



THE ISSUE OF IMPROVING THE ASSESSMENT OF CORPORATE GOVERNANCE SYSTEMS IN LARGE COMPANIES : SCIENTIFIC PERSPECTIVES.

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Abstract. *This article analyzes global and national experiences in improving corporate governance systems, various methodological approaches, and different perspectives on evaluating corporate governance systems. The primary objective of the article is to contribute to the formation of a scientifically grounded and practically applicable unified methodology for the comprehensive assessment of the management system within Uzbekistan's corporate sector. Furthermore, it aims to develop recommendations for utilizing assessment results to enhance corporate governance and facilitate informed investment decision-making.*

Keywords: *corporate governance, international companies, shareholders, strategic decisions, macroeconomic indicators, assessment system, governance index, transparency, accountability, control mechanisms, OECD principles.*

INTRODUCTION

Large international companies in the global economy play a crucial role in the development of national economies. Specifically, in the United States and European countries, large corporations account for a significant portion of the Gross Domestic Product (GDP) and contribute substantially to economic growth. According to scientific research, the business sector constitutes approximately 72% of the total GDP in OECD countries, with large corporations gaining increasingly greater

importance within this share¹. The effective organization of corporate governance directly impacts not only the performance of individual companies but also the overall national economy, including the growth of the GDP. In recent years, Uzbekistan has observed a dynamic of sustainable economic growth, which is clearly reflected in the growth rates of the Gross Domestic Product (GDP).

According to data from the National Statistical Committee, the country's GDP growth reached 6.4% in 2023, and by 2025, this figure rose to 6.8%². This dynamic is explained by the economic reforms being implemented in the country, the increase in investment activity, and the expansion of industrial production. At the same time, the role of large companies in GDP growth is of particular importance, the added value and investments they generate are among the primary drivers of economic growth. Furthermore, the activities of companies with effective corporate governance further accelerate this process and serve to ensure the stability of the national economy.

Corporate governance is a fundamental institution that ensures a company's competitiveness, investor confidence, and long-term stability. From this perspective, the objective, systematic, and scientifically grounded assessment of the corporate governance system—measuring its effectiveness, identifying its weaknesses, and developing pathways for improvement—stands as one of the most pressing scientific and practical tasks of the present day.

The concept of evaluating corporate governance encompasses a number of complex aspects. On the one hand, it involves assessing the existence of legal and institutional frameworks of governance and their compliance with international standards. On the other hand, it is important to evaluate how effectively these frameworks are implemented in practice, that is, the extent to which “governance on paper” is transformed into “real governance.” Thirdly, the assessment aims to

¹ <https://www.oecd.org> . “Principles of corporate governance” 2023 y.

² <https://www.stat.uz/> National Statistical Committee of the Republic of Uzbekistan, 2026.

determine the impact of corporate governance on both individual firms and macroeconomic indicators such as the cost of capital, market capitalization, and financial stability.

The deep structural reforms being implemented in the economy of Uzbekistan, particularly in areas such as the restructuring of state property, the development of joint-stock companies, the deepening of the capital market, and the improvement of corporate governance standards, have significantly increased the need to create effective mechanisms for evaluating governance systems in the country's corporate sector. The adoption of the Corporate Governance Code of Uzbekistan, the development of national standards based on the principles of the OECD, as well as the improvement of listing requirements in the securities market, all demonstrate the growing attention being paid to the quality of corporate governance and its evaluation. However, practice shows that the corporate governance evaluation system still faces a number of challenges, including the lack of clear methodological approaches, standardized indicators, and independent evaluation institutions. In many cases, the assessment is limited to verifying the existence of formal documents and their structural compliance, while insufficient attention is given to the qualitative aspects of governance practices.

METHODS. In this research, a comprehensive methodological approach was applied to study the scientific and methodical aspects of evaluating corporate governance systems. To formulate the theoretical foundations of the study, methods such as systemic analysis, logical analysis, literature review, classification, and grouping were utilized. These methods helped identify the core concepts, principles, and criteria of corporate governance evaluation, as well as their interconnections. The following table interprets the approaches of various scholars regarding the evaluation of corporate governance systems.

Table1. Analysis of Approaches to Evaluating the Corporate Governance System

№	Author Organization	/ Evaluation Approach	Core Focus
1.	Bob Tricker.	Struktural evolution	Determines the effectiveness of the governance structure
2.	Christine Mallin.	Comprehensive evaluation	Assesses the overall quality of governance
3.	Jill Solomon.	Financial and audit-based evaluation	Indicates financial performance
4.	OECD	Evaluation based on international standards.	Evaluates compliance with global standards
5.	I.Belikov Radigin	A. Institutional evaluation	Assesses the governance model

Overall, the literature indicates that corporate governance is a complex system combining structural, financial, institutional, and behavioral dimensions. However, existing studies often treat governance assessment in a fragmented manner, lacking a unified and integrated evaluation framework. In joint-stock companies of our country, the corporate governance system has been evaluated on the basis of a questionnaire consisting of 100 questions, grouped into 9 assessment areas, within a 1200-point scoring system. This methodology was approved on July 25, 2016, by the State Committee for Competition of the Republic of Uzbekistan and the Corporate Governance Research and Education Center of Uzbekistan. The evaluation areas are as follows:

1. Evaluation of the preparation process for the implementation of the Corporate Governance Code .
2. Evaluation of compliance with the Code's recommendations
3. Evaluation of the appropriateness of the organizational structure of the joint-stock

company .4.Evaluation of the conduct of selection (tender) processes .5.Evaluation of the transition to disclosure in accordance with IFRS and ISA .6.Evaluation of the implementation of modern management systems (ISO, R&D, etc.) .7. Evaluation of information policy . 8.Evaluation of financial performance .9.Evaluation of other areas of the joint-stock company's activities ³.

This Table 2 presents the results of the evaluation of the current corporate governance system. It includes data on joint-stock companies that have achieved the highest scores. However, at present, not all of the 668 joint-stock companies in our country have reached such performance levels. **Table 2. Results of the Corporate Governance System Evaluation (Ranking) Conducted Among Joint-Stock Companies Based on the Outcomes of 2024**

№	Corporate name	State share %	Corporate Governance Evaluation Results (Score)	Evaluation outcome
1	« Uzbekistan Republican Commodity Exchange»JSC	26,01	1175	High
2	"BIOKIMYO" JSC	11,59	1058	High
3	"O‘zbekgeofizika" JSC	96,89	1025	High
4	"Tashkent Republican Stock Exchange" JSC	50	1025	High
5	"National bank" JSC	98,11	968	High
6	"Uzbekistan Republican Currency Exchange" JSC	50,13	957	High
7	"Hududgazta’minot" JSC	100	940	High
8	"O‘zbekneftgaz" JSC	99,94	936	High
9	"O‘zagrosug‘urta" JSC	94,56	927	High
10	"O‘zmetkombinat" JSC	81,55	911	High

³ S. Elmirzayev “Korporativ boshqaruv ”.Textbook. “Zebo print” T.: 2021 .p. 389.

11	“Uzbek Geological Exploration” JSC	100	905	High
12	"Turonbank" PJSB	98,57	902	High
13	"O‘zbekekspertiza" JSC	81,36	888	High
14	"Navoiyazot" JSC	48,6	880	High
15	"O‘zbekgidroenergo" JSC	100	860	High
16	"Qishloq qurilish bank" PJSB	97,95	839	High
17	"O‘zkimyosanoat" JSC	100	836	High
18	"O‘zagrolizing" JSC	90,8	822	High
19	"Dori-Darmon" AK	36,1	820	High
20	"UZBEKISTAN AIRPORTS" JSC	100	820	High
21	"O‘zenergoinjining" JSC	43,73	796	High
22	"Aloqabank" PJSB	94,63	770	High
23	"Xalq banki" PJSB	93,77	764	High
24	"O‘zbekiston sanoat-qurilish bank" ATB	95,76	758	High
25	"O‘zbekiston pochta" JSC	27,1	756	High
26	“Organization of Electronic Online Auctions”JSC	100	754	High
27	"UZBEKISTAN AIRWAYS" JSC	100	751	High
28	"NAVOIY IES" JSC	100	737	High
29	“Thermal Power Plants”JSC	100	734	High
30	“O‘zsuvta’minot” JSC	100	727	High
31	"Asaka" PJSB	97,47	722	High
32	"Qo`qon mexanika zavodi" JSC	64,8	719	High
33	"RILK Kurilishmashlizing" JSC	73,54	713	High
34	"O‘zbekiston Milliy elektr tarmoqlari" JSC	100	707	High

35	"O‘zbektelekom" JSC	94,09	700	High
36	"Sharg‘unko‘mir" JSC	99,93	686	High
37	"NKMK" JSC	100	685	High
38	"UzGasTrade" JSC	100	670	High
39	"Qashqadaryo texnologik transport" JSC	48,66	670	High
40	"O‘zbekko‘mir" JSC	97,91	664	High
41	"O‘zavtosanoat" JSC	100	660	High

LITERATURE REVIEW. The concept of corporate governance is one of the key scientific categories in the modern economy, as it reflects the system of managing, controlling, and regulating relationships among stakeholders within a company. This concept has been interpreted differently by various scholars and international organizations. **Table 3. Analysis of Modern Approaches to the Concept of Corporate Governance in the Contemporary Economy**

№	Author/organization	Core focus
1.	Bob Tricker	Corporate governance is a system of managing and controlling a company, whose main function is to ensure strategic management and monitoring. ⁴
2.	Jill Solomon	Corporate governance is a mechanism of financial control and accountability, serving as an important institution that ensures investor confidence. ⁵
3.	Monks R. va Minow N.	Corporate governance is a mechanism that protects shareholders' interests and strengthens control over management activities. ⁶
4.	OECD	Corporate governance is a system of managing and controlling a company that defines the relationships between

⁴ Tricker B. Corporate Governance: Principles, Policies and Practices. – Oxford: Oxford University Press, 2015. – P. 23–27.

⁵ Solomon J. Corporate Governance and Accountability. – London: John Wiley & Sons, 2020. – P. 3–7.

⁶ Monks R., Minow N. Corporate Governance. – Chichester: John Wiley & Sons, 2011. – P. 15–18.

		shareholders, the board of directors, and other stakeholders. ⁷
5.	Belikov I.	Corporate governance is an institution that regulates the relationships between shareholders and management. ⁸
6.	Berkinov B.	Corporate governance is a system for effectively organizing company activities and ensuring the efficient use of resources. ⁹
7.	Suyunov D.X.	Corporate governance is a set of activities carried out to achieve the objectives of an enterprise, regardless of the form of ownership, based on existing legal norms and specific management principles. ¹⁰
8.	Xashimov A.F.	Corporate governance consists of establishing a balance of interests among the various individuals involved in the activities of a joint-stock company ¹¹

Analysis of various scientific approaches shows that corporate governance is a comprehensive system aimed at ensuring the effective management and control of a company, as well as coordinating relationships among stakeholders, and it plays a crucial role in promoting economic growth and enhancing investment attractiveness.

ANALYSIS AND RESULTS .During the research process, various methodologies for assessing the corporate governance system and their application in the conditions of Uzbekistan were analyzed. The study showed that in order to properly evaluate corporate governance, it is necessary to combine several methods. The effective methods for assessing corporate governance are as follows: **Table 4 .Analysis of applicable methods for using various approaches to assess the corporate governance system**

№	METHOD	CONTENT
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⁷OECD Principles of Corporate Governance. – Paris: OECD Publishing, 2015. – P. 9–12

⁸ Belikov I. Korporativnoye upravleniye. – Moskva: Infra-M, 2009. – S. 21–25.

⁹Berkinov B. Korporativ boshkaruv asoslari. Tashkent :Fan, 2018 – 12-15p.

¹⁰ Suyunov D. Korporativ boshqaruv mexanizmi : muammo va yechimlar. Monografiya . – Tash kent: Akademiya, 2007. – 319 p.

¹¹ A.A. Xashimov, "Formation of the methodology for managing integrated corporate structures in Uzbekistan": Doctoral dissertation in Economics (D.Sc). – Tashkent: 2007. – p. 338.

1.	Comprehensive (integrated) index method	Evaluates the quality of corporate governance through a single integrated index.
2.	Assessment based on OECD principles	Assesses the level of compliance with internationally recognized corporate governance standards defined by the OECD principles.
3.	Structural assessment method	Evaluates the effectiveness of governance bodies, including the supervisory board, board of directors, and executive management structure..
4.	Evaluation based on financial and market indicators	Measures corporate governance effectiveness based on financial performance indicators such as profitability, market value, and investment attractiveness..
5.	ESG (Environmental, Social, Governance) assessment method	A modern investor-oriented approach that evaluates environmental responsibility, social impact, and governance quality..
6.	Institutional assessment method	Analyzes the interaction between corporate governance systems and the external institutional environment, including legal and regulatory frameworks..

CONCLUSION. This study has shown that although the publication of corporate governance reports has become a legal requirement for all companies, the quality and level of detail of these reports vary significantly. Some companies prepare reports merely to meet formal requirements, without adequately disclosing important information such as the attendance rate of supervisory board members, key risks, and conflicts of interest. To address these issues, it is necessary to enhance transparency, strengthen control mechanisms, and ensure compliance with international standards. Global practice demonstrates that an effective corporate governance system improves company performance by ensuring transparency, accountability, and a balance among stakeholders. Therefore, based on the

experience of developed countries, the following scientific and practical recommendations can be proposed:

Firstly, corporate governance reporting should be improved in accordance with international standards. Secondly, in large companies with state ownership, corporate governance should be liberalized by gradually reducing state intervention and strengthening market mechanisms. Thirdly, it is essential to develop a corporate governance culture by introducing ethical codes, internal control systems, and risk management mechanisms. Fourthly, special attention should be paid to training qualified personnel, and management quality should be improved through the introduction of international certification systems such as ACCA and CFA. In addition, corporate governance and financial reports should be presented not only in Russian and English, but also in the state language—Uzbek, which will expand access to information for local investors and researchers.

Recommendations. It is advisable to create a unified national electronic platform that enables the centralized размещение of financial and corporate reports of all companies. This platform would serve as a reliable source of information for investors, researchers, and other stakeholders.

1. It is necessary to widely implement the KPI (Key Performance Indicators) system—one of the modern management tools—in evaluating company management performance. This system allows assessment based on clear and measurable indicators.
2. It is recommended to integrate ESG (Environmental, Social, Governance) indicators into companies' financial reporting. This approach makes it possible to evaluate not only financial performance but also social and environmental responsibility, thereby increasing attractiveness for international investors.
3. It is necessary to establish, at the legislative level, a mandatory requirement for joint-stock companies and large enterprises to publish corporate reports not only in

Russian and English, but also in the state language—Uzbek. This measure will improve the accessibility and clarity of information for local investors.

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