

**Research Article**

**The Effectiveness of the Government Support  
To Small and Medium-Sized Businesses in the Volgograd Region  
Including an Innovative Entrepreneurship**

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**ABSTRACT**

The subject of the research work is the instruments of the government support to small and medium-sized businesses in the Volgograd region and the estimate of the effectiveness. The statistic data show that the Volgograd region demonstrates the average development of small and medium-sized businesses in comparison with other Russian regions. The Volgograd region is behind other regions of Russia in developing of the innovative activity. The basic problems in the developing of small and medium-sized businesses in the Volgograd region are low efficiency of regional executive authorities; low investment attractiveness; ineffective structure of the economy; insufficient budgetary means of the region; low standard of living; low quality of the basic infrastructure; environment problems in the industrial parts of the region.

The development of small and medium-sized businesses in the Volgograd region is a top priority of the state politics of the Volgograd region. Small and medium-sized businesses with basic activities have the financial support through subsidies on the cost of the equipment. The government support to small and medium-sized businesses in the Volgograd region is provided via the infrastructure of the support to small and medium-sized businesses. The support of the infrastructure is provided by non-profit company ‘Regional Guarantee Fund’, state fund ‘Regional Microfinance Center’, autonomous state institution ‘Volgograd Regional Business Incubator’ and

its branches – Engineering Center of the Volgograd region and Business Support Center as well as the Commissioner in the protection of businessmen rights.

The authors have estimated the effectiveness of the state stimulation in the development of small and medium-sized businesses in the Volgograd region including the innovative entrepreneurship. The used instruments are subsidies, surety of the guarantee fund and loans of the microfinance center. They are considered as conditionally affective incentives in the development of the innovative entrepreneurship and as non effective incentives in the development of small and medium-sized businesses. The authors conclude that new effective instruments such as an innovative voucher are able to give a welcome boost to the development of small and medium-sized businesses in the Volgograd region including the innovative entrepreneurship.

**Key words:** the effectiveness of the government support to small businesses, the Volgograd region, Russia, the government support, small and medium-sized businesses, innovative entrepreneurship, subsidies, guarantee, loans, innovative voucher.

## INTRODUCTION

Experiences in developed countries indicate that a small business plays a big role in the economy, a developing small business influence the economic growth, export growth, market, employment, local recourses. It solves a lot of economic, social and other problems. In all economically advanced countries the state provides significant support to a small business. The advantages of the small business functioning are proximity to local markets; their adaptation to customers' needs; producing smaller parties of goods, that is inefficient for big companies; exclusion of extra management etc. The development of small and medium-sized businesses creates favorable conditions for the economy: competition increase, extra employment, structural adjustment, consumer sector increase. The development of small businesses leads to goods and service increase, export increase, better using local raw materials. Nowadays in the world innovations are the key to competitiveness in the global market, employment and improving the quality of life. Small and medium-sized companies have low costs, a flexible management, an ability to respond rapidly to market needs, a willingness to take risks. It makes them more effective in designing progressive ideas. That is why it is very important to combine these two factors, or rather, to increase the innovative activity in small and medium-sized businesses. It is the urgent task leading to the economic growth [2].

The aim of the research work is quantification of the state support instruments in small and medium-sized companies in the Volgograd region including the innovative entrepreneurship.

The tasks of the study are the identification of the development trends of small and medium-sized businesses in the Volgograd region; the estimate of the effectiveness in the state support to small and medium-sized businesses including the innovative entrepreneurship in the Volgograd region.

Small businesses in Russia remain underdeveloped. For instance in developed countries the share of the small business sector in GDP is 30–40%, in Russia – up to 15% [1, 66].

The state support aims to the risk reduction and the resource increase.

The state support to small and medium-sized businesses are implemented in the following ways

- finance support (low-cost credits, subsidies, tax and depreciation allowances etc)
- logistical support (creating technoparks, providing rental, equipment rental etc )
- consulting and information support (access to the technical libraries, to the data base, counseling services and legal advice)
- creating market infrastructure (local fairs equipment and technology market, markets etc) [6].

The Volgograd region has averages of small and medium-sized businesses development

indicators in comparison with other regions of Russia. According to data provided by Rosstat in 2014 the Volgograd region with the number of small and medium-sized companies was ranked the 23th place among Russian regions and with the numbers of businessmen – the 17<sup>th</sup> place.

The proportion of turnover in small and medium-sized companies in the Volgograd region in total turnover is about 30 %.

According to data provided by Small and medium-sized businesses development of the Economy committee in the Volgograd region the total number of small and medium-sized businesses in 2015 was 88.6 thousand (including 59.9 thousand sole proprietors registered in the Statistical Register of the Volgograd region, 3.4 thousand small

companies, 25,2 thousand micro companies and 246 average companies) by increasing by 0.4 thousand items thanks to the growth of the number of sole proprietors.

The turnover of small and medium-sized businesses including sole proprietors was 437.3 milliard rubles in 2015 [7].

The dynamics of small and medium-sized businesses is presented in table 1. The dynamics of the number of the registered small companies in the Volgograd region shows the reduction for the last four years. Meanwhile the number of the micro companies has increased that therefore some small companies have to reduce the income and become micro companies affected by total stagnations processes. The number of the sole proprietors has the negative dynamics in the year under review.

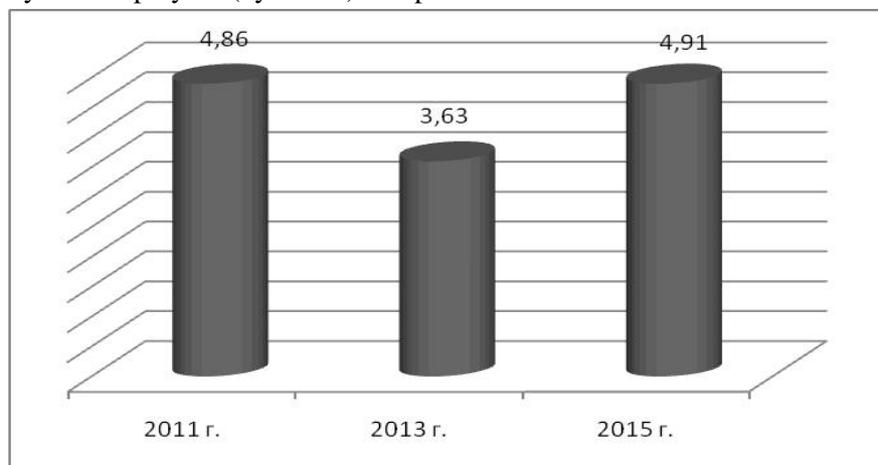
**Table 1:** The dynamics of the number small and medium-sized businesses in the Volgograd region, 2010-2015

Year	Number of small companies, items	Number of micro companies, items	Number of medium-sized companies including micro companies, items	Number of sole proprietors, thousand people
2010	3729	22974	407	47,1
2011	3560	21329	290	48,7
2012	3794	23354	219	47,4
2013	3354	24658	217	46,9
2014	3414	25247	216	45,0
2015	3081	...	241	...

**Source:** made by the authors under [7].

In 2015 the proportion of the small companies with technical innovations out of the surveyed (in 2011 370 companies were surveyed, in 2013 – 386, in 2015 - 326) was increased by 1.28 % compared with 2013 and was 4.91% (figure 1).

The increase is small compared with 2011. It is 0.05% [4, page 5]. The number of the employees in small companies with technical innovations in 2014 was reduced by 62 employees compared with 2013 (by 7.5%) and by 235 employees (by 23.5%) compared with 2011.



**Figure 1.** Proportion of small companies with technical innovations in the total number surveyed small companies, % [4, page 5].

The Volgograd region in developing remains behind other Russian regions. In particular, the proportion of the companies with technical innovations in 2015 in the total number of the surveyed companies was 5.9% that is notably lower than the corresponding figure in Russia – 8.3% and in the Southern Federal Area of Russia – 6.9% [8].

The basic problems of the Volgograd region development effecting small and medium-sized businesses are

- low efficiency of local authorities. The number of the local authorities in the Volgograd regions and their costs notably exceed the analogy figures in the other regions with more population. There are no data of labor force size in relation to civil servants, the proportion of civil servants` average salary and company employees` salary.
- Low investment appeal. The main economic problem is relatively small fixed investments. There is no foreign investments in the region.
- Inefficient economy structure. Primary activities and raw primaries prevail in the economy. In the long term, such proportion will not reduce. The growth will only depend on big companies` plans. The growth will be moderate.
- Low fiscal capacity. The fiscal capacity in the region is lower than the Russian average. The budget is subsidized.
- Relatively low standard of living. Income level of the population remains behind the Russian average.
- The lowest level and quality of the basic infrastructure.
- Environment problems in the industrial parts of the region [11].

The development of small and medium-sized businesses in the Volgograd region is one of the top priorities in the Volgograd region politics.

Since 1996 there have been six regional programs of the government support to small businesses in the Volgograd region in 1998–2000, 2001–2005, 2005–2010, 2007–2010, 2009–2012, 2013. Since 2014 there has realized the program ‘Development and Support to Small

and Medium-sized Businesses in the Volgograd region’ under the state program ‘Economic Development and Innovative Economy’ for 2014-2016 approved by Volgograd Region Government Decision No. 696P of 9 December 2013. Its purpose is providing steady development of the small and medium-sized businesses in the Volgograd region.

Total funding for the program ‘Development and Support to Small and Medium-sized Businesses in the Volgograd region’ under the state program ‘Economic Development and Innovative Economy’ for 2014-2016 is 1780716,15 thousand rubles.

In 2015 the cost of the program was 484,5 million rubles including from the regional budget 53.2 million rubles, from the federal budget 431.3 million rubles. The support in the form of the subsidies for entrepreneurship was provided to 400 small and medium-sized businesses. Nearly 1500 small and medium-sized businesses have used such support.

The financial support in the form of subsidized costs in buying some equipment is provided to small and medium-sized businesses with priority activities. There are two kind of the subsidies:

- subsidized costs in making a down payment in a leasing at the rate of no more 1 million rubles.
- subsidized part of the cost in buying some equipment for producing goods and services at the rate of 50% cost in the ownership but not more 1 million rubles.

In 2015 following the results of the contest the subsidies were granted to 400 small and medium-sized businesses in the total sum 230.8 million rubles for cost recovery: in leasing – 114.1 million rubles; in buying the equipment for making and modernization of production – 87 million rubles; in starting a business – 28 million rubles including local institutions; in fairs and exhibitions – 1.7 million rubles.

The government support to small and medium-sized businesses in the Volgograd region is also provided by the infrastructure support. The following organizations provide the support - non-profit company ‘Regional Guarantee Fund’, state fund ‘Regional Microfinance Center’,

autonomous state institution ‘Volgograd Regional Business Incubator’ and its branches – Engineering Center of the Volgograd region and Business Support Center as well as the Commissioner in the protection of businessmen rights. In 2015 243.2 million rubles were granted from the regional and federal budgets for the infrastructure development including capitalization in the non-profit company ‘Regional Guarantee Fund’ – 100 million rubles, increase in the micro finance fund - - 100 million rubles, the development of the Engineering Regional Center – 18.4 million rubles, Business Support Center – 21.5 million rubles and autonomous state institution ‘Volgograd Regional Business Incubator’ – 3/3 million rubles [3].

Though the Volgograd region has a system of innovative small and medium-sized businesses support, many institutions purported to be innovative infrastructure do not aim to support innovative companies. For example, Business Incubator has 29 companies and most of them however are not related with innovations. ‘Regional Guarantee Fund’ support all companies, it does not give priority to any innovative company [12, page 97].

## MATERIALS AND METHODS

Let us quantify the effectiveness of the government support to small and medium-sized businesses and innovative entrepreneurship in the Volgograd region by calculating integral effectiveness indicator including partial effectiveness indicators of the government support to small and medium-sized businesses and innovative entrepreneurship. The method consists of the following steps [9, pages 139-140]:

- the determination of the budgeted expenditure for the innovative activity stimulation (thousand rubles);
- the formation of the important system with the indicators of the small and medium-sized businesses and innovative entrepreneurship effectiveness;
- calculating the complex indicator of the small and medium-sized businesses and

innovative entrepreneurship effectiveness by using basic components method;

To calculate the complex indicator of the small and medium-sized businesses and innovative entrepreneurship effectiveness by using basic components method, we turn to the supplementary characteristics by using formula 1 since not all used indicators have the same size.

$$x_{ij}^* = \frac{x_{ij}}{\sigma_j} \quad (1)$$

with:  $x_{ij}$  – source data;

$\sigma_j$  – selective mean square deviation of the  $j$ -characteristic

- the estimate of the effectiveness of every instrument in the government support to small and medium-sized businesses and innovative entrepreneurship by identifying partial coefficients (2);

$$Eff_k^{i+1} = \frac{I(X_k^{i+1}) - I(X_k^i)}{X_k^{i+1}}, \quad (2)$$

with  $Eff_k^{i+1}$  – effectiveness  $k$ - government support to small and medium-sized businesses in  $i+first$  period,  $k = subsidies, guarantees, loan$ ;

$X_k^{i+1}$ ,  $X_k^i$  – budgets for the using  $k$ -government support to small and medium-sized businesses in  $i$ -period and  $i+first$  period relatively;

$I(X_k^{i+1})$ ,  $I(X_k^i)$  – development indicator of small and medium-sized businesses in  $i$ -period and  $i+first$  period relatively.

- The calculation of the integral (total) indicator of the small and medium-sized businesses and innovative entrepreneurship effectiveness as the geometric mean(3).

$$Eff = \sqrt[m]{\prod_{k=1}^m Eff_k} \quad (3)$$

with:  $Eff_k$  – effectiveness  $k$ -government support,  $m$  – number of government supports.

It is clear that the figures for the partial coefficients identify the figure for the total coefficient of the effectiveness. The calculation of the efficiency rate justifies:

- 1) Effective if the efficiency rate is less than 25% ;
- 2) Conditionally effective (with variable effectiveness) if the efficiency rate is from 25% to 75% . But if the efficiency rate is 20%-50% it becomes effective;
- 3) Ineffective if the efficiency rate is more than 75%.

The information resources of fiscal stimulus in the development of the small and medium-sized businesses and an innovative entrepreneurship for 2010-2015 are the reports on the program of the development of the small and medium-sized businesses in the Volgograd region published on the official website of Volgograd Economy

Committee [5]. Budgetary funds for the development of the small and medium-sized businesses in the Volgograd region are

- subsidies for the small and medium-sized businesses in the Volgograd region with funding from the regional and federal budget -  $X_{sub}$ , million rubles;
- Size of surety in the non-profit company ‘Regional Guarantee Fund’ in lending by banks -  $X_{gar.}$ , thousand rubles;
- Loans in state fund ‘Regional Microfinance Center’ to organizations for the following financing the small and medium-sized businesses in the Volgograd region –  $X_{Loan}$ , thousand rubles.

**Table 2:** Budgetary funds for the development of the small and medium-sized businesses and an innovative entrepreneurship in the Volgograd region for 2009-2015, thousand rubles.

year	Subsidies to small and medium-sized businesses, million rubles.	Size of surety in the non-profit company ‘Regional Guarantee Fund’ million rubles.	Loans in state fund ‘Regional Microfinance Center’, million rubles.
	$X_{sub.}$	$X_{gar.}$	$X_{loan}$
2009	113,72	40,4	0
2010	113,8	192,2	0
2011	165,37	322,6	88,56
2012	668,14	472,9	146,37
2013	48,142	298,3	157
2014	107,43	85	98,6
2015	230,8	105,7	110,3

Source: made by the authors under [5].

The second step of the method has required the survey from Russia Federal Statistics Service data. The authors have selected the following indicators of the business stimulation effectiveness in the Volgograd region (table 3):

1. Number of small and medium-sized businesses, thousand items.
2. Turnover of small and medium-sized businesses, milliard rubles.
3. Number of employees in small and medium-sized businesses, thousand people.

**Table 3:** Indicators of the development of the small and medium-sized businesses in the Volgograd region for 2010-2014, thousand rubles.

year	Number of small and medium-sized businesses, thousand items	Turnover of small and medium-sized businesses, milliard rubles	Number of employees in small and medium-sized businesses, thousand people
	$I_{sm.med.sizedbus}$	$I_{turnover.}$	$I_{empl.}$
2010	74,21	386,4	304,0
2011	73,88	404,8	239,1
2012	74,77	425,3	229,5
2013	75,13	453,5	221,1
2014	73,88	521,6	220,0

Source: made by the authors under [7].

It should be noted that the federal statistic survey is held every two years. One can find the information about the innovative activity in small businesses since 2013. In 2013 the statistic review 'Innovative Activity Indicators in the small businesses of the Volgograd region in 2013' was issued for the first time. So the authors have chosen the following indicators Innovative Activity Indicators in small, medium-sized and big companies of the Volgograd region (Table 4):

1. The proportion of companies with technical innovation in the total number of the companies, %.
2. The share of produced innovative goods and services, million rubles.
3. Used advanced techniques, items.

**Table 4:** Effectiveness indicators of the government stimulation in the Volgograd region companies' innovative activity for 2009-2015, thousand rubles.

year	The proportion of companies with technical innovation in the total number of the companies, %	The share of produced innovative goods and services, million rubles.	Used advanced techniques, items.
	<i>I<sub>prop.</sub></i>	<i>I<sub>innov.goods.</sub></i>	<i>I<sub>adv.tech.</sub></i>
2009	5,4	41574,3	3182
2010	6,9	59594,3	2243
2011	6,3	27149,7	1989
2012	6,0	5298,9	2055
2013	7,3	6317,1	2223
2014	5,5	12 985,4	2404
2015	5,9	17 281,1	2400

Source: made by the authors under [10].

Note that if there is a statistic survey the result indicators may be expanded.

The third step. It is impossible to use regressive and correlation analysis methods for identifying the connection between fiscal stimulus and the result of the development of the small and medium-sized businesses of the region because the result indication has three indicators.

The main components method must be used. It allows compressing the information about the results of the development of the small and medium-sized businesses in the Volgograd region. This information presented in three sources is compressed into the complex indicator of the development of the small and medium-sized businesses. The fourth step. There is an estimate of the effectiveness of the fiscal stimulus in accordance with the quantitative approach. It is the ratio to the development indicator and the incentive payments. The fiscal stimulus in the development of the small and medium-sized

businesses is effective if the ratio is more 1. And it is ineffective if it is from 0 to 1. It is absolute ineffective if it negative.

The final step. The estimate of the effectiveness of the government support to small and medium-sized businesses is calculated by identifying the geometric average in the government support effectiveness.

## RESULTS

The effectiveness of the fiscal stimulus in the development of the small and medium-sized businesses has been estimated in accordance with Russia Federal Statistics Service data based on STATGRAPHICS Plus for Windows. The results of such approbation are the following.

### 1 Results of the effectiveness of the stimulation in the development of the small and medium-sized businesses in the Volgograd region.

To determine the indicator of the development of the small and medium-sized businesses concerning the main component method we turn to the supporting characteristics (Table 5) by

using formula (1) as not all used characteristics have the same quantity. The mean square deviation in each selection is relatively 0.56 thousand items, 52.8 milliard rubles, 35.1 thousand people.

**Table 5:** Complex indicator matrix of the effectiveness of the development of the small and medium-sized businesses in the Volgograd region after transformation, items.

Year	$I_{sm.med.bus.}$	$I_{turnover.}$	$I_{empl.}$
2010	133,11	7,32	8,66
2011	132,52	7,67	6,81
2012	134,11	8,05	6,54
2013	134,76	8,59	6,30
2014	132,52	9,88	6,27

The results allow reduction of the source data with the first two components with cumulative variance 91,895%.

Thus, the indicator of the development of the small and medium-sized businesses is defined by the formula (4)

$$I = 1,70514 \cdot I_{sm.med.bus.} + 1,05139 \cdot I_{turnover.} + 0,243195 \cdot I_{empl.} \quad (4)$$

Table 6 has the values of the indicator of the development of the small and medium-sized businesses for 2010-2014 by formula (2).

**Table 6:** The values of the indicator of the development of the small and medium-sized businesses for 2010-2014, items.

year	$I$	year	$I$
2010	236,77	2013	240,34
2011	235,67	2014	237,87
2012	238,74		

The results of the calculation of the effectiveness of the stimulation in the development of the innovative companies in the Volgograd region have been reached as the rate an innovative activity for a year with the budget stimulus (2) and the integral indicator of the effectiveness calculated by the formula (3). See table 7.

**Table 7:** The values of the effectiveness of the support in the small and medium-sized businesses in the Volgograd region, items

year	$Eff_{sub}$	$Eff_{gar.}$	$Eff_{loan.}$	$Eff$
2010	-	-	-	-
2011	-0,007	-0,003	-0,012	-0,007
2012	0,005	0,006	0,021	0,009
2013	0,033	0,005	0,010	0,012
2014	-0,023	-0,029	-0,025	-0,026

Note:  $Eff_{sub}$  – subsidies effectiveness indicator;  $Eff_{gar.}$  – Guarantee Fund effectiveness indicator;  $Eff_{loan.}$  – loan effectiveness indicator;  $Eff$  – integral stimulation effectiveness indicator

The value is less than 1 that is inefficient. If it is less than zero the value is low. See table 8.

The coefficient of variation indicates the following. If the coefficient of variation is less than 17% the totality is absolutely homogenous. If it is 17–33%% it is sufficiently homogenous. If it is 35–40%% it is insufficiently homogenous. If it is 40–60%% it is fluctuating

**Table 8:** Various indicators the effectiveness of the support in the small and medium-sized businesses in the Volgograd region including an innovative entrepreneurship.

Indicators	$Eff_{sub}$	$Eff_{gar}$	$Eff_{loan}$	$Eff$
Average value	0,002	-0,005	-0,002	-0,003
Mean square deviation	0,021	0,014	0,018	0,015
Coefficient of variation, %	10,02	-2,78	-11,50	-5,23

The reasons for inefficient effectiveness of the support in the small and medium-sized businesses in the Volgograd region are development problems.

One of these problem is inefficient budgetary funding which can be used by the small number of small and medium-sized businesses.

The other problems are difficulty accessing credit, higher interest rates and reduced credit demand for goods and services, inflation, corruption and others.

## 2 Results of the effectiveness of the stimulation in an innovative entrepreneurship in the Volgograd region.

To determine the innovative development indicator concerning the main component method we turn to the supporting characteristics (Table 9) by using formula (1) as not all used characteristics have the same quantity. The mean square deviation is relatively 0,70 %, 20057,92 million rubles, 396,29 items.

**Table9:** Complex indicator matrix of the effectiveness of the development of innovative companies in the Volgograd region after transformation, items.

year	$I_{propert.}$	$I_{inn.prod.}$	$I_{adv.technol.}$
2009	7,677	2,073	8,030
2010	9,810	2,971	5,660
2011	8,957	1,354	5,019
2012	8,530	0,264	5,186
2013	10,378	0,315	5,610
2014	7,819	0,647	6,066
2015	8,388	0,862	6,056

The results allow reduction of the source data with the first two components with cumulative variance 89,115%.

Thus, the indicator of the development of the small and medium-sized businesses is defined by the formula (5):

$$I = 1,61756 \cdot I_{propert.} + 1,05589 \cdot I_{inn.prod.} + 0,326545 \cdot I_{adv.technol.} \quad (5)$$

Table 10 has the values of the indicator of the development of the small and medium-sized businesses for 2009-2015 by formula (5)

**Table 10:** The values of the indicator of the development of the small and medium-sized businesses for 2009–2015, items.

year	$I$	year	$I$	year	$I$
2009	44938,57	2012	6267,72	2014	14497,79
2010	63659,08	2013	7397,69	2015	19032,27
2011	29318,21				

The innovative development indicator depends on the fiscal stimulus under STATGRAPHICS Plus for Windows at 90% significance level.

The results of the regression modeling:

1) Pair regression equation for  $I = f(X_{sub.})$  is

$$I = \frac{1}{0,0000375751 + 1,55649^{-7} \cdot X_{sub.}}$$

$$R^2 = 33,95\%$$

2) Pair regression equation for  $I = f(X_{gar.})$  имеет вид:

$$I = 18798,3 + \frac{895817,0}{X_{gar.}}, R^2 = 47,60\%$$

3) Pair regression equation for  $I = f(X_{loan.})$

имеет вид:

$$I = (234,738 - 0,972155 \cdot X_{loan.})^2,$$

$$R^2 = 92,05\%$$

The results of the calculation of the effectiveness in the innovative companies in the Volgograd region stimulation are in Table 11:

**Table 11:** Various indicators the effectiveness of the budget funding and integral indicator of the effectiveness of the support in the small and medium-sized businesses in the Volgograd region including an innovative entrepreneurship, items.

Year	$Eff_{sub}$	$Eff_{gar.}$	$Eff_{loan.}$	$Eff$
2009	-	-	-	-
2010	164,50	97,40	-	126,58
2011	-207,66	-106,45	-387,77	-204,66
2012	-34,50	-48,74	-157,48	-64,22
2013	23,47	3,79	7,20	8,62
2014	66,09	83,53	72,01	73,53
2015	19,65	42,90	41,11	32,60

Indicators the effectiveness of the budget funding and integral indicator of the effectiveness of the support in the small and medium-sized businesses in the Volgograd region including an innovative entrepreneurship have the value less than 1 that is inefficient. It is caused by the problems in the support to innovative companies from the federal and regional budgets. They are 1) low funding levels with low investments, 2) weak budgetary control and expenditure monitoring, 3) budgeting by competition, 4) corruption and bureaucracy in the fiscal stimulus to the small and medium-sized businesses, 5) lower responsibility of the government servants for the public results, etc.

**Table 12:** Various indicators of the effectiveness of the development of the small and medium-sized businesses in the Volgograd region including an innovative entrepreneurship

Indicators	$Eff_{sub.}$	$Eff_{gar}$	$Eff_{loan.}$	$Eff$
Average value	5,26	12,07	-70,82	-25,69
Mean square deviation	123,70	78,93	191,04	109,32
Coefficient of variation, %	2352,37	653,91	-269,74	-425,56
Inefficiency rate, %	33,33	33,33	40	33

In this case the sum of coefficients by each indicator is not homogenous. It reflects the fact

that the innovative system is not steady. Thus, the innovative system in Russia including Volgograd is not steady. The numbers of Russian scientists and auditors in the Audit Court have noted this fact [9, page 150].

Thus, approbation results show that all stimulus are presented as conditionally effective.

## CONCLUSION

Thus, the effectiveness of the government support to small and medium-sized businesses and an innovative entrepreneurship in the Volgograd region is not enough and it requires increasing. One of the solution to this is using 'innovative voucher' which is used in EU and the USA, Australia, and in some CIS countries.

An innovative voucher is the certificate giving the right to get some support from a scientific or consulting company for the innovative project.

Unlike the current fiscal stimulus an innovative voucher can only be used by small and medium-sized innovative businesses for the projects in Universities and scientific organizations.

The general principle of the innovative voucher functioning is a company gets some support only if state and social innovative projects are realized. It allows the help and support to small and medium-sized innovative businesses, and their cooperation with social and scientific organizations including colleges, institutes, universities and as well as research and development organizations.

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