

Mechanism Providing Information Infrastructure Support of Sustainable Development of Small Business in the Region

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Abstract — The purpose of this research is to develop a theoretical and methodological model of the mechanism which can provide information infrastructure support for small business at the regional level. Nowadays information support of small business is relevant due to digitalization of the economy and the search for new tools for business development. The authors have chosen a comprehensive approach as a research methodology and applied methods of analysis and synthesis. Data of joint-stock company "Corporation SMB", the Portal of SMB of the Kirov region were the empirical base of research. The article is of theoretical significance, it gives the authors' interpretation of "the mechanism of information infrastructure support of small business". The article is also of practical significance as it develops a model of the mechanism which provides information infrastructure support for small business in the region (on the example of the Kirov region). Paper materials are of practical value for regional authorities and can be used to formulate strategy and programs for the development of small business and infrastructure support.

Keywords: *small business, support infrastructure, mechanism of information infrastructure support, mechanism model, region, evaluation criteria of effectiveness*

I. INTRODUCTION

Nowadays Russia is building an innovative digital economy. Creation of informational infrastructure to support small business (SB) becomes a vital topic in the context of society digitization. The purpose of this research is to study the existing information support for small business and to

develop a theoretical and methodological model of the mechanism which can provide information infrastructure support for small business at the regional level.

Throughout many years, despite the number of adopted laws and programs concerning SB support, the contribution of small business to gross national product does not exceed 20 % while in the developed countries this indicator is 50-70 %. One of the tasks of the Concept of long-term social and economic development of the Russian Federation till 2020 is to form a powerful layer of small and medium-sized business. Therefore, it is necessary to develop effective infrastructural support for small business, including information support, which helps to increase awareness of small business entrepreneurs about existing support programs and other information resources, reduce transaction costs of a business on the search for information, and provide consulting and service services.

The novelty of the research is to develop a model of mechanism which can provide informational infrastructural support of small business in the region on the basis of theoretical and methodological approach; to determine toolkit; to form criteria for evaluating the effectiveness of the information support mechanism.

II. RESEARCH METHODOLOGY

The methodological basis of the study was works of scientists studying the state regulation of the small business sector, infrastructure support for small and medium-sized businesses, both at the federal and regional levels, and author's previous studies. It is recommended to use an

integrated approach as a research methodology and methods of analysis and synthesis. Data of joint-stock company "Corporation SMB", the Portal of SMB of the Kirov region were the empirical base of research.

Creating of Mechanism Model of informational support of small business in Kirov Region

Today, information support in the regions is characterized by a fairly high level of disunity and imbalance. Only some regions have a strategy for the development of small and medium enterprises (SMB). The Kirov region has the program "Development of entrepreneurship and external relations" for 2013 - 2020 "(as amended on April 11, 2018), approved by the Government of the Kirov region on December 10th, 2012 № 185/741. It points out a number of problems concerning the formation of SB: insufficient level of development of infrastructural support, financial support, low quality of the business environment, low level of production competitiveness (goods, services) and unbalanced developing of SB and infrastructure plants in the Kirov region in general.

Priority actions of the program "Development of entrepreneurship and external relations" are the development of SMB as a factor of the sustainable development of the region and the development of its informational support. At the same time the program does not maintain the complete mechanism of informational infrastructural support of small business, which creates problems to form favorable business sphere to develop business and the strategy of infrastructural support in the region. Researches of domestic scientists also did not allow to reveal a complete picture of the given mechanism [1; 3; 7; 11; 12]. However, for effective support of small business it is necessary to underline the importance of developing approaches to determining essence of mechanism and its theoretical and methodological basis.

It is worthwhile to suppose that the purpose of mechanism which provides informational support of small business at the regional level is to create successful informational support for small business in the region. It leads to the formation of favorable business climate and reduces transactional business costs (fig.).

Regional informational infrastructure of SB support should solve the following tasks:

- informational-consulting support to start business: development of business plan, design, marketing strategy, brand promoting, advertising campaign, etc. [11];
- informing and advising on ongoing state, regional and municipal targeted support programs for SB [8];
- informing and advising on the existing programs of financial support, microfinancing, warranty instruments, announced tenders for financial help [12];
- informing about existing organizations and institutes of infrastructural support, their services [1];
- advice and expert support of SB [6];

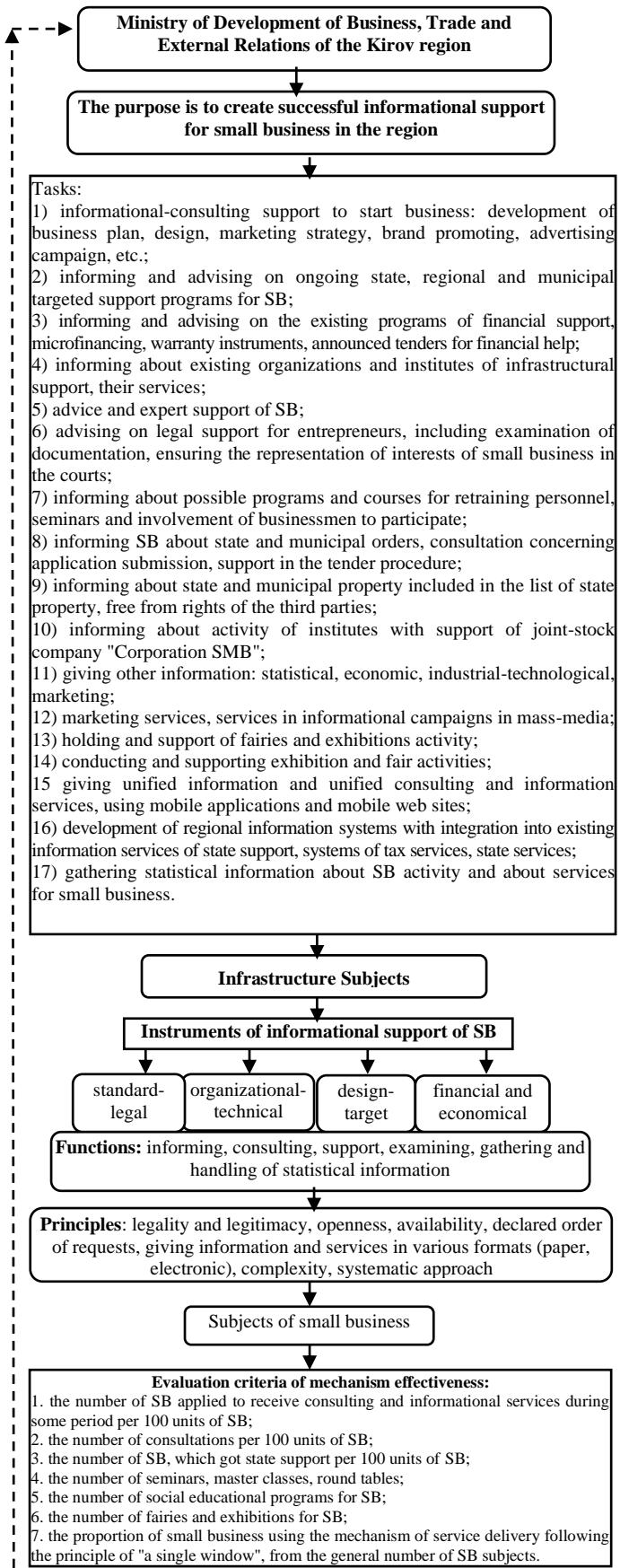


Fig. 1. The mechanism model of information infrastructural support for the sustainable development of small business in the region (on the example of the Kirov region)

- advising on legal support for entrepreneurs, including examination of documentation (constituent documents, contracts, agreements, job descriptions, regulations, etc.), ensuring the representation of interests of small businesses in courts, in local government bodies [10];
- informing about possible programs and courses for raising and retraining personnel, about seminars and attracting businessmen to participate [5];
- informing of SB about state and municipal orders, consultation concerning application submission, support in the tender procedure [9];
- informing about state and municipal property included in the list of state property, free from rights of the third parties;
- informing about activity of joint-stock company "Corporation SMB";
- giving other information: statistical, economic, industrial-technological, marketing;
- marketing services, services in informational campaigns in mass-media;
- holding and support of fairs and exhibitions activity;
- consulting concerning financial planning, accounting, taxation, involvement of loans and investments;
- giving unified information and unified consulting and information services, using mobile applications and mobile web sites;
- development of regional informational systems with integration into existing informational services of state support, systems of tax services, state services [3];
- gathering statistical information about SB activity and about services for small business.

MIISSB needs to provide the following functions: informing, consultation, support, examination, gathering and handling of statistical information.

It is advisable to provide informational services on the basis of the following principles: legality and legitimacy, openness, availability, declared order of requests, giving information and services in various formats (paper, electronic), complexity, systematic approach [7].

III. TOOLKIT OF INFORMATIONAL SUPPORT OF SMALL BUSINESS AND EVALUATION CRITERIA OF ITS EFFECTIVENESS

The mechanism operation is launched through its tools. To implement the mechanism of informational support of small business at the regional level it is recommended to distinguish four blocks of tools: standard-legal, program-target, organizational-technical and financial and economic.

Favorable legal field for activity of small business is formed by Codes, Federal laws and by-laws of the Russian

Federation. The law which directly regulates SMB activity is the Federal law of July 24th, 2007 №209-FL (amended on July 3rd, 2016) "On the Development of Small and Medium-Sized Business in the Russian Federation". It determines content and purposes of informational support of SMB.

At the regional level, particularly in the Kirov region, there is the Law of the Kirov region from December 27th, 2007 № 219-LR "On the Development of Small and Medium-Sized Business in the Kirov Region" (amended on July 8th, 2014 №438-LR), defining the essence of infrastructural support.

It is recommended to refer the following documents to program-target institutes: the Government Decree of the Russian Federation of April 15th, 2014 N 313 (amended on September 25th, 2018) "On Approving the State Program of the Russian Federation "Information Society (2011-2020)"", Order of the Government of the Russian Federation of July 28th , 2017 N 1632-r "On approval of the program "Digital Economy of the Russian Federation"" , Order of the Government of the Russian Federation of June 2nd , 2016 N 1083-r (amended on March 30th , 2018) "On approval of the Strategy for the Development of Small and Medium-Sized Enterprises in the Russian Federation until 2030", Decree of the Government of the Kirov region of December 10th, 2012 № 185/741 "On approval of the state program of the Kirov region" Entrepreneurship and Foreign Relations "2013-2020" (amended on April 11th, 2018)". These documents outline program activities to achieve target indicators for the creation of a digital society, including information support to SB.

Organizational-technical component of MIISSB is based on the order and the organization of informational support, usage of informational systems, informational environment, and informational services. Kirov region has the Portal of SMsB (<https://mbko.kirovreg.ru/>) which operates successfully. It provides information about infrastructure of support, its components, legislative base, support measures of Corporation SMB. Moreover, it organizes online free consultation on business start-up and state support and informs about existing support programs, competitions, conditions and procedure to obtain support, educational resources, programs of training and retraining courses of personnel, seminars. Kirov Service Center has started a series of free seminars for business: the seminar "Electronic services for business" was the start for educational program of the Center. Tax authorities and regional State inspection of labour became speakers of the first educational event.

It should be noted that since December 2017 the Kirov region has My Business Service Center, where, according to the "single window" principle, one can get specialized services of Corporation SMB, services of federal departments: Rosreestr and the Federal Tax Service, as well as of regional authorities, local governments and financial - credit organizations. Besides, here it is possible to ask for the support of the regional business ombudsman.

The financial and economic instruments of the Institute are preferential taxation, loans at reduced rates and guarantees [2]. Basically, financial support is provided to infrastructure facilities in order to create a comfortable information environment. Federal financial support for

infrastructure institutions is provided by the Ministry of Economic Development of Russia as part of the subprogram "Development of Small and Medium Business", the state program of the Russian Federation "Economic Development and Innovative Economics". As part of the lending incentive program, authorized banks of Corporation SMB provide loans to infrastructure organizations [13].

The main subjects of the information support infrastructure in the Kirov region are the Development Corporation of the Kirov Region, the Kirov Regional Fund for Entrepreneurship Support, the Center for Entrepreneurship Support, the Service Center (jointly in Sberbank), a business incubator.

An important point in creating the mechanism of information support for small business is evaluation of its effectiveness [4], [14]. It is proposed to use the following values as indicators: the number of SB who applied for receiving consulting and information services for a period of 100 units; the number of consultations per 100 units; the number of SB that received state support per 100 units; the number of seminars, workshops, round tables; the number of social training programs; the number of exhibition and fair events held; the proportion of small businesses using the mechanism of obtaining services on the principle of "single window" of the total number of subjects of SB.

IV. CONCLUSION

Thus, identifying the components of the mechanism providing information support for small business, it seems possible to define it as a complex of socio-economic relations arising from the provision of information, consulting, service and expert services to small businesses in order to reduce transaction costs, create a favorable business environment for its sustainable development.

The proposed model of the mechanism of information infrastructure support for small businesses allows to create a favorable business climate for small business and for their further sustainable development. The mechanism model has the purpose, tasks, tools which launch the mechanism. They are grouped in four blocks (standard-legal, organizational-technical, design-target, financial and economical), mechanism functions (informing, consulting, supporting, examining, gathering and handling of statistical information), principles of information delivery, evaluation criteria of mechanism effectiveness. Model of MISSB developed by the authors is of practical importance and can serve as the basis for the formation of strategies and programs for the development of small enterprises at the regional level. It can also be useful within the framework of the task of the Ministry of Economic Development to develop a rating of regions for information coverage of measures to support SMB.

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