

# **SYSTEM FOR EVALUATING THE ECONOMIC EFFICIENCY OF AGRICULTURAL ENTERPRISES**

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## **Abstract:**

*This article is devoted to the statistical study of the economic efficiency of agricultural enterprises, and a system of indicators describing the economic efficiency of agricultural enterprises is proposed.*

## **Keywords:**

*economic efficiency, economic system, agricultural enterprises.*

The agricultural sector is one of the complex economies. Production and processing of agricultural products in this area is carried out through interdependence of biological, technological, organizational and economic processes. Agricultural sectors are closely related to other sectors of the agro-industrial complex. The ultimate goal of the agricultural sector is to achieve stable growth of the production of quality agricultural products in accordance with the Food Program, to reliably supply the country with food and agricultural raw materials.

One of the main directions of the implementation of the food program is the balanced development of all branches of the agro-industrial complex, the improvement of production management, planning and economic stimulation. The use of economic-mathematical methods and computers in the implementation of such tasks allows for a deeper and more precise development of the complex economic problems of the agro-industrial complex, especially the analysis, planning and management of agricultural production.

Many research institutes and universities specializing in agriculture are developing economic and mathematical methods for planning and managing the future prospects of the agricultural sector.

In agriculture, economic and mathematical methods are used in three main areas:

developing and solving economic and mathematical problems of analysis and planning within the farm;

developing and solving economic and mathematical problems at the level of individual relations of agro-industrial associations and agro-industrial complex;

developing and solving economic and mathematical problems of industry analysis and planning.

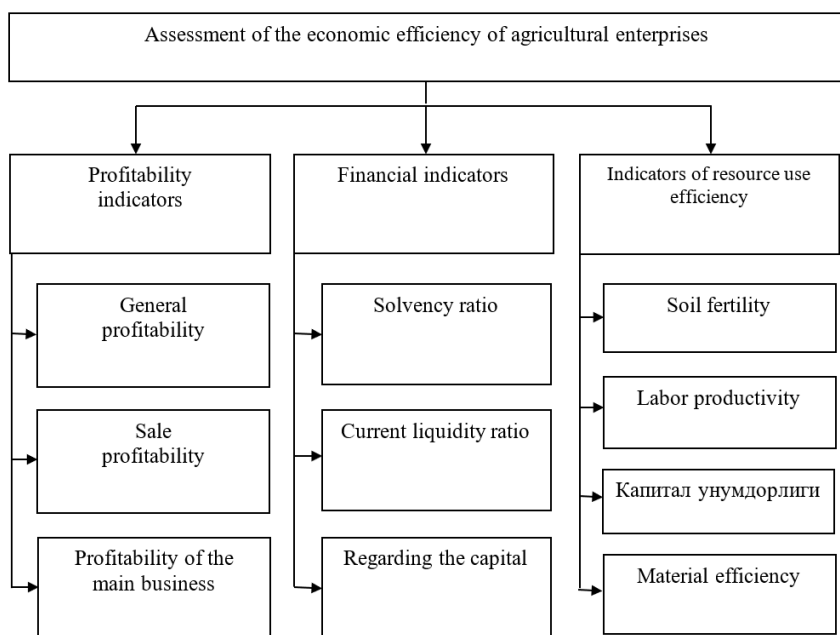
It is impossible to increase the efficiency of agricultural production in the conditions of constant intensification without an objective assessment of various events taking place in agriculture. It is not possible to make such an assessment based on one criterion of economic efficiency. The production process needs comprehensive indicators that reflect the influence of various factors. Only the system of indicators allows comprehensive analysis and making reliable conclusions about the main directions of increasing the economic efficiency of production. Using the system of indicators, we can determine the main (specific) or auxiliary (unique) criteria, give a general and quantitative description of economic processes related to production efficiency.



In the economic literature, there are different opinions about the existence of one or more criteria of economic efficiency. Proponents of the single standard believe that this requirement should be applied to all levels of management. Other economists talk about the need to use different criteria depending on the level of economic management. Also, there is a general definition of the criterion of the efficiency of the use of individual production resources – maximizing the production result with minimal resource costs. It does not deny the existence of a single criterion that fully and comprehensively assesses the events, but assumes the existence of other indicators to quantitatively reflect various aspects of economic processes. At the same time, it is necessary to clearly distinguish the criteria and indicators of production efficiency. The criterion is the main distinguishing feature of the economic event, which represents the essence of production efficiency. This, in turn, reflects the quality assurance of production efficiency. Indicators are a form of expressing the essence of production efficiency, an external measure of its criteria, and

serve as a means of qualitative and quantitative analysis of the economy as a whole, various aspects of expanded reproduction. At present, in the field of economics, a wide range of economic growth, especially increasing the efficiency of agriculture, is the main source of ensuring the country's food security. Therefore, it is important to comprehensively analyze the current situation by systematically determining the economic efficiency of agricultural enterprises in the conditions of market relations.

Based on the above, it is important to improve the statistical study of economic efficiency and develop a system of indicators that objectively reflect its level in modern economic conditions. Such processes force us to pay more attention to the financial condition and stability of enterprises when evaluating economic efficiency. Therefore, the system we propose is not only based on the systems considered in the economic literature, but also supplemented with some financial indicators, allowing for a more realistic assessment of economic efficiency (Fig. 1).



**Figure 1. System for assessing the economic efficiency of agricultural enterprises**

The methodology for calculating the system indicators that describe the economic efficiency in the activities of agricultural enterprises, proposed by us, indicates that most of them are closely related to each other. Therefore, the method that fully meets the task is considered to be the method of main components, and there is an objective need to move to the presentation of source data in an aggregated form.

To sum up, the system for evaluating the economic efficiency of agricultural enterprises proposed in this article is aimed at improving the financial and economic situation of agricultural enterprises by taking reasonable

measures aimed at increasing the economic efficiency of their activities. Until now, the classification of agricultural enterprises according to the set of indicators has been carried out based on the expert evaluations of leading experts in the field. The proposed multi-faceted economic-statistical analysis method allows to classify enterprises according to the system of statistical data processing indicators. Also, it lays the groundwork for solving the issues of choosing the amount and forms of financial support for the condition of agricultural producers. We must not forget that the current subsidies and subsidy mechanisms are authoritarian and do not ensure the rational use of allocated funds. In fact, the state artificially protects companies from complete bankruptcy.

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