

**65.290**  
**B 97**

**2nd Student Conference of MDIS Tashkent**

Tashkent: Management Development Institute of Singapore in Tashkent, 2017. – 42 pages.

**65.290**

Editing: Dr. Andrew Chew, Dildora Ishankhodjaeva, Asror Nigmonov, Viktoriya Kulik, Sevara Siradjeva

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ISBN – 978-9943-4969-0-3



# A STUDY ON THE FACTORS LEADING TO A SUCCESSFUL CO-MARKETING CAMPAIGN

Nodira AZIMOVA\*

## **Introduction**

Increasingly, today businesses have recognized the importance of alliances for future successes. Furthermore, organizations need to build relationships with a range of 'markets'. Rather than doing everything themselves, it may be more practical to enter into partnerships arrangements with other businesses. (Drummond and Ensor, 2001). This creates a lot more opportunities for a range of businesses to be expanded and renowned. Additional boon here can be a reduction in the company's expenditures.

Co-



Another technique is to recompense consumers who buy from one business with

4.

# IMPACT OF INVESTMENT

All these as well as the other numerous factors determined our desire to devote this paper to the evaluation of the influence of investment in education on economic growth in the Republic of Uzbekistan. There has been no research so far that would assess the impact of investment in human capital on economic growth and development in this country. The paper starts with discussion of the most popular modern growth theories that consider the human capital

In endogenous growth models and Solow model augmented with human capital, human resource created through knowledge, skills and education is the central element of the growth process.

In endogenous growth models, formalized by Kenneth Anew and Marvin Frankel, human capital (knowledge, skills, and training of individuals) is considered as one of the inputs in technological process. This approach is frequently called in literature as «learning by doing». In Cobb-Douglass production function with constant returns to scale human capital is included in parameter A:

$$Y=AK^bL^{(1-b)},$$

where Y, A, K, L arc correspondingly output, technology, physical capital and labor.

The other approach, proposed by Mankiw, Romer and Wail, suggests expansion of the Solow model by introduction of human capital as an independent variable in the production process. This approach is called a “New Economic Growth Theory”. In Cobb-Douglass production function with constant returns to scale human capital is represented in the following way:

$$Y=AK^bH^BL^{(1-b-B)},$$

where H is a human capital.

In both methodologies described above growth occurs thanks to investments in human capital , Parents refrain from current consumption and spend their time and money on their own education and education of their children. Government makes direct investment in education by spending monetary funds on building new schools, paying teachers, buying text books and special equipment, making primary education compulsory» subsidizing higher education etc. A lower price of education in its turn encourages households to spend more on education. Government promotes higher returns to education also by indirect actions, such as the creation and maintenance of favorable legal environment (law and order, protection of intellectual property rights and others), the protection of democracy and equality in the country, securing political stability and so on.

To assess how the model presented above works in reality, we used empirical data for Uzbekistan - for three consecutive years (2010, 2011, 2012 twelve regions, the Republic of Karakalpakistan and Tashkent city. Therefore there are forty two observations in total. The enrollment indicators are for the beginning of 2010/11, 2011/2012, and 2012/2013 academic year. We started with regressing per capita GDP growth in the country with the number of students enrolled in primary, incomplete secondary, secondary specialized including colleges and academic lyceums, and higher education.

To consider unobserved factors related to enrollment that might affect per capita GDP growth we used, fixed and random effect models. Since the fixed effect model resulted in more significant outcomes, only this model is presented below. (Table 1) The analysis of the regressions shows that the relationship between per capita GDP and the number of students enrolled is overall significant at any significance level. The assessment of individual indicators, however, pointed out in all the regressions that, there is very little or no impact of enrolment in secondary specialized institutions on economic growth (that is why this indicator was removed from the regression analysis). The reason for that is probably the high correlation between this indicator



and the number of students enrolled in tertiary education (higher). The correlation is especially high between lyceums and universities, which is explained by the fact that, most of the lyceums' graduates continue their study in the universities (while graduates from professional colleges enter the labor market).

Table 1. Endogenous Growth (Standard errors in parenthesis)

Note: Calculations are made on Human Development Statistics and Ministry of Macroeconomics and Statistics data.  
Macroeconomics and Statistics data.

**lngdp** - log annual real GDP per capita in PPP\$

**lnprim** - log primary enrollment in thousands

**lninc** - log incomplete secondary enrollment in thousands

**lnsec** - log secondary enrollment in thousands

**lnhigh** - log higher education enrollment in thousands

Primary, incomplete secondary and secondary educations taken together have a positive and

fertility rate led to insignificant results. Such outcome was expected because of the small time frame. To obtain better results here, it is necessary to include a 20-

not anemic are also half as likely to be anemic. Children of well educated mothers are much less likely to be underweight

## **Conclusion**

In 1991, Uzbekistan as well as the other post Soviet countries has entered the transition phase that was accompanied by low GDP growth, high inflation and unemployment, and by the other economic distresses. Despite its exceptional importance (due to political, social and demographical factors) education was one of the spheres that didn't do really well in this transition, especially in the first few years. Loss of a significant share of financing in education has negatively affected students' enrollment, qualitative and quantitative characteristics of the teaching personnel number of educational facilities built, quantity of text books and other teaching methodologies issued and so on.

At the same time our research proved that education in Uzbekistan is positively correlated with economic growth and development of the country. The number of students enrolled at all educational levels, for example, has an affirmative effect on per capita GDP growth. Households headed by persons with higher education are at lower risk to become poor than families headed by the people with secondary and lower education. The unemployment rate among holders of advanced degrees is lower and the earnings, especially in private sector, are higher. Mothers' education is also found to have a positive relationship with their own and their kids' health and nutrition.

Since investments in education resulted in sustained economic growth, and economic growth leads to higher investments in education, the comprehensive actions targeted at dynamic development of the Uzbek economy as a whole and education sphere in particular are essential. Speaking about education alone the following actions from our view would benefit this area most:

On the macro level, the improvement of incomes and employment opportunities will increase the demand for education and therefore attendance in the long run (World Bank Report, May 2003).

To reduce mismatch of the skills attained at colleges and universities the employment and reward opportunities on the labor market should become more transparent

To attract more qualified specialists to the education sphere, the salaries for the faculty and staff should be established based on their knowledge, productivity and market demand rather than decided centrally by the Common Tariffs Scheme.

To increase the enrollment rate on all educational levels the issues of inequality to access education should be closely addressed. Merit based subsidies for education purposes to poor would probably be the most appropriate.

In conclusion we would like to add that the research that was made in the paper is just the beginning of the work. In later years when more time would be available, it will be possible to provide a more comprehensive and detailed assessment of the impact of investments in education on different indicators of economic growth, and development in Uzbekistan and based on this knowledge to create a better recommendations to policy improvement in this area.

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# INNOVATIVE AND TECHNOLOGICAL PROSPECTS OF THE UZBEK ECONOMY

Khikmatulla FAYZULLAEV \*

## **Introduction**

One common concept of innovation and development, which comes on the media every day, is

## Arguments

It is fair to say that the question of how technology and innovation influence economic development is a controversial issue. However writers from other strands like *Shqipe Gerguri and Veland Ramadani* argue that “Innovation is essential for sustainable growth and economic development. Several core conditions enable innovation and encourage economic growth. In the modern economy, innovation is crucial for value creation, growth and employment and innovation processes take place at the enterprise, regional and national level. Innovation will lead to new businesses as well as to the increased competitiveness of existing enterprises.”

Having dealt with what the literature on economic growth has to say with innovation, the next section illustrates closer empirical evidence on the subject matter. “Uzbekistan is the fourth economy in the former Soviet Union (after Russia, Ukraine and Belarus), which inherited a relatively large amount of research and developmental institutions. Scientists and engineers in many fundamental fields of Uzbekistan in applied science and industry have potential for innovation and technology absorption.”(*World Bank review on Uzbekistan 2015*) Apparently the country is not only rich in natural resources, but also it has highly valuable inheritance handed down both in science and education.

Although many of the data sources used to illustrate country-level technological capabilities reflect activities at the firm-level, direct information on innovation activities of firms has been scarce. However, there is an inevitable fact that all innovative and technological researches are highly supported by the government in Uzbekistan. As is stated by President’s decree in July 15, 2008 “On additional measures to stimulate innovation projects and technology implementation into production” there are set challenging exemptions such as in tax breaks and custom benefits. Leading arguments suggest that the country

and improvements are aimed at supporting an economy based on knowledge and innovation are critically important factors for sustainable development.

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INTERNATIONAL EXPERIENCE TO STIMULATE INNOVATION  
ON THE BASIS OF TAX INSTRUMENTS

Feruzza



A mixed strategy is used in countries where a significant part of the economy consists of a public sector in the economy and the government is interested in supporting the high export potential of the industry in this sector. In relation to government it uses active intervention strategy to the others - the strategy of decentralized regulation (Sweden).



The existing policy of reducing tax rates on income by government, despite its certain advantages, yet it is considered as a less effective mechanism stimulating innovation.

Currently, in order to enhance innovation, t

# CONTENT CHANGES IN NATIONAL ECONOMICS AND THEIR PROSPECTS

Pazliddin KHASHIMOV, Dilnoza NISHONOVA\*

After our country has gained independence, the main aim of economical reformation has been chosen and appointed to be formation of market relations socially oriented taking into account individual properties and features of this Republic. As a result of these measures the purpose of preventing reduction in the level of production, manufacturing and population living standards along with rapid increase in the internal and external debts of the government. In our country thoroughly considered and planned reforms have been conducted in terms of formation of stable and efficient economics. In the process of deepening economic relations the main focus has been directed to modernization and diversification of the leading sectors of economics, providing population income increases, formation of the proprietors classes, strengthening efficient external trade and investment processes, reformation of industry and agricultural sectors, stable development of small business and private entrepreneurship, strengthening the market infrastructure, besides in this respect, considerable proportion of progress and achievements can be listed.

Every country attempts to achieve economical growth. Because as a result of economical growth:

- Living standards and life prosperity will increase;
- Correct use of limited resources will be provided;
- There will be new ways of meeting limited needs;
- Confidence and trust level in the country will rise and the position of the country in the world will strengthen.

The economy of Uzbekistan has developed on an average of 3.8-5.2 percent rates throughout the period from 1997 to 2003. As a result of reforms beginning from 2004, the statistics has been showing 7-9 percent of economic growth annually, and these growth rates have always been steady.

**Figure 1: Growth rates of Gross Domestic Product in Uzbekistan**  
**(in a percentage scale compared to the previous year's results)**

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Currently

domestic product of the year 1990 contained 33.8 %, this rate reached 54.5 % by the year of 2015.

The Decrees of the President of the Republic of Uzbekistan adopted in 2012, on May 10 “on development program of servicing and catering in the Uzbekistan Republic during 2012-2016” and the Presidential Decree adopted in 2013, on April 17 “on the measures of rapid development of the servicing and catering in the agricultural territories throughout 2013-2016”, these two Decrees have been serving as the main source of these reforms and progressive changes.

Particularly Presidential decree adopted in 2015, on March 4, “on the program of measures of providing modernization and diversification, content changes in production process throughout 2015-2019” has been serving as the main source of renovating all the manufacturing processes in our country and implementing innovational technologies in these important sectors.

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## **Statement of the Problem**

There is not enough information based on empirical investigation that assists to better perceive international student recruitment market from developing countries. Although a lot of investments are being made in this market, still there is no confident data ensuring marketers to

Although there is always high demand for gaining international knowledge and skills, not all students decide to leave their home country in the light of lacking or promotional efforts such as advertising in developing countries, usually, marketers in such countries may fail to inform student about the existence of suitable universities and attractive offers by higher education institutions which can stimulate and satisfy their needs.

## **Research questions**

The study aims to analyze social media (Facebook) advertising's impact on students' study destination decision abroad. Specifically, it answers the following questions:

- 1) Is Social Media (Facebook) advertising important to potential international students' decision to study abroad?
- 2) What factors in Facebook advertising are important to be taken into consideration in drawing prospective international students' attention?
- 3) How effective is Social Media (Facebook) advertising for the prospective international students' decision abroad?
- 4) What problems are encountered by prospective international students using Social Media (Facebook) advertising for their decision to study abroad?

## **Literature Review**

According to Dr Rahul Choudaha (2013) there are at least four exquisite advantages of social media, they are: "1) Speed, 2) size of relevance 3) Costs, 4) Personalization"; and these advantages make social media very appropriate to resource efficiency in terms of international student market.

Furthermore, it is wise to expect that high involvement of social media channels as part of higher education institutions might make greater contribution to growing enrolment numbers; as for Marc C and Zinck Stagno, (2011) it may assist prospective international students to become well informed in terms of their choice of abroad study. D. Nikolayev (2013) suggests that "Social advertising can have an effective impact on the students-teenagers at the systematic use of its value orientations". M. Dooney (2014) found that the university he researched on used the group mainly as an approach of letting prospective international students to contact with each other.

Cara Rousseau (2012) says "Admissions offices are not surprised by the trust high school students are placing on social media platforms when researching schools".



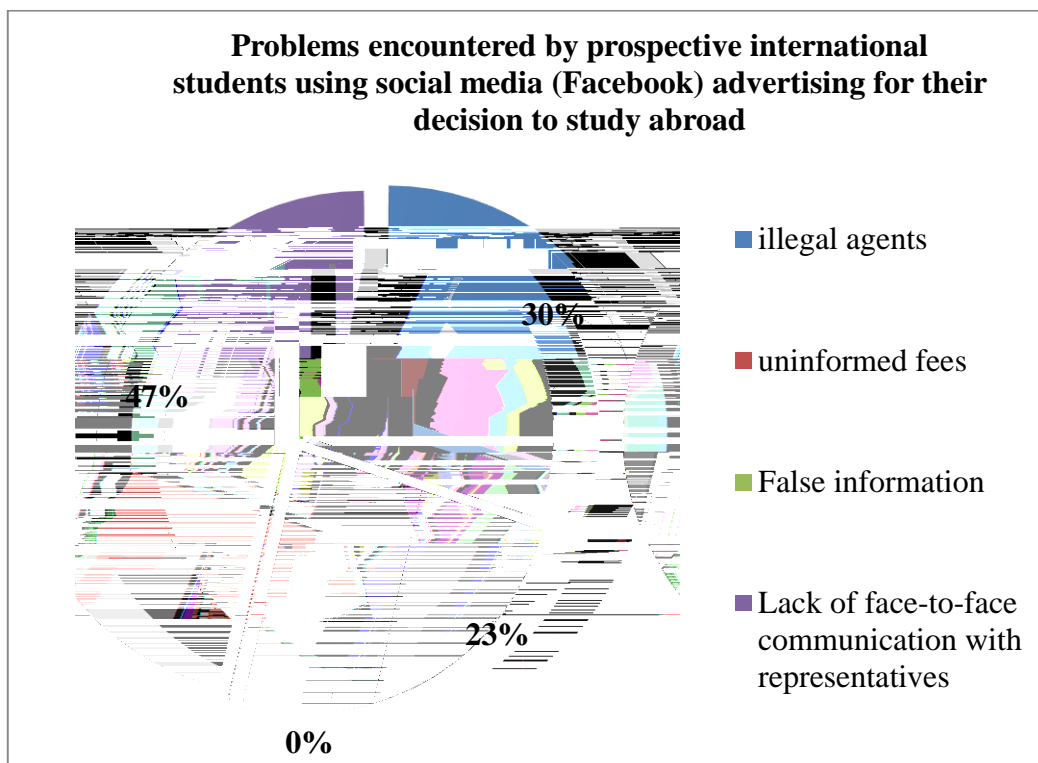


## Data collection

**Details of data collection procedure:** The international students were asked to answer to the questionnaire questions mostly through the Internet (Facebook) by sending them a research questionnaire. In order to get accurate data, they were asked to inform when they have free time so that they would not be bothered which would, in turn, protects from confusable and not well thought answers. At the same time, prospective international applicants from Uzbekistan were sent another questionnaire specifically designed for them, and this was sent via Facebook message board as well.

Example of the presentational data method

<b>Problems encountered by prospective international students' using social media (Facebook) advertising for their decision to study abroad?</b>	<b>Frequency</b>	<b>Relative frequency</b>
Illegal agents	13	30%
Uninformed Fees	10	23%
False information	0	0%
Lack of face-to-face communication with representatives of institutions	20	47%
<b>Sum</b>	<b>43</b>	<b>100%</b>



## Findings

**Based on the answers of the respondents the study came up with the following findings:**

### **B.1 Importance of Social Media (Facebook) advertising to current and potential international students' decision abroad:**

**(Current international students)** It has been found that 28 (56% out of 100%) number of current international students considered social media (Facebook) advertising as non-important by encircling the option **(No)**.

43 (**86%** out of 100%) prospective international students encircled the option “Yes” between YES and NO options to the question if Social media (Facebook) advertising important in their decision to study abroad.

DEVELOPMENT OF INNOVATIVE TECHNOLOGIES MOTIVATE  
COMMERCIAL BANKS STAFF AS A FACTOR OF SUSTAINABLE  
AND STABLE ECONOMY

Gulrukh RAKHIMOVA\*

The three main tasks of formulation of the hypothesis in the development of motivation of labor activity of bank employees of commercial banks:

1) Are there technology and material and moral motivation, used in limited settings for some reason in human resource management systems in commercial banks;

Information available to them will be brought to the management and thoroughly discussed. As a result, either they will be convinced of the unfounded doubt or plans can be amended in accordance with the newly received information, or to set a fundamental divergence of positions, with the result that the employee will have to change the position or the bank.

4. Low tolerance of change may be based on the natural conservatism of people unwilling to change anything (an effort to save effort), or a fear that in the current situation after the introduction of innovations will emerge lack of their knowledge, skills or abilities. The manager is able to increase the tolerance for change, explaining its benefits to the organization as a whole and for each individual employee, in particular, examining officer duties after the implementation of innovations.

3) Methods of overcoming resistance to change. The manager can use different methods to overcome the resistance to change:

- Provision of information
- The involvement of employees
- Help and support
- Negotiations
- Manipulation
- Coercion

Development and introduction of innovative technologies of personnel motivation in conjunction with the improvement of management practices will improve the effectiveness of incentive schemes in banks, increase the interest of workers in the results of their work, to get the maximum effect of the use of intellectual capital and unique technologies that, in turn, can help improve competitiveness.

The positive effect of the introduction of innovative technologies is obvious. There is usually a rapid and substantial increase in productivity equal to the grocery and then a higher commercial effect, the high share of productivity gains. All this is due to the improvement of production processes. Because technological innovations provide a reduction in production costs, and further prices, the biggest beneficiaries of these innovations receive commercial banks holding a higher share of the banking market.

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# INTRODUCTION TO AROMA MARKETING

Ruslan SAYFIEV \*

“75% of the emotions we generate on a daily basis are affected by smell.”  
(According to investigations of Neuromarketing agencies and Rockefeller University)

Numerous studies have demonstrated the powerful impact of scent on consumer behavior. In 1995 Hirsch examined if pleasant odors influence the amount of money spent on slot machines in Las Vegas casino, aromatized with various scents over a period of time. The author reveals the presence of the aroma in the aromatized section increased the revenues whereas there were no alterations in the unscented section. In addition to this, Chebat and Michon (2003) found that ambient odor affects mall perception, shoppers' arousal very strongly to purchase, while perception of products quality had very little impact albeit it is deliberated as imperative on emotions. Furthermore, Pearson's (2009) study depicts that for a normally odorless store, a pertinent scent in the form of associated scent can enhance shopping behavior.

Scents have an immediate and compelling effect as they are directly linked to the brains limbic system which is the part of the brain responsible for our memories and emotions. Therefore scents go beyond our rational perception and have an ultimate impact on our emotions. Martin Lindstrom (a well known author and a brand consultant) found that brand impact increased by 30% when more than one sense is engaged and by 70% when three senses are integrated into the brand message. It is not even significant to make customers feel the smell, it is important to make them remember this smell. To figure out to what extent aroma marketing must be reckoned

The supplied percentages were established by a study conducted at the Rockefeller University which maintains that pertaining the short term memory, human-beings memorize just 1% of



1. Retails

Favorable odor of fig harmonizes with colorful condition of retails and fulfills the atmosphere of retails with the smell of grapefruit and may-lily. This mixture of aroma piques consumers' interest and strengthens positive impressions from visiting a shop and offered goods.

2. Airports

Human-beings feel uneasy abiding the announcement of their plane's advent. It takes much time to sit in the waiting hall which reverberates on internal stressors leading to inevitable random gaffes during the process of checking luggage or for possessing hazard material. Especially, at the latter matter people seem to be anxious which prompts suspicions and police department check innocent men elaborately which is wasting time to some extent.

The smell of fresh lavender, which can be used in airports, brings the sense of freshness and widen place. Owing to this aroma the subjective evaluation of amount of time spending on expectancy reduces in zones of checking and getting luggage.

3. Cinemas

People come to cinemas without precise knowledge and expectations what they will see. Occasionally, there are movies which last for a long time making spectators feel tedium and demotivation to watch further.

The odor of sea freshness can be used in cinemas. Slight and sensible odor gives visitors sense of freshness and warmth. Moreover, this smell creates a desired fettle and the ambiance of rest.

4. Educational premises

The scent of essential oils such as mint oil provokes concentration, reduces tiredness and betters brain activity which makes a lecture or a lesson more lively and students will not waste time that we actually experience some students attend classes just for not missing

reduces the worry, the aroma penetrate the limbic system which creates fettle of tranquility.

8. Offices

It is proved that unpleasant smell has a bad influence on productivity of employers and employees, their analytical and creative abilities. The apt odor plunges aggressiveness, irritability and betters the brain activity. Important to note is that impact imposed not only on workers but on clients too. The smell of coffee weakens the symptoms and consequences of stress according to experiments on laboratory animals in Korea,

## Conclusion

We already possess aroma marketing in Uzbekistan (it is used in “Chekhov Gym” in Tashkent, “Korzinka” in Samarkand, and few others), despite that fact, it is only traits of aroma marketing, not the full usage throughout our country. When a company is offered to deplete aroma marketing it considers it as inapt. The prompt to acquiesce and be quenched by exploiting it can be the fact that aroma marketing is trusted by the best brands in the world such as:



Thereby, there is something to achieve and the torrent of aroma marketing must be harsh, huge, outstanding, and be proceeding infinitely as a waterfall. As we learn from mistakes and gaffes, the new major in marketing like aroma one was proved as effective and efficient, the scent impacts the behavior of customers, thus why do not be absorbed in it and emphasize more on Aroma Marketing in Uzbekistan?!

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development trends of small businesses and current challenges in their operations are different from the peculiarities of certain enterprises in developed countries.

One of the most important guarantees of the small business consists of wide application of the marketing system, utilizing its advanced trends and mediums adequately in practice. The most important aspect of the application of marketing system in small business and private

# EVOLUTION OF CORPORATE MANAGEMENT OF THE PERSONNEL IN NATIONAL ECONOMY

Bobur URINOV\*

In 19<sup>th</sup> century legal bodies were subdivided into corporations and establishments (organization). Among corporations were allocated:

- Associations;
- Societies with external unity;
- Actually corporations.

Associations were defined as association with small numbers of people connecting own efforts for achievement of an overall aim. Their number included full associations (trading houses), associations on belief, and also industrial associations. The property of associations was considered as their general property, the profit shared to proportionally brought shares, the death of one of members attracted for themselves termination of activity of association, therefore members of association did not possess the status of the legal person.

Society with external unity represented more difficult association. They consisted of the big number of members, were considered in relation to persons (unlike full associations) as the unit and had the special body selected general meeting which were considered as the representative of a society. The joint-stock companies, banks, scientific, literary and artistic societies, clubs concerned this category. They were special legal units from an outer side, but internal relations between members were under construction almost on the same beginnings, as associations - property, the profit and debts were considered as the general for all members and were

Besides, there is a possibility to supervise activity of the joint-stock enterprise and not being the proprietor of its securities that is carried out by means of transfer of management by securities that is carried out by means of transfer of management by securities by special departments of banks, investment to the companies or directing bodies of the joint-stock company.

In the process of historical development, strengthening it is command - administrative management methods there were the various restrictions, concerning fields of activity of associations, degrees of responsibility of members of association, reception of special permissions at the governmental level.

In the western countries technical progress has led now to the concentration of capitals expressed in numerous associations of the enterprises. Such method of increase of motivation of the personnel, as participation in corporation profits is widely used also. The majority of large corporations of the West aspire to that the personnel possessed actions of the given enterprise and directly has been interested in increase of efficiency of activity. During the periods of cyclic fluctuations the steadiest are associations of corporations. Efficiency of use not only financial and material resources, but also managements of the personnel of the corporations entering into association thus raises. It occurs at the expense of an exchange of the most successful methods of work to the personnel. Widespread forms of associations were franchises and holdings.



System engineering of frame management with a view of increase of personal responsibility for collectively made decisions;  
Creation of conditions for increase of a material interest of workers in high results of corporate activity.

Introduction of the given principles of formation of corporations in Uzbekistan our sight, will allow to improve system of a corporate governance of the personnel that will inevitably raise economic efficiency. It is especially actual because corporations provide reproduction parts of the blessing a society. They exist in forms of joint-stock companies, the state enterprises, specialised financial institutions (banks, development corporations...).

At the same time recommendations given below will help to increase effectiveness of company by rising effectiveness of human resources. Correct usage of behavioral science will always assist to increase effectiveness as for single worker, and for whole company personnel.

For effective moving to aim of company, manager should coordinate work, and make or stimulate personnel to do it. Managers realize their ideas in reality by using theoretical principles of motivation. For more deeply understanding essence of arising situation of motivation process