MECHANISMS FOR INCREASING COMPETITIVENESS THROUGH THE BUSINESS-GOVERNMENT RELATIONSHIP AND ITS PLACE IN ENTREPRENEURSHIP EDUCATION

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ABSTRACT

The economic efficiency of the interaction between business and the state is ensured through the balance of the state policy for the development of human potential in entrepreneurship and innovative development based on increasing the competitiveness of the state economy. The urgency of the research is associated with the development of a public strategy for increasing the competitiveness of entrepreneurship in the context of the integration into the global economic space and strengthening the role of effective entrepreneurship education. The purpose of the study is to promote the economic development of small and medium-sized enterprises through the development of state regulation of the education system and the acquisition of the competencies required by the industry. We used the expert assessment method and the expert-ranking technique to reveal the importance of the level of education and the choice of competencies in relation to the level of entrepreneurship development. We analyzed the dynamics of the regional development of small and medium-sized enterprises in Kazakhstan. The main consequences of the policies aimed at supporting SMEs and the development prospects are reflected in the study. Thus, ensuring the competitiveness of small and medium-sized enterprises should become one of the priorities of the state policy aimed at achieving a high level of social and economic development of the region and increasing the welfare of the population. The practical relevance of the study is the development of an economic policy strategy to increase the competitiveness of small and medium-sized businesses through improving the quality of entrepreneurship education and the establishment of a partner relationship between the state and business. Further research can be aimed at developing social sustainability in developing countries based on the best international practices.

Keywords: Entrepreneurship Education, Competencies, Small and Medium-Sized Businesses, Competitiveness, Relationship Between Business And The Government, Entrepreneurship.
INTRODUCTION

In the modern conditions of the global economy development, an effective state policy for the development of higher education is required in order to develop professional competencies of future entrepreneurs in the socio-economic environment and increase the country's competitiveness. The main problem of improving the quality of entrepreneurship education is the unawareness of social responsibility and the lack of relevant competencies to run new business projects of small and medium-sized businesses. There is a correlation between entrepreneurial activities and the level of relevant education. Entrepreneurship education contributes to the acquisition of knowledge and professional competencies based on the best international practices in order to create and effectively manage one's own business, which positively affects further innovative development.

In a developed market economy, entrepreneurship is one of the key market segments as it is an economic growth driver. The entrepreneurial sector plays a special role in the regional economy development (Panfilova et al., 2019). Firstly, this is due to its ability to quickly adapt to new market requirements and, as a result, stable competitiveness. Secondly, both small and medium businesses are able to provide employment along with large enterprises and corporations. Thirdly, business entities, unlike large corporations, can immediately introduce advanced technologies and innovations due to their mobility. As a rule, small- and medium-sized enterprises fall into a separate typological form of entrepreneurship that is different from large enterprises and has specific problems, business organization methods, features of internal management and building relationship with both the market and the state (Kappusheva, 2012).

Meanwhile, small and medium-sized businesses have a number of common shortcomings: poor financing; the succession management problem, which is especially acute at the company growth stage when the responsibilities of the owner and manager are distributed; in small- and medium-sized enterprises, the personal qualities of an entrepreneur play an extremely important role; the recently changed basic conditions (social legislation, environmental protection, consumer protection, bureaucratization) that have a “more painful” effect on small enterprises compared to the large ones. A great number of studies devoted to small- and medium-sized enterprises analyze their characteristic features, in particular, local character, innovativeness, role in the economy, the need for and forms of state support. At the same time, many important issues are not reviewed, including the characteristics of the region as a sphere of entrepreneurial activity, the impact of small- and medium-sized enterprises on the regional reproduction process and the transition of the region to sustainable socio-economic development, etc. (Borisova et al., 2019). One of the insufficiently studied issues is the role of small- and medium-sized businesses in ensuring the competitiveness of the region, which is especially important for the regions of Kazakhstan.

The competitiveness of the region as an economic category is a combination of multiple relations regarding the socio-economic development of the region in the context of its competitive interaction with other regions. The competitiveness of the region can be defined as its ability to use traditional sources of competitive advantage, as well as to develop the new ones that are adequate to the modern stage of development, ensure economic growth and improve the standard of living and the quality of people's life. It is formed under the influence of various objective and subjective conditions, including external, natural-resource, geographical, institutional, social, legal, political and other conditions of its functioning, production and...
infrastructure potential, etc. (Temirova & Abdimomynova, 2016). In general, competitiveness depends on some indicators and can be approved by different mechanisms. Kuhar et al. (2017) highlights the quality of products or services is the most important mean of competition. The quality of a product or service, its operational safety, comfort, reliability and design, the level of after-sales service are the main criteria for a modern buyer, which determine the success or failure of a company in the market. Thus, competitiveness can be improved through the implementation of the principles and mechanisms of standardization, certification and the implementation of quality control and management (Khafizov & Nurullin, 2017). Researchers also determine that the investment climate in the region also affects the level of competitiveness. Shikverdiev et al. (2019) provides the mechanism for improving the competitiveness of enterprises in the region with the help of government and enterprises cooperation. We also highlight the importance of such relations in our work.

Entrepreneurship education plays an important role in the innovative development of the economy due to the interaction between the state and business (Monobayeva & Hájek, 2018). The development level of students’ entrepreneurial competencies directly depends on the level of teacher’s competencies (Jiang et al., 2017). The first type of entrepreneurship education is aimed at developing analytical thinking and individual competencies: the focus is placed on the company and the learning process is designed to make students write a business plan. The second type of entrepreneurship education involves team thinking and successful decision making. The third type includes studying the natural characteristics of an ideal entrepreneur (Neck & Greene, 2011). Entrepreneurship education is important in the socio-economic development of the economy and complex in terms of the state regulation of entrepreneurship and education (O’Connor, 2013).

Mastering of professional competencies depends on the level of education. They are important for successful business management and the formation of a future entrepreneur (Moldovan, 2015). EU Public policy is aimed at improving educational programs in order to develop professional competencies based on the innovative experience (Higgins & Galloway, 2014). The interaction between business and the education system stimulates the development of entrepreneurship in the country (Lindh & Thorgren, 2016). Entrepreneurship education has a beneficial effect on the desire to conduct business activities (Rauch & Hulsink, 2015).

The purpose of the research is to promote entrepreneurship in Kazakhstan through the provision of effective education and the acquisition of relevant competencies by future entrepreneurs.

To achieve the goal it is necessary to solve the following tasks:

- To assess the impact of the level of entrepreneurship education on entrepreneurial orientation.
- To identify the core competencies of a novice entrepreneur.
- To develop recommendations aimed at promoting the interaction between state regulation and small- and medium-sized businesses.

**RESEARCH METHODS**

The main research method is an expert assessment method based on the collective opinion of Kazakhstan experts that is aimed at determining the impact of education on the development of entrepreneurship and its contribution to the economic growth of the country. A collective
sample of 300 professional educational specialists and managers of small- and medium-sized businesses based on the professional and scientific experience determines the effect of education on entrepreneurial orientation. The expert assessment was based on a 5-point scale that reflected the level of education and the factors positively or negatively affecting it.

We used the second method of expert ranking to determine the key entrepreneurial competencies acquired at university. The key competencies were ranked by 70 experts of higher and special educational institutions on a 7-point scale by their significance and the arithmetic average of the obtained values was found.

- 7+++: inherent and developed competencies
- 7+: high level of competencies that can be enhanced by education
- 6 +++: ultimate level of competencies
- 6 +: high level of competencies that cannot be completely changed due to education
- 5 ++: average level of competencies that can be changed by education
- 5+: average level of competencies that cannot be completely changed due to education
- 5+: average level of competencies that cannot be changed by education
- 4: current level of competencies
- 3: poor level of competencies
- 2: satisfactory level of competencies
- 1: almost no competencies
- 0: no competencies

Each of the listed levels of competencies can be improved due to their initial identification in students when choosing a course in entrepreneurship and business management.

The approaches of various authors to measuring the development of small businesses in a country and region are based on the use of standard statistical indicators assessing the development of small and medium-sized businesses in different countries; they differ mainly in terms of the number of indicators used or their combinations (Zhunisova, 2014). A system of comparable statistics and a reliable information base are a prerequisite for assessing the state of small and medium-sized enterprises in the region and determining the directions of the state support policy for small businesses.

The statistics of small- and medium-sized enterprises are used by public authorities, business associations, and scientific organizations in order to:

1. To assess the economic activity results at the macro level; to calculate the main macro-aggregates and forecast the development of the economy.
2. To determine the state policy aimed at supporting small businesses.
3. To plan the budget revenue from taxes and fees.

Over the past twenty years, various approaches to the comprehensive assessment of the development of small- and medium-sized businesses based on ranking, multivariate statistical analysis, or economic and mathematical modeling have been developed in economic theory and practice. All these approaches are based on the use of standard statistical indicators and differ in
terms of the variety of their combinations, which is predetermined by an extremely limited set of the activity indicators of small- and medium-sized enterprises (Tkacheva, 2007).

**RESULTS**

The analysis of the expert assessments revealed that entrepreneurship education at secondary and primary school demonstrated the lowest indicator compared to higher and special education that tends to increase (Table 1).

<table>
<thead>
<tr>
<th>Factors affecting the level of entrepreneurship education</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-reliance, creativity, self-development (school education)</td>
<td>3.59</td>
<td>3.38</td>
<td>3.81</td>
<td>2.67</td>
</tr>
<tr>
<td>Acquisition of entrepreneurial knowledge (school education)</td>
<td>3.27</td>
<td>3.22</td>
<td>3.64</td>
<td>2.55</td>
</tr>
<tr>
<td>Acquisition of knowledge to develop new business projects (secondary specialized and higher education)</td>
<td>2.25</td>
<td>2.54</td>
<td>3.09</td>
<td>2.03</td>
</tr>
<tr>
<td>Acquisition of economic knowledge (school education)</td>
<td>2.78</td>
<td>3.32</td>
<td>3.56</td>
<td>2.39</td>
</tr>
<tr>
<td>Acquisition of knowledge to manage new business projects (secondary specialized and higher education)</td>
<td>3.81</td>
<td>4.3</td>
<td>4.49</td>
<td>2.94</td>
</tr>
<tr>
<td>Acquisition of knowledge to establish and develop new companies (postgraduate and specialized education)</td>
<td>4.27</td>
<td>4.97</td>
<td>4.88</td>
<td>2.87</td>
</tr>
</tbody>
</table>

Thus, in general, it is necessary to improve the level of higher entrepreneurship education in Kazakhstan as the expert assessments correspond only to the Global Entrepreneurship Monitor (GEM) average estimates. It can be concluded that the state policy aimed at the effectiveness of entrepreneurship education has a negative trend.

Based on the expert ranking method and the analysis of the expert assessment results, we determined the professional qualities necessary for managing a business; they include 17 competencies ranked by their importance. The data obtained are presented in Table 2.
Table 2
RANKING OF KEY BUSINESS COMPETENCIES

<table>
<thead>
<tr>
<th>Professional entrepreneurial competencies</th>
<th>Secondary and primary, higher and specialized, postgraduate and managerial education</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business design</td>
<td>6+</td>
</tr>
<tr>
<td>Organizational competencies</td>
<td>5</td>
</tr>
<tr>
<td>Creating business ideas</td>
<td>5</td>
</tr>
<tr>
<td>Management competencies to start a new business</td>
<td>5++</td>
</tr>
<tr>
<td>Communication competencies</td>
<td>6+++</td>
</tr>
<tr>
<td>Negotiation competencies</td>
<td>5+</td>
</tr>
<tr>
<td>Sales management competencies</td>
<td>5</td>
</tr>
<tr>
<td>Situational planning competencies</td>
<td>4</td>
</tr>
<tr>
<td>New project development competencies</td>
<td>5</td>
</tr>
<tr>
<td>Marketing Competencies</td>
<td>5</td>
</tr>
<tr>
<td>Competencies of an effective manager</td>
<td>5</td>
</tr>
<tr>
<td>Competencies of an effective leader</td>
<td>5++</td>
</tr>
<tr>
<td>Strategy management competencies</td>
<td>6+++</td>
</tr>
<tr>
<td>Knowledge of the region</td>
<td>5</td>
</tr>
<tr>
<td>Industry knowledge</td>
<td>5</td>
</tr>
<tr>
<td>Innovation Competencies</td>
<td>7</td>
</tr>
<tr>
<td>Aspiration, initiative, innovativeness</td>
<td>7+++</td>
</tr>
</tbody>
</table>

The highest assessment was given to the innovation competencies; aspiration, initiative, and innovativeness (7 points). The lowest role in professional competencies is assigned to situational planning (4 points) Table 3.

The World Bank Ease of Doing Business Ranking is used in different countries to assess the interaction between the state and business, which is caused by the significant influence of entrepreneurship education on the development of entrepreneurship in general. According to the World Bank Ease of Doing Business Ranking 2019 published on October 31, 2018, Kazakhstan ranked 28th; the country improved its position by 8 points compared to the previous year.

Table 3
KAZAKHSTAN IN THE WORLD BANK EASE OF DOING BUSINESS RANKING

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2018</th>
<th>2019</th>
<th>Improvement/deterioration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening enterprises</td>
<td>41</td>
<td>36</td>
<td>+5</td>
</tr>
<tr>
<td>Obtaining building permits</td>
<td>52</td>
<td>35</td>
<td>+17</td>
</tr>
<tr>
<td>Connection to electricity networks</td>
<td>70</td>
<td>76</td>
<td>-6</td>
</tr>
<tr>
<td>Property registration</td>
<td>17</td>
<td>18</td>
<td>-1</td>
</tr>
<tr>
<td>Getting loans</td>
<td>77</td>
<td>60</td>
<td>+17</td>
</tr>
<tr>
<td>Protection of minority investors</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Taxation</td>
<td>50</td>
<td>56</td>
<td>-6</td>
</tr>
<tr>
<td>International trade</td>
<td>123</td>
<td>102</td>
<td>+21</td>
</tr>
<tr>
<td>Ensuring contract execution</td>
<td>6</td>
<td>4</td>
<td>+2</td>
</tr>
<tr>
<td>Resolving insolvency</td>
<td>39</td>
<td>37</td>
<td>+2</td>
</tr>
</tbody>
</table>

The World Bank noted Kazakhstan as one of the countries that implemented regulatory reforms in the context of more than three indicators of the ease of doing business in 2017-2018. In total, Kazakhstan was assessed by 10 basic indicators. Kazakhstan improved its position in 6 out of ten basic indicators. According to the “Protection of minority investors” indicator, Kazakhstan was recognized as the world leader for the second year in a row. Kazakhstan demonstrated significant growth rates in “International Trade” (+21), “Getting loans” (+17), “Obtaining building permits” (+17), “Opening enterprises” (+5), “Ensuring contract execution” (+2) and “Resolving insolvency” (+2). Kazakhstan’s entry into the top-30 countries in terms of the ease of doing business was made possible due to the ongoing systematic work of the government to reform the existing legislation, improve the regulatory approval system, simplify the procedures to start a business, optimize state control and supervision, improve business climate and the position of the country in international rankings (Ministry of National Economy, 2020).

Meanwhile, Kazakhstan has introduced a ranking of regions and cities based on the ease of doing business. The main objective of the ranking is to identify potential lines of efforts for local authorities to reinforce the strengths and neutralize the weaknesses related to the creation of a favorable business climate and the interaction with entrepreneurs in the region. In accordance with the final results of the 2018 ranking, the Kyzylorda region was recognized as the best region for doing business, the Atyrau region and the city of Astana are also among the three leaders.

**DISCUSSION**

Entrepreneurship education is an important state task in the development of entrepreneurship in developing countries. One of the key indicators of the development of small and medium-sized businesses in Kazakhstan is their share in the country's GDP. By 2050, the Republic of Kazakhstan plans to increase the share of SMEs in gross value added up to 50%. To achieve the goal, it is necessary to create and maintain favourable conditions for the development of entrepreneurship and to annually improve the value of the key indicator. As it has already been mentioned, the share of small and medium-sized businesses in the country's GDP is one of the key indicators of entrepreneurship development in Kazakhstan. At the end of 2019, the above-mentioned indicator amounted to 28.3%; it increased by 3.2% compared to 2018 (Figure 1) (Atameken, 2019).
Small and medium-sized businesses play a key role in ensuring economic development, being the primary source of jobs for qualified personnel, as well as lower-skilled economically active population. According to the International Labor Organization (ILO), there is a global trend towards talent attraction in the SMEs sector. Thus, over the past ten years, the number of people employed in small and medium-sized businesses has doubled in more than 130 countries and amounted to about 150 million people by the end of 2018. As of January 1, 2020, in the Republic of Kazakhstan, there were 1,241.3 thousand units of small and medium-sized businesses, which is 95.3 thousand more than in 2019 (1,146.0 thousand units). In the structure of SMEs, individual entrepreneurs account for 65%, farms: 16%, legal entities that are small businesses - 19%. There are 2,620 units of legal entities that are classified as medium-sized businesses; this is 0.21% of the total number of SMEs (Global Entrepreneurship Monitor, 2018).

The indicator of the productivity of SMEs personnel or the production output per 1 employee is important for analyzing the performance of SMEs. According to our calculations, the production output per employee in Kazakhstan in 2019 was 8.11 million tenge (21.3 thousand dollars). According to the OECD average, labor productivity per employee in the SMEs sector is about $67 thousand at purchasing power parity (Kursiv, 2019). To achieve the level of the OECD countries in terms of the employment in the SMEs sector and economic development, Kazakhstan should promote the development of small and medium-sized businesses taking into account their potential for inclusive development. It is important to consider the experience of the most competitive economies in order to propose integrated measures for the development of SMEs. In this case, the priority is given to the best practices of the most developed countries as they have managed to transform small- and medium-sized businesses into the main drivers of their economies. The provision of information and marketing assistance by the state to individual entrepreneurs will help them expand their sales markets and increase revenue. This can significantly increase the production output of small and medium-sized enterprises, as well as their share in the GDP of the country.
The development of entrepreneurship in the Republic of Kazakhstan is controlled by the state. Since 2010, Kazakhstan has implemented a number of state programs to support and develop SMEs and improved the legislative regulation of entrepreneurial activities aimed at creating a favorable business climate and business deregulation. Institutionally, support policies for SMEs are comprehensively implemented by state, quasi-state, and non-governmental organizations. The supreme authority implementing business policies is the Ministry of National Economy. Organizationally, the Ministry includes the Department of Enterprise Development, which performs the functions of shaping state policies and legal regulation in entrepreneurship development and support. Local executive authorities represented by the akims of the regions and the cities of Almaty, Astana and Shymkent are the next level government agencies supporting the development of entrepreneurship in the republic. At the same time, the implementation of the state entrepreneurship policy is carried out by sectoral ministries within their purview and by quasi-state organizations specially created for this purpose.

The review of foreign literature showed that the level of education positively affects entrepreneurship competencies and personal qualities (Raposo & Do Paço, 2011; Regele & Neck, 2012; Dilli & Westerhuis, 2018). There is a significant gap in between entrepreneurship competencies and entrepreneurship education (Oehler et al., 2015). Entrepreneurial and innovative qualities of novice entrepreneurs are developed through mastering adequate skills; this also contributes to socio-economic sustainability (Hasan et al., 2017).

Government reforms in Portugal are a good example for most European countries; they regulate the conditions for launching new projects while a significant part of the investment is directed to the education system in the industry (Branstetter et al., 2014). State regulation in the UK involves the launch of entrepreneurship MBA programs based on the best global practices created by entrepreneurs and professors in the industry. In the UK, the inadequate preparation of university teachers to train foreign students in business management is one of the entrepreneurship education problems (Rae & Woodier-Harris, 2012). In Serbia, the government regulates formal entrepreneurship education through national strategies for the development of education and professional training; competitive innovation strategy to support the development of small and medium-sized businesses) in order to prioritize business development. Flexible distance learning (e-learning) that meets the needs of students is one of the methods of positive entrepreneurship education. E-learning develops analytical thinking, self-motivation and initiative, and optimizes personal time (Papic & Garabinovic, 2017; Yumashev et al., 2018; Popova et al., 2018).

The US state regulation of entrepreneurship is based on the social policy of gender equality, which determines the direction of political reforms. (Hechavarría & Ingram, 2019). Overstated tax rates have a negative effect on the development of entrepreneurship. In order to develop greater confidence in women, entrepreneurship programs should be aimed at overcoming risk and completing individual practical tasks, as gender is one of the key factors in entrepreneurship development (Kljucnikov & Majková, 2016; Hechavarría & Ingram, 2019). According to the foreign research, entrepreneurship should be developed on the basis of the state regulation of business incubators (Alpenidze & Sanyal, 2019; Li et al., 2020). The adaptation of business regulatory acts through public policies has a beneficial effect on the entrepreneurship development level (Pereira & Maia, 2019).

The main objectives of the state policy aimed at supporting SMEs are:
The creation of favorable conditions and incentives for the implementation of effective and productive entrepreneurial activities.

Sustainable development of SMEs as a factor that forms a competitive environment and the middle class.

The increase in the SMEs contribution to GDP and the tax revenues to the republican and local budgets. In Kazakhstan, there are two programs that are being implemented for the development and support of small and medium-sized enterprises: The “Business Roadmap-2020” program to support and develop entrepreneurship, which was adopted in 2015.

The purpose of the program is to ensure sustainable and balanced development of regional entrepreneurship, as well as to maintain existing and create new permanent jobs. To achieve the goal, the program involves:

1. Support for business initiatives of entrepreneurs from single-industry towns, small towns, and rural areas.
2. Sectoral support for entrepreneurs/industrial and innovative enterprises, carrying out their activities in the economy priority sectors and manufacturing industries.
3. Reduction of currency risks of entrepreneurs.
4. Provision of non-financial measures to support entrepreneurship. The fourth point includes a set of projects for teaching the basics of doing business and giving consultative assistance to potential entrepreneurs (Baiterek, 2020).

Entrepreneurship development requires open and honest relationships between business representatives and entrepreneurs. The role of the state is not limited by the creation of a consistent legislative framework. In addition, a fair legal and administrative business climate should be ensured. Based on this, we believe that the creation of a competitive business environment is one of the urgent problems today. The access to the markets where a small business could operate is often substantially complicated by the actions of large or monopolistic companies, as well as by the business interests of administrations and police authorities, the activity of criminal groups or other non-economic circumstances related to these markets.

The most problematic aspect of the interaction between small-sized enterprises and the state is the audits, which are often associated with invalid claims or with direct extortion. Entrepreneurs experience temporary financial problems and become involved in bribery as a result of their interaction with administrations, inspecting authorities, etc. The reduction of these transaction costs is the most important measure aimed at improving the position of small businesses.

The solution of the problems associated with the interaction between the business and the government requires a comprehensive approach: the inclusion of all business climate factors in a single program supported by legislative novations and effective administrative and political measures. Almost all developed Western countries use various methods and forms of administrative and economic (direct or indirect) support for small businesses: a) the creation of specialized government agencies; b) the implementation of small business financial assistance programs; c) the execution of various government orders for the production of goods and the provision of services within the state contract system; d) the rental of state property; e) participation of small and medium-sized businesses in a variety of investment, scientific and technical projects of the state and municipal importance; f) tax benefits; g) the provision of managerial and technical assistance; h) antitrust regulation.

In this regard, we believe that the main areas of state support for small businesses may be:
• Legislative and regulatory support for entrepreneurship development;
• Innovative development of entrepreneurship;
• Creation of conditions for the development of effective organizational and legal forms of the interaction between small and medium-sized businesses;
• Development and implementation of advanced financial technologies to support entrepreneurship;
• Scientific and methodological, educational and staff support for small business;
• Increasing the existing infrastructure efficiency and the creation of the necessary infrastructure to support small businesses;
• Development and implementation of the social and labor protection mechanisms in small businesses;
• Interregional and international cooperation;
• The formation of an effective system of information communications.

CONCLUSION

The right choice of the mechanisms to increase the competitiveness of small and medium-sized businesses is due to the effective interaction between the business and the government aimed at developing a public strategy for the regional economy management and conformance of entrepreneurship education with the new requirements for the formation of private property institutions.

The goal of the effective entrepreneurship education development is the formation of a positive attitude, essential competencies and knowledge in business management, as well as the legal regulation of the education system. Based on the expert-ranking technique, we revealed that the most significant competencies in entrepreneurship are innovation competencies, aspiration, initiative, and innovativeness; situational planning is less important. The expert assessment method showed that entrepreneurship education is less presented at schools compared to higher and special educational institutions. Having analyzed the state of the small and medium-sized enterprises in Kazakhstan, we can draw the following conclusions:

1. Recent years have witnessed an increase in the absolute indicators of the SMEs sector (nominal number of registered and operating SMEs, the number of the employed population, production output).
2. There is a lack of balance in the structure of SMEs by industry and business type: the share of SMEs providing trade and intermediary services is increasing; the number of individual entrepreneurs is growing at a faster pace compared to enterprises and owner-operated farms.
3. Lending to small businesses is decreasing against the background of a decrease in the growth rate of household deposits in native currency, which are one of the main sources of second-tier bank financing. Thus, there is a need for further state regulation of SMEs in order to maintain the achieved level of development and mitigate the negative development trends of SMEs using both financial and non-financial tools.

The analysis showed that in order to develop the competitiveness of the Kazakhstan economy it is necessary to optimize the business unit management system through promoting the interaction between the government and the business, which is directly affected by the level of entrepreneurship education in the country. Therefore, in order to improve educational programs,
further studies should be aimed at the theoretical and practical study of international business management.

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