The article is devoted to the role of small business in the modern economy. Its significant advantages are indicated (innovative orientation, availability of promising projects, high social significance, mobility to changes in the external and internal environment).

The purpose of the article is to develop a methodological basis for the formation of a new business structure and small business competitiveness management, taking into account the integration of various institutions of a market economy.

The structural potential of small business is analyzed, the factors of innovation and investment activity of the business are assessed, the development
problems of this sector of the economy are identified. Highlighted unsolved problems of small business by type of economic activity.

The study of small business development trends allowed identifying the reasons that constrain the interaction of these subjects with big business.

The paper uses methods of statistical analysis. The dynamics of indicators reflecting the development of small business for most types of economic activity in the region is shown, a range of problems of the implementation of the structural potential is identified, the most significant ones are highlighted.

The economic potential is considered as a structure of potentials (innovation, investment, financial, territorial).

**Keywords:** small business in the regions, problems of entrepreneurship development, structural potential of small business at the regional level.

The role of small business in innovation change is multifaceted [1]. Being directly involved in the production of products (works, services), generating demand for new developments, it accelerates and activates structural transformations in the economic significant scales. Due to the ability for quick changes and independence in decision making, small business is a priori ready to form and implement an innovative type of strategy and tactics [2], which requires consideration conditions of external and internal environment to contain a high degree of risk [9].

A small innovative enterprise has a high innovation potential, but the limited period of innovation, the availability of new or improved products, services and production processes all require a new (updated) competitiveness management system based on the integration interaction of various institutions of the market economy (state, large business, scientific centers) [10, 20].

Analysis of the data of continuous statistical observation of the activities of economic entities of small business in the Sughd region confirms the stable
structure of entrepreneurship by type of economic activity. In the context of certain types.

Economic activity for small business in Sughd region, Khujand, is characterized by some trends.

Analysis of the data suggests that in 2010 55% of small businesses in the region were engaged in wholesale and retail trade, more than a quarter of enterprises (17%) work with real estate, 2% each in manufacturing and construction.

As for the structural potential of small business in the Sughd region, the study conducted a statistical analysis over a three-year period, which allowed to expand information on the production and shipment of goods and services.

Pic. 1. Distribution of small and medium-sized enterprises by type of economic activity in Sughd region in 2016

The number of created small enterprises in certain types of activities determines the presence (or absence) of entrepreneurs' interest in this type of
activity (degree of saturation of this sector of the economy). For most types of economic activity of the Sughd region, a reduction in the number of small businesses is typical. The greatest concern for the development of the regional complex is the reduction in the number of small businesses in manufacturing industries. Thus, the share of the Sughd region in Khujand processing industries decreased by 67.5% (from 148 in 2010 to 48 in 2016). In the construction industry, a similar trend (a reduction from 50 in 2010 to 47 in 2016). The task of economic development of the region (the return of industrial appearance) requires the development of small businesses or expansion of the interaction of small businesses with large businesses in these industries [18].

Pic.2. Number of small and medium-sized enterprises by type of economic activity in 2010-2016
The negative trends include a reduction in the number of small enterprises engaged in research and development (only 0.6%), due to several factors, among which [3]:

- insufficient attention to the problems of development of small innovative entrepreneurship of public authorities;
- the absence of legal acts determining the development of small innovative enterprises.

To accelerate the pace of scientific research, the cooperation of small enterprises with large businesses is necessary [7].

Analysis of the data allows us to conclude that the reduction in the turnover of small businesses is observed in all types of economic activity with the exception of the “Wholesale and retail trade” section. The turnover of small businesses in Khujand increased by 1.5% to the submitted type of economic activity (from 1,159.1 billion smn. In 2010 to 1,523.5 billion smn. In 2012). In Tajikistan as a whole, the growth of this indicator was 11.5% (from 14,442.9 billion smn. In 2010 to 16,108.1 billion smn. In 2012). In 2012, the turnover of small enterprises in the Sogd oblast of wholesale and retail trade amounted to 63.1% (368.4 billion smn), which indicates that small businesses constitute the greatest competition for large business in the sphere of trade.

This conclusion is confirmed by comparing the relative indicators (share) of changes in the turnover of manufacturing and construction with indicators of the turnover of small business in the wholesale and retail trade. In 2010, the share of manufacturing and construction was 23.6%, while wholesale and retail trade accounted for 60.1%.

<table>
<thead>
<tr>
<th>Table 1. Dynamics of revenues of small enterprises in Sogd region for 2010-2016.</th>
</tr>
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<tbody>
<tr>
<td><strong>Type of economic activity</strong></td>
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<tr>
<td></td>
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<tr>
<td>Manufacturing industries</td>
</tr>
</tbody>
</table>
In 2012, the share of manufacturing and construction was 22.7%, while the share of wholesale and retail trade was 63.1%. It should also be noted the trend of sectoral changes of subjects. The turnover of the processing industries for the period under review (2010–2012) increased by 0.7%, the proportion of construction entities decreased by 0.4%, and the share of wholesale and retail entities increased by 3%. This trend in the overall implementation of the social program indicates the imbalance of the structural area potential. It is no coincidence that the Strategy of Social and Economic Development of the Sogd Oblast until 2020 as the main economic vector indicated the need to return the industrial appearance of the territory of the region.

The turnover rate of small businesses by types of economic activity is, of course, a characteristic of development, but a qualitative assessment of business activity is determined by performance indicators. Thus, according to statistics from the Sughd region, the number of profitable small businesses in 2012 was 8,009 units, unprofitable - 2,485 units. Given the autonomy of business entities in the use of financial resources, it should be noted that the presence of unprofitable enterprises reduces the social security of workers. For the surveyed unprofitable enterprises of Sughd region, this problem is characteristic. Thus, over the five-year period, sharp fluctuations in the average monthly wage are observed (in 2009 - 10,300 smn. For small businesses and 12,423 smn. For medium-sized enterprises; in 2013, these figures were 14,665 smn. And 19,959 smn.).

For a small business in the Sughd region, a characteristic form of manifestation of this social problem is the discrepancy between the growth rate

<table>
<thead>
<tr>
<th>Building</th>
<th>11785.3</th>
<th>27673.1</th>
<th>6517.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale and retail trade</td>
<td>15361.8</td>
<td>90047.8</td>
<td>908002.6</td>
</tr>
<tr>
<td>Transport and communication</td>
<td>2919.3</td>
<td>23231.2</td>
<td>21200.7</td>
</tr>
<tr>
<td>Real estate transactions, rental and provision of services</td>
<td>29539.5</td>
<td>89781.7</td>
<td>41684</td>
</tr>
<tr>
<td>Research and development</td>
<td>1051.2</td>
<td>36043.9</td>
<td>6348.6</td>
</tr>
</tbody>
</table>

Source: stat.tj
of sales revenue and the growth rate of the average monthly wage of workers. This is confirmed by the comparative characteristics of the remuneration of workers.

Analysis of the data suggests that there is an increase in the average monthly salary of medium-sized enterprises compared with the average salary of small enterprises. Sectoral data indicate faster growth rates of average monthly wages in construction, health care, financial activities and lower wage growth rates in agriculture, hotel industry, and education.

Table 2. Dynamics of indicators of the number of small business in Sogd region for 2010-2016.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Small enterprises</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2010</td>
</tr>
<tr>
<td>In small enterprises, only</td>
<td>33.0</td>
</tr>
<tr>
<td>- farming, hunting and forestry</td>
<td>1.4</td>
</tr>
<tr>
<td>processing industries</td>
<td>2.86</td>
</tr>
<tr>
<td>Building</td>
<td>3.5</td>
</tr>
<tr>
<td>wholesale and retail trade</td>
<td>3.1</td>
</tr>
<tr>
<td>hotels and restaurants</td>
<td>5.66</td>
</tr>
<tr>
<td>transportation and communication</td>
<td>3.9</td>
</tr>
<tr>
<td>real estate transaction</td>
<td>3.34</td>
</tr>
<tr>
<td>Education</td>
<td>3.43</td>
</tr>
<tr>
<td>health care</td>
<td>3.9</td>
</tr>
<tr>
<td>provision other community, social and personal services</td>
<td>3.34</td>
</tr>
</tbody>
</table>

Source: stat.tj

Financial security of a small business is characterized by an optimal ratio of internal and external sources. Cash inflows to enterprises of the Sughd region by 67.8% came from internal sources and 32.2% from external sources. Most of the total income in the analyzed period was formed due to a decrease in receivables recorded in current assets (47.5%), as well as due to a decrease in fixed assets (15%).

It can be assumed that the growth in the number of small enterprises should be accompanied by a change in their qualitative characteristics. However, the
results of the research do not confirm this thesis, since the Sughd region is characterized by a structural shift in the number of small enterprises.

Data analysis over a five-year period [10] suggests that there is a tendency to reduce small enterprises. At the same time, the growth of small enterprises is due to the transition of the status of small enterprises to this group. This diversification is not accompanied by similar changes in the number of employees and is associated with a change in the tax regime. It should be noted that the indicators of turnover of enterprises fluctuate regardless of the form of management. So, in 2013, the growth in the turnover of small enterprises was about 4 million smnn., And the decrease in the turnover of small enterprises exceeded 6 million smn.

The study of small business development trends identified a range of problems in the formation of its economic potential along with general economic problems. The authors of the general economic problems are:

- insufficient trend of innovative development of small business;
- lack of balance in the development of the structural potential of small business;
- insufficient level of territorial balance of small business development.

The authors proposed a structure of economic potential, consisting of innovative, structural, investment, financial and territorial elements.

The problems of realization of the structural potential include:

- insufficient level of innovative development of small business;
- the presence of barriers to entry into the market of small enterprises;
- weak interaction and coordination of sectoral and regional structures of small enterprises;
- imperfection of the regulatory framework of state regulation of business activities [12, 17].
Problems of realization of investment potential are grouped in the following areas:

- a weak mechanism for investing capital in the development of small enterprises;
- lack of methodology for assessing the factors of investment activity of small enterprises;
- low level of awareness of small enterprises about the state of the business climate of the region [19].

Financial potential can be fully realized when solving the following problems:

- formation of a full-fledged system of federal financing of activities for the development of small business infrastructure;
- sufficient budgetary provision of the region and on this basis financial support for the development of small business;
- neutralization of the system of a high degree of investment risk [13, 14].

Challenges to innovative capacity include:

- the presence of weak interaction of small educational institutions and subjects of the region;
- lack of own funds from the subjects of innovation in research and development;
- lack of a system for training specialists in the commercialization and management of intellectual property [6, 15].

The scientific subsystem of the regional innovation system of the Sughd region is characterized by the following data. For the period from 2004 to 2012, the number of organizations performing research development increased by 39%. Recently, interest in introducing innovations has been observed in the field of communal, social and personal services.
The scientific subsystem of the Sughd region has a sufficient level of intellectual mobility [10] and is represented by a wide range of personnel.

Analysis of the data allows to conclude about the relative stability of the number of researchers auxiliary and other personnel for the entire period of the survey. So, in 2012 in the structure of the number of personnel engaged in research and development, the proportion of researchers was 45%, technicians - 9%, support staff - 26% and other personnel - 20%. The given structure allows to make a conclusion about the stability of human scientific potential.

The leading positions in innovative developments and researches are occupied with technical and natural sciences. That is why the personnel reserve is formed and replenished by universities of the Sughd region.

The share of scientists conducting research in the field of natural and technical sciences in 2012 was 90% of their total number, which is 7,063 people. Significantly fewer research scientists are concentrated in the medical, agricultural, social, and human sciences.

Analysis of the data suggests that there is a tendency for a steady increase in the number of researchers in the medical sciences. In addition, in the period from 2011 to 2012, the number of researchers in the social sciences and humanities significantly increased.

The adoption of the law of the Sogd region “On the stimulation of innovation activity in the Sogd region” has allowed a gradual increase in domestic spending on research and development. Over a ten-year, these costs more than 2.2 times. Since in the region there is a steadily increasing trend of rising costs for research and development, then, according to the authors, there is an objective need to create an organizational and economic mechanism for managing innovation and investment processes [8].
Sources of funding for research and development 9% and the implementation of innovation activities in the Sughd region can be divided into several types.

The funds of the regional budget are presented in the form of subsidies mainly to accredited large enterprises of the Sughd region. Small business support is provided in the form of grants.

Innovative development of organizations of the business and scientific sector of the Sughd region is largely due to its own sources of funding. The use of credit resources is limited due to the relatively high level of interest rates and the low duration of the credit relations for the development of innovation [11].

The generalization of factors and conditions constraining the development of the region’s innovation activity allowed the structure of problems 2% highlight among them the most significant [4]:

- Problems that reduce the level of knowledge generation of fundamental and applied science;
- problems of taxation, restraining the intensification of innovation;
- problems of technological base provision and technologies as a result of the lack of scientific equipment and materials;
- Problems associated with the imperfection of the regulatory framework of innovation;
- problems of the quality of information support of the market needs in innovative products and services;
- problems of inconsistency in the pace of structural transformations in the regional economy and the pace of innovation development.

To improve the efficiency of innovation is necessary [5]:

- to form a system of elements of the innovation environment of small business entities to enhance their innovative potential;
- to form a unified information base of elements of the innovation infrastructure;
- develop and structure new elements of the innovation infrastructure capable of realizing the possibilities of state managerial influence to stimulate the solution of priority tasks of innovative development and create favorable conditions for the realization of the innovative potential of the region.

Constructive motivation for innovation, independence, freedom and efficiency in making decisions of small business entities are revealed in the process of realizing their innovative potential.

The innovation potential, acting as the main competitive advantage of the territory, along with government support measures aimed at increasing investment attractiveness, should become the main driving force of socio-economic development [16].

Thus, by virtue of the theoretical flaw in the conceptual apparatus (the essence of the innovation potential, its assessment, its elements), the development of specific practical recommendations for the formation of and effective use of the potential of small businesses. In this regard, additional research is needed on the content and development of a system for managing the innovative potential of small business.

THE LIST OF LITERATURE


