

CORPORATE GOVERNANCE AND CORPORATE MANAGEMENT

<https://doi.org/10.5281/zenodo.10064147>

Ilyasova Munisa Mirvaliyevna

Tashkent Medical Academy

Department of Global Health and Management,

Assistant Candidate of Medical Sciences

Muminova Mahbuba Teshaevna

Department of Infectious and Pediatric Infectious Diseases

Associate Professor, Candidate of Medical Sciences

Abstract: *the article is devoted to the comparison of two concepts: “corporate governance” and “corporate management”. The work describes the essence of corporate governance and corporate management, identifying the distinctive features of these concepts.*

Keywords : *management, management, corporation, corporate governance, corporate management.*

The corporate form of business organization is a relatively new phenomenon. In this regard, the issues of formation of corporate governance and corporate management become particularly relevant.

The corporation is the most common and significant form of organization of large businesses in modern conditions. It is a collection of legal entities and individuals who have united to achieve a goal and form an independent subject of law - a new legal entity. A distinctive feature of a corporation is that its ownership belongs to the shareholders who purchased the shares; the company is not solely owned and requires a completely different way of management influence and control of the owners. When owned property is separated from management, management functions are separated, and there is a need to create a balance between the company's owners and management, i.e. in corporate governance.

Corporate governance is the most important factor in the development and existence of corporations. It consists, first of all, in providing owners with the ability to effectively control and monitor the activities of managers.

But what do researchers mean when they talk about corporate management? Is it different from corporate governance? What is its essence?

Until recently, scientists were of the view that corporate management and corporate governance are synonymous concepts, replacing them with one name. However, their opinion is erroneous, since these are different phenomena that have their own content and their own subject of regulation.

To begin with, we should compare concepts such as “management” and “management”. According to the modern economic dictionary, management is a conscious, purposeful influence on the part of subjects, bodies on people and economic objects, carried out with the aim of directing their actions and obtaining the desired results. In contrast to management, which exists in various systems - technical, technological, biological and social, management is “always the management of only specific people connected by organizational and economic relationships in a specific corporate system (organization, company, enterprise).”

Thus, management is a broader concept than management. This applies to both corporate governance and corporate management.

Corporate management is an “integral part” of the management system and is carried out only by executive bodies (general director, executive director, management personnel, financial manager, commercial director and others). In other words, corporate management is carried out exclusively by company managers. Executive bodies are engaged in the distribution and control of the implementation of production tasks by representatives of middle and lower levels of management, who, in turn, manage employees.

From the point of view of solving strategic issues of the company, corporate management is responsible for developing strategy and making management decisions; it is aimed at the successful functioning of the company in the external environment. Corporate management is responsible for the implementation of the existing strategy and execution of management decisions; it focuses on operational management, that is, it is aimed at resolving all current issues related to the activities of the corporation and the organization of the functioning of the management system.

If the main goal of corporate governance is to ensure the profitability of the company, then the task of corporate management comes down to ensuring the rational organization of production potential in order to achieve high production efficiency. In other words, management must organize the company's work in such a way as to ensure the achievement of the goals of corporate governance.

Corporate management develops the company's capabilities. It provides 3 important business assessments: information delivery, performance indicators and control indicators. These assessments help you understand, manage and grow your business. The corporate management system coordinates the work of the manager, operating personnel, clients, as well as the work of suppliers.

Corporate management is aimed at resolving all current issues related to the activities of the corporation, with the organization of the functioning of the management system and performs such functions as planning, organization, motivation, coordination and control.

Thus, corporate management and corporate governance are different concepts. Their main difference is that corporate governance is broader; management is its “integral part”.

The task of corporate governance is to find a balance between the interests of the company's owners and managers. The main task of corporate management is to resolve all current issues (coordinating the work of managers, operating personnel, clients, as well as the work of suppliers) and ensuring the effective operation of the company.

Effective corporate governance directly depends on the organization of corporate management. It is he who is responsible for implementing the developed strategy and organizing the execution of management decisions.

BIBLIOGRAPHY:

1. The importance of corporate management indicators // business.damotvet.ru URL: Daft R. Management: per. from English 10th ed. St. Petersburg : Peter, 2013. P. 25
2. Zaretsky A.D. Management: textbook / A.D. Zaretsky, T.E. Ivanova. - M.: KNORUS, 2016. P.268.
3. Kodirova A.S. Corporate governance and corporate management: evolution, models, similarities and differences. M., 2016. P.55-60.
4. Features of the corporate form of doing business [Electronic resource] // lektsii.org URL: <http://lektsii.org/1-79335.html>