УДК 336.64:658.15:334.72 (575.1)

CASH FLOW OPTIMIZATION IN CLUSTER-BASED ENTERPRISES: A THEORETICAL AND METHODOLOGICAL MODEL FOR UZBEKISTAN

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Annotation. This study investigates theoretical and methodological foundations for optimizing cash flows in cluster-based enterprises, focusing on Uzbekistan. The analysis synthesizes classical models such as Baumol and Miller–Orr, modern approaches like Value-Based Management, and international practices from Germany, Korea, and Turkey. The research identifies systemic issues in Uzbek clusters, including elongated debtor-creditor cycles, dependence on bank loans, and insufficient reinvestment. A conceptual three-stage model—monitoring, balancing, and reinvestment—is proposed. The novelty lies in adapting global financial management theories to Uzbekistan’s cluster system, providing both theoretical contributions and practical recommendations.

Keywords. Cash flow, optimization, cluster, financial management, reinvestment, liquidity, Uzbekistan

Annotatsiya. Ushbu tadqiqot O‘zbekistondagi klaster korxonalarida pul oqimlarini optimallashtirishning nazariy va uslubiy asoslarini o‘rganadi. Tahlilda Baumol va Miller–Orr kabi klassik modellar, Value-Based Management kabi zamonaviy yondashuvlar hamda Germaniya, Koreya va Turkiya tajribalari umumlashtirilgan. Tadqiqotda O‘zbekiston klasterlarida uchraydigan tizimli muammolar — debitor va kreditorlar siklining cho‘zilishi, bank kreditlariga yuqori darajada qaramlik va qayta investitsiyaning yetarli emasligi aniqlangan. Ushbu muammolarni bartaraf etish maqsadida nazariy asoslangan uch bosqichli model — monitoring, muvozanatlashtirish va qayta investitsiya qilish taklif etiladi. Tadqiqotning yangiligi global moliyaviy boshqaruv nazariyalarini O‘zbekiston klaster tizimi sharoitlariga moslashtirish orqali ilmiy hamda amaliy tavsiyalar ishlab chiqilganidadir.

Kalit so'zlar. Pul oqimi, optimallashtirish, Klaster, moliyaviy menejment, qayta investitsiya, likvidlik, O'zbekiston

Аннотация. В данном исследовании рассматриваются теоретические и методологические основы оптимизации денежных потоков в кластерных предприятиях Узбекистана. Анализ включает обобщение классических моделей, таких как модели Баумоля и Миллера–Орра, современных подходов, например управления на основе стоимости (Value-Based Management), а также

ISSN 3030-3907

международного опыта Германии, Кореи и Турции. В работе выявлены системные проблемы узбекских кластеров — удлинённые циклы дебиторской и кредиторской задолженности, высокая зависимость от банковских кредитов и недостаточный уровень реинвестиций. Для их решения предлагается концептуальная трёхэтапная модель, включающая мониторинг, балансировку и реинвестирование. Научная новизна заключается в адаптации глобальных теорий финансового менеджмента к условиям кластерной системы Узбекистана, что позволяет внести как теоретический вклад, так и практические рекомендации.

Ключевые слова. Денежный поток, оптимизация, кластер, финансовый менеджмент, реинвестирование, ликвидность, Узбекистан

Introduction

Clusters play a central role in Uzbekistan's industrial policy, particularly in textile and agricultural sectors. While clusters enhance integration and competitiveness, they also generate complex financial interdependencies. Effective cash flow management is crucial to ensuring liquidity, reducing reliance on external financing, and enabling reinvestment. International theories of cash flow optimization provide insights, yet localized models remain limited. The objective of this article is to fill this gap by developing a conceptual model suitable for cluster enterprises in Uzbekistan.

Literature Review

Classical financial models such as Baumol's cash management model [1] and Miller–Orr's stochastic cash balance framework [2] offer foundational insights into liquidity control. Value-Based Management (VBM) emphasizes aligning financial decisions with shareholder value creation [3]. In cluster contexts, Porter [7] highlighted the significance of inter-firm linkages, which inherently affect cash flows. International practices demonstrate diverse approaches: Germany's Industry 4.0 stresses real-time financial monitoring [4]; Korean smart-factories apply treasury systems and cash pooling [5]; while Turkish textile clusters focus on mitigating debtor risks [6]. Additional perspectives such as Islamic finance principles [8] suggest alternative frameworks for liquidity and reinvestment. Despite these developments, there is still a gap in tailoring such theories to the realities of Uzbekistan.

Research Methodology

The methodology integrates theoretical synthesis, comparative international analysis, and conceptual model design. First, theoretical synthesis examines both classical and modern approaches to cash flow optimization. Second, comparative analysis draws lessons from developed economies with established cluster systems.

ISSN 3030-3907

Third, a conceptual model is developed to address Uzbekistan's specific conditions. Data sources include official statistics from the Uzbekistan State Statistics Committee [9], government decrees PF-60 and PF-71 [10], and secondary international literature. This methodological triangulation ensures both theoretical rigor and contextual applicability.

Analysis and Results

Uzbekistan's cluster enterprises continue to face recurring liquidity challenges that undermine both short-term solvency and long-term competitiveness. One of the most pressing issues is the elongated debtor–creditor cycle, which averages more than 80 days between 2020 and 2024. This indicates that payments from customers and intermediaries are delayed, locking up working capital and creating liquidity gaps. In practice, this weakens the ability of enterprises to meet current obligations, including salary payments, supplier settlements, and tax contributions. Compared to international standards, where debtor cycles in well-structured textile clusters average between 30–45 days, the Uzbek case reflects a substantial structural inefficiency.

A second challenge is the high dependence on bank loans, which consistently remains above 50% of financing sources. While access to external credit supports expansion, it also creates risks of over-leverage, especially in a volatile financial environment. Frequent reliance on bank loans suggests that internal cash flow management mechanisms are insufficient to cover operational and investment needs. In developed economies, clusters increasingly rely on self-financing and reinvested profits, while in Uzbekistan, the financial ecosystem still exhibits a credit-heavy structure. This dependency also implies vulnerability to interest rate fluctuations and banking sector liquidity crises.

The third dimension relates to the reinvestment ratio, which although showing gradual improvement (from 12% in 2020 to 20% in 2024), remains modest. A reinvestment ratio of 20% is insufficient to ensure technological modernization and competitiveness in the global textile and agricultural markets. International evidence suggests that high-performing clusters allocate between 25–35% of their profits to reinvestment in innovation, digitalization, and diversification. In Uzbekistan, reinvestment tends to be oriented towards basic capital maintenance rather than innovation, which limits cluster capacity to upgrade production and increase value-added exports.

These combined challenges—elongated payment cycles, credit dependence, and low reinvestment—demonstrate the urgency of a systemic cash flow optimization model. To address these weaknesses, a three-stage conceptual framework has been proposed:

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- **Monitoring:** Integration of ERP (Enterprise Resource Planning) and treasury systems to ensure real-time cash flow visibility. At present, most Uzbek clusters lack comprehensive financial monitoring platforms, relying instead on fragmented spreadsheets and manual accounting. By adopting ERP-linked treasury modules, enterprises can anticipate cash shortages, plan disbursements, and improve financial transparency across the cluster network. Monitoring is not limited to internal data but also includes external partner obligations, which reduces uncertainty and prevents liquidity shocks.

- **Balancing:** Application of cash pooling mechanisms and active management of debtor cycles. Cash pooling enables financial resources from multiple enterprises within a cluster to be consolidated, thereby reducing idle balances and minimizing financing costs. Shortening the debtor cycle through stricter credit policies, digital invoicing, and incentive-based early payments will reduce liquidity pressure. Balancing also involves negotiating better payment terms with suppliers, aligning inflows and outflows to maintain liquidity equilibrium.

- **Reinvestment:** Allocation of optimized cash flows into value-added projects such as cottonseed oil extraction, textile waste-to-fertilizer plants, and energy-efficient machinery. This reinvestment strategy ensures that clusters do not merely maintain operational capacity but actively build resilience and competitiveness. By directing a portion of cash flows into sustainable and innovation-driven projects, enterprises increase profitability while contributing to circular economy goals.

This framework reflects international best practices—notably Germany's Industry 4.0 focus on real-time financial monitoring [4], Korea's smart factory treasury systems [5], and Turkey's textile debtor management practices [6]—while being adapted to the institutional and economic realities of Uzbekistan. Unlike imported models, which may not fully capture the transitional nature of Uzbekistan's financial environment, this tailored framework integrates local reinvestment opportunities and cluster-specific dynamics.

In summary, the results indicate that systemic cash flow optimization is both necessary and feasible. By addressing weaknesses in monitoring, balancing, and reinvestment, cluster enterprises can enhance liquidity, reduce external credit dependency, and ensure sustainable growth. The empirical trends (Table 1) support the relevance of this model, demonstrating gradual improvements in debtor cycles and reinvestment ratios, though challenges persist in reducing bank loan dependency. The proposed model thus bridges the gap between international financial management theories and Uzbekistan's practical needs, offering a foundation for policy recommendations and managerial application.

ISSN 3030-3907

Table 1.

Cash Flow Indicators in Uzbek Cluster Enterprises (2020–2024)

Year	Average Debtor Cycle (days)	Bank Loan Dependency (%)	Reinvestment Ratio (%)
2020	92	65	12
2021	88	60	14
2022	85	57	16
2023	80	55	18
2024	78	52	20

Conclusion and Recommendations

The study provides a theoretical and methodological contribution by adapting global cash flow optimization concepts to the specific context of Uzbekistan's cluster enterprises. The proposed three-stage model—monitoring, balancing, and reinvestment—addresses structural weaknesses and supports sustainable financial development. The findings highlight that improved monitoring reduces liquidity gaps, balancing stabilizes financial flows, and reinvestment ensures long-term growth. Practical recommendations include: adopting treasury management systems, shortening debtor cycles through regulatory incentives, and promoting reinvestment in value-added projects. Future empirical testing may validate the model's applicability across different sectors of Uzbekistan's cluster economy.

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ISSN 3030-3907