In Europe, cost management systems based on the principles of sustainable development are expanding. Foreign experience can be useful for Uzbekistan in such aspects as studying and applying modern cost management methods, studying advanced cost management practices in ensuring economic security, improving staff skills and training cost management specialists. Examples of foreign practice:

- USA: Activity-based costing (ABC)
- Japan: Target costing and Kaizen
- Europe: Principles of sustainable development

Ways to improve cost management in the conditions of Uzbekistan

To improve the cost management system in the conditions of Uzbekistan, measures such as improving the legislative framework for cost management, introducing modern cost management methods, expanding the use of digital technologies, training and advanced training of employees, developing measures aimed at ensuring economic security, and providing state support are recommended. These measures will help organizations improve the efficiency of cost management. Proposals for improving cost management in Uzbekistan:

- Improving legislation: developing laws regulating cost management
- Introducing modern methods: ABC, target costing method
- Using digital technologies: introducing software and other technologies
- Training employees: organizing training programs on cost management
- State support: developing programs for the development of cost management

Conclusions

This article analyzes the theoretical and practical aspects of managing an organization's costs in the economic security system. The theoretical foundations, practical aspects, historical trends, current state and future prospects of cost management are considered. Foreign experience is

studied and recommendations are made for improving the cost management system in the conditions of Uzbekistan. It is noted that effective cost management is an important element of ensuring the economic security of an organization. The results of this study will help organizations improve their cost management system and increase economic security.

References

- Kaplan, R. S., & Atkinson, A. A. (1998). Advanced management accounting (3rd ed.). Prentice Hall.
- Horngren, C. T., Sundem, G. L., Stratton, W. O., Burgstahler, D., & Schatzberg, J. (2015). Introduction to management accounting (16th ed.). Pearson Education.
- Drury, C. (2018). Management and cost accounting (10th ed.). Cengage Learning.
- Garrison, R. H., Noreen, E. W., Brewer, P. C. (2018). Managerial accounting (16th ed.). McGraw-Hill Education.
- 1. Алимова, Ш. А. (2025). ВЛИЯНИЕ МЕЖДУНАРОДНЫХ САНКЦИЙ НА ЭКОНОМИКУ УЗБЕКИСТАНА В 2023-2024 ГОДАХ: АНАЛИЗ И ПРОГНОЗЫ. *MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS*, 1(6), 97-103.
- 2. Алимова, Ш. А., & Тошов, М. Х. (2025). ЭКОНОМИЧЕСКОЕ ЗНАЧЕНИЕ РАЗВИТИЯ ТУРИЗМА В УЗБЕКИСТАНА: АНАЛИЗ СОВРЕМЕННОГО СОСТОЯНИЯ И ПЕРСПЕКТИВ. *STUDYING THE PROGRESS OF SCIENCE AND ITS SHORTCOMINGS*, 1(4), 137-144.
- 3. Алимова, Ш. А., & Тошов, М. Х. (2025). ЦИФРОВИЗАЦИЯ КАК ФАКТОР РАЗВИТИЯ ТУРИЗМА В УЗБЕКИСТАНА. *MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS*, 1(4), 259-266.
- 4. Алимова, Ш. А., & Тошов, М. Х. (2025). РОЛЬ ТРАНСПОРТНОЙ ИНФРАСТРУКТУРЫ В РАЗВИТИИ ТУРИЗМА В УЗБЕКИСТАНА. *MODERN EDUCATIONAL SYSTEM AND INNOVATIVE TEACHING SOLUTIONS*, 1(5), 180-186.
- 5. Bahodirovich, X. B., & Mahmudovna, Q. G. (2025). TIJORAT BANKLARINING MOLIYAVIY XIZMATLARI. *STUDYING THE PROGRESS OF SCIENCE AND ITS SHORTCOMINGS*, 1(4), 223-230.
- 6. Azimov, B. F., & Qudratova, G. M. (2025). INNOVATSIYALARNI QO 'LLAB-QUVVATLASHNING TASHKILIY TUZILMALARI: INFRATUZILMAVIY TASHKILOTLAR. *ANALYSIS OF MODERN SCIENCE AND INNOVATION*, 1(5), 25-34.
- 7. Azimov, B. F., Maksudovich, A. Z., & Qudratova, G. M. (2025). INNOVATIVE ACTIVITY AS A FACTOR IN ECONOMIC DEVELOPMENT. *Ethiopian International Journal of Multidisciplinary Research*, 12(01), 453-459.
- 8. To'rayevna, O. M., & To'rayevna, S. N. (2025). KORXONALARNI STRATEGIK RIVOJLANISHIDA XODIMLAR VA MEHNAT MOTIVATSIYASI TIZIMI. *MODERN*

EDUCATIONAL SYSTEM AND INNOVATIVE TEACHING SOLUTIONS, 1(7), 6-14.

9. Bobojonova, M. J., & Sodiqova, N. T. (2025). YASHIL IQTISODIYOTGA O 'TISH VA BARQAROR TEXNOLOGIK O 'ZGARISHLAR. *ANALYSIS OF MODERN SCIENCE AND INNOVATION, 1(5), 183-194.*

10. Bahodirovich, X. B., & To'rayevna, S. N. (2025). COMPANIES' FINANCIAL STATEMENT: CONCEPTS AND PRINCIPLES. *THEORY OF SCIENTIFIC RESEARCHES OF WHOLE WORLD, 1(3), 281-289.*

11. Bahodirovich, K. B., & To'rayevna, S. N. (2025). PORTFOLIO RISK MANAGEMENT. *MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS, 1(4), 380-387.*

12. Bahodirovich, X. B. (2025). MOLIYAVIY NAZORAT TURLARI, SHAKLLARI VA METODLARI. *THEORY OF SCIENTIFIC RESEARCHES OF WHOLE WORLD, 1(4), 68-78.*

13. Bahodirovich, X. B. (2025). BYUDJETDAN TASHQARI FONDLAR-UMUMDAVLAT MOLIYASINING BO 'G 'INI SIFATIDA. *MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS, 1(5), 97-105.*

14. Hakimovich, T. M. (2025). HUDUDLARNI STRATEGIK REJALASHTIRISH VA BOSHQARISHNING ASOSIY BOSQICHLARI. *ANALYSIS OF MODERN SCIENCE AND INNOVATION, 1(4), 225-232.*

15. Hakimovich, T. M. (2025). HUDUDLAR IQTISODIYOTINI RIVOJLANTIRISH STRATEGIYASINI SHAKLLANTIRISHNING AHAMIYATI. *THEORY OF SCIENTIFIC RESEARCHES OF WHOLE WORLD, 1(3), 157-166.*

16. EI, I. JAHON SAVDO KO 'RSATKICHLARI ISTIQBOLI VA BUNDA O 'ZBEKISTON EKSPORTCHI KORXONALARI UCHUN IMKONIYATLAR.

17. EI, I. (2025). THEORETICAL AND CONCEPTUAL FOUNDATIONS OF TAX BURDEN OPTIMIZATION. *Ethiopian International Journal of Multidisciplinary Research, 12(01), 355-358.*

18. Ibodulloyevich, I. E. (2025). DEVELOPMENT DIRECTIONS OF INNOVATIVE ENTREPRENEURSHIP IN UZBEKISTAN. *SHOKH LIBRARY.*

19. Raxmonqulova, N. O. (2025). DEVELOPMENT OF THE DIGITAL ECONOMY ON A GLOBAL SCALE AND THE EXPERIENCE OF COUNTRIES. *SHOKH LIBRARY.*

20. Raxmonqulova, N. O. (2025). TASHKILOTNING XALQARO BOZORDA MUVAFFAQIYATLI FAOLIYAT YURITISH USULLARI. *The latest pedagogical and psychological innovations in education, 2(1), 8-14.*

21. Azimov, B. F. (2025). INNOVATSIYALARNI QO 'LLAB-QUVVATLASH XIZMATLARI: ISPANIYA, POLSHA VA BOLGARIYA TAJRIBALARI. *THEORY OF SCIENTIFIC RESEARCHES OF WHOLE WORLD*, 1(4), 12-23.
22. Azimov, B. F. (2025). THE IMPORTANCE OF INNOVATION SUPPORT AND DEVELOPMENT OF INDUSTRIAL PARKS, ITS EVOLUTION. *International journal of advanced research in education, technology and management*, 4(1), 333-347.
23. Azimov, B. F. (2025). INNOVATSIYALARNI QO 'LLAB-QUVVATLASH VA RIVOJLANTIRISHDA TEXNOPARKLARNING EVOLYUTSIYASI. *ANALYSIS OF MODERN SCIENCE AND INNOVATION*, 1(5), 45-54.
24. Shadiyev, A. X. (2025). METHODS OF TEACHING THE "ECONOMIC THEORY". *SHOKH LIBRARY*.
25. Shadiyev, A. X. (2025). DEVELOPMENT OF THE CURRICULUM FOR ECONOMIC DISCIPLINES IN PRIVATE UNIVERSITIES. *FARS International Journal of Education, Social Science & Humanities.*, 13(1), 389-396.
26. Akbarovna, N. N. (2025). PROBLEMS OF INCREASING INVESTMENT ACTIVITY IN THE CONTEXT OF GLOBALIZATION. *SHOKH LIBRARY*.
27. Akbarovna, N. N. (2025). BYUDJET TIZIMINI ISLOH QILISHNING ASOSIY YO 'NALISHLARI. *MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS*, 1(5), 80-86.
28. Akbarovna, N. N. (2025). MENEJER FAOLIYATINING FUNKSIONAL VAZIFALARI VA UNING MADANIYATINING AHAMIYATI. *MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS*, 1(4), 354-362.
29. Bazarova, M. (2023). EFFECTIVENESS OF USING PR-ADVERTISING SERVICES IN THE PROCESS OF PRODUCT DELIVERY ON THE EXAMPLE OF BUKHARA REGION. *Modern Science and Research*, 2(12), 506-512.
30. Supiyevna, B. M. (2025). INSON SALOHIYATINI MEHNAT POTENSIALI RIVOJLANTIRISHNING MOHIYATI. *ANALYSIS OF MODERN SCIENCE AND INNOVATION*, 1(6), 197-204.
31. Supiyevna, B. M. (2025). O'ZBEKISTON RESPUBLIKASIDA KICHIK BIZNES VA XUSUSIY TADBIRKORLIK RIVOJLANTIRISH TENDENSIYALARI. *MODERN EDUCATIONAL SYSTEM AND INNOVATIVE TEACHING SOLUTIONS*, 1(7), 315-322.
32. Supiyevna, B. M. (2025). O 'ZBEKISTON IQTISODIYOTINI BARQAROR O 'SISHINI TA'MINLOVCHI OMILLAR. *THEORY OF SCIENTIFIC RESEARCHES OF*

WHOLE WORLD, 1(5), 142-151.

33. Bostonovna, D. Z. (2023). CONCEPTUAL BASIS OF IMPROVEMENT OF BANK AUDIT IN COMMERCIAL BANKS. *IMRAS*, 6(6), 118-124.

34. Bustonovna, J. Z. (2024). IQTISODIYOTNI TARTIBGA SOLISHDA DAVLATNING ROLI.

35. Bustonovna, J. Z. (2024). IQTISODIYOTNI MODERNIZATSIYALASH SHAROITIDA MEHNATNI SAMARALI TASHKIL QILISHNING ASOSIY YO'LLARI.

36. Jumayeva, Z. (2024). IMPORTANCE OF INDUSTRIAL NETWORKS IN THE SUSTAINABLE GROWTH OF THE ECONOMY OF UZBEKISTAN. *Modern Science and Research*, 3(2), 257-262.

37. Bobojonova, M. J., & Toshev, M. H. (2025). INKLYUZIV YASHIL IQTISODIYOT VA UNING HOZIRGI KUNDAGI HOLATI TAHLILI. *MODERN EDUCATIONAL SYSTEM AND INNOVATIVE TEACHING SOLUTIONS*, 1(6), 197-205.

38. Bobojonova, M. J., & Toshev, M. H. (2025). YASHIL TRANSFORMATSIYA: BARQARORLIKNING YANGI DAVRI. *STUDYING THE PROGRESS OF SCIENCE AND ITS SHORTCOMINGS*, 1(5), 102-110.

39. Bobojonova, M. J., & Toshev, M. H. (2025). YASHIL IQTISODIYOTDA BIOXILMAXILLIK VA BIOXILMA XILLIKNING AFZALLIK TOMONLARI. *MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS*, 1(5), 170-178.

40. Jumayeva, Z. Q., & Gulyamova, N. G. (2025). O 'ZBEKISTONDA MINTAQANI KOMPLEKS RIVOJLANTIRISHNI DAVLAT TOMONIDAN TARTIBGA SOLISH. *THEORY OF SCIENTIFIC RESEARCHES OF WHOLE WORLD*, 1(5), 152-159.

41. Жумаева, З. К., & Ахмедова, Ф. Р. (2025). РОЛЬ ТОРГОВОЙ ПОЛИТИКИ В ОБЕСПЕЧЕНИИ КОНКУРЕНТОСПОСОБНОСТИ НАЦИОНАЛЬНОЙ ЭКОНОМИКИ: СОВРЕМЕННЫЕ ПОДХОДЫ. *MODERN EDUCATIONAL SYSTEM AND INNOVATIVE TEACHING SOLUTIONS*, 1(7), 323-330.

42. Jumayeva, Z. Q., & Matkarimov, G. (2025). MINTAQADA FAOL INVESTITSIYA SIYOSATINI IQTISODIYOT TARMOQLARINI O 'SISHIGA TA'SIRI. *ANALYSIS OF MODERN SCIENCE AND INNOVATION*, 1(6), 205-212.

43. Жумаева, З. К. (2024). Мобильный Маркетинг Как Эффективное Средство Стимулирования Сбыта Товаров И Услуг. *Miasto Przyszłości*, 54, 697-702.

44. To'rayevich, I. A., & AD, S. (2025). MILLIY IQTISODIYOTGA XORIJIY INVESTITSIYANI JALB QILISH. *MODERN PROBLEMS IN EDUCATION AND THEIR*

SCIENTIFIC SOLUTIONS, 1(5), 29-38.

45. To'rayevich, I. A., & AD, S. (2025). INVESTITSİYALARNI JALB QILISH VA BOSHQARISHNING XORIJ TAJRIBASI. *STUDYING THE PROGRESS OF SCIENCE AND ITS SHORTCOMINGS*, 1(5), 12-22.

46. To'rayevich, I. A., & AD, S. (2025). O 'ZBEKISTON RESPUBLIKASIDA MOLIYA TIZIMI VA UNING IQTISODIYOTIDA TUTGAN O 'RNI. *MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS*, 1(5), 64-75.

47. Sadilloeyevna, D. M. (2025). Prospects for Investments in Modernization of the Economy in the Agricultural Sector. *Ethiopian International Journal of Multidisciplinary Research*, 12(01), 217-222.

48. Джураева, М. С., & Алимова, Ш. А. (2025). АНАЛИЗ ТОЧКИ БЕЗУБЫТОЧНОСТИ И МАРЖИНАЛЬНОЙ ПРИБЫЛИ. *STUDYING THE PROGRESS OF SCIENCE AND ITS SHORTCOMINGS*, 1(4), 88-94.

49. Мусаева, Ж. К. "Факторы развития наукоемкой цифровой экономики.«Проблемы и перспективы занятости в условиях развития цифровой экономики». Международная научно-практическая конференция. Самарканд, октябрь, 2021." 505-509.

50. Мусаева, Ж. К. "Роль и значение экономических знаний в произведениях Алишера Навои." *FORMAT*: 98.

51. Мусаева Ж. К., Шарипова М. М. Информационная безопасность—важное условие цифровой экономики. — 2021.