

Theoretical and methodological foundations of developing investment activity and managing investment climate attractiveness in industrial enterprises

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Abstract: This thesis analyzes the main sources of developing investment activity in industrial enterprises, with particular emphasis on the priority of real investments and the issues of effectively organizing the investment process. It extensively examines the development of investment strategies at the enterprise level, the consideration of internal and external influencing factors within the investment process, and international methodological approaches to assessing the investment climate. Furthermore, the study proposes grouping the factors influencing investment attractiveness based on 12 classification criteria. The research analyzes organizational models for managing investment climate attractiveness through the efficient utilization of resource potential and develops scientific and methodological foundations for managing the regional investment climate. The findings contribute to increasing investment efficiency in industrial enterprises and ensuring sustainable economic development.

Keywords: Real investments, investment strategy, investment climate, investment attractiveness, investment potential, investment risk, resource potential, industrial enterprises, investment efficiency, regional development, investment process, sources of financing.

At present, since real investments constitute the primary source of developing investment activity in industrial enterprises, it remains a pressing issue for enterprises to seek additional sources of financing for their investment projects and to generate funds from their profits to finance investment activities. In implementing investment activities, industrial enterprises must first develop their own investment strategy.

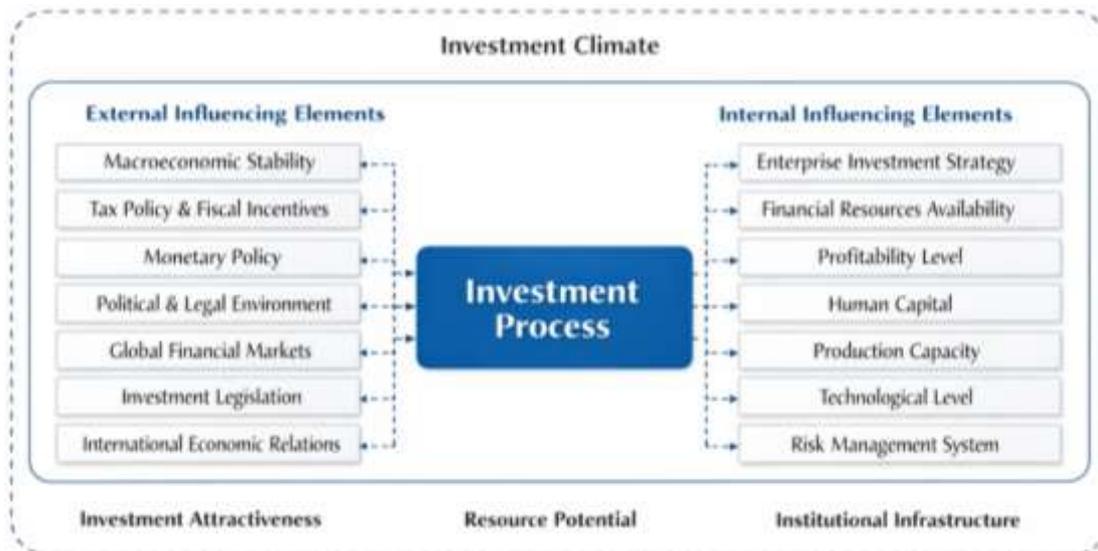


Figure 1. Internal and External Influencing Elements in the Investment Process

Through this strategy, enterprises implement the financing of planned investment projects in a phased manner. As a result of organizing the stages of financing investment activity in industrial enterprises based on a structured plan, the analysis of the effectiveness and efficiency indicators of investments directed toward financing such activities becomes one of the most important tasks.

International experience in assessing the investment climate demonstrates that, in order to increase its objectivity, it is necessary to take into account a number of significant methodological principles developed by modern economic science. In particular:

A specific investment climate is required for all types of investments. In practice, capital may take various forms, including industrial, commercial, debt, and equity investments, while investors often pursue mutually incompatible objectives. For example, debt capital is oriented toward obtaining maximum profit within a short period and typically operates through financial investments, whereas industrial capital seeks to exert a stable long-term influence on enterprise activity and operates through real and direct investments.

The investment climate should be based on a balance of interests, since both recipients and providers of investment pursue different goals. The former aim to achieve maximum outcomes with minimal financial resources, while the latter strive to obtain maximum profit and to capture local markets as rapidly as possible.

The investment climate must, on the one hand, remain stable over a prolonged period and, on the other hand, be sufficiently flexible to allow competent entrepreneurs to take into account changes occurring in the factors of social production within the country, including scientific and technological, entrepreneurial, managerial, and technological factors.

Investments must be directly linked to the development of human capital and to the improvement of the qualifications of employees and workers across all areas of activity.

The investment climate must ensure economic stability and the security of production systems within the economy.

In order to ensure the balance and compatibility of interests between investors and the socio-economic system receiving investments, a comprehensive assessment of both the effectiveness of attracted investments and the favorability of the investment climate is required. Therefore, it is necessary to consider not only the volume of attracted investments, but also the socio-economic, environmental, and other consequences arising from their utilization.

Table 1

Classification of Forms and Types of Investments in the Enterprise

Classification Criterion	Types of Factor Groups
Origin of occurrence	External (global, national) and internal (regional)
Dependence on human activity	Objective and subjective
Structural elements of investment attractiveness	Investment potential, investment risks

Method of expression	Quantitative and qualitative
Level of detail	First-order, second-order, p-order
Degree of significance	Significant and insignificant
Degree of intensity of changes	Rapidly changing, moderately changing, slowly changing, and nearly unchanged

In economic literature, various approaches have been proposed for grouping the factors influencing investment attractiveness. In some cases, the criteria for grouping these factors are not clearly specified, while in others, the classification is limited to two to five criteria.

As identified in our research, when grouping the factors affecting investment attractiveness, it is necessary to distinguish 12 types of classification criteria (Table 1).

The study of various organizational models for managing the attractiveness of the investment climate through the effective use of resource potential is of significant importance for any country. Each model allows for the identification and positive adoption of development patterns of investment climate attractiveness, the effectiveness of state regulatory measures, the tax regime and its system of incentives, as well as factors that can stimulate long-term development prospects. Consequently, analyzing such models provides an opportunity to select the most appropriate mechanisms for improving investment conditions within a specific national context.

The multidimensional nature of the category of increasing investment climate attractiveness through the effective use of resource potential directly affects the efficiency of its management. This circumstance necessitates the application of a specific analytical framework for studying the effective management of investment climate attractiveness, particularly for the purpose of improving the system of factors and instruments that enhance investment attractiveness in regions. Taking into account the significant role of the selected organizational model in managing investment climate

attractiveness through the effective utilization of resource potential, this research, based on the works of foreign and Uzbek economists and specialists, attempts to provide a scientific and methodological interpretation of a distinctive “special model.” This model considers the real implementation of the principle of social justice and the requirements of the new tax policy as a complex system for managing investment climate attractiveness through the effective use of regional resource potential.

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