

FACTORS AFFECTING THE DIGITALIZATION OF CORPORATE MANAGEMENT IN JOINT JOINT STOCK COMPANIES AND SCIENTIFIC APPROACHES TO RISK ASSESSMENT

*Suyunova Dilfuza Dilmurod's daughter,
doctoral student at the Graduate School of
Business and entrepreneurship*

Annotation:

The article explores the factors influencing the digitalization of corporate management in joint-stock companies, emphasizing the integration of digital technologies in corporate governance. It discusses how adherence to environmental, social, and governance (ESG) principles can enhance the transparency and attractiveness of companies for investors. The paper highlights the growing role of digitalization, focusing on two key segments: the digitalization of information processes and the digitalization of management processes. It outlines current challenges, such as the lack of regulatory frameworks, internal and external digital risks, and insufficient development of virtual meeting tools. The article also introduces a risk assessment framework for digital transformation, considering various types of digital risks, including technological, cyber, strategic, and data leakage risks. The study concludes that comprehensive legal and organizational mechanisms are necessary to effectively leverage digital technologies and manage digital risks in corporate governance.

Keywords:

Digitalization, corporate Management, Joint-Stock Companies, Corporate Governance, ESG Principles, Digital Risks, Risk Assessment, Information Technologies, Cybersecurity, Corporate Relations, Blockchain, Big Data Artificial Intelligence, Virtual Meetings, Digital Transformation

Today in the world, in order to ensure the minimization of external impacts caused by the activities of joint-stock companies, great importance is attached to the correct and effective corporate management in the companies in terms of compliance with environmental standards, their social responsibility and management principles (ESG). Therefore, as part of management, societies are required to consider the environment and society as stakeholders and to meet their needs, rather than merely following their income. It can be assumed that by introducing environmental standards into the management system of societies (companies), management will be fully responsible for costs in the social and environmental sphere.

One of the factors affecting the corporate governance of joint-stock companies is the existence of legal documents and regulations. In countries with weak or underdeveloped governments, companies get out of control and start

building their own systems that are against the rules. But if the companies strictly adhere to the adopted regulatory documents, there will be no mistrust from investors and third parties. The existence of a transparent system of regulation of corporate relations shows the viability and investment attractiveness of the company.

Among many factors, it is impossible to identify the main factors that should be the basis for evaluating the effectiveness of the company's corporate governance.

Today, digitization is entering all areas of our lives, and corporate governance is no exception. Corporate relations play an important role in society, but their understanding and meaning give rise to different points of view. They cover a wide range of interactions between corporate legal entities, including management, control and interactions.

Scientific studies and works of various authors, e.g.

S.Gulomov, P.V. Nesterov, E. Toffler, A.P. Shikhverdiev, S. Westlake, A.M. Karminsky, J. Haskell, J. Sink, W. Visser, W. Inman, K. Schwab, R. Barker, B. Libert, D. Suyunov, A. Kejabaev, T. Kadirov, E. Khalmuradov, D. Suvanova and others are scientists who studied this problem and developed relevant scientific and practical recommendations and proposals. But today, many researchers are founders of corporate relations and management of these companies by corporate legal entities and understand as a whole system of relations related to their activity in control.

In addition, corporate relations are relations that arise in the process of establishing, operating and liquidating companies as legal entities. Examples of corporate relations are joint ventures, partnerships, contracts for the supply of goods and services, network contracts between different companies in any field, joint investment gathering, contracts between firms related to the development of new technologies, etc.

Corporate relations can be internal and external. External corporate relations are relations related to the processes of establishment, operation and liquidation of a corporate organization, as well as its interactions with state bodies or other corporate organizations. Internal corporate relations are relations within a corporate organization.

There are current trends in the development of corporate relations related to the digitization process. In the modern world, the use of digital technologies in corporate organizations can be divided into two main segments.

The first segment includes the development trend of digitalization of information and operational processes, which implies increasing the efficiency of decisions made between the participants of corporate relations.

For example, conducting digital analysis using Big Data, using artificial intelligence and working with blockchain. Also, information

and the trend towards digitalization of operational processes is the increased use of digital analytics, cloud technologies and mobile applications.

The second segment includes the trend of digitalization of corporate management processes. It involves simplifying the corporate relationship between owners and managers. Development is driven by the introduction of digital technologies such as virtual meetings and communications, as well as electronic voting.

Of course, the trends of developing corporate relations related to digitization processes are increasing every year.

There are certain challenges in digitizing corporate relationships. They are associated with the emergence of new digital technologies and their rapid development. These may include:

First, the lack of law enforcement practices regulating the use of digitization processes in the field of corporate relations. In this regard, new digital technologies are being introduced into the activities of corporate organizations, but it is slow to produce the expected results.

Secondly, the participants of the corporate organization, the management and the existence of certain internal and external digital risks that pose a risk to the data of its business.

Thirdly, the corporate management system related to digital technologies does not have the level of global standards, that is, it is low. Among the main problems with this industry is the lack of a single platform or a digital corporate governance system. This factor has a negative impact on the consistency and mutual relations of the participants of corporate relations.

Fourth, insufficient development of virtual meeting and electronic voting processes. In most cases, the exact rules for remote voting and remote meetings between the participants of corporate relations are not defined. Their forms and types are not specified. This problem contributes to the complete and incorrect implementation of digital technologies in corporate organizations.

Based on the above, it can be concluded that extensive research should be conducted in the field of digitization of corporate relations in order to promote the use of digital technologies and their absolute introduction.

Digitization is becoming an increasingly important factor in the development of corporate relations. It makes changes to the information and operational processes, improves the efficiency of the decisions made and simplifies the interaction between the participants of corporate relations. However, there are problems with the lack of regulation and the emergence of new digital risks. It is necessary to develop legal and organizational mechanisms that ensure the effective use of digital technologies in corporate relations and the protection of the interests of all participants. Only in this way can digitalization become a useful tool for the development and improvement of corporate relations in the future.

One of the most important trends at the moment is digitization, which has a profound impact on all aspects of business, including corporate governance. As digital technologies become increasingly intertwined with traditional business processes, these fundamental changes will lead to an even greater role for the corporate secretary and corporate counsel.

Digitization of corporate governance in joint-stock companies is not just a technology trend; it's an entire paradigm that is redefining how we do business, manage data, and interact with our stakeholders. It began with the advent of the first computers and digital databases at the end of the 20th century, but became a real breakthrough with the development of the Internet, cloud technologies, big data, artificial intelligence and blockchain. Thus, the concept is becoming very important in the modern world, where information technology has become an integral part of the daily activities of companies.

Thus, the conclusion is that digital transformation has become an integral part of business, regardless of its size or form of organization. Large companies, due to their resources, have more opportunities to implement advanced digital technologies, but on the other hand, the wide management structures typical of large companies can create problems and development characteristics at every level.

In the economic literature, digital transformation is described as changes in business and organizational activities, processes, and competencies through the use of digital technologies. For companies, digital transformation means developing new business models and operating rules, both externally and internally. Therefore, it is possible to encounter certain risks in the use of digital technologies in making corporate management decisions and improving its effectiveness. We can express this in Table 1 as the risks in the company's digital ecosystem

In the conditions of today's digital economy, a risk zone based on their main determinants, which can be called a system of digital risks, is being formed. Digital risk is a term that covers all digital opportunities arising from ICT, data processing automation and decision automation. The use of digital technologies creates digital risks. The risks of digitization are the consequences of their implementation.

In economic scientific literature, the most dangerous areas of the company's activity are distinguished: according to the criterion of the source of occurrence - external, affecting the organization from the external environment and internal acting in the internal environment; according to the criteria of the region of origin - technological, economic, normative-legal, personnel, etc.; by time period - operational, strategic; and according to the criterion of frequency of occurrence - static, dynamic.

Table 1

Types and content of risks in the digital ecosystem in corporate governance in joint-stock companies and increasing its effectiveness

Types of determinants /risks	The threat of loss	Key areas of management
Technology / technological	The degree of risk of loss due to existing technological failures or	The scale, modern compatibility and functional

	obsolete technologies.	accuracy of the technology we are introducing to management and other processes.
Cyberspace / cybernetic	Unauthorized access to the company's activities (network exploitation), then use for malicious activities such as extortion and interference with the normal flow of business processes.	Strengthening the digital platform organized for management and other processes based on network characteristics; program security; perform vulnerability management and security monitoring.
Strategy / strategic	The threat of loss is usually related to the company's goals and objectives. A risk may be external to the company and when it occurs, it will lead to a change in the strategic direction of its operations. This usually affects customer acquisition, brand equity, reputation and competitive advantage in the market.	Organization of processes of strategic development of the company's activities, development of a monitoring system; to achieve an appropriate level of control in operational processes.
Risk of data / data leakage	The risk of dissemination, loss and sale of information related to the company's management and its activities to other competing companies.	Ensuring data protection in the digital ecosystem at various stages of company management; focuses on classification, storage, processing, data encryption and others.
Third parties (consumers, suppliers) / third parties	It includes risks arising from the company's activities, suppliers, third-party operating environments and inadequate controls of their cyber vulnerabilities.	It will be related to the sharing of information in the main management process, integration of technology, dependence on operations, stability of managers and organizers, etc.

In conclusion, ensuring the effectiveness of corporate governance in joint-stock companies requires the collective action of companies with a common interest in the implementation of digital technologies to combat digital risks, digital regulation risks or cyber security risks. The main approaches to risk management

are defined by the International Organization for Standardization (ISO) in standards for risk management, as well as information and cyber security. Therefore, it will be possible to put forward the opinion that we should only comply with it and strengthen the responsibility in making corporate management decisions.

List of used literature:

1. Decree of the President of the Republic of Uzbekistan dated September 11, 2023 No. PF-158 on approval of the "Uzbekistan-2030" Strategy.
2. Decree of the President of the Republic of Uzbekistan dated January 28, 2022 No. PF-60 "On the development strategy of New Uzbekistan for 2022-2026".
3. S.D. Kholmurodovich, K. Vokhid. Problems in the development of remote banking services in commercial banks of Uzbekistan. *World Economics and Finance Bulletin* 26, 39-46. 2023.
4. A. Davletyarov, D. Suyunov, A. Kenzhabaev. Foreign experience in the development of small business and private entrepreneurship in the field of service. *Global Scientific Review* 14, 5-11.2023.
5. S.D. Kholmuradovich, K. T. Uzokovich. Ways for a leader to work on speech and improve speaking skills. *American Journal of Pedagogical and Educational Research* 11, 29-32.2023.
6. D. Kh. Suyunov, V. R. Kaitavov. Current issues of digitization of transformational processes in commercial banks. *American Journal of Business Management, Economics and Banking* 10, 38-45.2023.
7. D. Kh. Suyunov. Scientific-theoretical foundations of improving the introduction of a modern corporate control system in joint-stock companies. *Rules of Management and Ethics Online Scientific Journal* 3 (2), 433-441.2023
8. D.K. Suyunov, M. I. Maksudov. Benefits of digitalization of the economy in Uzbekistan. *Economy and society*, 748-751. 2023.
9. D. Kh. Suyunov. Improvement of Uzbekistan's position in international rankings and indexes and mechanisms of systematic work with them in state bodies and organizations. *Science and innovation* 2 (Special Issue 13), 486-488.2023.
10. D. Kh. Suyunov, N. K. Yormatova. Tsifrovaya transformatsiya protsesov upravleniya personelom v kommercheskom banke. *Journal of new century innovations* 43 (4), 75-78.2023.
11. D.Kh. Suyunov, A.T. Kenjabayev. *Electronic commerce. textbook. 2023 year. 450 pages. 2023.*
12. Vasilenko I.V., Pridachuk M.P., Vasilenko Il.V. Sotsialnye riski tsifrovoy ekonomiki organizatsii: kriterii znaniya i urovnya soglasiya // *Mejdunarodnyi nauchno-issledovatel'skii zurnal*. – 2021. – No. 9-2(111). - c. 119-123. - doi: 10.23670/IRJ.2021.9.111.056.
13. Antonova N.L., Madjar D.O. Planirovanie deyatelnosti organizatsii v usloviyax neopredelennosti i riska // *Naukosfera*. – 2021. – No. 1-2. - c. 170-174.

14. Yureva L.V., Dolzhenkova E.V. Riskoorientirovannaya concept adaptatsii promyshlennykh predpriyatiy k usloviyam tsifrovoy ekonomiki. / Monograph. - Nizhny Tagil: NTI (branch) UrFU, 2019. – 100 c.

15. Berdnikova L.F., Vokina E.B. Functionality and risk management, management and economic security of the organization and the conditions for digitization of business // Vestnik SamGUPS. – 2019. – No. 4(46). - c. 72-77.