

Trends in the Development of Modern Corporate Management Practices and Models

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Abstract: This article analyzes the origin of corporate governance, the importance of corporate culture in the implementation of corporate governance, corporate governance models, and the national corporate model. Based on the analysis of the above theories and current business activities, concluding suggestions are presented.

Keywords: corporate management, corporate culture, Anglo-saxon model, German model, Japanese model, family model, joint-stock company.

After the independence of the Republic of Uzbekistan, the ways of doing business and managing corporations began to change. Issues such as the economic aspects of introducing corporate management models, the formation of an effective system of corporate management, the principles of management, and the factors affecting its formation are currently relevant. Joint-stock companies today are the leaders in many areas of our country's economy and are legal entities that actively engage in corporate relations through management, monitoring and executive bodies.

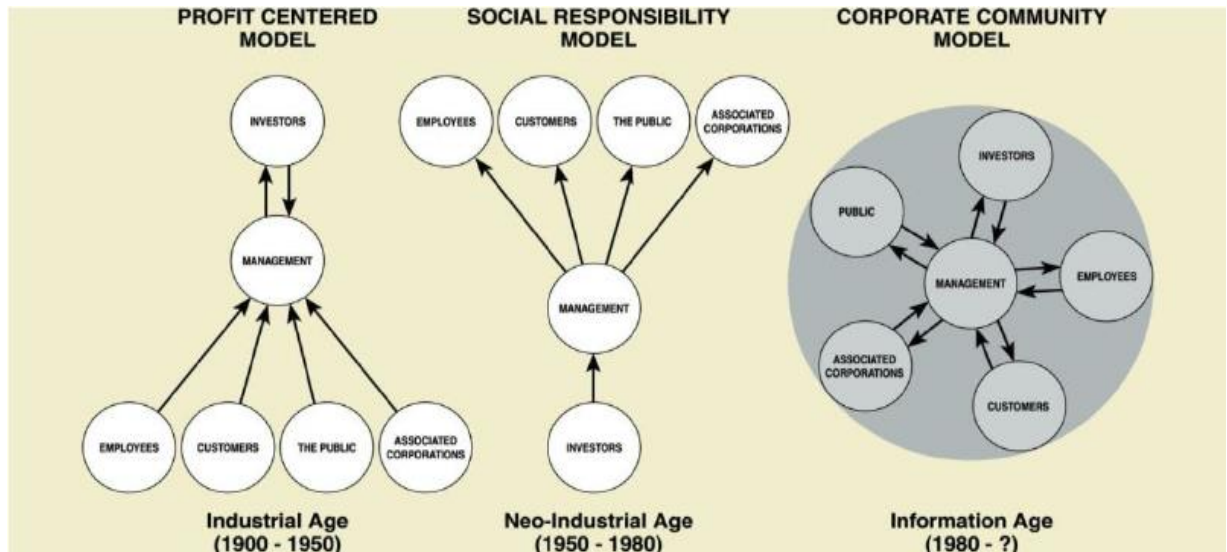
Initially, the joint-stock company was created in Europe in the 17th century, and was formed among the owners engaged in trade by sea. Then, by 1808, for the first time in France, the legal norms related to joint-stock companies were reflected in the commercial code.¹

The origin and development of corporate management includes several periods:

1. In the 17th century, Ost-Inda established a board of directors consisting of 24 members. This led to the separation of ownership and management duties for the first time.
2. In 1776, Adam Smith's "Inquiries into the Causes and Nature of the Wealth of Nations" is highlighted by the following comments: "Abandoned estates present problems for management."
3. By 1844, a separate legal document on the joint-stock company was adopted. The law introduced a new form of responsibility of ownership.
4. In 1931, A. Burley and G. Minzlar separated the different aspects of ownership duties from control duties for the first time in the USA.
5. In 1933-1934, the law on valuable securities was adopted, and the commission on stock exchanges was established.
6. By 1968, the Law "On Companies" was adopted in the European Union.

¹ Rajabboyev.X.B. Aksiyadorlik jamiyatlarida korporativ boshqaruvni takomillashtirish yo'llari.Dissertatsiya – T.: TMI, 2016 – 9-p

7. After 1992, it was somewhat strengthened from the legal point of view and also developed from the organizational point of view.



Similarly, there are several stages of corporate management formation in our country:

1. The methods of administrative command that existed until 1980-1985 became an obstacle to the development of microeconomics.
2. In 1987-1991, the centralized monopolized economy was abolished and corporate governance was established. The way was opened for the development of banks and economic insurance sectors.
3. Privatization began in 1991-1994 and distribution of primary properties was carried out. For the first time, cooperative societies were formed, but their rights were not clearly defined.
4. In 1994-1998, the law on joint-stock companies, the law on securities, the Civil Code, and laws on privatization were adopted. The market infrastructure was formed, the first investment funds, depositories, registrars, auditors, consulting firms as well as large foreign companies, their branches, representative offices were established.
5. In 1998-2001, due to lack of financial resources, outflow of capital, underdevelopment of the corporate securities market, the process of distribution of future property and capital began to be considered.
6. From 2002 until now, the procedures for maintaining internal documents of joint-stock companies were defined and the powers of management bodies were clarified.²

To clarify the concept of corporate management, it is appropriate to define the word management. Management concepts are one of the leading categories in the field of public law science. Management is the provision of its behavior or changing its characteristics by the subject of management to the object of management.

The etymology of the term "Corporate Governance" goes back to the ancient Greek and Latin languages. The term "Corporate" comes from the Latin word "corpus", which means "body", and corporate governance means a body authorized to form a single organization. Also, the concept of "corporate governance" of the Organization for Economic Cooperation and Development (OECD) is defined as a set of relations between the bodies of the corporation, owners and other interested parties.

² Xodiyev.B.Yu, Karlibayeva.R.X, Akramova N.I. Korporativ Boshqaruv. T.: Cho'lpon nomidagi nashriyot-matbaa ijod uyi – 2011 – 4-7-p

According to the definition of the World Bank, corporate governance is a combination of legal norms and appropriate practices of the private sector, which enable the corporation to attract financial and human resources, to conduct effective activities and, as a result, shareholders, other interested parties, and society as a whole. ensure its existence by increasing long-term economic value for the corporation while maintaining its interests.

On the one hand, this is an organizational model designed to regulate the relations between company managers and their owners, on the other hand, to coordinate the goals of various stakeholders, and to ensure the effective operation of companies. In turn, there are several models of corporate governance. We will analyze these models in detail below:

The *Anglo-Saxon model* is a management model based on a high degree of external use of the joint-stock company or the market, corporate control mechanisms or control over the management of the joint-stock company.

The *Anglo-American model* is typical for the USA, Great Britain, Australia, Canada, and New Zealand. The interests of the shareholders are represented by many isolated small investors who depend on the management of the corporation. The role of the stock market is increasing, through which control over the management of the corporation is exercised.

The *German or insider model* is a management model of joint-stock companies based mainly on the use of internal methods of corporate control or self-control methods. The German model of corporate governance is typical for Central European and Scandinavian countries, less typical for Belgium and France. This principle is based on social interaction: all parties interested in the corporation's activities have the right to participate in the decision-making process (shareholders, managers, employees, banks, public organizations). The German model is characterized by a weak focus on stock markets and shareholder value in management, as the company itself controls its competitiveness and efficiency.

The *American and German models* of corporate governance are two opposing systems, and there are many options between them that reflect the superiority of one or another system and the national characteristics of a particular country.

The Japanese model of corporate governance was formed in the post-war period on the basis of financial-industrial groups (keiretsu) and is characterized by a completely closed, banking control, which allows to reduce the problem of management control.

The *family model of corporate* management is widespread in all countries of the world. Corporations are managed by members of the same family.

It is emphasized by many researchers-scientists that the national model of corporate governance in Uzbekistan is at the stage of formation and incorporates some aspects of different models. The national model of corporate governance in Uzbekistan is a national model with its own characteristics. Of course, management models do not remain unchanged, they change in form and content, their internal and external mechanisms can adapt to the changing environment, as a result of globalization, the rules in the field of corporate management can be set the same for everyone, similarities in models can increase. At this point, taking into account the national characteristics and conditions, it is a very urgent issue to form a national model that combines the best aspects and mechanisms of various corporate management models and, most importantly, ensures high efficiency.

Uzbekistan's corporate governance system is similar in form to the German model. This similarity is manifested in the two-tier board, leadership of the banking system in financing. At the same time, there are specific aspects of the national corporate governance system.

Independent members of joint-stock companies' supervisory boards in Uzbekistan, the requirement for their quantity - that is, at least one (but not less than 15 percent of the number of Supervisory Board members specified in the company's charter) independent member in each supervisory board. so is among the recommendations of the Corporate Governance Code. This,

in turn, serves as an important factor in ensuring transparency, information openness and objectivity in corporate management.

Corporate culture has a significant impact on the effectiveness of corporate management. Realizing this, the leaders of the company should increase the role of participants in the social division of labor, constantly use innovative projects to solve problems, develop despite difficulties and obstacles, be ready for changes arising from the demands of competition, interaction and team spirit, work it is necessary to create a corporate culture such as satisfaction and pride in results, loyalty to the organization.

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