Monitoring of foreign experience of development of small and medium business

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Abstract. The development of small and medium business across countries is very different. In developed economies small business is the Foundation of economic activity. Whereas in developing countries, as well as in Russia, small businesses only continues to gain strength. In the development of ideas innovative development of the economy small business ideas is to promote new solutions. The role of small business in solving a variety of problems of adaptation of innovative solutions to sectoral peculiarities in the functioning of enterprises. The article provides analytical material on the content, principles, methods, and tools of the state support of small and medium businesses in the economic developed countries of the EU, USA, Japan, China and Singapore. State regulation of activity of small enterprises defines a set of requirements and boundaries for the development of many activities. This article considers the dominant direction.

1 Introduction

In the legislative and Executive authorities, as well as in the special economic literature the problem of development of entrepreneurship in Russia pays a lot of attention, but the level of development of small and medium business in the country is still far behind developed economies. In this regard, it is useful to analyze foreign experience of formation and development of small and medium enterprises to understand the nature and content of the state policy in the sphere of creating a favorable business environment in this important sector of the economy. The fact that the Russian authorities in words declare full support to small and medium businesses, while in practice, raising numerous administrative barriers hindering directly or destroying the existing structures of small and medium business (SMB). A characteristic example is the unjustified increase in social tax SMCB adopted by

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the Russian Government, and subsequent withdrawal from the market of more than three hundred thousand small businesses.

2 Methods

On the contrary, the analysis of the current practice for the operation of SMSB abroad suggests that for these enterprises the state strive to create the most favorable conditions for the development. Thus, differing regional characteristics, in all cases, state support is to create equal legal and economic conditions for the development of different forms of business. Evidence of such attention by the state is SMSB share in GDP of these countries: Canada – 27%, Czech Republic – 35%, Malaysia – 47%, the USA – 62%, Japan – 63%. For comparison, the figure for Russia is 21% [1-6].

The most developed support system SMSB have the United States of America, where this function is assigned to the small business Association (SBA), which implements its activities in the following areas:
- assistance in obtaining loans and guarantees on loans for business;
- subsidies and lending to small and medium businesses at the expense of its own budget;
- technical and information support of business.

Currently, the SBA is the largest government organization specializing in the support SMSB; it has more than 100 offices that interact with the special centers that provide training for representatives of SMSB, search of sources of funding and advice.

The most important task of the Federal government is the development of a competitive environment in which, due to the reduction of production costs is the process of using more efficient technologies.

The task of establishing and maintaining inter-territorial cooperation in order to ensure the development of the local market of goods and services, whose implementation should be based on the presence of problems, risks and legal restrictions, can have as a subject the following questions:
• to assist the purchase and implementation in other regions of the goods and services that meet consumer demand for the population of subordinate local administration of the territory;
• to assist the purchase of manufacturing, material and natural resources and their rational use local producers, including cooperation with representatives of other regions and/or municipalities;
• preparing and training staff in other regions and municipalities for services carried out at the local consumer market;
• facilitating the establishment of interterritorial (interregional, Interdistrict, etc.), market infrastructure, common use for adjacent (close) areas that would stimulate the development of enterprises in the sphere of consumer market (such as providing services: banks, investment companies, leasing centers, consulting organizations, transportation and logistics companies, etc., and enterprises providing services of socio-cultural sphere);
• facilitate the development of mutually beneficial interregional cooperation and integration of resources, joint ventures, financial and industrial groups, regional associations and consortia, focused among other things on the output of goods and services with high consumer qualities;
• solution of other issues of local importance related to the development of the consumer market.
The role of interregional cooperation in the sphere of production and realization of goods and services of adequate scope and quality that meets the demand of consumers, determined by:
- the purpose of the expansion of the common economic space interactive areas;
- the need to optimize the placement of objects of infrastructure on the basis of cooperation activities of the various territorial units to minimize financial and other resource costs, eliminate duplication and overlap of activities similar institutions;
- the need to combine the efforts of regions in addressing the challenges of joint, cooperative in nature, activities of inter-regional and intermunicipal value with a multiplier effect of creating new jobs, including service orientation, etc.

Accordingly government policy in this area is focused on creating a single economic space in which to carry out the renovation process of the economy on new scientific and technological platform with a focused regulation of the labor migration, facilitate the range expansion and increase in volumes of mutual deliveries of goods and services between regions and municipalities, which simultaneously helps increase the level of employment and welfare.

Currently, the issues of economic interaction are solved at the international level (in particular, confirmed the formation and functioning of the Eurasian economic Union EAEU) and at the interregional level. According to Burov M. P., "...development of effective forms and methods of interaction of subjects of Federation and encourage participation in this process all stakeholders - public and public organizations, entrepreneurs, and scientists is an important factor in accelerating economic development, pull-UPS, lagging regions due to the inclusion in the turnover of local resources and to more fully exploit the benefits of the interregional division of labour".

Defining the main goals, objectives and strategies of regulation of interregional economic relations in the conditions of modernization of the economy, overcome its inherent crisis trends, it is advisable to consider the following issues:
- significant differentiation of regions and municipalities industrial production, employment, innovation, natural resource potential, which leads to the preservation of distinctions in level socially-economic development of territories and, in some cases, monopropellant the local economy;
- insufficient use of effective strategies partnership (including between the authorities and business) in the interests of the functioning and development of territories, including the development of the market of goods and services socio-cultural purposes;
- sub-optimal division of powers between the Federal centre, subjects of the Russian Federation and municipal formations, which prevents the most efficient use of available resources in the various formats of inter-territorial cooperation.

It should be noted that in the 90 years of the twentieth century supra-regional structures designed to carry out the tasks of interregional cooperation in Russia, was made by the interregional Association of economic interaction of subjects of the Russian Federation ("North-West", "Central Russia", "Chernozemye", "Big Volga", "the North Caucasus", "the Ural Association" ("Big Ural"), "Siberian agreement", "far East and Transbaikalia"). The composition of these associations were carried out on the formation of integrated production complexes holding type (clustered, more flexible in its essence, forms of partnerships in Russia came later), as well as common systems infrastructure (transport, energy, environmental, security, etc.), promotion of interregional trade in goods and services, receive a variety of benefits from such inter-regional division of labor.

In the country annually about 600 thousand small businesses, in that time, as liquidated about 500 thousand, However, is the long-standing practice when not being utilized in one area, the business owner closes it and moves to another business. And this is the main
mental difference between doing business in Russia and abroad, where the opening of a new business is common practice, driven by government and banking institutions. Currently in the United States was more than 26 million small and medium enterprises, which provide jobs for more than half of the working population.

3 Results

Small business owners can expect to receive concessional loans, grants, and subsidies, because the promotion and creation of enterprises and prevention of their bankruptcy is one of the key challenges in cooperation between government and business. This function is performed by the National Agency for enterprise creation (ANS), which buys small and medium-sized enterprises in the event of threats of bankruptcy.

One of the leading organizations engaged in lobbying interests of business structures, the Movement of French entrepreneurs, which is quite tough and strongly defends the rights of members SMSB in dialogue with the government.

Currently, Japan is among the most developed States that have made significant technical and economic progress through the development of SMEs.

Today, the share of SMEs in the economy of the country is about 40%; small and medium enterprises are presented mainly in the fields of construction, light industry and services; in the production of automobiles, technical products, a large proportion is occupied by large concerns and corporations. To resolve this imbalance, the government of Japan began to pay more attention to the development of technical and knowledge-intensive production in the SME sector. Regulation of the activities of SMEs in Japan is carried out by governmental organizations, such as the management of small businesses (UMP), the main directions of policy which are the monitoring of implementation of the Antimonopoly legislation in respect of SMB; ensure and support the interests of SMEs; limiting the control of owners of large business, etc. [4] the Legislature determine the status of SMEs and the size of benefits for them, taking into account activity and also control the quality of products that allows the government to curb rising prices and inflation. To organize financial support for SMEs in the country created an insurance Corporation to SME and the Association for the guaranteeing of loans. The government provides grants, loans and assistance in obtaining loans for all stages of development of SMEs, which actively participate in the development of innovative industries; supports SMEs by providing services in the field of organization, consulting, advertising, recruitment. This government policy led to the creation of the favorable conditions for the development of SMEs in various fields.

SMSB share in China's GDP is 55%, slightly less than in the EU countries; however, the government considers SMEs a key driver of economic growth and the creation of a competitive market stimulates and enhancing the role of SMEs in the economy of the country. The government is trying to promote economic growth of SMEs, improving legislation aimed at creating equal opportunities for all types of companies in matters of credit, investment, improvement of production, implementation of new technologies. In the country actively there are state funds for the support and development of the SMEs, the main functions of which is to obtain loans for business development. One of the most influential is the State Fund of development of small and medium enterprises created at the expense of budgetary funds of the country.

SME is considered in the country as a source of innovative ideas, implementation of which will dramatically increase production of high-tech products, which are in great demand abroad. Support SMSB also deals with the Chinese center for coordination and business cooperation, whose main task is to create conditions for cooperation between
Chinese and overseas organizations to support SMEs. An equally important role in the development of SMSB played by the state information service CSMEO, which is engaged in the provision of information advising the public in matters of the SMEs through the Internet site. This network allows the structures of small and medium business to obtain operational information about the market, changes in legislation, innovations and inventions, new methods in management. Thus, the government pays great attention to the development of SMEs in the country through regulation and taxation of SMEs, the creation of funds of support, investment attraction, implementation of lending programs CMSB.

Of great interest to specialists is the experience in the development of SMEs of Singapore, which is one of the most advanced countries of the world. According to research by CNN, the country is ranked fifth in the world in the development of SMEs: to date, there are about 140,000 SMEs, accounting for about 90% of all enterprises in the country and provides jobs for a significant part of the employed population. The main reasons that led to the prosperity of the economy and entrepreneurship in Singapore, include providing various trade, transport, communication, financial, tourism and other services; creation of favorable conditions for business start-up and implementation of direct activities SMSB [5-8].

Special incentives are offered to newly established SMEs are particularly associated with attracting foreign capital and investment. In respect of such SMSB is no duty on transfer of profit; ensured investment of funds in the economy, etc. Support SMEs in the country engaged in the Agency "Spring" to enable development and implementation of various programs to support SMEs, the development of entrepreneurial initiatives of SME participants, delivery of Advisory services, training for business management.

4 Discussion

For small and medium businesses in the United States are subject to special tax benefits, when, for example, tax is paid only half of the taxable amount. The reduction of Federal taxes is stimulating, thus, the creation of new businesses and the increase in the number of new jobs.

Thus, the basis of the support and development of the SME sector in the United States are constituted, stable system of state regulation of enterprise activities SMSB, well established practice of state orders for SSB, as well as loans issued in the framework of national or regional programmes.

The European Union. Many years of experience in the development of SSB in the EU showed that the main policy objective of their support is to strengthen the common EU internal market, elimination of administrative barriers, harmonization of the legal framework and strengthening cooperation between EU countries.

The main directions of EU policy in relation to the development SSMB are financial support; simplifying existing legislation; involvement of associations representing the interests of SMSB, in decision-making in the framework of the EU; the promotion of small and medium enterprises to use innovation and training; business competitiveness; support for various forms of cooperation between the structures of SMEs [2,9].

A special case of inter-territorial relations, including regarding the scope of services is foreign economic activity, in which the export – import services. This area concerns a wide range of services (transport, trade mediation, financial, insurance, technology and consulting services, etc.).

In Russian legislation there is no explicit definition of the terms "export and import services". Under the services in the sphere of foreign economic activity of business entities refers to the useful results of such activities, having the main characteristics of services is...
inherent in all other types of services: meeting the needs of consumers (both individuals and legal entities), not embodied in financially-material form.

The external trade of services (including production, marketing, distribution and provision of services to end consumers) is carried out in four ways:
- from the territory of Russia on the territory of a foreign state;
- on the territory of Russia to foreign consumers services;
- the Russian provider of services not having a commercial presence in the territory of a foreign state, by his presence or authorized to act on behalf of persons within the territory of a foreign state;
- the Russian provider of services through commercial presence in the territory of a foreign state.

The rest of the definitions concerning certain aspects of the problems will be given below in corresponding sections of our work.

So, here it is expedient to focus on those basic principles that characterize the specificity of the territorial consumer market without regard to which management decisions in this area will not be effective.

The important role played by the chamber of Commerce that carry out multilateral activities relating to registration of small and medium-sized companies; training and improving their skills; consulting activities; stimulation of foreign trade and cooperation; issuance of certificates of quality.

Interest advanced in support of SMSB EU countries, particularly Germany and France. So, the official German authorities, non-profit organizations and chamber of Commerce effectively support the development of SMB, in a category that fall more than 99% of registered enterprises. In Germany, a developed export-oriented small business. For example, small businesses with an annual turnover between 10 to 50 million Euro are represented in dozens of global markets, ranking the sector leadership position. Contrary to popular belief, according to which the basis of the German economy are the big corporations, more than 90% of business enterprises are small and medium-sized enterprises.

In Germany there are 83 chamber of Commerce and industry, United in Industrial trade Association, whose main tasks are active participation in the formulation of economic strategy of the state in supporting SMB; training, information, counseling and legal support of small and medium enterprises.

Define the main directions and forms of service used in the process of interaction of economic entities belonging to different administrative-territorial units. It should be noted that the real effect and the corresponding evaluation of the contribution of territories (regions and municipalities) for the individual service areas of activity can be both direct and indirect.

When a direct evaluation has the ability to calculate the amount of required funds and material resources, as well as a concrete contribution to the production and distribution of goods and services sold on the territory of certain administrative-territorial units (acting both as producers and consumers of goods and services). And if indirect assessment could be used heuristic methods (expert evaluation, simulation of the development of the situation, the scenario method, etc.), allowing only indirectly to estimate the magnitude of inter-territorial cooperation and expand the boundaries of economic space, as well as to predict possible changes in these parameters.

The main services areas and forms of service consumers, the development of which can be stimulated through the establishment of interterritorial relationships, include:
- transport services carried out in the form of inter-territorial transportation of passengers and various cargoes the main types of vehicles;
- transport-logistics service (implemented through the activities of transportation and logistics companies, terminals, warehouses, etc.);
- telecommunications services (Telecom services, Internet, etc.) to form the rapidly expanding market of various services, in fact, related to almost all categories of the service;
- services for construction and repair of buildings and structures implemented mainly on the network basis;
- business services, designed to provide the entrepreneurial and other activities of enterprises and organizations registered on the territory of one subject of the Russian Federation carried out on the territory of other subjects (similar to municipalities).

Such services could include the registration of new enterprises, including joint; the issuance of licenses and other documents authorizing a particular activity; informing and advising on the specific activities and peculiarities of markets, stationed on the territory of activities; counseling and intermediation in establishing contract (contractual) relationship between economic structures, belonging to different areas, etc. part of the business services of this type is positioned as the state and municipal services, the provision of which is strictly regulated by the state (in terms of their provision, for example, processing time, etc.) and implemented by centers. Another part of such services provided by commercial organizations, providing legal, information and other consulting services.

Important factor high performance of SME in Germany is a relatively cheap business loans: interest rates for SMSB in Germany starting from 4-4.5% per annum. Thus, for SMEs there are also various bonuses in the procedure of repayment and collateral [3-10].

France. Currently, the country has registered about 3 million small and medium-sized enterprises, and about 40% are employed in the manufacturing sector.

Over the past quarter century the country has created well-developed, well-functioning state system of incentives for small and medium-sized businesses. New small businesses for two years are exempt from taxes; they reduced income tax and tax on the invested portion of the profits. Special attention the government pays to those who decided to open their business in economically backward regions. For these businesses extend discounts and the abolition of payments to social security funds (health, pension Fund, Fund for multi-family and the unemployed).

5 Conclusions

Thus, SMEs in Singapore is one of the most important factors of development of economy at the expense of the current favorable economic conditions and attractive investment climate as well as sound government policies to support SMEs.

Given the monitoring of SME development in economically developed countries, allows to make the definite conclusion that, creating a favorable climate for the functioning and development of SMSB States thereby contribute to the growth of the country's economic strength and progress in the most complete satisfaction of needs of citizens in the right to work and comprehensive development of personality. After all, creating new businesses, governments solve the very important task of creating new jobs, meeting the material needs of the population; innovative development of economy; the creation of a "middle class", ensuring economic and political stability in the country.

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