

CONCEPT OF ECONOMIC ANALISYS **AND ITS STRUCTURAL COMPONENTS**

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Abstract: This article is devoted to the research of the concept of the economic analysis. Moreover, it highlights economists' opinions on the economic analysis, the subject, the object and methods of the economic analysis. In addition, there are concrete conclusions drawn from the views on the structural components of the economic analysis.

Key words: economic analysis, analysis, synthesis, financial analysis, tax analysis, management analysis, economic analysis, the subject, the object, methods and structural components of the economic analysis.

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Introduction. The main aim of the economic reforms implemented in the Republic of Uzbekistan is to ensure stability of the country. The President of the Republic of Uzbekistan Sh. Mirziyoyev in his report has highlighted the significance of ensuring economic stability of the country: “Currently we can justify that our country has been experiencing sustainable economic development due to the fact last year we could undertake tough measures to implement these reforms. The prior goal of these reforms is to ensure deserving living standards and quality of the welfare of the population. This policy aimed at sustainable and stable development will constantly continue”[Mirziyoyev, 2017]. From this point of view, under current conditions the issue of ensuring sustainable economic development of our country is considered to be a prior goal. Thus the role and peculiarities of the economic analysis in achieving this goal shouldn't be underestimated.

Considering economic analysis, first of all, it is recommended to realize advantages of analyzing the economic activity. In particular, analysis of the economic activity enables enterprises to utilize production, financial and labour resources rationally as well as to reveal and develop non-used resources and improve their financial position.

The scope of the researches on economic analysis performed by scientists-economists indicates that the issues of economic analysis haven't been thoroughly investigated yet. Moreover, there are some differences between the studies of foreign and domestic scientists.

Thus, conducting a comprehensive research of economic analysis and taking into account its urgency we have set up the aim to develop precise conclusions and recommendations on this issue.

This scientific article is aimed at in-depth study of the economic analysis as well as development of final conclusions.

Our research contains abstract, introduction, literature review, conclusion, recommendations and references.

Literature review

Issues on economic analysis are considered to be one of the topical ones and have been researched by scientists-economists for many years. Numerous researchers on this topic have been undertaken in the scientific papers of foreign and domestic economists.

The essence of the economic analysis has had different interpretations in the economic literary sources. In different countries there are various definitions of the term “economic analysis” revealing its peculiarities. In particular, the explanatory dictionary “Investor’s words” represents the following definition to the term “economic analysis”: “Economic analysis studies determination and distribution of resource powers. Economic analysis offers techniques for predicting market developments and responding to future actions. It is also used by the government agencies in determining and assessing tax rates under certain financial conditions” [InvestorWords site].

Currently economic analysis is studied as financial-economic and technical-economic analysis. The object of the study in financial-economic analysis is only financial issues, however, technical-economic analysis provides comprehensive study. From this point of view the role of the technical-economic analysis is considered to be more significant in the economic analysis.

It is necessary to highlight the role of the synthesis and analysis in implementing economic analysis. The word “analysis” has a Greek origin and indicates study of the whole by dividing into parts. The word “synthesis” has also derived from the Greek language and means “generalization”.

Thus it is recommended to generalize all views and opinions on the essence of economic analysis, its definitions, the subject and the object, methods and its structural components of the scientists who have been researching this topic and on this basis to develop the concept of this economic analysis’ subject.

Foreign and domestic scientists involved in researching the concept of the economic analysis have provided various definitions to the term “economic analysis”. In this regard we can witness

that the majority of foreign scientists more distinguish practical significance of the economic analysis than its theoretical aspect.

In particular, M.I. Bakanov and A.D. Sheremet state that “Economic analysis as a discipline implies the system of special tasks about methods and technique used in analyzing and processing economic data on the company’s performance” [Bakanov and Sheremet, 2011].

Thus the following opinion has been proposed on the essence of the economic analysis: “Essence of economic analysis represents provision with information and reporting data in the process of making managerial decisions”.

“Economic analysis is a necessary element in the production management and is considered to be the stage of its performance management” [Bakanov and Sheremet, 2011].

Domestic scientists have also been researching the topic of the economic analysis. For example, Yo. Abdullayev, A. Ibrokhimov and M. Rakhimov have stated about the essence of the economic analysis the following: “Analysis implies the study of economic cases occurred in the manufacturing-commercial and financial activity of the company, changes of the process, reasons for these changes as well as the management and issues of its coordination. Economic analysis can be defined as the study of the economic process, its changes and differences and interrelation in the impact of external and internal factors”[Yo. Abdullayev and others, 2001].

However, many scientists haven’t developed definitions of the economic analysis in their research papers which were devoted to the history of the economic analysis, stages of its development in the Republic of Uzbekistan, its aim and objectives, the subject and the object and the methods applied.

M.Q. Pardayev, N.F. Ishonqulov, A.T. Ibrokhimov, K.T. Misirov and U.A. Nurmonov gave the following definition to the term “economic analysis”: “*Economic analysis is realization of the essence of the economic case and processes based on the division into structural components. It is the study of the multidimensional connections and relations*” [Pardayev and others, 2014].

While conducting researches in a particular discipline, first of all, it is recommended to determine its subject and object. While doing researches scientists-economists have always tried to determine the subject of the discipline and its essence.

“The subject of the economic analysis is actually economic activity of the object”[Pardayev, 2001].

Russian economists M.I. Bakanov and A.D. Sheremet state that “The subject of the economic analysis represents objective and subjective factors influencing the economic processes of the company, its socio-economic efficiency and final results of the performance and its reflection in information systems”[Bakanov and Sheremet, 1987].

This definition given to the subject of the economic analysis by economists has been maintained in the following scientific papers, just unions and associations have been included along with companies [Bakanov and Sheremet, 1994].

Afterwards these scientists have improved their definition of the economic analysis' subject and defined it as: “The subject of the economic analysis is one of the main management functions. It represents a technological stage of the process of making decisions and providing managerial decisions with the information” [Bakanov and Sheremet, 2011].

For sure, the role of the analysis in the management is considered to be important because analysis should represent activity aimed at improving economic activity of the economic entity. Therefore scientists have relied on the results of the economic analysis in their definitions and mentioned importance of making the most relevant managerial decisions.

From the point of view of L.A. Golovina and O.A. Jigunova believe that “The subject of the economic analysis is connection between causes and effects of economic cases and processes” [Golovina and Jigunova, 2013].

M.Q. Pardayev gave the following definition to the economic analysis: “Under conditions of the free economy the subject of economic analysis refers to economic processes of enterprises, their

socio-economic efficiency and final financial results of the activities occurred , happening or expected under the influence of objective (external) and subjective (internal) factors reflected through the system of the economic information [Pardayev, 2001].

A.Kh. Shoalimov and Sh.A. Tojiboyeva said about the subject of the economic analysis: “The subject of the economic analysis is the study of assessing and improving the condition of the situation through the system of indicators reflecting occurred, happening and expected socio-economic processes under the influence of the objective (external) and subjective factors in the economic activity[Shoalimov and Tojiboyeva, 2011].

A. Vakhobov, A. Ibrokhimov and B. Khakimov defined the subject of the economic analysis as it follows: “The subject of the economic analysis implies economic processes of the enterprise, firm, union or company, their socio-economic efficiency and final economic and financial results developed under the influence of the objective and subjective factors” [Vakhobov and others,2003].

In the opinion of Ye. Yergeshev “The subject of the economic analysis is economic processes developed under the influence of the objective and subjective factors and final financial results of the company” [Yergeshev, 2005].

M.Q. Pardayev, N.F. Ishonqulov, A.T. Ibrokhimov, K.M. Misirov, U.A. Nurmonov gave improved definition to the subject of the economic analysis in their further scientific papers: “The subject of the economic analysis implies economic processes of the firm, union or company of the different types of ownership, their socio-economic efficiency and financial stability, solvency, ability to compete, as well as assessment of the rational utilization of the necessary technical, organizational, material and innovative welfare” [Pardayev and others, 2014].

In our opinion, the definition of the subject of the economic analysis given M.Q. Pardayev, N.F. Ishonqulov, A.T. Ibrokhimov, K.M. Misirov, U.A. Nurmonov is complete, however, it is important to develop a simpler definition of its essence. In particular, the level of economic analysis discipline has been justified by more extensive evidence. However, it should be noted

that the definition of the subject of the economic analysis implies retaining at the micro level but the macro level hasn't been represented in the definitions.

After giving our definition to the subject of the economic analysis we tried to determine the object of the economic analysis. Economic literary sources represent various definitions of the object of the economic analysis.

In particular, in the opinion of M.Q. Pardayev "The object of the economic analysis discipline must demonstrate where the subject is implemented. In conditions of the market relations development it is the process happened in the economic activity of legal entities and individuals based on many peculiarities. The objects of the economic analysis can include the state, public organizations, corporations, trusts, exchanges, enterprises, firms, organizations, unions and other economic entities" [Pardayev, 2001].

M.Q. Pardayev, N.F. Ishonqulov, A.T. Ibrokhimov, K.M. Misirov, U.A. Nurmonov [Pardayev and others, 2014], as well as A.Kh. Shoalimov and Sh.A. Tojiboyeva also repeated the thoughts about peculiarities of the object of the economic analysis discipline [Shoalimov and Tojiboyeva, 2011].

One of the most important peculiarities of the modern science is that each science has its inherent methods and techniques used to study the object. From this point of view, considering the issue of the method of the economic analysis, in our opinion, it is necessary to determine the most accurate definitions.

The word "method" has derived from the Greek word "methods" which means "theory", the way to study theory and practice. In a broader sense, the method means processes going on in the nature and society, interconnected aggregated methods to research subjects and events, principles as well as the means, techniques and ways to know the truth" [Pardayev and others, 2014].

In the opinion of L.A. Golovina and O.A. Jigunova "The method of the economic analysis is a comprehensive study, calculation and generalization of the factors influencing the performance

of enterprises through processing of the system of main indicators (plan, accounting, reporting and others) on the basis of application of special technique” [Golovina and Jigunova, 2013].

Considering the view of Ye. Yergeshev on the economic analysis technique, pointing out general views, expressed the opinion about possibility of using the following methods while examining economic activity of the enterprise or company and conducting comprehensive analysis: comparison, calculation of percent, coefficient, series growth, recalculation of target figures, separation method, chain connection, connection of indicators with the balance, correlation, application of mathematical models in the accounting, linear programming, compiling analytical tables, rendering common [Yergeshev, 2005]

M.I. Bakanov and A.D. Sheremet gave the following definition to the method of the economic analysis: “The method of the economic analysis is a dialectical approach used in studying of the development and formulation of the economic process. The method of the economic analysis possesses the following peculiarities: the use of the system of comprehensive indicators of the economic activity; study of the reasons for these indicators’ change; determination and measurement of the interrelation of these indicators with the aim of raising socio-economic efficiency” [Bakanov and Sheremet, 1997].

M.Q. Pardayev believes that “The method of the economic analysis relies on the dialectical method and represents the complex of techniques used for comprehensive study of its subject in space and time on the basis of the system of indicators illustrated in information resources, determining available external and internal opportunities (reserves), raising efficiency of the subject, enhancing its economic capacity, ensuring financial stability as well as improving the management” [Pardayev, 2001].

A.Kh. Shoalimov, Sh.A. Tojiboyeva suppose that the method of the economic analysis is a complex research of the system of factors making an impact on the business-plan implementation and raising production volume. The method of the economic analysis can be represented as a means of measurement and generalization and is realized through processing of the data obtained from the accounting, reporting and outside reporting [Shoalimov and Tojiboyeva, 2011].

In addition, A. Vakhobov, A. Ibrokhimov and B. Khakimov also mentioned above-stated methods in their scientific papers.

M.Q. Pardayev, N.F. Ishonqulov, A.T. Ibrokhimov, K.M. Misirov, U.A. Nurmonov say that “Methods of the economic analysis is the study of the occurrence of economic processes and other types of the activities of the enterprise, their change and development through the dialectical approach [Pardayev and others, 2014].

Another controversial issue nowadays is the idea about structural components of the economic analysis. The scientists carrying out research in this particular economic field express various opinions on this issue because as the society develops, new disciplines, new theories or new directions of the subject as well as new structural components appear.

In particular, L.A. Golovina and O.A. Jigunova divide economic analysis into microeconomic analysis and macroeconomic analysis [Golovina and Jigunova, 2013].

We thoroughly support this opinion but from our point of view, the volume of the study deserves more attention because it is possible to make a conclusion that researchers of this aspect paid enough attention to this issue, however, they didn't take into account information resources.

Thus O.N. Volkova studied types of the economic analysis and divides economic analysis into two directions – financial analysis and management analysis [Volkova, 2007].

Ye. Yergeshev divided economic analysis into the following parts: “theory of economic analysis, management analysis and economic analysis at branches” [Yergeshev, 2005].

M.Q. Pardayev and B.I. Isroilov state that “In conditions of market economy analysis of the economic activity consists of two parts: financial and management analysis” [Pardayev and Isroilov, 1999].

Further M.Q. Pardayev improved his opinion by the following statement: “The structure of economic analysis hasn’t been justified yet. In our opinion, economic analysis discipline consists of 3 structural components: theory of the economic analysis, financial analysis and management analysis” [Pardayev, 2001].

Conclusion and proposals

Having studied scientific papers of researchers we have examined the definitions of the essence of the economic analysis, its subject and object and structural components. On the basis of the above-mentioned research papers we have developed our conclusion and proposals.

1. Numerous definitions given to the term “economic analysis” by the scientists at present time prove the urgency of this research topic. From this point of view, in turn, we have made an attempt to improve these definitions. In our opinion, **“Economic analysis represents the system of measures aimed at realization of the solution to happened or expected economic case or processes”**.

We have developed this definition because the economic analysis represents measures undertaken to determine events and processes happened and aimed at their settlement. In other words, whatever happens, the main aim of the economic analysis is to transform a negative situation into the positive one.

In our opinion, definitions, given to the subject of the economic analysis, in some extent make understanding of the economic analysis more complicated. Factors which make an impact have been indicated in the scientific researches of economists, however, the issue on which indicators they can make an impact hasn’t been considered. With the aim of getting a clear idea we have tried to clarify this point with the proposal of assessing technical-economic and financial position.

Taking into consideration above-stated definitions, expressed opinions, current opportunities for the economy development, as well as absence of researches of the economic analysis on the macrolevel we have developed the following definition of the subject of the economic analysis: **the subject of the economic analysis is assessing of the overall technical-economic and**

financial position of the economic entity through the indicators expressed in the information sources of the results of occurred, happening and expected socio-economic processes and cases happened as a result of direct or indirect impact of certain factors.

We completely agree with above-mentioned definitions of the term “the object of economic analysis”. With the aim of making this term more precise and for better understanding, in our opinion it is advisable to indicate the businesses of all types of ownership together with all illustrated objects. In our opinion, it will facilitate improvement of the theory about the object of the economic analysis.

2. In our opinion, the best definition to the term “object of economic analysis” is that **the object of the economic analysis represents a complex of methods used to study the subject of the economic analysis.**

3. From our point of view, while dividing economic analysis into structural components, the presence of the theory of economic analysis seems a little bit confusing because in the process of studying economic analysis we study its theoretical part, in particular, its definition, the subject, the object and methods.

Thus we recommend studying the theory of the economic analysis during the general process of studying analysis. On this basis it is advisable to study each structural component of the economic analysis separately. Currently, in our opinion, it is advisable to study economic analysis by dividing it into such structural components as financial analysis, management analysis and tax analysis (Figure 1).

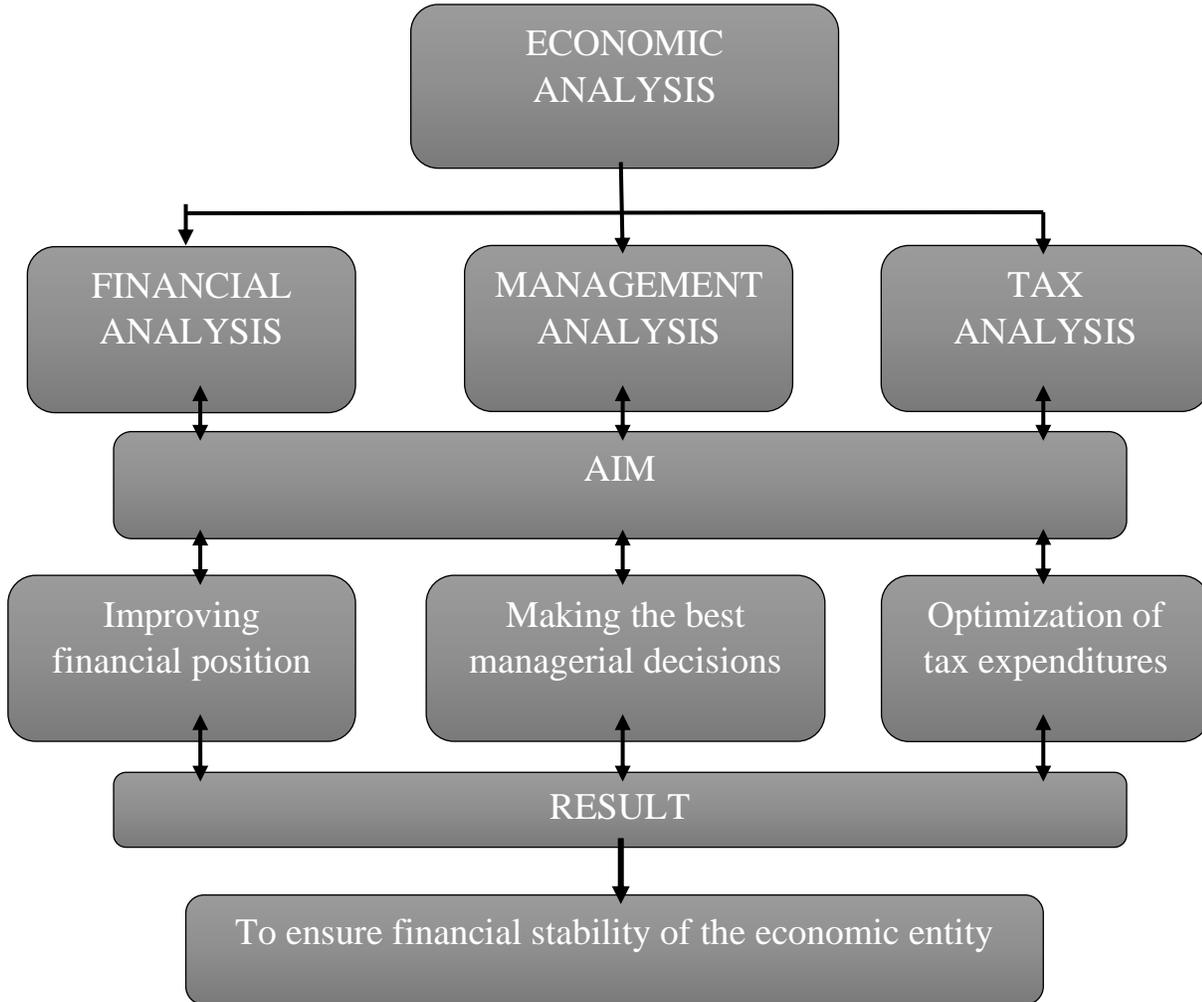


Figure 1. Structural components of the economic analysis and their interrelation

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