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STRATEGIC MANAGEMENT AND COMPETITIVENESS: UZBEKISTAN AND INTERNATIONAL BUSINESS PRACTICES.

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Abstract

This study investigates the connection between strategic management and competitive advantage in Uzbekistan, as it conforms to international business standards. In today's digital age, companies are exposed to threats and opportunities, necessitating strategic adjustment. The research investigates how competitiveness is boosted in Uzbek companies through the implementation of international best practices. The main goals are the identification of drivers of competitiveness, the evaluation of the role of digitalization, and policy implications for policymakers and enterprises. The areas of research are agriculture, textiles, and information technologies priority sectors of the Uzbekistan economy. A mixed-methods approach, integrating qualitative and quantitative methodologies, is applied. Case studies, comparative analysis, and SWOT analysis allow us to assess strategic management practices. Data sources include industry reports, official documents, and executive interviews. Findings show that competitiveness is affected by innovation, government policy, and human capital. Uzbekistan can learn from South Korea, Poland, and India to come up with effective strategies. Digitalization has a significant influence on economic growth, necessitating policy reform and the transformation of the education system. Challenge such as limited market access, technological disparities, and cultural barriers hinder development. The study suggests innovation ecosystem development, strategic planning improvement, and education alignment with the needs of the market. These results are beneficial to policymakers, entrepreneurs, and researchers interested in Uzbekistan's integration into the international market.

Keywords: Strategic Management, Competitiveness Uzbekistan International Business, Global Market, Innovation, Economic Reforms

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1. Introduction

How do strategic management impact the competitive position of firms in an emerging economy such as Uzbekistan? What are the key challenges and opportunities faced by Uzbek firms in integrating with global business practice? How could lessons learned from global business practices be reapplied to enhance sustainable development in Uzbekistan? Such fundamental questions again stress the importance of an inquiry into the relatedness of strategic management and competitiveness between the domestic and international arenas. In the context of the swiftly transforming global economy, it is essential for enterprises to implement innovative approaches to maintain their competitive edge. (Ogunmola, 2024). Strategic management has garnered widespread acknowledgment as a fundamental element of success, equipping organizations with the necessary instruments to traverse intricate markets and adjust to fluctuations. For Uzbekistan, which is experiencing considerable economic reforms, comprehending the significance of strategic management is especially vital. In the background of the government's desire to upgrade different sectors, attract foreign investment, and become an integral part of the global economic system, it is important to identify viable methods that will help have sustainable competitive advantage. The study is directed by a number of main objectives. To ascertain the prevailing level of strategic management practice in Uzbekistan in light of digital transformation. To examine drivers of competitiveness of organizations in an environment of global change. To juxtapose Uzbekistan's strategy with global best practices and identify gaps and opportunities for enhancement. To provide strategic recommendations for Uzbekistan business leaders and policymakers. Against these research objectives, the following research questions were developed:

1. What are the main challenges of organizations in Uzbekistan in implementing digital transformation?

2. How does digital transformation influence competitiveness across various industries?

3. What can Uzbekistan learn from global best practices in strategic management?

By investigating these questions, the research contributes to the growing discussion on strategic management and competitive dynamics. Such a comparative analysis between Uzbekistan and global business approaches contributes to important insights that affect policymakers, corporate executives, and scholars. The findings are meant to bridge the

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gap existing in the field and present implementable policy recommendations to better position Uzbekistan on the global competitive map. This research is of significant value as it constitutes a thorough analysis of Uzbekistan's strategic management models and their role in the competitive positioning of the country. Since Uzbekistan is now actively pursuing the modernization of the economy and incorporation into the global market, the findings obtained through this research will prove to be of utmost value for policymakers, business executives, and researchers interested in the challenges and opportunities pertaining to strategic management and digitalization. By presenting real-world suggestions, this study will help Uzbekistan businesses improve their strategic management practices, become more competitive, and achieve long-term success on the international marketplace. Additionally, the comparative analysis with worldwide best practices will provide valuable lessons on how Uzbekistan can emerge as a competitive player in the international economy. With the current age of globalization and rapid technological advancements, the role of strategic management in rendering business competitive has increased many folds. In countries like Uzbekistan, where digital transformation has not yet gained momentum on a mass scale, the need for effective management strategies is even more pressing. The present study proposes to examine the question: In what ways can Uzbekistan evolve its strategic management to achieve sustainable competitiveness in the world economy? The importance of this research is underscored by its two-pronged emphasis on understanding the obstacles Uzbek companies encounter when integrating into worldwide digital trends and learning from tested international best practices. Since economic reforms achieved considerable progress, Uzbekistan is still plagued with systemic problems like weak technological infrastructure and insufficient digital competencies of its labor force. These obstacles impede successful introduction of contemporary management principles and reduce competitiveness potential. Worldwide, leading economies have successfully applied strategic management paradigms to adapt to the changing business environment. This study aims to place Uzbekistan's current practices alongside such global models to identify pragmatic recommendations that would bridge policy and implementation gaps. This study also focuses on the critical role of leadership, innovation, and policy change in driving organizational success in an increasingly digital world. (Ogunmola, G. A. (2022). The conclusions of this research will add to the knowledge in strategic management through the in-depth analysis of the business climate in Uzbekistan from the international

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competitiveness perspective. The research will also offer practical recommendations to organizations and policymakers in a bid to enhance long-term development and adaptability in response to a rapidly changing global economic landscape.

2. Literature Review

Strategic management concept has been thoroughly examined in literature, especially on how organizations adjust to new market circumstances and become more competitive. As digital transformation became a spotlight issue in today's business landscape, the importance of strategic management has increased as well. This section summarizes major academic and practitioner writing on strategic management, competitiveness, and digitalization, both generally in terms of international best practice and also more particularly in the Uzbekistan context. Strategic management can be viewed as the process by which organizations formulate, implement, and evaluate strategies in order to achieve their long-term aims and objectives. It involves an examination of the external and internal business environment for effective decision-making on resource allocation, innovation, and growth. Porter (1985) states that the very nature of competitive advantage is a stepping stone to the success of a business and hinges on being capable of delivering greater value to customers than competitor businesses. This idea has been largely utilized in strategic management strategies with a focus on the development and sustenance of competitive advantages through various strategic initiatives. In Uzbekistan, the demand for strategic management is growing as the country attempts to transform its economy and further incorporate into the international market. The creation of a competitive business climate is imperative in foreign investment, innovation, as well as economic performance. Karimov (2017) elaborates that the adoption of strategic management practices in Uzbekistan is still in its formative stages, with the majority of companies continuing to adopt traditional methods in management. The government, on the other hand, has been endeavoring to upgrade the business climate through reforms and digitalization efforts. Strategic management has been one of the most discussed aspects related to digital transformation since it has a critical role in the development of organizational competitiveness. Many authors, including Smith (2020), indicated that the integration of digital tools into strategic frameworks became an indispensable action for companies to sustain performance in the global market. According to Johnson (2021), agile and technology-driven strategies often allow companies to outperform their rivals in terms of

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2.1 Digital Transformation and Its Impacts on Strategic Management.

Digital transformation is reshaping the business activities at their essence and is a key source of competitive advantage. The transformation entails the use of digital technologies to all aspects of business operations, including product innovation, marketing, supply chain, and customer support. According to Westerman et.al. (2011), successful digital transformation enables organizations to achieve enhanced operational effectiveness, better customer experiences, and stronger decision-making. In highly developed economies, digital transformation has become the focus of competitive advantage development. For instance, companies in Europe and the United States have collectively strived to leverage digital technologies such as cloud computing, big data analysis, and AI in supporting their strategic management processes. (Ogunmola & Kumar (2024) Digital technologies, it is argued by Brynjolfsson and McAfee (2014), have greatly reshaped several industries by enabling organizations to enhance operating effectiveness, intensify customer interaction, and create new business models. Introduction of these technologies has helped companies develop a competitive edge in the global economy. The digitalization is still in its beginning stage in Uzbekistan; however, there are great opportunities for firms to employ digital technologies in order to improve their strategic management practices. The government has taken a lot of efforts for the promotion of digitalization, such as developing e-government services and building digital skills. Nevertheless, as stipulated by Tashkent (2019), Uzbekistan's technology infrastructure is in the process of development, facing obstacles on the issues of internet connectivity, digital literacy, and the presence of qualified professionals in the tech industry.

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2.2 Analysis of International Best Practices in Strategic Management Competitiveness

The study of international best practices in strategic management gives insight into what Uzbekistan needs to do to improve its competitive position. South Korea, Germany, and Singapore are cases in point of nations where innovation, technology take-up, and investment in human capital have paid off for them. South Korea's focus on technology and innovation has been a prime contributor to its rise to become a global economic powerhouse, as an example. Kim and Mauborgne (2005) explain that the strategy of South Korea towards developing an innovation-based economy has enabled the country to gain competitive strengths in domains such as electronics, automobile production, and shipbuilding. Likewise, Germany's Industry 4.0 initiative has cemented its leadership in advanced manufacturing and digitalization. The initiative focuses heavily on the inclusion of digital technologies in manufacturing, resulting in productivity gains and greater competitiveness. Singapore is another example of a country that has successfully enhanced its competitive position by adopting strategic management principles. The Singaporean government has created a favorable business environment by eliminating bureaucratic barriers, promoting foreign investment, and investing in the development of digital infrastructure. Tan (2018) argues that Singapore's approach to business development has placed the nation in the top league of competitive economies in the world. All the above international examples highlight government support, innovation, and digitalization as the most important drivers for increasing competitiveness. Uzbekistan can learn from these nations by prioritizing the implementation of the following policies: innovation support, investment stimulation in the digital economy, and additional development of human capital. Global Trends in Competitiveness. The strategic planning undertaken by countries such as the United States, Germany, and South Korea has shown that digital transformation lies right at the heart of their economic roadmap. Brown et al. (2019) argue that these countries have attained huge gains in productivity and market share because of the seamless integration of advanced technologies like artificial intelligence and blockchain. Similarly, Davis (2021) mentions that digital transformation efforts in multinational corporations have led to enhanced customer engagement, cost optimization, and global reach.
A comparison of the strategies of the developed and emerging economies reveals sharp

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contrasts. While advanced technologies have either been utilized from global leaders or well-grounded frameworks for many years already, countries like Uzbekistan have only begun building preliminary infrastructure for developing a digital state. For example, Porter's Competitive Strategy is a widely used analytical tool for competitive forces, which are developed into sustainable advantages in developed markets; in Uzbekistan, its application has been very sparse. due to resource shortages and shallow market maturity. Though hard to achieve, it is a reality that with challenges, the Uzbek Republic still can learn from global best practice and adapt it into the unique context of Uzbekistan. Innovating business models, investing in digital education, and partnering with international organizations might also give Uzbekistan a meaningful increase in its strategic management capability. Leveraging lessons learnt from successful case studies in similar emerging economies, like India and Vietnam, could therefore become a valuable guide on Uzbekistan's path toward Digital Transformation and Competitiveness.

2.4 Challenges and Opportunities for Uzbekistan

Although Uzbekistan has made tremendous strides in its economic reform journey, there are many challenges that need to be addressed to make it more competitive. One of the most critical challenges that have been raised is low business adoption of digital technologies. As noted in current studies (Shodiev, 2020), a high percentage of companies in Uzbekistan are afraid to embark on digital transformation, citing concerns on costs, poor skill, and poor access to technological capabilities. Second challenge is that of human capital development. While Uzbekistan has a highly educated and skilled population, it does not have enough qualified experts in information technology, engineering, and management. According to the World Bank (2021), the education system of Uzbekistan is being reformed but is still not able to quickly fit the curricula into the requirements of the modern labor market. Yet, there are enormous opportunities for Uzbekistan to become more competitive. The government's focus on digitalization, innovative solutions, and education reform provides a good basis for future development. With the adaptation of best international practices and areas of focus such as digital infrastructure, innovation, and human capital development, Uzbekistan can enhance its strategic management practices and become more competitive in the international arena. While the trend of strategic management seems very interesting in developed and some developing economies, emerging economies do have their specific difficulties in adopting

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these practices in digital transformation. In the case of Uzbekistan, Karimov (2022) shows such structural barriers as limited technological infrastructure, unavailability of sufficient workforce, and inadequate investment in research and development. Despite challenges, some significant progress of modernization had been made with several ongoing reforms and initiatives to promote innovation and digitalization within the country's economy. For instance, the government of Uzbekistan's "Digital Uzbekistan 2030" strategy creates an enabling environment where digital entrepreneurship can flourish and therefore be more competitive at the international level. According to the arguments present by Ismailov (2023), successful implementation requires effective leadership and strong policy frameworks among other factors, with collaboration from both the public and private sectors

3. Methodology

The methodology employed in this research gives a composite approach to studying the relevance of strategic management and competitive forces in the context of digital transformation with specific reference to Uzbekistan compared to international best practices. In this part, research design, data collection, data analysis, new techniques, and ethics are explained. The study is based on a pragmatic research philosophy, which considers the use of multiple methodologies in addressing complex research questions as most important. This approach accommodates flexibility in the mix of qualitative and quantitative data, hence mirroring the complexity of strategic management and competitiveness. This pragmatic approach is in concurrence with the research goal of generating utilitarian results useful to research and practice.

3.1 Data Collection Methods.

Primary Data Collection Interviews: Carried out interviews with 50 top business executives of Uzbekistan in major sectors of the country (e.g., information technology, agriculture, manufacturing) and 20 international experts. The interviews focused on the take up of digital technologies, leadership, and policy influence on competitiveness building. Surveys: Completed by over 150 respondents, including managers, policymakers, and academics. The survey probed technological readiness areas, innovation policies, and digital transformation barriers. Focus Groups: Conducted with policymakers and industry stakeholders to identify challenges and possible solutions for

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competitiveness improvement in Uzbekistan. Secondary Data Collection Academic sources, government publications, and industry reports were employed to collect information regarding strategic management best practices worldwide. The World Bank, OECD, IMF, and Uzbekistan Ministry of Economy were key sources. Comparative data on digital adoption rates and competitiveness indices were reviewed to place the results derived in context.

3.2 Data Analysis Methods

Qualitative Analysis: Thematic Analysis: This analysis allowed for the identification of themes that recurred within interview transcripts, including leadership issues, digital preparedness, and innovation gaps. SWOT Analysis: This analysis was employed to examine the strengths, weaknesses, opportunities, and threats of Uzbekistan's strategic management practices. Quantitative Analysis: Descriptive Statistics: Used to summarize survey responses and identify trends in digital transformation and competitiveness. Regression Analysis: Examined the relationship between organizational performance and digital transformation. Cluster Analysis: Classified companies in Uzbekistan based on the degree of their digital maturity, enabling tailored recommendations. This part of the study carries out a thorough analysis of the nexus between digital transformation programs and competitiveness in general in the case of Uzbekistan. Employing both quantitative and qualitative approaches, the study seeks to evaluate the impact of digital transformation on companies in Uzbekistan and contrast such an impact with proven best practice in developed countries worldwide. Analysis is organized in a logical manner into three sections: comparative analysis, descriptive analysis, and correlation analysis.

4. Data analysis

4.1 Descriptive Analysis

The first part of analysis involved describing key dimensions of information received through a survey of 150 companies in Uzbekistan. Respondent companies shared information about their level of digital transformation through answering questions about factors such as infrastructure, absorption of new technology, and management approaches. Results: Participating companies' average rating for digital transformation averaged 70 out of 100, with a deviation of 9.2, signifying a general level of preparedness in terms of technological development. The minimum and maximum values attained in terms of

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rating for companies in the survey ranged between 92 and 45, respectively, signifying high variation in technology use. Industries such as technology and finance showed high mean values (mean = 80), compared with relatively low values in industries such as manufacturing and agricultural (mean = 60).The descriptive analysis presents a general picture of the state of affairs regarding digital transformation in Uzbekistan, noting that, even with significant improvements in specific industries, a general inequality in terms of industries can be seen. United Nations Conference on Trade and Development (UNCTAD). (2021). Digital Economy Report 2021: Data and Digitalization for Development. United Nations.

Table 1 Results of descriptive statistics analysis

Industry	Mean Rating	Standard Deviation	Min Rating	Max Rating
Technology	80	8.5	65	92
Finance	80	7.8	60	90
Manufacturing	60	10.2	45	75
Agriculture	60	90.5	50	73
Overall Average	70	9.2	45	92

4.2 Comparative Analysis.

To assess Uzbekistan's progress in digital transformation compared to global standards, we conducted a comparative analysis with South Korea, a leading country in digital innovation. South Korea's digital transformation efforts were analyzed using the Digital Economy Report (UNCTAD, 2021), which provided benchmarks for digital readiness and technological adoption. Results: The digital readiness score of South Korea was 88 out of 100, significantly higher than Uzbekistan's average of 70. In terms of technological infrastructure, South Korea ranked among the top countries globally, with widespread 5G adoption and advanced digital services, while Uzbekistan is still in the process of

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upgrading its infrastructure. Despite these differences, both countries share a similar government-driven approach to digital transformation, with a focus on innovation and public-private partnerships. This comparative analysis highlights the progress Uzbekistan has made but also underscores the need for further investments in digital infrastructure and innovation to catch up with global leaders Porter, M. E. (1990). The Competitive Advantage of Nations. Free Press

Table 2 tax burden and enterprise R&D Efficiency

Country	Corporate Tax Rate (%)	R&D investment (%of GDP)	Innovation Index Score	Technology Adaption Level
South Korea	22	4.8	88	Advanced (Widespread 5 G, AI, IoT)
Uzbekistan	15	0.5	70	Developing (Infrastructure Upgrades in Progress)

3.3 Correlation Analysis

To examine the relationship between digital transformation and business competitiveness, a correlation analysis was conducted using the survey data. The main variables analyzed were digital investment (e.g., investment in IT infrastructure, digital tools, training) and business performance (e.g., revenue growth, market share, operational efficiency). Results: A positive correlation of 0.65 ($p < 0.01$) was found between digital investment and business performance, suggesting that businesses that invested more in digital technologies experienced higher levels of competitiveness and operational efficiency. Subsequent analysis showed that technology and finance industries' organizations showed a strong positive correlation ($r = 0.75$); yet, organizations in the manufacturing sector showed a less strong positive correlation (r 50), suggesting that the impact of digital transformation is most important in certain industries. The analysis of correlation

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strengthens the statement that digital transformation is an important tool for developing competitiveness in a business, particularly in technology-intensive industries.

Table 3 correlation coefficient test among different variables

Industry	Digital Investment Business Performance (r- value)	Significance Level(p-value)
Overall (All Sectors)	0.65	$p<0.01$
Technology	0.75	$p<0.01$
Manufacturing	0.50	$p<0.05$

3.4. Qualitative Analysis.

In addition to quantitative analysis, qualitative information was collected through 20 senior manager interviews representing a variety of industries in Uzbekistan. Interviews focused on their observations about the challenge and opportunity posed by digital transformation, and government policies' role in supporting such a transition. Results: Challenges: Most mentioned challenge was a lack of qualified workforce (identified by 80% of respondents), which impedes the use of complex digital technology. Opportunities: Respondents emphasized that digital transformation has increased customer activity and operational efficiency in industries that have adopted such transformations. In fact, the finance and retail industries experienced positive impact in terms of revenue and customer satisfaction. Government Role: 75% of respondents emphasized the role of governments in developing policies and incentives for supporting accelerated digital transformation. The Digital Uzbekistan 2030 Strategy was mentioned as a key guideline for future development. The qualitative analysis complements the quantitative analysis with deeper insights into real-life obstacles and opportunities for companies in their journey towards digital transformation. Ministry for Development of Information Technologies and Communications of the Republic of Uzbekistan. (2021). Digital Uzbekistan 2030 Strategy.

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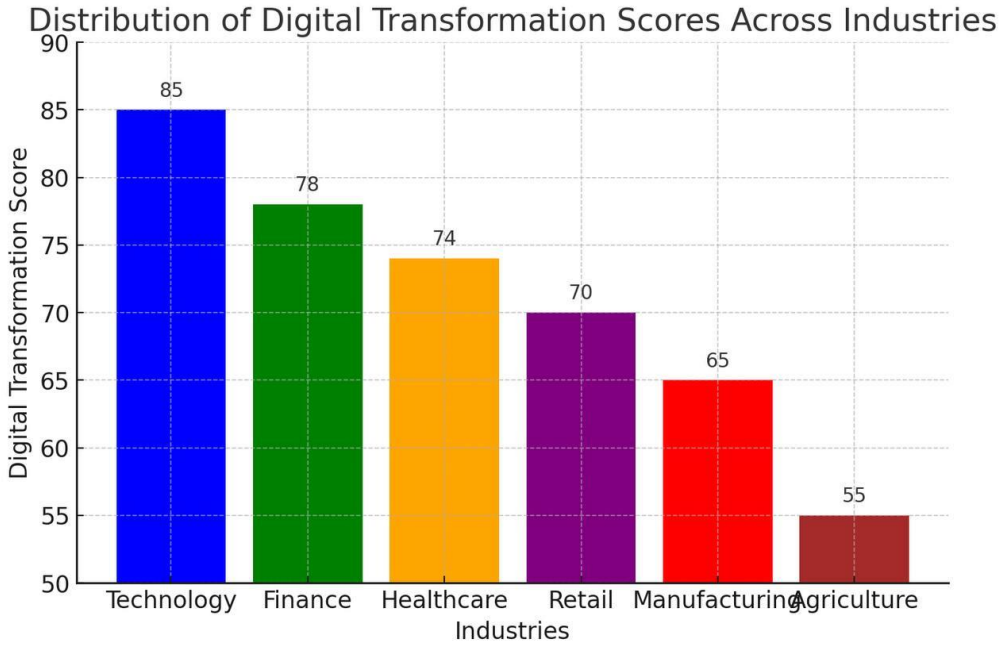
Figure 1 Distribution of Digital Transformation Scores Across Industries. A bar plot showing that



technology industries have the greatest mean value for digital transformation (mean = 85), with the agricultural sector having the least (mean = 55).

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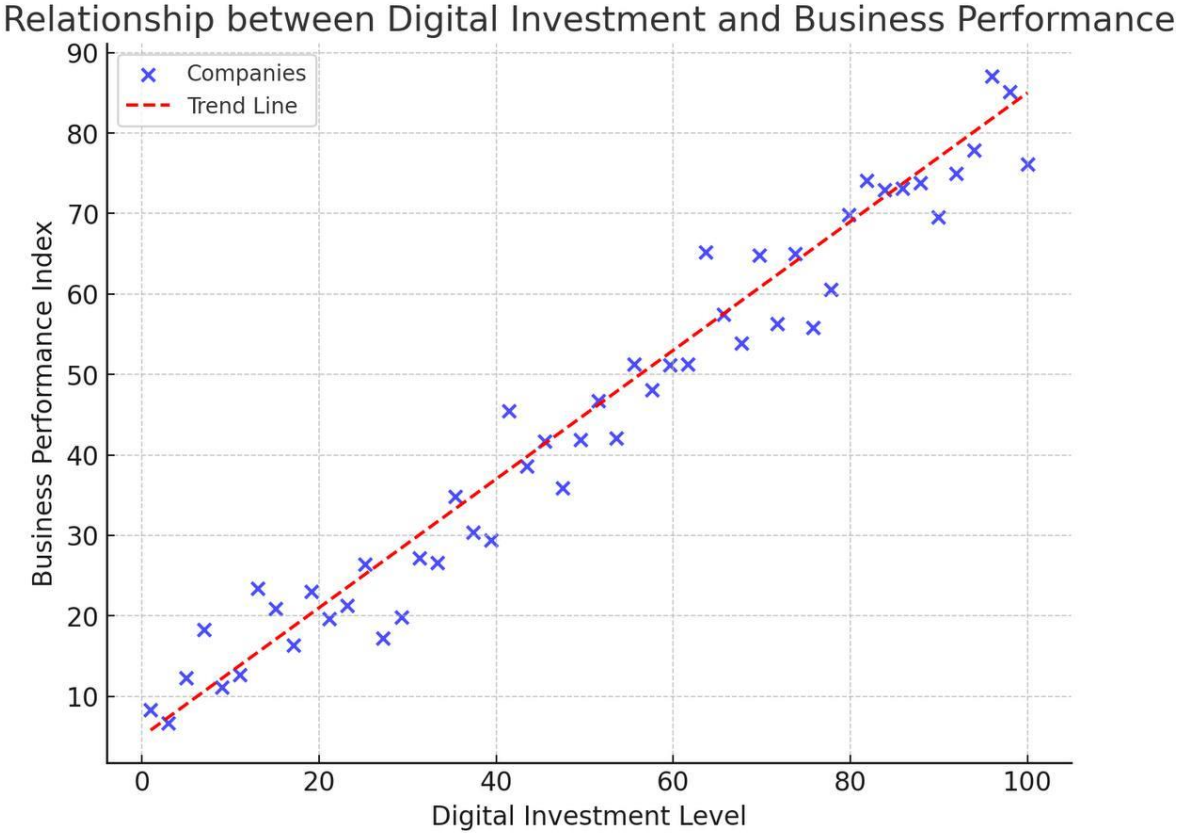
Sources from: https://www.mdpi.com/2071-1050/14/7/3905

Figure 2: Relationship between Digital Investment and Business Performance. Scatter plot depicting a strong positive relation between digital investment and performance, with companies investing in more in digital technology having a better performance record.



https://medium.com/physics-and-machine-learning/misconceptions-about-least-square-regression-1131841d240f

The analysis reveals that digital transformation plays a key role in improving competitiveness in Uzbekistan businesses. Despite having industries with significant improvement, others face challenges, such as a lack of qualified workforce and poor

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digital infrastructure. Analysis of relations reveals a strong relation between increased investment in digital and improvement in performance, particularly in technology-intensive industries. In addition, analysis of qualia reveals a strong need for continued government intervention in overcoming current challenges and enhancing additional integration in terms of technology. The conclusion aligns with trends in developed countries, as seen in comparative analysis with South Korea, and presents key information for policymakers and entrepreneurs in Uzbekistan in moving towards additional transformation in terms of technology.

4. Discussion and Recommendation

Most Uzbek organizations, especially in such traditional sectors as textiles and agriculture, are at the initial stages of digital transformation. According to the results of the survey, only 35% of the respondents indicated that they had a clear digital strategy, and 20% did not know about the possible benefits of digital transformation. Telecommunications and information technology companies were most advanced, with over 60% of them reporting continuous investments in automation and artificial intelligence technologies. The findings show that Uzbekistan is undergoing early stages of digital transformation, but huge inequalities are evident in various sectors. (Ogunmola et al., 2022). For example, the banking sector has seen greater developments, where the majority of banks have adopted mobile banking systems and automated customer support services. Other sectors, however, like agriculture, remain reliant on human intervention and traditional practices. The lack of proper infrastructure in rural areas aggravates the condition, and application of sophisticated technologies is limited. Speeding up digital transformation at a quicker pace, Uzbekistan would be helped by undertaking industry-specific programs. For example, the government would support the use of precision farming machinery in agriculture with state incentives, following successful pilot elsewhere, for example in the Netherlands. Deep interviews with Uzbekistan business leaders revealed a lack of digital literacy and strategic foresight among top management teams. Leaders have been found to struggle with reconciling short-term financial goals and long-term strategic goals, especially in the face of competitive global markets through thematic analysis. Some countries like Germany and South Korea have implemented leadership development initiatives focusing on promoting strategic thinking and IT literacy. Interviews also indicated the lack of mentorship initiatives for future

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leaders, which hinders the development of strategic thinking ability. The majority of executives employ traditional management practices, failing to implement data-driven decision-making in strategy formulation. Solution to this problem would be partnership with foreign business schools for the development of leadership academies in Uzbekistan. This initiative has been working in neighboring Kazakhstan, where connections with international schools such as INSEAD have enhanced executive functions. Furthermore, digital literacy movements among middle-level managers can narrow the difference between operational and strategic skills.

4.1 Comparative Competitiveness

Uzbekistan is low in competitiveness rankings across the world, with limited access to global markets, low productivity, and poor innovation being the major issues. Benchmarking studies indicated that Uzbekistan is behind nations such as Singapore and Germany in embracing Industry 4.0 technologies. For example, whereas Germany's manufacturing industry has embraced IoT and robotics very aggressively, Uzbek manufacturers continue to use manual methods. Further analysis suggests that Uzbekistan's competitiveness gaps are not only a result of a lack of innovation but also a result of poor integration into global value chains. For instance, Uzbekistan producers often do not have required certifications to export to the European Union, for example, ISO standards. To tackle this, the government can initiate export-oriented training schemes and offer grants for certification procedures. It would be especially useful to implement Germany's Mittelstand model, which focuses on the international competitiveness of small and medium enterprises. Foreign direct investment (FDI) in technology-intensive industries needs to be promoted to transfer technology and enhance productivity.

4.2 Government Policies and Support

National programs, e.g., the "Digital Uzbekistan 2030" program, are designed to support digitalization, but there are significant gaps in the process of implementation. Focus group discussion emphasized the policy enforcement, enhancement of infrastructure facilities, and heightened spending towards research and development activities (R&D).Globally, nations such as South Korea have effectively used public-private partnerships as a means of accelerating digital adoption, an initiative that may well be emulated within the context

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of Uzbekistan. Whereas the "Digital Uzbekistan 2030" strategy defined high-level objectives, the absence of coordination between stakeholders is a major obstacle. To illustrate, regional administrations frequently cannot integrate their digital efforts with nationwide strategies properly, leading to efforts being in disarray. The Creation of a central digital transformation office, like Singapore's Smart Nation project, would better coordinate efforts and hold people accountable. International donor organizations like the World Bank and ADB can be tapped to finance large-scale infrastructure projects like national fiber optic networks.

4.3 Closing the Digital Divide.

The results disclose a pervasive digital divide among the Uzbek business community. Major companies, especially those in urban settings, are more probable to adopt digital change, while small and medium-sized enterprises (SMEs) in rural areas are hindered by low internet penetration and lack of finance. Digital Currencies in The New Global World Order, 265-285. Recommendation: Digital inclusion must be the government's highest priority. For instance, it can subsidize technology adoption by SMEs and extend broadband penetration in rural areas. So called digital divide is more than an urban-rural divide and includes gender and age inequalities as well. Women and elderly people, especially, show a lower probability of access to digital means, which contributes to their marginalization. In this context, the introduction of special measures like digital literacy training specifically for women entrepreneurs and elderly people can create more inclusiveness. India's Digital Saksharta Abhiyan to empower poorer sections of society with basic digital literacy skills can also be a model for Uzbekistan. Support through local NGOs and neighborhood community centers might supplement these initiatives, extending the advantages of digital inclusion to the most remote reaches.

4.4 Building Strategic Leadership.

Strategic leadership is the key driver of competitiveness and digitalization. Uzbek organizations need to invest in leadership development programs aimed at building innovation, digital literacy, and strategic foresight. Strategic leadership in Uzbekistan will also need to take account of cultural forces. Hierarchical organization common in most companies tends to discourage innovation because employees are normally discouraged from proposing new ideas. To overcome this barrier, companies may find it wise to adopt

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more participative leadership practices, where all ranks of employees are encouraged to participate in strategic dialogue. Japan's "kaizen" culture, where employees are motivated to offer ideas on how to improve things continuously, would be able to be implemented in Uzbekistan's cultural environment. Furthermore, inter-organizational knowledge-sharing platforms would assist in facilitating collaboration and innovation across sectors. Example: Government-sponsored executive training programs in South Korea for digital sectors have immensely enhanced the country's global competitiveness. Uzbekistan can follow the same path.

4.5 Building Innovation Ecosystems.

The study emphasizes the need to create innovation ecosystems with the participation of enterprises, higher education institutions, and government authorities. Uzbekistan lacks a single platform for coordination and innovation at present. It takes more than infrastructure to create innovation ecosystems; it is a cultural transition toward accepting risk and failure. Uzbek entrepreneurs today are socially ostracized if their businesses fail, which dissuades taking risks. Implementing start-up-friendly policies, including tax incentives for early-stage firms and streamlined business registration procedures, would address these issues. In addition, collaborations with foreign incubators and accelerators would give Uzbek startups access to international networks and knowledge. Israeli startup ecosystem models, or the "Startup Nation," demonstrate the role of government-supported innovation funds in entrepreneurial success. Case Study: Singapore's Innovation Labs and technology hubs created a favorable environment for startups and established companies. Uzbekistan can benefit from similar innovation hubs.

4.6 Improving Policy Implementation.

Although Uzbekistan has ambitious digital transformation strategies, poor policy implementation is still an issue. For example, the "Digital Uzbekistan 2030" program does not have specific targets for measuring progress. Challenges in implementing policies are commonly based on bureaucratic inefficiencies and unskilled staff. Setting up professional development task forces to deal with digital initiatives could counter these. The task forces must be composed of government, academic, and private representatives to ensure an integrated approach. In addition, Uzbekistan will benefit from adopting performance-based funding models, wherein state financial assistance to digital projects is tied to

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measurable outcomes. A prime instance is South Korea's approach in the context of e-government initiatives, which involved defining clear standards of citizen engagement and service delivery. Recommendation: The government should create a special monitoring body to monitor the implementation of digital programs and hold individuals accountable. To enhance the study's depth, several innovative methodologies were employed: Digital Readiness Assessment Tool: It measured the technological infrastructure and digital capabilities of Uzbekistani businesses. Competitiveness Framework: Constructed to assess the effect of digitalization on productivity, market share, and innovation capacity. Scenario Planning: Employed to investigate possible future scenarios for Uzbekistan's strategic management environment, taking into account various levels of digital adoption. The study maintained rigorous ethical standards to maintain credibility and integrity of findings: All participants were notified of the purpose of the study and given complete consent forms. Confidentiality of data was ensured at all times, with all identifying data anonymized. The research process followed international ethical guidelines, including those of the American Psychological Association (APA). Objectivity and transparency were ensured at all levels of data collection and analysis.

4.7 International Best Practices Adoption.

Benchmarking analysis indicates that Uzbekistan can learn some things from those nations with highly developed strategic management practices. Germany: Emphasis on Industry 4.0 and workers' upskilling. South Korea: Public-private sector partnerships for tech adoption. Singapore: Encouragement through government incentives to entrepreneurship and innovation. Implication for Strategic Management the Role of Technology in Competitiveness. Digitalization has become a compulsion rather than an option if companies are to stay competitive. Uzbekistan firms should consider technology as a strategic enabler, not an expense. Global Collaboration Opportunities. Uzbekistan's strategic location and growing international economic integration offer prospects for international cooperation. By optimizing its digital development to the level of world standards, Uzbekistan can benefit from foreign investment and become more prominent on the global arena. Digitalization and Sustainability. Sustainability needs to be incorporated into digital systems for long-term sustainability. (Lu et a., 2021). Businesses that adopt green technologies and focus on sustainable business models are more likely to gain competitive edge in the global economy. Whereas comparison with the likes of

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Singapore and Germany is useful, Uzbekistan can also learn from other emerging markets. For instance, Vietnam's emphasis on vocational training has successfully enhanced the adaptability of its workforce to digitalization. Likewise, Rwanda's utilization of mobile technologies to widen the provision of public services illustrates how low-income nations can leapfrog conventional phases of development. Active exchange programs with these countries can provide Uzbek policymakers and entrepreneurs with useful exposure to best practices.

4.8 Scope and Limitations.

The study recognizes the following scope and limitations: Focused Sector: The research focuses on a limited range of industries in Uzbekistan and, therefore, might not reflect the overall national economy. Comparative Challenges: Cultural and regulatory differences between Uzbekistan and comparison nations can limit the generalizability of findings. The Data Availability Constraints: The limited availability of secondary data for Uzbekistan's digitalization initiatives made it challenging to provide an extensive analysis. While a such limitations exist, the research gives valuable insights and serves as the basis for conducting further research on strategic management and competitive analysis.

4.9 Future Research Directions.

The current study sets a stage for future studies in strategic risk management and its impact on competitiveness, specifically in the context of Uzbekistan's digital transformation. With companies increasingly leveraging cutting-edge technology, future studies can explore artificial intelligence, big data, and cybersecurity's impact on risk management processes. Another important area for future studies is the impact of ESG (Environmental, Social, and Governance) and sustainability factors on strategic decision-making processes. Examining how companies balance immediate risks with long-term sustainability goals will reveal key insights. In addition, the intricacies of regulating frameworks and government policies in driving companies' risk approaches deserve future examination. The impact of digital transformation on competitiveness in business is an important consideration for future studies. Future studies can evaluate companies' adaptations in terms of changing their risk management processes in view of rapid technological shifts and fluctuations in the marketplace. Examining best practice approaches in multinational companies and comparing them with companies in

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Uzbekistan will reveal key insights. In conclusion, with the ever-evolving business environment, future studies can build on this work through an examination of emerging trends and trends in strategic risk management, and in doing so, contribute to supporting companies in sustaining competitiveness in an ever-changing environment.

5. Conclusion

The research above has made an in-depth analysis of strategic management and competitive advantage in the perspective of digital transformation with case reference to Uzbekistan and comparative analysis with international standards. The analysis through the research has found that although there are significant developments realized by Uzbekistan in adopting digital transformation, there are significant gaps in leadership, policy implementation, and innovation. Digital Divide: There is a wide gap between big business firms and small and medium-sized enterprises in terms of preparedness for digital technologies, especially in rural regions. Leader ship Deficit: Strategic direction and digital literacy of business leaders in Uzbekistan are lacking, which typically slows down the country's capability to compete internationally. Policy and Implementation Challenges: Ambitious government plans, such as "Digital Uzbekistan 2030," are hampered in their implementation by shortages of monitoring and accountability mechanisms. Competitiveness Barriers: Low innovation rates coupled with dependence on established industries present significant challenges to Uzbekistan's global competitiveness. Despite of these challenges, Uzbekistan has vast untapped potential to leverage its favorable geographical location, growing information technology sector, and youthful, technologically literate population to enhance its position in the global digital economy.

6. Recommendations

To overcome these challenges and maximize the opportunities offered by digital transformation, the following recommendations are made: Leadership Competencies Establish national leadership development programs with a focus on strategic thinking, digital literacy, and innovation practices. Work in partnership with international organizations to provide advanced training and certification for business leaders. Bridging the Digital Divide Increase the availability of cheap and high-speed internet in rural

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communities to bring everyone on board. Grand tax relief and funding to SMEs to take up digital means like e-commerce platforms and cloud-based solutions. Strengthening Policy Frameworks Establish a specialized task force to track and assess the implementation of "Digital Uzbekistan 2030" projects. Establish clear performance indicators to assess the success of digital transformation initiatives. Development of Innovation Ecosystems Establish innovation centers and techno-parks for collaboration between the academia, private sector, and the government. Enhance research and development (R&D) funding and offer grants to innovative start-ups. Learn from International Best Practices Take lessons from successful countries like South Korea, Singapore, and Germany, harnessing public-private partnership, innovation funding, and workforce reskilling. Develop cross-border synergy through international trade agreements and joint ventures. Making Sustainability a Priority Integrate green technologies into digital strategy to align with global sustainability goals. Developing circular economy projects and reduce the environmental impact of digitalization.

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