

## **Development of Innovative Business in the Industry Tourism as the Most Important Factor of Employment of Youth in North Caucasion Federal District**

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**Abstract:** In study the main ways of development of youth innovative business to the industries of tourism in North Caucasus federal district are considered. Their role in a solution of the problem of youth unemployment is defined. In work it is featured consideration of federal programs for support of the beginning businessmen and also to projects of open joint stock company “Resorts of the North Caucasus”. It is noted that their realization will allow to intensify development of youth innovative business in the region. The conclusion that creation encouragement business-incubators has to become a prime measure for support of small enterprises, created by youth is drawn including at budgetary scientifically-research institutes and higher educational institutions. The main directions of development of business in Russia are considered.

**Key words:** Youth unemployment, innovative tourism, tourist cluster, small innovative enterprise, youth business, state support of development of youth innovative business, business-an incubator, standard and legal regulation of the small innovative enterprises

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### **INTRODUCTION**

In process of development of industrialization of society and emergence of such processes as insufficient knowledge, mobility barriers, demographic changes unemployment for all industrially developed countries became an everyday occurrence today. And the most vulnerable part of the unemployed is the youth. According to the International Labour Organization (ILO), in the world about 75 million young people aged from 15 till 24 years are the unemployed. In Europe their number reached 5.5 million. Now youth unemployment makes 22% that exceeds a share of the unemployed among adults twice.

Russia in this sense isn't an exception. According to official figures in 2015 4.4 million people (5.8% of economically active population) were the unemployed. Youth unemployment in Russia increased after world financial crisis of 2008. So in 2006-2007 in the general structure of unemployment the share of young people aged from 20 till 34 years varied ranging from 43.4-44.5%. After crisis this range was already in limits of 47.7-48.1%. The relation of number of the unemployed to occupied in the same age group reached only 8.3% in 2007 and in 2010-2011 rose to marks of 9.4 and 10.7%. According to

the latest data of Rosstat, the youth till 25 years makes among jobless 28.2%. This level is higher, than on average across Europe (23.7%) and is comparable to indicators of such European countries as Poland and Bulgaria, 28.4 and 27.1%, respectively. At the same time in a number of EU member states unemployment rate among young many times above. In particular in Greece it reached 57.6% in Spain 56.5% in Portugal 38.7% in Italy 37.1% in Slovakia 35.8%.

Various regions of Russia strongly differ on an employment rate. If to consider unemployment on federal districts it is possible to see the following. The lowest unemployment rate, the ILO corresponding to criteria is noted in Central Federal District, the highest in the North Caucasus Federal District (NCFD) 19.5% (Table 1). So, for example in Chechnya unemployment rate in 2014 made 22.8% in Ingushetia 29.9% in Kabardino-Balkarian Republic (KBR) 11%. And among the unemployed who don't have experience of work, 16.8% the youth till 20 years made, 46.2% from 20-24 years, 21.0% from 25-29 years.

And meanwhile, crisis of youth employment bears threat of society to the most social structure. The uncomfor table youth is not only emergence of the generation which isn't trusting in the forces but also the

Table 1: The characteristic of regions of Russia on separate indicators of intensity in labor market (%)

Federal districts	Unemployment rate (%)	Average time of job search by the unemployed months	Share of the unemployed who are looking for work of 12 months and more (%)
Central	5.6	7.2	25.3
Northwest	7.1	6.9	24.6
Southern	8.7	7.3	29.5
North Caucasus	19.5	9.0	40.8
Volga	9.1	7.2	27.3
Ural	9.6	7.5	26.8
Siberian	10.4	7.7	31.1
Far East	10.5	7.2	27.4

soil for rise in crime. Guy Ryder the director general of the ILO emphasizes that measures for advance of youth employment should be protected from austerity policy, having increased investments by target programs. “Investment into these measures will manage much cheaper than the subsequent payments of doles, losses in connection with antisocial behavior and the increasing discharge of youth from labor market were declared by him. The volume of such investments are higher, the unemployment rate among youth”.

The government of the Russian Federation defined the main solutions of this most urgent problem for the country. The major among them creation of innovative economy. From here the sustainable development of regions with their municipalities has to be based on such new approach as strategy expanded innovative *vosproizvodstva*. For creation of innovative economy it is necessary to develop innovative business, first of all. Famous scientists pointed to value of business in development of society-economists such as still in due time and Smit, F. Khayek (Schumpeter, 2010) and Item Druker.

In development of small business the small innovative enterprises created by youth have to play a special role. Such circumstance doesn't raise any doubts as today value of youth in various spheres of life of any society is noticeable *usililos*.

Activity of youth and its stimulation in the sphere of business it is possible on the basis of realization in subjects of federation of a package of measures by means of which young people will be involved in business activity.

In this sense one of the most perspective regions of our country is the North Caucasus. Existence of good climatic conditions, various tourist resources, a good ecological situation and a favorable geographical position testify that in this region there are all necessary prerequisites to develop innovative business.

**PROBLEMS AND OPPORTUNITIES**

However, the capacity of tourist branch in NCFD isn't used and restrains because of the following factors:

- Imperfect legislative and standard and legal base
- Low development of infrastructure
- Low level of service
- Indistinctly working, multistage education system in the field of tourism
- A negative image of the region in the opinion of the public
- Insufficient level of safety
- Impurity of the objects relating to natural and historical and cultural heritage, household waste
- Weak marketing and information and advertizing activity

In NCFD, it is necessary to carry to the main directions of development of innovative tourism: *lechebno-improving*, alpine skiing, business, cultural and informative, ecological, sports, ethnic and other types of tourism which are considered the most attractive from the point of view of the volume of a potential demand and the having competitive advantages to their development in the territory of the district. Thus, it is important to note that the innovative directions of tourism will promote stimulation of development of a row adjacent *otrasley* (Ligidov *et al.*, 2012).

Stimulation of development potential “growth points” creation of the new tourist centers will allow is accelerated to develop tourism in the North Caucasus. And for acceleration of process of updating, the available fixed assets in branch, strengthening of the competition and quality of the provided services and also increase of a variety of the tourist offer, density of recreational zones and level of infrastructure familiarity a number of investment platforms will be created.

One of the largest state projects, directed on creation of qualitatively new infrastructure for development in the North Caucasus of such types of tourism as alpine skiing, beach and balneal, North Caucasian tourist cluster.

**FEDERAL AND REGIONAL PROGRAMS OF SUPPORT**

Implementation of the project on creation of a tourist cluster in the North Caucasus creation of structure which

could realize it successfully demanded from the Government of the Russian Federation. Such structure was created Open Joint Stock Company “Resorts of the North Caucasus” (OJSCRNC) which carries out mission of management company. On the basis of implementation of the project will develop in a complex tourist, transport and engineering infrastructure: to be under construction hotels, cottages and apartments, ropeways, ski slopes, automobile routes, communication lines, water and pipeline networks, objects of generation and distribution of the electric power. On the project of a tourist cluster the following Tourist and Recreational Complexes (TRC) will be created:

- Armkh (Dzheyrakhsy area of the Republic of Ingushetia)
- Arkhyz (Zelenchuksky and Urupsky regions of the Karachay-Cherkess Republic)
- Veduch (Itum-Kalinsky area of the Chechen Republic)
- Caspian coastal cluster (Derbent, Karabudakhkentsky, Kayakentsky and Magaramkentsky Rayongl Republics of Dagestan)
- Lagonaki (Apsheronky District of Krasnodar Krai and Maikop area of the Republic of Adygea)
- Mamison (Alagirsky and Irafsky regions of the Republic of North Ossetia-Alania)
- Matlas (Hunzakhsky area of the Republic of Dagestan)
- Balneological resorts of Stavropol Krai (resort town of Yessentuki, resort town of Zheleznovodsk, resort town of Kislovodsk, Mr. Lermontov, resort town of Pyatigorsk, Mineralnye Vody and Foothill municipal regions of Stavropol Krai)
- Tsori (Dzheyrakhsy and Sunzhensky areas of the Republic of Ingushetia)
- Elbrus-Bezengi (Chereksy, Chegemsky, Zolsky and Elbrus regions of Kabardino-Balkar Republic). Key indicators of development of tourist branch in the North Caucasus due to creation of a tourist cluster
- The 8 all-weather complexes (Armkh, Arkhyz, Veduchi, Lagonaki, Mamison, Matlas, Tsori, Elbrus-Bezengi)
- The 1 coastal cluster (Caspian coastal cluster)
- The 1 meditsinsky cluster (Balneological resorts of Stavropol Krai)
- The 269 thousand hectares of qualitatively new tourist infrastructure

Implementation of the project will allow to bring number of tourists in North Caucasus Federal District to 3.5 million a year and to create in addition 76 thousand

workers mest. Development of new Broadcasting Company, coastal and medical clusters will give the chance to create favorable conditions that youth business developed that will allow:

- To provide with environmentally friendly products of catering establishment
- To make and realize souvenir products of national crafts
- To develop and realize excursion and informative, animation, sports entertainment programs
- To create and ensure functioning of small sporting and cultural and entertaining venues
- To organize work of small enterprises of the industry of food
- To organize work of small enterprises on providing tourists with household and specialized goods
- To develop and realize GT-products for tourists and the enterprises of the industry of tourism and hospitality
- To create and ensure functioning of sports and tourist clubs
- To carry out complex tourist service
- To develop and realize rounds and other

For assistance to the beginning businessmen including focused on the organization of production and rendering services in the sphere of tourism and hospitality, federal programs for support of the beginning businessmen were developed and their branch and regional operators (Table 2).

So, for financial support of the businessmen registered for the first time and legal entities, the Ministry of Economic Development of the Russian Federation will be engaged in implementation of the “grants to the beginning small enterprises on creation of own business” program.

Grants have gratuitous and irrevocable character. Expenses will be compensated to businessmen in case they carry out registration and begin business activity and also spend means at transfer of rights to the franchise or on a so-called, lump-sum contribution.

Those small enterprises which are registered can receive grants and no >1 years work. It is as well about country (farmer) farms and consumer cooperatives. The sum of a grant can't exceed 0.3 million rubles. For receiving a grant, the businessman should finish a short-term course and to develop the business project which will be estimated by the commission where representatives of non-profit organizations and businessmen will enter. The form of a grant can have both a monetary and natural form.

Competitive events for selection of winners are held on the basis of regional departments on development of small and average business of the territorial subjects of the Russian Federation which are a part of North Caucasus Federal District.

Support forms within the grants to the beginning farmers program can be considered for the following start up-projects:

- Creation of country (farmer) farms on production and providing residents of the Tourist cluster with foodstuff
- Creation of country (farmer) farms on development of infrastructure of rural and ethnic tourism

The Development of Leasing of the Equipment program is realized for subsidizing of costs of small enterprises of leasing of the equipment. It provides that the part of expenses which will be connected with leasing payments will be subsidized. And subsidizing will be carried out from calculation no more the two third a rate of refinancing of the central bank of the Russian Federation operating at that time when payment of percent to subjects of small and average business and subsidizing of payment of the first contribution (advance payment) was carried out at the conclusion of the contract of leasing of the equipment.

Competitive events for selection of winners are held on the basis of regional departments of territorial subjects of the Russian Federation on development of small and average business, certainly, being a part of NCFD.

Support forms within the Development of Leasing of the Equipment program are considered for all start up types the projects focused on use of instruments of leasing service.

The “grants on implementation of projects of the young citizens of the Russian Federation who are constantly living in the territory of NCFD” program is realized by federal agency for youth affairs for support of youth initiatives of all directions of social and economic development of NCFD. Grants are allocated on a grant basis. The sum of grants makes from 100-500 thousand rubles. Competitive events for selection of winners are held annually on the basis of North Caucasus youth forum “Mashuk”.

Support forms within the “Grants on Implementation of Projects of the young citizens of the Russian Federation who are constantly living in the territory of NCFD” program can be considered for the following start up-projects:

- Creation of the small enterprises which are carrying out economic activity in the sphere of tourism in the territory of NCFD
- Creation of the small enterprises which are carrying out economic activity in the territory of the tourist cluster and setting the purpose to become residents of a special economic zone
- Creation of the enterprises of other branches providing the solution of priority tasks in the sphere of tourism and hospitality

**Table 2: Programs of the state support of the beginning businessmen**

Programs	By whom are realized	Main objectives
Grants to the beginning small enterprises on creation of own business Start program	Ministry of Economic Development of the Russian Federation Ministry education and sciences of the Russian Federation	Financial support again zaregistrirrobathing individual entrepreneurs and legal entities Financial supports of the small innovative enterprises seeking to develop and master production of new goods, a product, technology or service with use of results of the scientific and technological researches which are at an initial stage of development and having high potential of commercialization
Grants to the beginning farmers	Ministry of Agriculture of the Russian Federation	Financial support of projects on creation and development of the country (farmer) economy
Development of leasing of the equipment	Ministry of Economic Development of the Russian Federation	Subsidizing of costs of small enterprises of leasing of the equipment
Grants on realization projects of young citizens of the Russian Federation, constantly living in the territory of North Caucasus Federal District	Federal Agency for Youth Affairs	Support of youth initiatives of all directions of social of North Caucasus Federal District economic development of North Caucasus Federal District

**Table 3: Projects of OJSC “Resorts of the North Caucasus”**

Projects	Bywhom are realized	Project purpose
Youth advisory council of OJSC RNC	OJSC RNC	Involvement socially-active youth of subjects of OJSC RNC in business activity and implementation of the project on creation tourist a recreational cluster in the North Caucasus
Grants of OJSC RNC for youth teams	OJSC RNC	Support of youth teams, realizing enterprise startups in the industry of tourism and hospitality

Support of the beginning businessmen focused on the organization of production and rendering services in the sphere of tourism and hospitality will be rendered also from Open Joint Stock Company "Resorts of the North Caucasus" (OJSCRNC) by which two projects will be realized (Table 2 and 3).

So, a main objective of the project "Youth advisory council of OJSCRNC involvement in business activity of social and active youth of subjects of North Caucasus Federal District and implementation of the project on creation of a tourist and recreational cluster on Northern Caucasus.

The Youth Advisory Council of OJSCRNC (YAC) is formed of number of the beginning business men of the sphere of tourism and hospitality, aged from 18 till 30 years and operates as public body on a constant basis since 2013 according to the proposal of participants of Severo the Caucasian youth forum "Mashuk 2013". Main objectives of YAC:

- To develop and realize the potential of youth of NCFD
- To support the youth initiatives aimed at the development of youth business in the sphere of tourism and hospitality
- To develop and promote advance of a package of measures, directed on promoting among youth of NCFD of professions of tourist, recreational and hotel fields of activity
- To develop and promote realization of a package of measures on formation of public interest round the project of creation of a tourist cluster in the North Caucasus
- To attract youth in processes of distribution of positive information on the North Caucasus with use of modern tools to popularize ideas of development of all-weather tourism in NCFD

The main activities of YAC are projects: tourist, event, craft, ethnocultural, IT directions and media projects.

Selection and maintenance of implementation of projects of members of YAC begins with order taking then projects pass examination. At the third stage, there is a selection of members of MES from among initiators of the most perspective projects who then carry out assistance during the developing of the business plan, search and attraction of financial resources on implementation of business plans at implementation of projects and start of start up the companies.

After end of term of activity of initiators of projects in the status of members of YAC preparation of documentation for obtaining the status of the resident of

a special economic zone begins. Competitive events for selection of members of YAC are held annually in the 3rd quarter. For entry into its structure it is necessary to submit for consideration of a contest committee documentation package (the individual statement; summary; business project).

The project "grants of OJSCRNC for youth teams" is realized by OJSCRNC for support of the youth teams realizing enterprise startups in the industry of tourism and hospitality. Grants are allocated on a grant basis. The sum of a grant makes 1 million rubles.

Support forms within the project can be considered "grants of OJSCRNC for youth teams" for the following start up-projects:

- Creation of small enterprises of the industry of tourism and the hospitality which are carrying out economic activity in the territory of NCFD
- Creation of the small enterprises which are carrying out economic activity in the territory of the tourist cluster and focused on obtaining the status of the resident of OEZ
- Creation of the enterprises of other branches providing the solution of priority problems of the industry of tourism and gostepriimstva

A certain work on development of youth business is carried out in the KBR which is the youngest" NCFD (Tappaskhanova *et al.* 2012). So, since September, 2013 school students of Kabardino-Balkaria began to take part in the project "School of youth business of "business teen" on the basis of Plekhanov Russian Academy of Economics.

The project allows to carry out distance learning to business bases to teenagers of school age from 14-18 years and to combine form of education and the competitions/olympic games and to carry out selection of teenagers with predisposition to economic and business activity. "Business teen" is the joint project of the Blog portal school know-it-all and chairs of management of the Russian state economic university of G.V. Plekhanov. Successfully ended graduates of school receive certificates of chair of higher education institution.

Passing a series of lectures with test questions and practical tasks (business-cases), the pupil for the correct answers gets points and access to the following cycle. Having gathered a certain number of points it is considered finished a course.

The pupil are offered in addition business-cases from partners that represents mini-competition or the mini-olympic games and also additional courses on training of financial literacy. The pupil can independently plan time obucheniya.

In the republic as we know, the system of multilateral support of subjects of small and average business on the basis of the most different tools is realized. So, the "Development and Support of Small and Average Business" program and also the State program of KBR "Economic development and innovative economy" for 2014-2020" continues to be implemented.

For providing an integrated approach to satisfaction financial, property, information and other types of needs of small and average business for the republic the corresponding infrastructure of support is created. The main objective of such support it is how possible to give to youth more than useful and qualitative information about ways of a choice and formation of business about opportunities of receiving businessmen of support from the state at business creation.

The ministry of economic development of KBR developed the guide for obtaining by businessmen effective information and consultation "for the aid to the beginning businessman", consisting of 13 heads each of which reflects business formation stages, beginning from business-ideas to a stage when the person is registered as the businessman.

The grant includes necessary information on system and measures of the state support of business in KBR, legislative base in the sphere of business, useful addresses and contact phones. Preparation of this grant was dated for the competition planned soon on selection of projects on granting grants (subsidies) to the beginning subjects of small business. This grant can be found on the official site of the Ministry of Economic Development of KBR, the sites of administrations of city districts and municipal areas of the republic.

The state support to beginners and the acting subjects of small and average business is that young people aged till 30 years can receive a gratuitous grant in the amount up to 300 thousand rubles. Distribution of grants is carried out on a competitive basis once a year. >3 years of administration of the cities and the regions of KBR holds competition within joint financing of municipal programs. It gives the chance to attract bigger number of persons interested to organize the business and in addition to raise funds of local budgets.

On actions of the competitions noted in Table 2 to consideration the projects conforming to such requirements as are approved: not excess of the maximum sum of a grant for implementation of the project of 0.3 million rubles of nan of one recipient of support; grants are provided on condition of joint financing to the beginning businessmen of expenses on implementation of

projects of not <15% of the size of the received grant not <10% of profitability; compliance of level of a salary of workers to an average monthly salary on branch on the republic; no >2 years of a payback period projekta.

The decision on that to provide to the applicant a grant or not specially created contest committee of municipality which accepts demands and documents accepts and carries out an expert assessment of the projects (business-ideas) presented on competition. By the priority directions at decision-making by the commission it is allocated for production and processing of agricultural production, production and innovative activity in housing and communal services, tourist and recreational and sanatorium activity. At selection of applicants for receiving a grant the commission puts forward the following selection criteria:

- Implementation of the project has to be directed on creation of such product (service) which is absent in the market or demand for it exceeds the offer
- The product or service have to be competitive
- Additional workplaces have to be created (the quantity is considered)
- The goods have to represent the importance for municipality KBR

The obligatory requirement to the grantee-quarterly submission of the report on the activity in appropriate authorities and responsibility for effective use of the allocated funds and reliability of reports. If the grantee has no higher education it should pass short-term training on bases of business activity.

Grants to start business activity are provided to the registered unemployed, disabled people, women having children under 3 years to graduates of orphanages. This direction of support of subjects of small and average business is valid from 2013 and is the solution of problems of employment of socially unprotected groups of the population.

Support of activity in the field of crafts and national art crafts is the new direction, since this year. As well as any other ethnos the people occupying the republic are rich with the unique culture and including national crafts. In comparison with rather recent period, national crafts were become to pay more attention, understanding as far as this branch is important for development of the region in general. Attempts to revive and develop the mechanism of production of national crafts in KBR are carried out.

**A ROLE BUSINESS-INCUBATORS AND THEIR LEGAL REGULATION**

Experience of development of small enterprises abroad testifies that in their development play business large role-incubators. They are recognized as one of the most productive elements of support of business for a long time. Influencing business, economic development and also cooperation development, the inkubators two made of these enterprises the instrument of regional development in everything mire.

For the purpose of property support of the beginning businessmen by the Ministry of Economic Development and Trade of Kabardino-Balkaria with assistance of the Ministry of Economic Development of the Russian Federation in the territory of the republic one of the largest in the Russian Federation business-an incubator with a total area of 13000 m<sup>2</sup> is created. The modern showroom of 1000 m<sup>2</sup> and training innovatively the production center in which a number of the hi-tech machines allowing to create three-dimensional samples of various details and knots is installed is created. Main objective of the center is:

- Technical support of small and average business by means of the program of cooperation with different public and innovative funds
- Specialized training-programs and seminars
- Consultations concerning innovative business
- Assessment of efficiency and development of strategy of development of information technologies
- Support in development of business plans
- Assistance to participation of students in business activity
- Programs enterprise obmena (Tappaskhanova *et al.*, 2013)

Within business-an incubator are carried out specialized training-programs and seminars: bases of business activity; modern information technologies in the organization and management of business activity; time-management and financial management at the

enterprise; human resource management; business planning; business communication; business ethics; management of an advertizing campaign; technology of job search.

With the help business-incubators in the republic goes preparation for practical activities of students of technical specialties (annually about 200 people). In KBR function the 6th business today-incubators (Table 4).

Now in the Baksan municipal area construction of the first in NCFD specialized agro-industrial business an incubator with a training ground which purpose of activity is training in modern technologies of agricultural production and practical introduction of the gained knowledge and also ofisno production business incubator in Zolsky municipal rayone.

Placement of subjects of small and average business in business incubators is made by competitive selection. A number of the main objectives will be solved as it is noted in Strategy of innovative development of the Russian Federation for the period till 2020. "Innovative Russia-2020", education connected with development:

- Increase of a susceptibility of people to innovations
- Increase in number of the businessmen who are engaged in innovative activity and encouragement of creation of the new innovative companies
- Creation in the society of the atmosphere of tolerance to any risks in the sphere of business
- Formation of the balanced sector scientific issledovaniy

In strategy of development of KBR transformation of the higher education institutions and academic institutes located in the republic is provided in the higher education institutions and institutes surrounded with hundreds of the small innovative enterprises. These enterprises have to see in them a source of the progress. All this will demand transformation of the Kabardino-Balkarian State University (KBSU) and Kabardino-Balkarian Agricultural University (KBAU) in research universities. These enterprises have to see in them a source of the progress. All this will demand transformation of KBGU and KBAU in research universitety.

Table 4: Business incubators of Kabardino-Balkar Republic as of April 1, 2015

Name business incubators	Address, contacts	In total rooms	
		The office	The production
GKU "Kabardino-Balkarian Business Incubator"	Nalchik, Tsiolkovsky St., 7. ph. (88662) 913050,916090	99	11
MKU "Business Incubator of the Baksan Municipal Area"	Baksan, Revolyutsionnaya St.,N ph. (886634) 42287,89389154353	42	-
Management of Business Incubator of the Lake. Cool Municipal Unitary Enterprise	Cool, Gagarin St., 45, ph. (886631)71458	28	-
Business Incubator of the Lake Baksan Municipal Unitary Enterprise	Baksan, Revolyutsionnaya St.,N 89289129986	22	4
MKU "Olsky Business Incubator"	Village of Zalukokoazhe, Davakaya St., 22, 89054370011	26	4

In modern higher education institution it isn't enough to deal only with personnel issues and scientific researches now. In order that the higher education institution in new conditions rather competitive it had to be engaged in innovative activity. At the heart of development of higher education institutions and institutes the newest schemes of formation of innovations for their fast adaptation to changing to external conditions have to lie.

As practice shows for quality education there isn't enough only one theoretical readiness of students, it is necessary to teach future experts-graduates of higher educational institutions of practical activities. Development business-incubations in system of higher education creates a basis for a solution of the problem of education of the new intellectual shots ready to work not only using theoretical knowledge but also practical skills, for disclosure of creative activity of the young businessman who can freely adapt in difficult situations and is sure begin the business that will quite be coordinated with the concept of "enterprise universities" which founder is Burton Clark which is that modern universities have to be capable to raise additional financial means for ensuring the activity to develop innovative methods of training and to modify their contents, closely to interact with business community where development university uchenykh (Karrye, 1996).

The student's business incubator into practice will help to put knowledge and abilities of students, at the same time will allow to improve also skills of teachers. Such incubators will give the chance to Higher Education Institutions of the republic to develop own economic activity on the basis of carrying out additional courses, rendering consulting services in questions business-planning, the accounting and financial account, on preparation of marketing contracts, protection of the investment capital.

The student's business incubator will also allow students and to graduates, according to their qualification to develop own strategy of job search.

Active work in this direction is carried out to KBSU where in 2004-2010 the infrastructure of innovative activity was formed and optimized. In the course of formation of an innovative belt round KBSU at business an incubator in during this period such small innovative enterprises as LLC Poliglin by LLC Silikon, LLC Inmed profis were created.

In LLC Poliglin the "Technology of Receiving and Production New Polymeric Nanokompozitov on the basis of Layered Silicates and Polyelectrolytes with Sorption and Biocidal Properties project is prepared. The similar project "Sorbents for Cleaning and Disinfecting of Water at the end of 2008 was submitted at the international

economic forum "Business of the South of Russia: innovations and development" and the first Southern venture fair in Rostov-on-Don. This project won the nominations "Original Business Idea" and "The Best Presentation" and was noted by the award "Don's Business". And the fund of assistance to development of small forms of the enterprises in the research sphere allocated a grant for completion of research works on this project. After an assessment of results of these researches financing and the organization of production of the developed sorbents is supposed.

Within Federal Law No. The 217 at KBSU small enterprises (economic societies) were created: LLC Intekh, LLC Kompozit, LLC Kontakt. Economic society LLC Intekh is intended for introduction of innovative development of university in the field of creation of new composite materials. In 2011, LLC Kosmicheskiye I energo effektivnyye tekhnologii and some more open company of various orientation which are based on results of intellectual property was created.

However, the most active work in this direction at university was carried out in 2012-2014. Only for this period in KBSU 10 innovative enterprises in KBSU were created Today 28 small innovative enterprises work. There is scientific and technical development which are generally complete, the bank of innovative projects which basis basic and applied researches of scientists of university in different areas of science and equipment are is created. They include >90 projects having various stage of completeness (>20 of them are already ready to introduction) and the covering such areas as physics, chemistry, technology of mechanical engineering, production of building materials, biology and medicine.

Opening of small enterprises for practical application of results of the intellectual activity became possible for young scientists and employees of KBSU after issue of Federal Law No. 217. The fund of assistance to development of small forms of the enterprises created at university in the scientific and technical sphere within the program "UMNIK" (on selection of innovative projects for carrying out research and development among young scientists) and also business incubator "START" and LLC Intekh, give big help of youth in the solution of this problem.

Considering those achievements which were made in development of high school science in the republic it is possible to tell that the small innovative enterprises in these structures in the republic develop rather slowly. Questioning of workers of scientific and educational spheres of KBR allowed to establish the main reasons. In the course of research 150 experts from whom 15% were doctors of science, 33% candidates of science and 52% teachers without academic degree and graduate students



were interrogated. As showed researches, among the main directions of a solution were called: salary increase to teachers; introduction of bonus payments for the reached results in the field of science; need of financing of expenses to participants of exit scientific conferences, need for modern material base and information resursakh.

Despite a number of problems in the considered area, the standard and legal base regulating development of SIE at scientific research institute and Higher Education Institutions is constantly improved, creating more favorable financing terms for them than for example for other small firms. So, to the small enterprises created on the basis of the Federal law No. The 217-FZ the right to use the simplified system of the taxation (The Federal law of 27.11.2010 No. 310-FZ) and to pay 6% from received to the enterprises pribyli.

Moreover, they paying the insurance premiums having the right to use preferential terms (The Federal law of 16.10.2010 to No. 272-FZ). For these organizations the tariff of insurance premiums will make 14% in 2011-2017, 21% in 2018, 28% in 2019 (The federal law of 08.05.2010 No. 83-FZ).

The budgetary establishments can deposit money and property in authorized capital of the created economic organization. However, the cost of property should't make >500 thousand rubles.

Changes in the legislation which took place in recent years, grant the right to the budgetary establishments to hand over to the economic organizations temporarily not used property and the room in rent and without carrying out competitions and auctions. At the conclusion of the contract concerning federal property the following sizes of a rent are established: The 40% of a rent the businessman pay in the 1st year; 60% in the 2nd year in the 3rd year 80% in the 4th year 100% of a rent.

Improvement of the legislation allowed creation of SIE which founders can be Higher Education Institutions or scientific research institute in recent years. SIE became more attractive as well to the large companies which had an opportunity to use a new way to optimize taxes for the research and development, allocating part from them in creation of small enterprise together with the scientific organization or Higher Education Institution.

It of course, gives the chance to such enterprises to leave from taxes. However, there is a positive side of the solution of this problem. So, if the enterprise is created for development of products and technologies, necessary for the company, the joint organization of the enterprise not only gives the chance to optimize the organization of carrying out research and development but also to

promote formation of more close connections of science and business. Moreover such communications are formed voluntary. From our point of view, business-incubations in it is also necessary for successful development of processes:

- For the purpose of support of processes business-incubations formation of system of a state policy
- Creation business-incubators with the subsequent development of through projects for them on regions
- Association organizationally-economic efforts for implementation of difficult orders

### **THE MAIN DIRECTIONS OF DEVELOPMENT OF BUSINESS IN RUSSIA**

Certainly, development of youth innovative business has to be at the head of a corner when development of small and medium business in society is considered. However, there are general tasks in this area without which decision it is hardly possible to achieve such objectives.

In 2015 survey among the Russian businessmen "What main barriers to development of SMB in Russia was conducted?" According to businessmen (arrived offers from 18 thousand businessmen), the main barrier to development of MSB yalyatsya tax burden. But it not the only barrier which disturbs development of SMB. Corruption, administrative barriers, a lack of the credit, etc. were ranked as the main barriers (Fig. 1).

The group of strategic and operational consultation of KPMG Russia in 2015 also conducted survey of representatives of small and medium business of Russia and found out what problems disturb them most of all. The company collected 10151 questionnaires in 82 regions and also took 578 comments of businessmen on problems of their business. Limited access to financial resources is in the lead among problems: excessively high rates on the credits, complexity of receiving loans for the long term, impossibility to take the credit with a delay for development.

Participants of poll allocated the second place for bad business climate: excessive bureaucracy, low interest from local government, frequent checks of supervisory authorities. Problem number three-personnel resources: very low vocational training of young shots.

On the fourth position respondents put problems with access to sales markets, "search of suppliers of goods and services", "access to production technologies and training" and "infrastructure" follow.

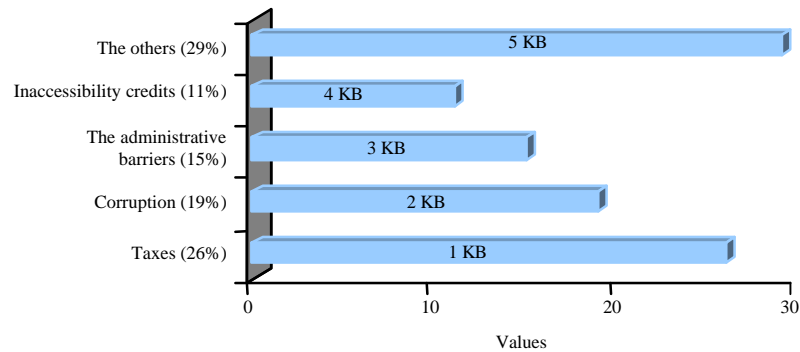


Fig. 1: The main barriers to development of MSB according to businessmen

Many businessmen noted also high expenses (“increase of tariffs for the electric power” is unreal the high cost of accession to power supply networks”). Also heavy taxes and their increase, the competition from shadow business were mentioned, distribution of federal distribution networks, “interrelation of business with an administrative resource”, low knowledge of business of programs podderzhki.

The general conclusion that problems for business in general, don’t change. Eventually their priority changes. If earlier emphasis was placed on business climate, during crisis financial resources came out on top and the business climate was removed on the second.

In April, 2015 as we know, took place meetings of the State Council on support of small and medium business on which the task to double, at least, SMB share in GDP is set and to bring to 40-45% to increase employment in this segment to 35-40 million persons. About 18 million people are now occupied. These figures have to as it was noted at a meeting to become criterion of an assessment of overall performance of the government of Russia and heads of regions.

President of the Russian Federation Vladimir Putin charged to develop strategy for support of small and medium business. The system of the measures directed on support of small and medium business in particular includes available financing (stimulation of bank crediting, development of system of guarantees), predictable fiscal policy (including mitigation of fiscal load of business), qualified personnel, creation of new market niches (including demand stimulation).

Business it is necessary to keep developments at all stages. To simplify procedures at an opening stage. To minimize taxes at growth stage. To promote production conclusion to the market including export. Simple forms of the reporting. To improve skills of businessmen to allocate subsidies, grants and the most important, the credits at the available rates.

It is necessary to involve in business since the childhood. For this purpose to develop the appropriate educational programs that children paid attention to the businessman’s profession. To form separate fund on support of youth business

There was a need of formation of uniform institute of development of business which will be responsible for coordination of actions, directed on improvement of a situation in small and medium business. And such institute in our country was created-joint-stock company-uniform institute of development of small and average business in the Russian Federation on the basis of joint-stock company “The non-bank deposit and credit institution “Agency of Credit Guarantees” and “Russian Bank of support of small and average business” joint-stock company would also be quite good to create the similar structures which are responsible for development of small and medium business at the regional and municipal levels.

## CONCLUSION

Thus, activity of youth and its stimulation in the sphere of business in such major sphere as tourism and hospitality are possible on the basis of realization in subjects of federation of a package of measures by means of which young people will be involved in business activity. Federal programs for support of the beginning businessmen and also projects of OJSC “Resorts of the North Caucasus” are directed on the solution of this major task. The special place in development of youth business is taken by property support business-incubators, encouragement of their creation on the basis of standard and legal regulation at the budgetary scientific research institutes and Higher Education Institutions. And still that is very important-development of youth innovative business

needs to be solved together with the collected problems in general in development of small and average business in Russia, certainly, considering thus its regional specifics.

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