



## THE COMPENSATION MODEL OF PAYMENT FOR LABOR IN A SOCIALLY ORIENTED ECONOMY

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### Article History

Received: 08 July 2023

Revised: 10 Sept 2023

Accepted: 12 Oct 2023

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**Abstract.** The article examines compensation model of labor in today's market economy. This method of remuneration has a significant impact on the company's employees and increase the company's profits and profitability by compensating its employees. The idea of compensatory management arose in the context of a complex, increasingly competitive global economy in which all enterprises focused on the profitability and efficiency of their production. The formation of a system of rewarding workers based on their labor productivity level is a key factor that encourages the effective work accomplishments of the team.

**Keywords:** Compensation<sup>1</sup>, Model<sup>2</sup>, Owner<sup>3</sup>, Salary<sup>4</sup>, Methods<sup>5</sup>, Reward<sup>6</sup>, Labor<sup>7</sup>, Compensation strategy<sup>8</sup>, Structure<sup>9</sup>, Object<sup>10</sup>.

## 1 Introduction

In the Address of the President of the Republic of Uzbekistan Sh. Mirziyoyev to the Oliy Majlis dated December 29, 2020 pointed out as: «The ultimate goal of economic reforms in the new year will be to reduce poorness and improve the well-being of the population, and these strategic goals will be achieved through high rates of economic growth, which creates equal opportunities for all» [2].

The transformation of the country's economic system, the study of theoretical research during the period of property reforms, the generalization of the wage mechanism in

developing market economies and the impact of globalization processes continue in the concepts of wages [1; 6].

One of the most important and actual issues today is a thorough analysis of the content of scientific concepts and theories coming from the West in educational and scientific literature [21; 22; 14], the management practices and accounting of Uzbek corporations and their relationship with labor of workers and tax legislation. In the period of transition to the path of innovative development, we will not be able to achieve our goals without increasing initiatives on the incentive effect of wages. The Sustainable Development Strategy of Uzbekistan which is proposed until 2030 aims to increase the average income of the population to \$ 4,000 USD [15; 16; 17]. In achieving these goals, it is important to improve the system of remuneration and bonuses through the introduction of various compensations for labor. These compensations have been used to some extent in the companies of the republic, but it can also be seen that they are affected by the low cost of labor in the labor market. From this point of view, today it is effective to apply a compensation model to the wage system to increase GDP by 1.6 times and industrial production by 1.4 times by 2030.

«It should be noted that in the period of transition to the digital economy, the reform of the wage system is creating an interagency software package «Single National Labor System», which reflects the «personal history» of employment and employment of the able-bodied population» [7]. Organizational measures can be given for the launch of a special information system, taking into account the 6-month transition period, which provides for the creation of an interagency software package that allows every citizen and every job in the interagency software complex to keep records, electronic workbook and electronic employment contracts, measures of administrative responsibility for untimely and incomplete entry of data into the electronic database [7; 17; 21].

«In order to improve the living standards of the population, to form a decent wage system and increase real incomes of the population, from January 17, 2019» [17], a single tariff scale for wages is being revised. According to this program, the amount of wages of low-paid employees are proposed to increase rapidly by increasing the tariff coefficients of the lower levels of the single tariff grid by an average of 10%, including 15% for the 1st category, 10% for the 2nd category and 5% for the 3rd category. From January 1, 2019, the categories of remuneration of employees of universal professions employed in organizations funded by «the State Budget of the Republic of Uzbekistan are introduced on the basis of their updated models» [7; 17].

By September 1, 2019, a new financial concept aiming at increasing wages had been developed in cooperation with regulations and criteria given by international financial institutions to further improve the system of remuneration of labor in budget organizations, ensuring that the amount of wages would be more closely linked with its results, the complexity and responsibility of the performed labor functions. The task of revising the procedure for «setting the minimum wage in the State Program for the implementation of the Action Strategy for the five priority areas of further development of the Republic of Uzbekistan in 2017-2021 in the «Year of Active Investment and Social Development» [2; 17] was implemented. Elimination of the link and relationship between taxes and other payments with the indicators of minimum wage; increasing the amount of salaries of employees by increasing the tariff coefficient on a single tariff grid; increasing the amount of pensions, stipends and allowances based on the rate of increase of tariff coefficients on the single tariff grid are planned in the program's list of duties. It is known that the law of supply

and demand, developed by Marshall in 1890, is an objective economic law in which the demand for goods in a market and the volume of its supply depend on the price of those goods. When other conditions are equal, the lower the price of a commodity, the greater will be the demand for it (willingness to buy) and the lower will be the supply (willingness to sell) [17; 25].

The price of labor (labor force) attracts to the labor market the part of the able-bodied population that does not have other sources of livelihood. Higher wages increase the supply of labor (labor) in all segments of the labor market. A decline in wages, on the other hand, reduces the supply of labor in the labor market.

In the 19th century, the concept of «labor force - the expression of the value of goods in money» emerged. It was based on the rule that the concepts of «labor» and «labor force» are mutually exclusive [22]. That is, according to this view, labor cannot be a commodity and it has no value. A commodity is a labor force capable of working, and wages are the monetary value of that commodity. The employee receives a salary for the necessary labor that is really in demand and needed, not for all the labor he has done. The economic nature of wages consists in meeting the material and spiritual needs that ensure the reproduction of the labor force at the expense of this income.

The marginal theory, which examines the relationship between wages and labor productivity, identifies capital and land, entrepreneurial ability, and the labor of hired workers as the main factors of production as money and the means of production. According to these views, each of these key factors has a certain sign of productivity and it serves as the main tool to shape income. Part of this income goes to the owner of the means of production actually received. People from the trend Marginality believe that once the factors of production reach equilibrium, each of them is paid according to its highest productivity. In this case, the highest labor productivity is determined by the volume of output produced per unit of time of the employee whose labor is profitable. Therefore, in their opinion, wages are equal to the highest labor productivity.

The theory of monetarism, which emerged in the second half of the twentieth century, put forward the idea that the most important demand for labor was to increase the demand for money. The concept of «natural rate of unemployment» plays a key role in this approach. At the same time, voluntary unemployment should be at a level that creates a balance of supply and demand in the labor market, ensuring that real wages are in balance in all markets. In particular, according to M. Friedman [8], the expansion of demand in the markets will increase both the price of goods and the level of wages. However, an increase in the price of goods has a faster effect on these changes than an increase in wages. The process of rising prices more quickly than wages will reduce the amount of real wages. This situation forces employers to increase the number of employees. Rising demand for labor force will give its fruits as workers expect price stabilization and see an increase in wages as a real wage increase [18].

An analysis of the economic literature and legislation on the compensatory model of remuneration allows for the correct use of a variety of concepts and describes the payments made to workers by employers to a large extent.

The development of a logically based and step-by-step reward compensation model is an additional condition for the protection of the rights and legitimate interests of the parties to the employment relationship and is of great socio-economic importance for the effective organization of society [4].

The compensation strategy defines the general directions of the system of motivation and reward through the development and support of the required labor performance of employees, which ensures the competitiveness of the organization to achieve and strengthen long-term competitive advantages.

Due to the development of globalization processes and the integration of the economy and labor markets, the use of a single conceptual apparatus of reward plays an important role in the international legal system. The model incorporates a simplified view of a real object, process, or event. Understanding the real object of the model, its composition, basic properties, laws of development and interaction with the outside world; identification of effective management methods for the set goals and criteria; it is necessary to implement these methods and predict the direct and indirect consequences of the impact on the object. We should thoroughly define the term titled Compensatory model of remuneration of employees of the organization which comprises its structure, which has a complex impact on the labor behavior of employees, providing a correlation between individual elements, internal and external environmental factors and conditions [10].

The compensation strategy was developed as part of the overall personnel management strategy and is aimed at implementing the organizational strategy. Compensation strategies have a significant impact on people's behavior and leadership style, which in turn determines the composition of the reward system. When aligning the reward strategy with the organization's strategy, it should be noted that all forms of reward are aimed at employees who make a significant contribution to the implementation of this strategy [25].

Taking into consideration what is said above, rewarding strategy influences workers' behavior and effectiveness through their skills and outcomes, increasing their recognition and encouraging pay. The compensation strategy should provide an acceptable combination of financial and non-financial forms of compensation to support the business strategy. For example, the organization of an incentive strategy supports an organization with a low hierarchical level by providing an appropriate structure of remuneration in the reorganization strategy. In this situation, the introduction of compensatory labor model methods that support and encourage effective administrative performance plays a leading role and is of great importance.

The addition and redemption strategy leads to staff reductions, but we should mention that an increase in sales due to voluntary redundancies can also be a serious problem. In this situation, the strategy of the compensation model for labor force should be based on providing and expanding career opportunities for the best employees, organizing training programs and exchanging experience between different departments [21].

The strategy of a company's pay model is generally aimed at eliminating employee mentality and cross-cultural differences and sets its own strategic goals such as supporting the company's overall reputation, goals and criteria for the company, and supporting and developing employees' core knowledge and skills. The strategy also develops and defines remuneration competencies and compensation certificates to assess the performance of specific categories of workers. The state has reduced its social responsibility to the able-bodied population to the level of the minimum wage, and approaches to compensatory remuneration can use a real mechanism of wage regulation in conditions of quantitative and qualitative incompatibility [12].

Sectorial collective agreements can be based on corporate pay standards for workers in certain sectors of the economy, aimed at using the established budget system, taking into



account the specifics of their performance, recovery costs, conditions and ensuring simple or extended reproduction of the workforce.

In some sectors of the economy, such standards of compensation for skilled workers are created taking into account the specifics of working in a particular industry, including dependent barriers, and aimed at meeting the basic needs of workers at a socially acceptable level and restoring working capacity. In the current economic climate, maintaining a positive economic incentive for organizational development requires increasing the flexibility and efficiency of the wage model by linking wage levels to performance. The formation of a wage model for an organization is of particular importance and is constantly evolving in a rapidly changing competitive environment. The idea of compensation management emerges in a complex, competitive global market economy in which all companies must be integrated into the profitability and efficiency of production. Creating a wage system for workers' labor based on productivity of workforce is a key factor in motivating the team to work effectively and more efficiently [9].

Reward management can differentiate incentives for competitiveness and productivity by providing approaches to the development of a payroll system, focusing on job assignments, employee knowledge and experience requirements, and the interests of the individual, team, and production department. The compensation package combines a set of benefits and additional payments to protect and enrich the lifestyle of the worker and his family.

For example, the total number of compensation models of salaries to workers in Lincoln Electric (USA: Euclid, Ohio), General Motors (USA: Detroit, Michigan), Ford (USA: Dearborn, Michigan), Chrysler and other companies in the main areas is as «follows:

- Wages and productivity - 36 types of awards;
- Payment for day-off time – 21 types;
- Continuation of disability benefits - 19;
- Continuation of payments for loss of job - 10;
- Expenses for the following periods - 23;
- Payments to spouse (family) - 10;
- health protection - 23;
- payments in the equivalent of income - tax exemptions - 26;
- Tax benefits - 11 types.

A total number of awards is 179 types of awards» [24, 176]. The main part of the reward system includes non-compensated rewards. It incorporates all reward situations and is not included in the compensation package. This reward is paid for virtually all activities that affect the mental, emotional and physical condition of the employee and is not provided for in the standard reward system [19].

The non-compensation system that provides an idea of the model includes the following rewards:

- encouraging self-assessment and satisfaction with the work that has been completed;
- promoting constructive social relations with colleagues;
- providing labor resources to perform the assigned tasks;
- providing support through leadership and management;
- developing the tasks that require sufficient attention and effort [15].

The reward strategy may have the tasks as to record and group reward elements to have a positive impact on employee motivation, to increase company profitability and productivity [5].

The compensation strategy establishes a direct link between the required work, productivity and salary, and aims to increase the company's efficiency by encouraging employees to achieve higher performance [21].

## 2 Materials and Methods

The purpose of this study is to develop scientific proposals and practical recommendations for the formation of a compensation model in this area based on the analysis of the existing system of remuneration and bonuses in the economy of Uzbekistan in a socially oriented market economy.

Objectives of the study: to determine the content and importance of the compensation model of labor in a socially oriented market economy; to analyze the approaches of various economists to this model; to study the practice of using this model in the practice of companies in developed countries, the forms of rewards used and the development of proposals in terms of application in the economy of the republic; to examine the system of remuneration and bonuses in the economy of Uzbekistan and identify existing problems and to make recommendations on the use of the compensatory remuneration model in solving them.

Methods based on the basic rules and principles of dialectics were used in the research process. The study of trends in the development of forms of compensation in the country in terms of its rationale and history of the events and processes associated with its regulatory framework, i.e. the method of collecting, processing and analyzing materials on compensation. Methods as logical analysis, synthesis, generalization, induction and deduction, systematic approach to economic events and processes were used to draw conclusions from the data.

## 3 Results

Decent salaries and increase real incomes during 2020, the average monthly nominal earnings of employees of enterprises and organizations with the status of a legal entity in the Republic of Uzbekistan amounted to 2,066.0 thousand sums, an increase of 14.8% compared to the corresponding period of 2019 [14].

The average monthly nominal wage includes payments such as bonuses, incentives, compensation and salaries for time off, as well as personal income tax payments to the trade union.

There was an increase in the average monthly nominal wage in the country compared to last year. In particular, significant growth was observed in health and social services - by 20%, education - by 10.8%, banking, insurance, leasing and credit intermediation - by 31.8%, transportation and storage - by 17.2%, construction -16.3%, trade - 11.5%, other activities - 11.2%, industry - 10.7%, communications and information - 8.0% (Table 1).

**Таблица 1.** Average nominal wage by type of economic activity, in soums.

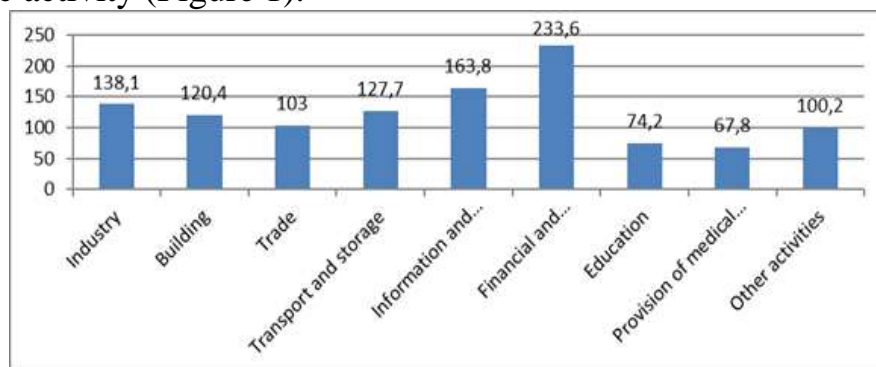
	201	201	201	201	201	201	2020	
	0	5	6	7	8	9	Gro wth rate	%

							co mp are d to last yea r	
Average nominal wage amount, for the year	504 796 ,8	117 166 9,3	129 376 4,3	145 777 8,0	182 268 7,4	204 171 8,1	258 490 8,7	3,68
Includin g:								
Industry	789 275 ,5	170 454 5,6	186 384 3,5	209 070 2,4	272 996 8,0	284 443 6,4	353 261 8,5	3,68
Constru ction	882 455 ,7	152 840 9,9	161 910 7,6	177 787 1,5	229 238 6,9	230 767 6,9	305 085 0,8	3,21
Tijorat	625 982 ,2	136 226 5,1	150 052 3,2	167 649 3,2	198 077 2,4	198 432 3,8	252 208 8,8	2,75
Transpo rtation and storage	710 670 ,4	156 412 0,3	176 389 2,0	202 856 1,3	250 502 4,2	270 370 7,3	337 754 2,6	3,41
Housing and commun al services and public catering	333 117 ,4	826 696 ,8	913 366 ,7	103 790 9,6	125 149 3,0	140 775 6,0	186 656 5,6	-
Informat ion and commun ication	741 255 ,5	175 967 7,9	204 222 3,6	250 216 1,8	332 959 2,3	341 402 9,9	416 958 8,3	4,37
Finance and insuranc e	510 313 ,0	181 265 8,1	214 014 2,4	269 474 0,7	349 714 1,8	372 291 4,3	541 288 3,9	6,23
Educatio n	399 001	933 703	103 891	116 019	138 154	169 515	208 990	1,98

	,1	,3	0,9	7,1	1,2	2,4	8,4	
Health	384 776 ,2	812 115 ,4	887 794 ,3	979 365 ,8	117 160 1,8	140 310 8,7	181 133 9,5	1,80
Art, entertainment and recreation	463 303 ,7	114 095 1,8	127 210 8,1	138 188 1,0	166 921 9,2	183 606 9,9	227 273 1,1	-
Other activities	313 160 ,4	995 623 ,4	110 968 8,8	126 184 3,6	174 201 2,3	200 059 1,0	260 222 0,1	2,67

Source: [14].

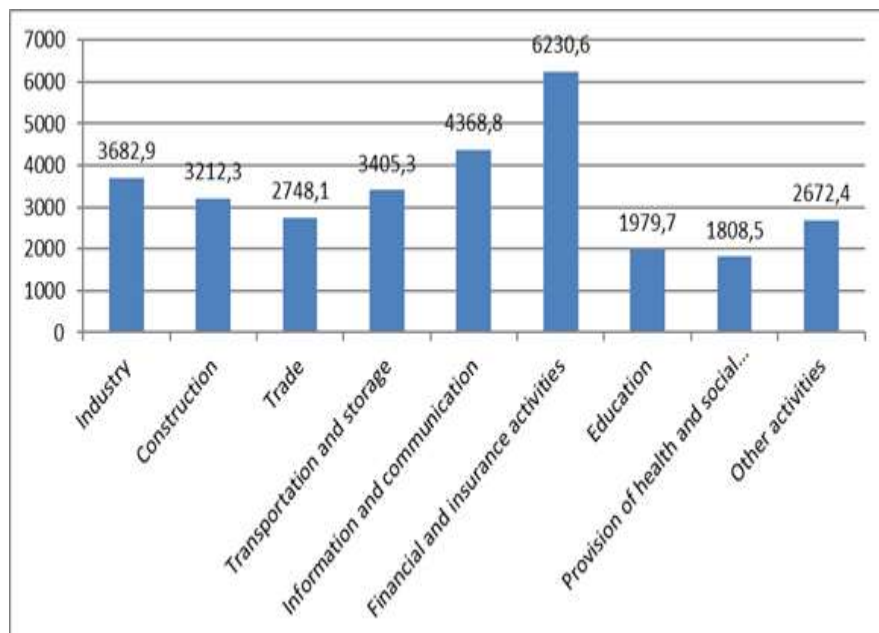
In the field of education, the regions have the lowest rates of average monthly nominal work for certain types of economic activity (Figure 1).



**Figure 1.** The ratio of the average monthly wage to the average wage in the country in% of economic activity, in%. Source: [14].

The average monthly wage in financial and insurance economic activities is 6230.6 thousand soums, or 2.3 times higher than the average Russian level, and vice versa. for the provision of medical and social services amounted to 1508.5 thousand soums or 67.8% of the average monthly salary in the country (Figure 2).





**Figure 2.** Average monthly salary by type of economic activity, in thousand sums. Source: [14].

It is known that the average salary in financial and insurance activities by type of economic activity is high in all regions of the country. In many areas, lower monthly salaries have been observed in health and social services activities.

It was also observed that the average monthly salary in three areas of economic activity is lower than the average in the Republic of Karakalpakstan (2383.4 thousand soums), and higher in other activities. In 4 areas of economic activity, the average monthly salary was lower than the average level in Bukhara region (2439.0 thousand soums), and higher in other activities. In particular, in Jizzakh region in construction by 37.7%, in transportation and storage by 25.5%, in health and social services by 15.6%, in education by 9.3% compared to the average monthly nominal wage in the country by type of economic activity was low.

The average monthly nominal wage in the field of education in 2020 amounted to 1979.7 thousand soums, an increase over the corresponding period of 2019 by 7.4%. In the field of education, high inter-regional average monthly nominal salaries were observed. Significantly higher than the average monthly nominal wage in the country are in Tashkent - 2792.6 thousand soums, Syrdarya region - 2062.4 thousand soums, Tashkent region - 1979.6 thousand soums.

At the same time, in eleven regions, the average monthly nominal wage in this area was lower than the national average. Significantly lower than the average monthly wage in the country fell to the share of Kashkadarya (69.5%), Fergana (83.0%), Samarkand (86.8%) and Surkhandarya regions (90.1%).

For November 2019 «On the distribution of the number of employees by the amount of accrued wages» [17]. provided by legal entities and their individual units (except for agricultural enterprises, micro and small enterprises, non-governmental organizations) to determine the average monthly salary using the structural method improved state statistical surveillance (Table 2).

**Таблица 2.** Distribution of employees by salary amounts calculated for November 2019.

	Full-time	The share of employees

	employees in November, %			whose salaries are calculated at the following times of the minimum wage:			
	from 1 to 2	from 2 to 3	from 3 to 4	from 4 to 5	from 5 to 6	6 and above	
Republic of Uzbekistan	100	36,4	22,2	15,1	9,5	6,1	10,7
The Republic of Karakalpakstan	100	38,3	25,4	15,3	8,7	4,8	7,5
Regions:							
Andijon	100	41,2	20,6	13,6	9,0	5,4	10,2
Bukhara	100	36,1	24,3	16,2	10,3	5,6	7,5
Jizzax	100	38,1	23,3	17,3	10,2	4,8	6,3
Qashqadaryo	100	39,7	24,7	14,3	8,1	7,0	6,2
Navoi	100	24,1	17,1	14,8	11,4	9,0	23,6
Namangan	100	46,2	20,6	13,1	8,5	5,0	6,6
Samarkand	100	42,5	21,8	14,0	9,1	5,2	7,4
Surxondaryo	100	41,6	22,4	15,6	8,9	4,9	6,6
Sirdaryo	100	39,6	23,8	15,7	9,3	4,9	6,7
Tashkent	100	31,8	20,1	15,0	10,6	7,9	14,6
Fergana	100	44,5	23,7	13,9	8,0	4,3	5,6
Khorezm	100	38,3	24,9	16,7	9,0	5,1	6,0
Tashkent city.	100	23,5	21,3	16,8	10,6	7,6	20,2

Source: [14].

Analysis of the survey results shows that in November, 36.4% of the total 2413.7 thousand  
2284

full-time employees, from one to two times the minimum wage, 22.2% from two to three times the minimum wage, 15.1% shows that the salary was calculated from three to four times the salary.

Decree of the President of the Republic of Uzbekistan of August 17, 2021 «On measures to ensure the implementation of the Law of the Republic of Uzbekistan On the State Budget of the Republic of Uzbekistan for 2021» [6] was passed in order to increase the income and standard of living of the population, strengthen state support for socially vulnerable segments of the population, as well as an accelerated increase in the salary of low-paid workers».

In addition, in order to increase incomes and living standards, strengthen state support for vulnerable groups, as well as to ensure a rapid increase in salaries of low-wage workers, the President of the Republic of Uzbekistan signed a decree on August 17, 2021. Decree «On increasing salaries, pensions, stipends and allowances» [6]. On According to him, from September 1, 2021, the salaries of employees of budgetary institutions and organizations, pensions, stipends, allowances and financial assistance to low-income families will be increased by 1.1 times.

In particular, the minimum wage was 822,000 soums per month, the basic pension was 289,000 soums per month, the minimum age pension was 565,000 soums per month, and the benefits for the disabled from childhood were 622,000 soums per month and benefits for the elderly and disabled who do not have the required length of service amounted to 440,000 soums per month.

Here, the basic calculation amount used to determine the amount of taxes, levies, fines, state duties and public services, patent (license) fees for certain types of business activities and other payments established by law is set at 270,000 soums.

In accordance with the Decree of the President of the Republic of Uzbekistan dated January 28, 2022 PF-58 «On further improving the system of financial support of vulnerable groups» [7], compensation will be paid to all privileged categories of persons entitled to it, regardless of whether these persons receive a pension (social benefit) and whether or not they work; social benefits will be introduced for single individuals in need of care. In this case, the monthly compensation payment for single individuals receiving social benefits in need of care is paid in the amount of 45% of the basic amount of pension calculation; for persons receiving social benefits of 100 years of age and older, an additional payment in the amount of 100 percent of the basic amount of pension calculation is set each month.

At the same time, the monthly supplement to the pension of citizens aged 100 and over is financed from the republican budget and the extra-budgetary Pension Fund through the organization to which pensions and benefits are assigned.

The indicator «Average monthly nominal wage» is based on the current legislation of employers in exchange for products (work performed or services rendered) by the employee for a certain period of time (hours, months, years) in accordance with the guidelines for assessing wages in the economy and international recommendations is determined on the basis of income calculated in cash to individuals in the form of remuneration of employees, including taxes and other payments.

#### **4 Discussion**

It is known that the concept of «compensation» by various authors in the broadest sense is the placement of forces in the process of performing a certain amount of work in the worker

(this aspect refers to the reproduction of wages), and in the narrow sense the placement of additional forces and costs in the worker aspect applies to the determination of compensation payments and wage increases) [15].

Кроме того, дискуссионными являются ряд положений. Так, дефиниция и целеполагание компенсационного пакета вознаграждений рассматриваются в литературе по менеджменту [21; 22]. Исследователи в области менеджмента считают, что компенсационный материальный пакет должен включать систему поощрения сотрудников за достигнутые результаты. Например: за достижение стратегических целей компании; КРІ (key performance indicators); снижение затрат и экономию времени выполнения задачи. Таким образом, компенсационный пакет включает внешние показатели эффективности деятельности работника [21; 22].

Но, по мнению ряда экономистов, компенсационный пакет должен включать как материальные, так и нематериальные роялти в совокупности. Нематериальные премии могут включать социальные компенсации (проезд, общежитие, компенсация за учебу; медицинские услуги и пр.). Compensation also includes the basic salary (base), its variable part (bonuses, benefits, commissions, group awards, individual payments for experience and abilities). «In this interpretation, the concept is described in a broad sense. In addition, there are cases when the concepts of «compensation» and «compensation package» are used in a narrow sense, with the exception of the basic level of remuneration» [10; 15; 20; 23].

However, most authors divide the compensation package into three elements and support a broader interpretation. Базовый оклад является базовой частью, оплатой основного труда (по должностной инструкции), которая ориентирована на спецификацию труда, учет КРІ сотрудника. Поощрительные выплаты, призы, бонусы являются неосновной доплатой к базовой ставке. Доплата не является обязательной (кроме установленных законом фиксированных доплат за стаж, ПК, вредные условия труда). Поощрительные доплаты могут выплачиваться как ежемесячно, так и поквартально, или ежегодно. Social payments and benefits. It is not always correct to apply concepts such as benefits, and benefits cited in the literature. This element is further included in the package of social protection measures.

However, similar approaches to the compensation and social payment package are common to other authors. According to R.I. Khenderson, a four-dimensional model of compensation programs operates «in the United States and combines the following elements:

1. Basic salaries and payments;
2. Wages and salaries;
3. Short-term and long-term incentive payments;
4. Benefits and services for employees.

«Here, the first two items combine compensation payments» [11], and the remaining three include a package of social payments.

It can be concluded that the social payment package is a part of compensation payments that is not directly related to the employee's labor performance and has an incentive feature.

A.A. Moskovskaya more precisely describes the concepts of «social payment package» and «compensation payment package». It describes the package of social benefits as payments and benefits that are intended for all employees, regardless of their contribution to labor, and constitute the social component of the enterprise's policy (compensation) and even «compensatory social payments» [13].

It appears that most authors are unable to adequately describe the enterprise's social and

compensation payments package. They can be used in incentive practice, but their theoretical interpretation is not always accurate. Recently, many advanced enterprises have applied Western standards in the development of a package of compensation payments: to make the calculation of payments more attractive by linking them to short-term performance; there have been cases of attempts to take advantage of long-term bonuses and options, depending on the increase in the value of the company and the results achieved. The availability of a package of compensation payments is one of the hallmarks of the competitiveness of enterprises.

Also, the package of compensation payments is determined individually for each employee, who must be notified in advance about the composition and amount of these payments. These payments should be made based on the results of the work. As well as, linking them to the length of service of the employee is a factor in ensuring sustainable employment.

The compensation package and moral reward are collectively referred to as the compensation system. On the basis of salary systems, companies and banks develop a package of bonuses, which must meet the following requirements:

- first, it must consist of an event that the employee wants and appreciates, that the employer wants or can perform instead of an offer of the employee's contribution to the company's mission;

- secondly, it is necessary to pay attention to the content of the compensation package of companies where their competitors or employees see it as an alternative job, where they can go to work;

- «thirdly, employees are constantly provided with expanded «organizational support» of the factors that affect their professional career in the company, including working conditions and work organization, team relationships and relationships with direct managers, professional development opportunities, etc. should be taken into account» [3].

## 5 Conclusion

The use of compensatory strategies in the activities of companies in Uzbekistan is a fundamental basis for bringing together humane, socially oriented and human-oriented market practices. It is expedient to introduce a compensatory model of remuneration of labor in the practice of enterprises of the republic, to expand the forms of compensation payments.

Целесообразно внедрение компенсационной модели в стратегию организационного развития компаний, разработка стратегии в области компенсаций, что позволит совместить интересы работодателей и наемных работников, повысить конкурентоспособность компаний, внедрить HR-бренд в их деятельность, а главное стимулировать удержание ценных и квалифицированных сотрудников. Внедрение компенсационного пакета является не только эффективным средством привлечения в компанию квалифицированных работников, но и дает возможность обеспечить ее финансовую устойчивость.

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