The Development of Small and Medium-sized Businesses and its Impact on the Trend of Unemployment in Kazakhstan

Toty Bekzhanova[1], Murat Aliyev[2], Gulmira Tussibayeva[3], Miyatbek Altynbekov[4] and Aigul Akhmetova[5]

Abstract.
This study is focused on conducting research on the development of entrepreneurship in small and medium-sized businesses, which is one of the key priorities in the Republic of Kazakhstan since the development of small and medium-sized businesses allows solving the issue of reducing unemployment in the country, as well as the outflow of youth. The development of small and medium-sized businesses allows the creation of new jobs where the population of Kazakhstan can offer their candidacy for vacant places. The information base of the study includes the works of Russian, European, and American specialists involved in the study of the development of small and medium-sized businesses, as well as those dealing with unemployment and how it can be reduced through the development of small and medium-sized businesses. The results of this study allowed forming a number of recommendations aimed at the development of small and medium-sized businesses, as well as increasing the level of employment among the population of the Republic of Kazakhstan.

Keywords: Business, SMEs, Entrepreneurship, Labour market, Business support measures, Kazakhstan.

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[1] Department of Accounting and Audit, Kazakh University of Economics, Finance and International Trade 010000, 7 Zhubanov Str., Astana, Republic of Kazakhstan
[2] Department of Accounting and Audit, Kazakh University of Economics, Finance and International Trade 010000, 7 Zhubanov Str., Astana, Republic of Kazakhstan
[3] Department of Accounting and Audit, Kazakh University of Economics, Finance and International Trade 010000, 7 Zhubanov Str., Astana, Republic of Kazakhstan
[4] Department of Accounting and Audit, Kazakh University of Economics, Finance and International Trade 010000, 7 Zhubanov Str., Astana, Republic of Kazakhstan
[5] Department of Accounting and Audit, Korkyt Ata Kyzylorda University 120014, 29A Aiteke Bi Str., Kyzylorda, Republic of Kazakhstan

Introduction

SMEs (small and medium-sized enterprises) are actively developing in any country of the world. In some countries, it occurs better and faster, and in others it is slower because everything depends on state support. In this regard, there are different criteria for identifying SMEs in different countries. Therefore, they may be conditioned upon objective institutional features, differences in the structure of the economy and national policy objectives. However, they are always based, one way or another, on certain restrictions on turnover, capitalisation, or the number of employees (Aristeidis and Dimitris, 2019; Martin et al., 2019; Guo et al., 2020).

Since the coronavirus infection has spread all over the world since 2020, the business sector and employment of the population have begun to be tested for strength. Notably, due to their distinctive features, small and medium-sized enterprises are particularly vulnerable to the multifaceted negative impact of the COVID-19 pandemic on economic relations. For example, on the one hand, as the International Monetary Fund (IMF) notes, it consists of a considerable reduction in market supply (Ismayilov et al., 2021). In view of this, companies are forced to curtail production since quarantine measures and other types of restrictions have been introduced. The companies have to stop supplying components or experience a shortage of labour since employees are either on sick leave or are forced to look after children due to school closures and restricted movement (Donthu and Gustafsson, 2020; Amankwah-Amoah et al., 2021; Omar et al., 2020; Juergensen et al., 2020).

On the other hand, an unexpected and strong decline in demand for products and services has led to a reduction in revenue and does not allow small and medium-sized enterprises to continue working due to a lack of funds. It follows from this that the main factor is the change in consumer habits, both due to fear of infection and the limitation of personal income due to employment terminations or wage cuts, which ultimately led to a circular effect (Etermad, 2020; Karches, 2022). Notably, even despite the relatively favourable financial conditions before the pandemic, they turned out to be insufficient for SMEs to withstand the economic consequences without government intervention.

The consequence of the pandemic is the problems of SMEs, due to which unemployment rates have increased around the world since many enterprises have been liquidated; some entrepreneurs decided not to completely close their business but to follow the path of least resistance because they decided to reduce staff. However, it is worth noting that there are people who took advantage of this situation and went to work on the Internet or opened their own businesses, providing certain services (Abzhan et al., 2020). The problem of employment affected not only the population aged 35 years and older but also had a relatively negative impact on the development of effective self-fulfilment of young people, on the solution of which the level and quality of life of the population in general depends. Unemployment generates not only economic consequences but also causes severe moral, psychological, social, and political problems.

There are the following causes of unemployment in the Republic of Kazakhstan: voluntary dismissal, staff reduction, bankruptcy, termination of a contract, housekeeping, unable to find a job that satisfies them in a number of indicators, family reasons, health reasons, lack of work after graduation from university/college, seasonal character of work, completion of entrepreneurial activity, retirement, study (full-time), there is no need to work (Azimkhan et al., 2020). All countries of the world have adopted a whole package of measures to support

SMEs and also to support the employment of the population and provide assistance and support to the population who found themselves unemployed during the pandemic, as well as the unemployed population in general (Juergensen et al., 2020; Issenova, 2021; Bokayev and Issenova, 2022).

The purpose of the paper is to develop measures of priority actions aimed at the development of small and medium-sized businesses, as well as employment of the population of the Republic of Kazakhstan. Objectives of the study: to consider the theoretical basis for subsequent analysis regarding the concepts of small and medium-sized businesses, and unemployment; to analyse the state of small and medium-sized businesses in Kazakhstan and in the world; to consider indicators of the state of unemployment in Kazakhstan and in the world; to analyse and evaluate measures to support small and medium-sized businesses in Kazakhstan and the world; to develop measures of priority actions aimed at the development of small and medium-sized businesses, as well as employment of the population of the Republic of Kazakhstan.

Materials and Methods

In the course of the research, the following methods were used: theoretical methods (analysis, synthesis, comparison); methods of economic and statistical analysis. The study is based on data from the official website "The Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan", as well as data from scientific papers by both Russian, European and American researchers. The study of this subject was carried out in three stages: The first stage, in which the author conducted a study, included consideration of the concept of small and medium-sized businesses, forms of state support, types of enterprises, concepts and essence of unemployment.

As part of the second stage of this study, a number of indicators were analysed according to official data from the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, as well as Eurostat, regarding the state of SMEs and unemployment in the Republic of Kazakhstan, Europe, and the world. Within the framework of this study, a comparative characteristic of the state of SME development in foreign countries was given, as well as data on unemployment in the world were presented. In particular, the following indicators were analysed: general characteristics of the state of SMEs in the EU, the percentage of SMEs that reported measures to limit the impact of covid on financial indicators in 9 EU member states, and then, using the example of Kazakhstan, analysed the following indicators: the number of registered and operating SMEs in the Republic of Kazakhstan; the number of employed in SMEs in Kazakhstan in general and in comparison by regions; the share (gross value added) of the GVA of SMEs in the gross regional product (GRP) of the Republic; indicators of SMEs' activity by type of economic activity; indicators of the output of SMEs in Kazakhstan in general and in comparison by regions; measures to support SMEs are considered.

There was also an analysis of unemployment indicators in the whole world, youth unemployment, and then, using the example of Kazakhstan, an analysis of indicators was carried out: the main indicators of the labour market in Kazakhstan in general, by gender, within the CIS, the number of unemployed by gender, age, level of education in general and by region. In addition, an analysis of the unemployment of the population of Kazakhstan by the duration of unemployment was carried out. Support measures were identified in different countries, in terms of support for small and medium-sized businesses in general, by type of economic

activity, as well as in issues of support for the population. The analysis carried out at the second stage of the study allowed drawing conclusions about which countries currently have problems in the development of SMEs (small and medium-sized businesses) caused by the pandemic, which countries have suffered the most as a result of the pandemic and in which the unemployment rate has increased, both among young people and older people, what support measures have been proposed by different countries to preserve business, as well as support for the population who are left unemployed.

The third stage of this study included the development of recommendations aimed at the development of small and medium-sized businesses, as well as the employment of the population of the Republic of Kazakhstan. The developed recommendations can be taken as a basis for a programme for the development of entrepreneurship, increasing the level of employment, therefore, reducing the unemployment rate in the Republic of Kazakhstan and then implemented by the authorities of this Republic. The indicators that can be improved through the implementation of the recommendations proposed by the author of the paper were presented. Notably, the proposed recommendations can be adopted for the development of entrepreneurship and the reduction of unemployment in other countries.

Results

Small and medium-sized businesses are defined as enterprises with up to 19 employees – microenterprises, from 20 to 90 people – small, from 100 to 499 people – medium-sized, and over 500 people – large (Official website of Eurostat, 2021).

Small and medium-sized businesses play an important role in the country's economy. It binds the economy into a single whole and forms a foundation. State support is the main factor in the development and support of small and medium-sized businesses. State support is often focused on providing the following conditions: concessional lending; reduction of tax payments; benefits for renting premises; subsidising SMEs; partial compensation of the bank rate; professional development for the state account; elimination of administrative barriers; provision of guarantees (Aristeidis and Dimitris, 2019; Yehorycheva et al., 2022). Legal entities, individual entrepreneurs and peasant or farm enterprises whose activities are regulated by the Entrepreneurial Code of the Republic of Kazakhstan are recognised as subjects of small and medium-sized entrepreneurship (Aimurzina et al., 2017).

Over the past decade, the role of small and medium-sized businesses in the country's economy has grown considerably, which determines the priority role of state bodies for their development. The main indicators that business entities must meet to belong to a particular category are the following: the average number of employees, the amount of revenue received from the sale of goods, the performance of works and the provision of services, as well as the book value of assets that do not exceed the limits and the structure of the authorised capital of legal entities (Abzhan et al., 2020). Today, the economy of the Republic of Kazakhstan depends on the development of small businesses. Small business enterprises are specific economic units that have both a number of specific features and a number of advantages and disadvantages that determine the patterns of their development.

It was identified that the development in market conditions, the speed of reaction to fluctuations in market conditions, interaction with consumers, limited specialisation in a special segment of the market, and the possibility of organising a small business with limited start-up capital are its main advantages that determine sustainable development in the internal market.

Therewith, an important feature of Kazakhstan's small business is the lack of sufficient individual capital, which determines its considerable credit dependence.

The most common and effective measure for the development of small and medium sized businesses is, first of all, the provision of financial assistance from the state. It can be expressed, for example, in the form of the implementation of special state programmes, preferential lending to small enterprises, the allocation of subsidies, the provision of tax and depreciation benefits, etc. (Hajiyev, 2020). Therewith, consulting is the most effective method of state and municipal support. Such consulting support for start-up entrepreneurs, special support for small and medium-sized businesses, the provision of information services, and the possibility of training is already an established mechanism for business development, especially in municipalities (Hajiyev, 2020). The most effective type of assistance is support in the field of training and advanced training of personnel. The organisation of their training and retraining is an important factor in business development. In addition, it is also a priority to actively involve young people in the business environment, primarily in its innovative forms (Levashenko and Koval, 2020).

It is documented that the following types of state support can be provided to representatives of small and medium-sized businesses: financial and informational assistance in the development of innovations for participation in exhibitions; diverse assistance to businessmen operating in agriculture; provision of various tax benefits for newly organised enterprises; remuneration of part of the costs of updating fixed assets and spent on training employees of the enterprise; information support (organisation of seminars, training courses); creation of a favourable environment for business development, business incubators, funds; material support, provision of municipal premises and other facilities for rent on preferential terms; support for investment activities in the regions, loans on preferential terms, remuneration of part of expenses under leasing agreements, etc. (Zubair et al., 2020). As a rule, gratuitous assistance to entrepreneurs can be carried out in the following types: subsidies for starting their own business; subsidies for business development, which should exist no longer than two years, while the amount of the entrepreneur's own funds in the project should be from 35% to 50% of the total investment amount; subsidies for technical re-equipment of small and medium-sized businesses operating in a priority and important area of the economy (Abzhan et al., 2020).

Since the beginning of 2020, a new infection, the "coronavirus", has spread around the world, which has put all countries in a difficult situation since many countries have closed their enterprises and borders to stop the spread of a new infection. In the new conditions, when many enterprises have closed completely, someone has switched to remote work, someone in the field of catering has refocused their activities only on the delivery of ready meals to the client, someone is now starting to take a new look at all the processes that are taking place in the world and are beginning to look for new forms of employment by means of remote work, etc. (Seetharaman, 2020). In this regard, the economies of many countries have come to the point that it takes a long time to revive and develop in new conditions, but so far, many people around the world are nowadays unemployed due to the coronavirus. Assistance to entrepreneurs in the regions, as a rule, includes compensation of the expenses of entrepreneurs by the state when they take part in exhibitions, fairs, and other demonstration events.

To date, there has been an increase in the number of SMEs in the Republic of Kazakhstan, which occurs in the light of the consistent policy of the state to develop the private business sector by optimising the tax system, reducing administrative barriers, providing direct financial and non-financial assistance (Tulepov, 2020; Nauryzbekova, 2020). Today, small and medium sized enterprises play a considerable role in both economic growth and employment growth

around the world, including in Europe. Consequently, the success of most integration initiatives within the EU depends to a considerable extent on this segment. The policy of supporting small and medium-sized businesses in the EU is all-encompassing and systemic. The European Union has a supranational system of support and regulation of small and medium-sized businesses (Etermad, 2020).

Notably, the European policy in the field of stimulating small and medium-sized businesses is implemented at two levels: at the national level and through programmes implemented under the guidance of the EU. Small business support activities at the EU level are most often funded from EU Structural Funds (including regional funds). Since 2020, the whole world has faced a new global crisis and, accordingly, increasing economic and social uncertainty; many countries began to look for tools to support small and medium-sized businesses because they were the ones most affected by the introduction of restrictions on doing business.

One of the main ways to survive in the midst of the COVID-19 crisis was technological adaptation (primarily online solutions), which allowed uniting the interests of all participants in business models (customers, suppliers, employees, and investors). The inability of a number of small enterprises to perform their functions led to an intensification of competition and an even greater increase in the impact of the crisis since even in those segments that suffered almost completely, there were successful solutions, and small enterprises, using their dynamic capabilities, started implementing them faster than others through their own platforms or ecosystem solutions (Yandex, Alibaba, Amazon, Beac, etc.). However, despite the success of individual companies, their successful development has increased the overall degree of threats to small and medium-sized businesses, forming survival strategies by displacing competitors. This kind of situation appears when converting to internal markets (both suppliers and consumers) due to the dominance of individual participants in internal market segments and/or their opportunistic behaviour (Fletcher and Griths, 2020).

When studying the possibilities of anticrisis strategies, one should not exclude from consideration the concepts of risk and ways to mitigate or overcome existing or expected crisis problems faced by small companies, regardless of their particular time and situation.

Notably, the crisis contributed to the birth of not only problems but also opportunities. This is also confirmed by studies conducted by a number of organisations in Kazakhstan, Russia, and abroad. The pandemic has had positive results, including a focus on restructuring the business organisation towards digitalisation. The current crisis also places high demands on management, causing the need for effective leadership. Having considered the concept of small and medium-sized businesses, the author further suggests considering the concept and essence of unemployment.

Unemployment is understood as a socio-economic phenomenon, which is considered as a lack of employment for a separate, larger or smaller part of the economically active population, which has a high desire to work. According to the methodology of the (International Labour Organisation) ILO: "Unemployed persons are those who are of working age and older, who do not have a job at the moment, who are looking for a job and are ready to start it at any time. From this number, the unemployed who were officially registered with the state employment service and received this status in accordance with the current legislation on employment issues are singled out separately".

The unemployment rate can be calculated both according to the ILO methodology and in accordance with special legislative norms of the state. The complete absence of unemployment,

according to many experts, is impossible in a market economy. The state is interested in reducing the unemployment rate. Therefore, a number of the following special measures have been developed and applied (Abzhan et al., 2020): measures are being taken to retrain citizens left unemployed; the opportunity to get a referral to work through the employment service; the provision of unemployment benefits; the opportunity to get a referral (from the employment service) for early retirement.

These measures are implemented on a legislative basis systematically and on a regular basis. The author of the paper, having considered the theoretical aspects of small and medium sized businesses, as well as unemployment, further proposes to analyse and assess the state of SMEs both in the world and in the Republic of Kazakhstan. Considering the characteristics of the activities of SMEs in the EU, the following conclusions can be drawn. The SME strategy proposes measures to remove regulatory and practical obstacles to doing business or scaling up within and outside the Single Market. The most popular mechanism for supporting small businesses in the EU is financing.

To provide information support in the EU, a number of information resources have been created, such as:

- unified portal on access to financing;
- business portal for Your Europe business;
- Enterprise Europe Network;
- SME Internationalisation support page: European Cluster Cooperation Platform, Erasmus for Young Entrepreneurs, COSME, SME Assembly.

Thus, within the framework of the EU, a unified system of criteria for classifying entities as SMEs has been created, as well as a unified system of measures to support small and medium-sized businesses operating in the territory of the EU member states. The author believes that this positive experience should be used within the framework of the EAEU. Italy and Spain were among the countries most affected by the coronavirus – 30% and 33% of residents reported a considerable decrease in income there, respectively. In Germany, this figure is 23% (Ritter and Pedersen, 2020).

Even despite maintaining the current income level, 55% of small and medium-sized enterprises mention the danger that they may close in September-October 2021. With a decrease in revenue by 10-30%, 77% of companies may not survive next year. If revenue increases by 10-30%, 39% of companies will remain at risk of closing (Juergensen et al., 2020). Almost 20% of companies have applied for state support. About 30% more plan to do this in the near future (Donthu and Gustafsson, 2020). 11% of companies consider the prospect of bankruptcy in the next six months as real, and Italy and France are more pessimistic – 21% of companies (Donthu and Gustafsson, 2020; Bokayev and Issenova, 2022).

2020 has become a fateful year for the EU SMEs, as well as for businesses and EU citizens in general. The Covid-19 crisis has led to an abrupt halt or even reversal of the gains made by the EU SME sector over the past decade. In many industries, especially in the service sector, where SMEs are employed, there has been a considerable decline in sales as a result of various blockages and other measures introduced by EU member states to combat the spread of Covid-19, although in some industries, on the contrary, there was an increase in sales (Mozghovyi et al., 2021). However, various business support measures taken by member states during the pandemic have limited the impact of declining economic activity on employment (Juergensen et al., 2020). In 2020, slightly more than 21 million micro, small, and medium

sized enterprises were operating in the EU-27, which is 99.8% of all enterprises in the non-financial business sector of the EU-27 (NFBS). Of this total number, 93% were microenterprises. In addition, in 2020, 53% of all value added produced in the EU-27 NFBS and 65% of all jobs in the EU-27 NFBS were created by EU-27 SMEs (Official website of Eurostat, 2021).

The pandemic had a considerable impact on EU-27 SMEs in 2020, with many SMEs. However, not all of them experienced a significant decline in sales. Supply disruptions, an increase in the number of late payments and unprofitable activities are other key problems faced by many SMEs in 2020. SMEs have adopted a wide range of mitigation measures. While some have temporarily stopped trading, many others have taken advantage of various support programmes implemented by national governments, especially to pay salaries, solve cash flow problems, and reduce working hours and/or staff.

Many SMEs also used digital tools more actively to continue their activities and either switched to online sales or increased their volume. In general, the available data indicate that the value added created by EU-27 SMEs in the NFBS in 2020 decreased by 7.6%, and the employment of EU-27 SMEs in the NFBS – by 1.7% (Official website of Eurostat, 2021). The impact of the pandemic on SMEs varied greatly across member states and industries. In particular, at the EU-27 level, the industries in which SMEs were most affected by the pandemic were "accommodation and provision of catering services" (decrease in value added of SMEs by 37.8%), "transport and warehousing" (decrease in value added of SMEs by 16.1%), "administrative and support activities" (decrease in value added of SMEs by 13.3%) and "manufacturing" (decrease in value added of SMEs by 9.8%) (Official website of Eurostat, 2021).

In 2020, EU-27 SMEs in the digital sector performed much better than EU-27 SMEs in the non-digital sector in 2019. The value added created by the first group of SMEs decreased by only 0.5% in 2020, while the value added by the second group of SMEs fell by 8.0%. In addition, employment in EU-27 SMEs increased by 1.5% in the digital sector and decreased by 1.9% in the non-digital sector (Official website of Eurostat, 2021). The number of registrations of new enterprises and start-ups in the EU-27 decreased in 2020, as did the financing of start-ups and large-scale enterprises. The number of bankruptcies also decreased in 2020, reflecting the impact of various economic support programmes implemented by member states, the restraint of creditors and regulatory authorities, as well as a reduction in the operations of legal and administrative authorities making decisions and registering bankruptcies (Official website of Eurostat, 2021).

According to forecasts, in 2021, the value added of EU-27 SMEs in the NFBS will grow by 5.8%, and employment growth in EU-27 SMEs is expected to increase by 0.6%. In light of the considerable uncertainty regarding the development of Covid-19 during 2021 and the reaction of households and businesses to the mitigation of government measures to combat the spread of the virus, it is important to note that the forecasts presented in the report are subject to much greater risks of decline and increase than usual (Official website of Eurostat, 2021). It is expected that the levels of value added and employment of EU-27 SMEs in the NFBS in 2021 will reach only 97.7% and 98.8%, respectively, from the levels of 2019 preceding the pandemic (Official website of Eurostat, 2021). As in 2019 and 2020, it is predicted that in 2021, EU-27 SMEs in the digital sector will outperform SMEs in the non-digital sector. It is predicted that EU-27 SMEs in the digital sector will increase value added and employment by 6.7% and 1.7%, respectively. In contrast, the value-added and employment of EU-27 SMEs in the non-digital sector is projected to grow by only 5.7% and 0.5% (Official website of Eurostat, 2021).

A considerably larger proportion of microenterprises than small and medium-sized SMEs reported that they focus only on basic digital technologies and not on advanced digital technologies (36.5% of microenterprises versus 29.2% of small SMEs and 26.9% of medium sized SMEs) (Official website of Eurostat, 2021). A much smaller proportion of microenterprises than small and medium-sized SMEs believed that advanced digital technologies should be introduced into their business or have already done so (19.9% of microenterprises versus 29.9% of small SMEs and 37.5% of medium-sized SMEs) (Official website of Eurostat, 2021).

Moreover, in the period before the Covid-19 pandemic, 20.3% of microenterprises believed that there was no need to introduce any digital technologies at all. In contrast, only 15.8% of small SMEs and 9.8% of medium-sized SMEs shared this opinion at that time (Official website of Eurostat, 2021). Similar differences were also evident concerning participation in e-commerce: 41% of medium-sized SMEs reported that in 2020 they sold goods over the Internet, while only 30% of small SMEs and 22% of microenterprises did so (Official website of Eurostat, 2021). The most common reason why SMEs do not use information and communication technologies (ICTs) is that ICTs are not suitable for this enterprise (59% of SMEs do not use ICTs). Other relatively less important factors reported by SMEs were that the costs of ICT systems outweighed the benefits (34%) and the lack of internal ICT skills (30%) (Fletcher and Griths, 2020).

In comparison with other countries, such as Norway and the UK, EU-27 small and medium-sized SMEs showed worse results in terms of digitalisation of their activities in 2019. A smaller share of EU-27 SMEs than Norway and UK SMEs (Fletcher and Griths, 2020):

- had staff using computers with access to the World Wide Web;
- had a website;
- provided online orders, bookings, or reservations when they had a website;
- used social networks;
- sold goods over the Internet;
- used cloud computing.

However, the use of various digital tools by small and medium-sized EU-27 SMEs has increased relative to previous years. The degree of digitalisation of enterprises varies not only depending on the size of the enterprise but also in different EU member states. Using 33 different digitalisation indicators, a cluster analysis of the digitalisation status of small and medium-sized SMEs identified three different groups of member states (Fletcher and Griths, 2020).

The main digitalisation activities reported by SMEs with digitalisation strategies or action plans were almost equally important (Fletcher and Griths, 2020): to improve their internal ICT skills (77% of SMEs); to change the use of social networks (74% of SMEs); to improve their ICT security systems (72% of SMEs); to introduce more modern technologies (71% of SMEs); to introduce online marketing and/or sales (60% of SMEs). According to official data published on the website of Eurostat, the author analysed the number of enterprises, value added, and employment in NFBS EU-27 according to the size classes of enterprises in 2020; according to these data, it was concluded that micro-enterprises are 93,3% of all enterprises operating in the EU, and 5.7% refers to small SMEs, 0.9% are medium-sized SMEs. 18.7% of value added is given by microenterprises, 17% – by small SMEs, and 17.3% – by medium-sized SMEs. 29,2%

work at the micro-enterprise, 20% – at small SMEs, and 15.9% – at medium-sized enterprises (Official website of Eurostat, 2021).

In 2020, the Covid-19 pandemic had a considerable impact on SMEs. For some SMEs, sales and profitability have fallen sharply, while for others, sales have increased, and in some cases, even profitability has increased (Official website of Eurostat, 2021). Greece experienced the largest decrease in value added among SMEs (-19.7%), followed by Spain (-16.6%) and Malta (-15.0%); eight EU countries out of 27 experienced a decrease in value added of SMEs by more than 10% (Greece, Spain, France, Italy, Hungary, Ireland, Malta, Portugal). Romania had the smallest decrease in value added created by SMEs (0.5%).

In 2020, most member states experienced a decline in employment in SMEs, with the exception of Belgium, Luxembourg, Malta, Poland and Romania, where there was an increase in employment. The picture again varied by country, although the differences in employment growth in SMEs were not as significant as in the growth of value added of SMEs: from a decrease of 4.6% (Estonia) to an increase of 5.5% (Malta) (Official website of Eurostat, 2021). The largest decrease in employment in SMEs occurred in Spain (4.6%), followed by Belgium (4.4%) and Portugal (3.9%). The largest increase in employment in SMEs occurred in Malta (5.5%), followed by Luxembourg (1.6%) and Romania (1.1%). One of the main reasons explaining the differences in the employment growth of SMEs in the member states is the different sectoral distribution of SMEs in different countries. In member states where sectors little affected by Covid-19 account for a large share of the economy, there has been an increase or only a slight decrease in employment. For example, in Luxembourg, the "Professional, Scientific and Technical Activities" sector accounts for 28.1% of SME employment, and employment in this sector increased by 4.4% in 2020 (Official website of Eurostat, 2021). The high employment growth in 2020 in Malta was mainly conditioned upon the sectors of "construction", "real estate", and "administrative and support services". In 2020, many SMEs in the EU-27 faced logistical problems and disruptions due to the Covid-19 pandemic. However, some industries have suffered more than others.

The EU-27 industries in which SMEs suffered the most from the pandemic in terms of value added are "accommodation and provision of catering services" (-37.8%), "transportation and storage" (-16.1%), "administrative and support activities" (-13.3%), "manufacturing" (9.8%), and "wholesale and retail trade" (-4.4%). The EU-27 industries in which SMEs were least affected by the pandemic in terms of value added were "real estate activities", "information and communication", "electricity, gas, steam and air conditioning supply", "construction" and "professional, scientific, and technical activities". In fact, in the first two industries, the value added of SMEs increased by 1.8% and 0.8%, respectively. In the other three sectors, the value added of SMEs decreased by 2.3%, 3.0% and 3.7%, respectively.

Value added in the non-digital sector decreased by 8.0%, while in the narrow digital sector – by only 0.5%. Overall, the value added of SMEs in the EU-27 decreased by 7.6%. However, the trends observed for SMEs, in general, differ depending on the size class of the SME (Juergensen et al., 2020). Larger SMEs were more likely to offer new goods and/or services than smaller SMEs. The percentage of SMEs reporting that they offered new goods and/or services was 15% for micro-SMEs, 23% for small SMEs, and 33% for medium-sized SMEs. Micro-SMEs were also the class of SMEs that most often temporarily closed or suspended trade: 10% of micro-SMEs reported that they temporarily closed or suspended trade, compared to 4% for small SMEs and 6% for medium-sized SMEs. In 2020, SMEs faced numerous problems and disruptions. According to SME associations, the most common consequence of the pandemic for SMEs in 2020 was a decline in sales. Other important

consequences were difficulties with the import of materials/goods/services, unprofitable activities and disruptions in the supply chain (Juergensen et al., 2020):

− SMEs paid more than usual prices for materials, goods or services – 0%;

− SMEs had difficulty finding alternative suppliers – 0%;

− SMEs faced more than the usual delay in payments (compared to the same period of the previous year) – 23%;

− SMEs faced difficulties in exporting goods or services – 31%;

− SMEs have experienced disruptions in supply chains, resulting in a shortage of materials, goods or services – 46%; − SMEs worked at a loss – 46%;

− SMEs experienced difficulties importing materials, goods or services – 69%; − SME sales fell by 92%.

The Covid-19 crisis also had a financial burden for SMEs: 26% of SMEs reported that they paid more than the usual prices for materials, goods or services, and 39% of SMEs reported that they faced a delay in payments due to the pandemic. The pandemic has also affected the import and export of SMEs: 17% of exporting SMEs reported difficulties exporting goods or services, and 24% of importing SMEs reported difficulties importing materials, goods or services as a result of Covid-19.

According to official data from Eurostat, the authors concluded that the turnover decreased most among microenterprises, and the least decrease in turnover was noted among representatives of medium-sized businesses. The turnover suffered the most but remained within the norm among representatives of medium-sized businesses, and least of all among microenterprises. Most of all, the turnover was not affected by the representatives of microenterprises, and least of all – in small and medium-sized enterprises. Despite all the negative aspects caused by the pandemic, representatives of SMEs even managed to find resources and opportunities to increase turnover. For example, representatives of medium-sized businesses increased their turnover the most, and microenterprises – the least. In addition, when considering the work of SMEs, attention should also be paid to the indicators of employment and unemployment since, against the background of the pandemic, many lost their jobs and were left without a stable income.

Let us consider the staffing measures taken by SMEs to combat the impact of Covid-19 in the EU. The majority (69%) of SMEs surveyed reported that they had taken personnel related measures to cope with the impact of Covid-19. Many SMEs responded to the pandemic by reducing staff working hours: 29% of SMEs reported reduced working hours as a result of the pandemic, compared to 5% who increased working hours. Therewith, the pandemic affected wages in SMEs more negatively than positively: 9% of SMEs reported a reduction in wages, and 6% reported an increase. However, despite the trends of reducing working hours and wages, more SMEs reported hiring staff in the short term (13%) than dismissing staff in the short term (9%). Partially, this difference between the trends of reduced working hours and wages compared to recruitment can be explained by the involvement of governments during the pandemic, as 33% of SMEs surveyed reported using government support to pay staff salaries (Sarmah et al., 2021; Mascarenhas, 2021; Bika et al., 2022;).

The extent to which SMEs used government support to pay staff salaries varied greatly in different member states, from 6% of SMEs in France to 72% of SMEs in Italy (Sarmah et al., 2021; Mascarenhas, 2021). The experience of SMEs varied depending on the size of the SME when considering working hours and hiring staff in response to the Covid-19 crisis.

Microenterprises (31%) and small SMEs (29%) were more likely to report reduced working hours than medium-sized SMEs (22%). Microenterprises and small SMEs were also less likely to report an increase in working hours than medium-sized SMEs (Sarmah et al., 2021; Mascarenhas, 2021). In terms of hiring staff in the short term, microenterprises were most affected by Covid-19. Microenterprises reported the fewest hiring cases in response to the pandemic (8%), with a significantly higher percentage for small SMEs (18%) and medium sized SMEs (24%). Despite the differences between the size classes in recruitment, all SME size classes suffered equally in terms of staff termination: 7% of microenterprises, 11% of small SMEs, and 8% of medium-sized SMEs (Sarmah et al., 2021; Mascarenhas, 2021).

Notably, many SMEs have turned to the government for help: 33% of the surveyed SMEs have used government support to reduce costs, and 27% of SMEs have used government programmes to save jobs. Many SMEs (19%) temporarily stopped trading, while others (19%) solved the cost problem by stopping paying some business expenses (Sarmah et al., 2021; Mascarenhas, 2021). The extent to which SMEs use various measures to overcome the financial impact of Covid-19 varied in the 27 EU member states covered by the study. The percentage of businesses that temporarily stopped trading ranged from 10% in Finland to 36% in France, while the percentage of businesses that stopped paying some business expenses ranged from 10% in Slovenia to 30% in Greece (Levashenko and Koval, 2020). The measures used to limit the financial impact of Covid-19 also varied depending on the size of the SME. Microenterprises were more likely than other classes to have to temporarily stop trading: 21% of microenterprises reported that they had temporarily stopped trading, compared with 17% of small SMEs and 14% of medium-sized SMEs (Levashenko and Koval, 2020). Table 1 shows the percentage of SMEs that reported various measures to limit the impact of Covid-19 on financial performance in 9 EU-27 member states.

Table 1: Percentage of SMEs reporting various measures to limit the impact of Covid19 on financial indicators in 9 EU member States-27

Country	Temporarily stopped trading	Have asked for financial support from the government to reduce costs in the short term	Used the state programme(s) of job preservation to cover staff costs in the short term	Used internal financial resources to continue the work	Used external financial resources to continue the work	Stopped paying some expenses
Bulgaria	22	23	14	38	10	23
Germany	11	21	21	33	9	13
Estonia	16	23	30	44	9	27
Greece	13	49	36	33	15	30
Finland	10	23	6	39	15	16
France	36	48	28	30	26	21
Italy	26	53	54	55	29	16

The Netherlands	12	37	31	31	7	16
Slovenia	25	16	27	56	12	10

Let us look at what government support programmes have been proposed to help SMEs to cope with the consequences of the pandemic and health measures aimed at limiting the spread of Covid-19 in the EU.

The authors suggest considering Covid-19 support measures for enterprises for 20202021, which were provided in the EU:

1. Employment policy: wage subsidies, "self-employed" status;
2. Exemption or deferral of payments: corporate tax, VAT, social security and pension contributions, rent or utilities, a moratorium on debt payment;
3. Financial instruments: loan guarantee, direct loans and repayable advances, grants or subsidies.

The EU has played a key role in complementing the activities of national governments. First of all, it adopted a very flexible and pragmatic approach to the use of state aid rules. In addition, it quickly developed its own support programmes that have no analogues in scale and impact. These measures were organised under the guidance of the NextGeneration EU and Recovery Plan for Europe programmes. In any country of the world, the state is the guarantor of the stability of the economy, its main purpose is to provide support for the stable, sustainable development of the country both at times of economic growth and (especially) in times of crisis.

Kazakhstan is going through a period of transformation to a free economy. For the Republic, the transformation process is not only a radical change of the entire system of economic relations but also solving the problems of integration into the system of world economic relations, ensuring the integrity and economic independence of the country (Tulepov, 2020; Nauryzbekova, 2020). Unlike a number of developed countries, where the share of SMEs in GDP is 50% of GDP or more, and the share of employed in the economy exceeds 60%-75%, in Kazakhstan, the share of SMEs is approximately 30% of GDP (38% of employed) (Abzhan et al., 2020). Only less than half of the affected small and medium-sized businesses could receive state support against the background of the coronavirus pandemic in Kazakhstan. For the rest, help was simply unavailable for a number of reasons. The author of the paper monitored the number of registered and operating small and medium-sized businesses in the Republic of Kazakhstan (Table 2).

Table 2: Share of various types of small and medium-sized enterprises in relation to their total number

Share %			
individual entrepreneurs, %	small business entities, %	peasant or farm enterprises, %	medium-sized business entities, %
62.8	21.1	15.9	0.2

Based on official data provided by the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, an analysis of the number of registered and operating SMEs as of August 1, 2021, was carried out.

Conducting an analysis, the authors of the paper concluded that the largest number of small business entities are registered and operating in the cities of Nur-Sultan and Almaty, as well as the Karaganda region. The lowest number of registered and operating legal entities of small businesses is in the North Kazakhstan and Kyzylorda regions. Legal entities of medium sized businesses are most registered and operate in the cities of Nur-Sultan and Almaty, as well as the Karaganda region, and the least registered and operating businesses are in Turkestan and Zhambyl regions. The highest number of individual entrepreneurs that are registered and operate are identified in the cities of Nur-Sultan and Almaty, as well as the Almaty region, and the lowest number - in the North Kazakhstan region. The highest number of peasant or farm enterprises is mostly registered in the cities of Turkestan, East Kazakhstan, and Almaty regions, and the lowest number is registered in Nur-Sultan.

In January-March 2021, compared with January-March 2020, output (at comparable prices) increased by 9%, the number of employed and the number of operating entities by 2.6% and 3.3%, respectively. The output of small and medium-sized businesses in January-March 2021 amounted to 7632.8 billion tenges.

In addition, according to official data provided by the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, the author of the paper analysed the number of employees in small and medium-sized enterprises in the Republic of Kazakhstan. And based on these data, the author concluded that the largest number of people employed in small and medium-sized businesses is observed in the cities of Almaty and NurSultan, Almaty, Karaganda, East Kazakhstan, and Turkestan regions, and the least number of people employed in small and medium-sized businesses — in the Kyzylorda region. According to the data provided by the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, the author of the paper analysed the share of gross value added of small and medium-sized enterprises in GRP for 2018-2020. According to these data, it was concluded that in 2020, the largest share of the gross value added of small and medium-sized businesses in GRP is given by small and medium-sized businesses located in Nur-Sultan and Almaty, the smallest share of the gross value added of small and medium-sized businesses in GRP is given by small and medium-sized businesses located in Karaganda and Kyzylorda regions.

The analysis of the performance indicators of SMEs by type of economic activity was carried out according to the data of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan. As a result of the analysis, the author of the paper came to the conclusion that the performance indicators of SMEs by type of economic activity relative to the number of operating SMEs indicate that most of them are noted in trade, both wholesale and retail; types of work related to the repair of cars and motorcycles, such types of farms as: agriculture, forestry and fishing, provision of other types of services, and least of all in such types of industry as: electricity, gas, steam and air conditioning, water supply, sewerage system, control over the collection and distribution of waste. Considering the number of people employed, it can be concluded that most people are employed in small and medium-sized businesses related to the following types of economic activity: trade, wholesale and retail, repair of cars and motorcycles, types of farms: agriculture, forestry and fishing, as well as construction, provision of other types of services, industry related to manufacturing activities. The lowest number of people are employed in such economic activities as industry

related to electricity supply, gas supply, steam and air conditioning, water supply, sewerage system, and control over the collection and distribution of waste. In terms of output of products (goods and services), the following types of economic activities are leading: wholesale and retail trade; repair of cars and motorcycles, construction; industry engaged in manufacturing activities; agriculture, forestry and fisheries; transport and warehousing, professional, scientific, and technical activities. The following types of economic activity produce the least in comparison with others: industry connected with water supply, sewerage system, control over the collection and distribution of waste, art, entertainment and recreation.

According to official data published by the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, an analysis of the number of employed SMEs for 2020 was carried out. According to the results of the analysis, the author of the paper concluded that the largest number of employed people at SME enterprises is observed in the cities of Nur-Sultan and Almaty, as well as the Karaganda region, and the smallest number is observed in Zhambyl and Kyzylorda regions. The largest number of employed SMEs in individual entrepreneurship was noted in the cities of Almaty and NurSultan, as well as the East Kazakhstan region, and the smallest number of those engaged in individual entrepreneurship was noted in the North Kazakhstan region. The largest number of employed SMEs belonging to peasant or farm enterprises was noted in Turkestan, Almaty, East Kazakhstan and Zhambyl regions, and the smallest was noted in the cities of Almaty and NurSultan.

The indicator of the number of employed SMEs by type of economic activity was analysed based on official data published on the website of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan. According to these data, after analysing, the author concluded that the largest number of employed subjects in SMEs is observed in wholesale and retail trade, repair of cars and motorcycles, construction, as well as industry related to manufacturing. The smallest number for this subject is observed in the industry related to electricity supply, gas supply, steam and air conditioning, water supply, sewerage system, and control over the collection and distribution of waste. The maximum number of employed SMEs in individual entrepreneurship is noted in wholesale and retail trade, repair of cars and motorcycles, provision of other types of services, and real estate operations, and the smallest number of employed by individual entrepreneurship is noted in industry related to electricity supply, gas supply, steam and air conditioning, financial and insurance activities, as well as mining and quarrying. The number of employed in SMEs belonging to peasant or farm farms refers only to agriculture, forestry and fisheries.

The website of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan also published data on the output of SMEs. As a result of the analysis of these data, the author of the paper concluded that the largest volume of output by SMEs was recorded in the cities of Almaty and Nur-Sultan, as well as Atyrau region, and the smallest volume of output by SMEs was recorded in Kyzylorda and Zhambyl regions. The largest volume of output by individual entrepreneurs was noted in the cities of Almaty and NurSultan, as well as the Karaganda region, and the smallest volume of output by individual entrepreneurs was noted in the Kyzylorda region. The largest volume of output by peasant or farm enterprises was recorded in Almaty, Turkestan, and East Kazakhstan regions, and the smallest volume of output by peasant or farm enterprises was recorded in Almaty.

In addition, according to official data published by the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, the author of the paper analysed the indicators of output by SMEs by type of economic activity. As a result

of the analysis of these data, the author concluded that the largest volume of output by SMEs was recorded in wholesale and retail trade; repair of cars and motorcycles, construction, manufacturing, transport and warehousing, professional, scientific and technical activities, and the smallest volume of output by SMEs was recorded in art, entertainment and recreation, as well as industry related to water supply, sewerage system, control over the collection and distribution of waste. The largest volume of output by individual entrepreneurs was noted in wholesale and retail trade, repair of cars and motorcycles, provision of other types of services, and real estate transactions, and the smallest volume of output by individual entrepreneurs were noted in financial and insurance activities.

From the analysis of the activities of SMEs, it can be concluded that despite everything being difficult with the development of business in Kazakhstan, it is still developing, albeit at a slow pace. The following are measures of state support that, from the standpoint of business, could have a positive impact on the restoration of the financial situation: 86% of respondents who noted support in the form of tax benefits consider the cancellation of tax payments to be the most effective measure in restoring the financial situation, as opposed to the postponement. In addition, 9% of companies believe that a reduction in the VAT rate and customs duties on imported equipment will stimulate capital expenditures. Almost all companies that pointed to concessional financing as the most effective measure of support believe that long-term financing with preferential interest rates would help to stabilise the financial situation. Along with the cancellation of tax rates and preferential lending, companies consider the following effective: the abolition of tax and other inspections, the softening of criteria for compliance with participation in programmes, the acceleration of the timing of obtaining export permits, the adoption of supply contracts in the form of hard collaterals, as well as explanatory work on existing measures.

Other types of support include: tariff setting, namely market pricing, for example, for medical products, grain crops, as well as port and airport services. In addition, other types of support include: fixing the exchange rate, guaranteeing the supply of raw materials from the state, subsidising energy costs and partial compensation of salaries to employees of companies for the time of activity restriction. Considering the support measures provided by the Republic of Kazakhstan by type of activity, the following can be distinguished (Hajiyev, 2020):

- enterprises operating in the agro-industrial complex (AIC) received support in the form of lending, administration, public procurement, taxes, subsidies, and cost recovery;
- enterprises operating in the fuel and energy complex (FEC) received support in the form of administration, taxes;
- enterprises engaged in the manufacturing industry received support in the form of lending, administration, public procurement, taxes, subsidies, and cost recovery;
- enterprises engaged in the construction sector received support in the form of lending, administration;
- enterprises engaged in the mining and metallurgical complex (MMC) received support in the form of administration, taxes;
- enterprises engaged in the field of transport received support in the form of lending, administration, taxes, subsidies;
- enterprises working in the field of trade received support in the form of administration;
- enterprises related to the tourism industry received support in the form of administration, subsidies;

− enterprises working in SMEs received support in the form of lending, administration, and taxes.

It follows from this that the distribution of state support is carried out unevenly. Most of the measures are aimed at maintaining the agro-industrial complex, while measures are supposed to support the trade sector only in terms of administration.

Despite the pandemic, there are favourable trends in the form of an increase in the number of SMEs, coupled with a twofold increase in investment from small enterprises (Kuckertz et al., 2020). However, along with the positive aspects, there are also negative ones, for example, such as an increase in unemployment, which is a negative factor for the development of small and medium-sized businesses since the flow of customers is decreasing. According to many experts and analysts, the global labour market will be able to recover and return to pre pandemic employment indicators no earlier than 2023. SMEs solve employment problems in the Republic of Kazakhstan: almost 40% of all employees in the country are employed at small and medium-sized enterprises. In this regard, the author of the paper suggests analysing the unemployment rates both in the Republic of Kazakhstan and the world in general, considering the pandemic.

The main indicators of the labour market in the Republic of Kazakhstan are analysed based on official data published by the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan. According to these data, the author of the paper concluded that the labour force indicator in 2020 was fixed at the level of 9180.8 thousand people, which is 0.4% less than the value of 2019 and 0.5% more than the value of 2018. The indicator of the employed population as of the end of 2020 was recorded at the level of 8732 thousand people, which is 0.6% less than in 2019 and 0.4% more than in 2018. The number of unemployed at the end of 2020 was recorded at the level of 448.8 thousand people, which is 1.8% more than in 2019 and 1.2% more than in 2018. The unemployment rate for 2020 was 4.9%, which is equal to the value of 2018 and 0.1% more than in 2019. The youth unemployment rate at the age of 15-24 was 3.8% in 2020, which is 0.2% more than in 2019 and 0.1% more than in 2018. The level of youth unemployment aged 15-28 in 2020 was 3.8%, which is equal to the value of 2018 and 0.1% higher than the value of 2019. The level of longterm unemployment throughout the analysed period is stable and amounts to 2.2%. Analysing the average duration of unemployment, it can be concluded that it is six months or more, which is a negative factor in the development of the country's economy (Official website of the Bureau, 2021).

Further, the author of the paper analysed the main indicators of the labour market in the gender aspect. Thus, the labour force indicator is characterised by the fact that throughout the analysed period, men predominate. Among the unemployed population, a large number are women throughout the analysed period. In this regard, the unemployment rate is higher among the female population of Kazakhstan. The level of youth unemployment both at the age of 1524 and at the age of 15-28 is higher among the female population throughout the analysed period (Official website of the Bureau..., 2021). The author also suggests considering the main indicators of the labour market in individual countries of the Commonwealth of Independent States (Official website of the Bureau..., 2021). The highest rate of unemployed is in Russia throughout the analysed period (2020 – 3970 thousand people); Ukraine is in second place in terms of the number of unemployed (2020 – 1698 thousand people), Uzbekistan is in third place (2020 – 837 thousand people) (Table 3).

Table 3: Level of unemployment in 2020 in different countries, %

Country	Unemployment	Youth unemployment
Armenia	17.8	31.9
Ukraine	9.5	15.4
Kyrgyzstan	6.9	12.8
Moldova	3.9	4.1

Further, the authors analysed the number of unemployed populations in Kazakhstan by age group and gender. The most unemployed men are observed at the age of 30-34 throughout the analysed period, men aged 25-29 and 35-39 are in second place among unemployed men, and unemployed men aged 40-44 are in third place. The least of the total unemployed population is among men aged 65 years and older (Official website of the Bureau, 2021). Among the unemployed female population, a large number is noted at the age of 30-34; unemployed women aged 25-29 and 35-39 are in second place, and unemployed women aged 40-44 are in third place. The smallest number of unemployed women is the group aged 65 and older (Official website of the Bureau, 2021).

Thus, it can be concluded that the unemployment rate does not depend on gender since the age of all unemployed people shows approximately the same results. Analysing the unemployment rate by age group and gender, the following results will be obtained. The highest unemployment rate among the male population of Kazakhstan was recorded at the age of 55-59 years; men aged 30-34 years are in second place, and the male population aged 50-54 years is in third place. The lowest unemployment rate among men in Kazakhstan was registered at the age of 65 and older.

The highest unemployment rate among the female population of Kazakhstan was recorded at the age of 30-34 years; women aged 55-59 years are in second place, women aged 35-39 years and 25-29 years are in third place. The lowest unemployment rate among women in Kazakhstan was registered at the age of 65 and older. Considering the level of youth unemployment at the age of 15-24 and at the age of 15-28, it can be concluded that there are fewer unemployed young men among both urban and rural populations since a higher level of youth unemployment applies to the female population both in cities and in rural areas. Analysing the level of long-term unemployment by gender, it can be concluded that throughout the analysed period, the female population prevails in both urban and rural.

Further, the author proposes to analyse the unemployed population by level of education and gender (Official website of the Bureau, 2021). Thus, among the unemployed population, men with secondary professional education predominate, unemployed men with higher and postgraduate education take second place, and unemployed men with secondary general education take third place. The least number of unemployed men is the group with primary professional education. The situation is similar among the unemployed female population. That is, women with secondary professional education predominate among the unemployed population, unemployed women with higher and postgraduate education are in second place, and unemployed women with secondary general education are in third place. The least number of unemployed women is the group with primary professional education. Analysing the unemployed population by age and level of education, it can be concluded that most of the unemployed with higher and postgraduate education belong to the population aged 30-34 years;

the second place is occupied by persons with higher and postgraduate education aged 25-29 years, the third place — persons with higher and postgraduate education aged 35-39 years (Kolomiiets et al., 2021). The least number of unemployed people is the group with higher and postgraduate education at the age of 65 and older.

The unemployed population with incomplete higher education refers to the population aged 20-24 years, and least of all at the age of 16-19 years. The number of unemployed people with secondary professional (special) education prevails at the age of 30-34 years, the least of the population aged 65 years and older. The unemployed population with primary professional education predominates at the age of 30-34 years, and the least unemployed population with primary professional education is observed at the age of 16-19 years. The unemployed population with secondary general education prevails at the age of 30-34 years, and the least number of unemployed with secondary general education is registered at the age of 65 years and older.

Further, the author of the paper analysed the unemployed population by the duration of unemployment by gender and drew conclusions (Official website of the Bureau..., 2021). Most of the unemployed population among men belongs to the category "never worked"; in second place are unemployed men belonging to the category "from 3 to 6 months"; the third place is occupied by unemployed men from the category "from 1 to 3 months". The least unemployed men can be found in the category "less than 1 month". Now let us consider the duration of unemployment among unemployed women. Most of the unemployed population among women belongs to the category "never worked"; the second place is occupied by unemployed women belonging to the category "from 3 to 6 months", and the third place — by unemployed men from the category "1 year and more". The least unemployed men can be found in the category "less than 1 month".

It is also important to consider the reasons for the unemployment of the unemployed population in the gender aspect (Official website of the Bureau..., 2021). The following reasons for unemployment prevail among unemployed men: in the first place – there is no opportunity to find a job (54%), in the second – voluntary resignations (51.8%), in the third place – dismissals due to the liquidation (bankruptcy) of the organisation, downsizing (29.5%). The lowest level of unemployment among unemployed men is for the following reasons: employed in a personal subsidiary farm producing products for their own consumption (1.3%), retirement (1.2%). The following reasons for unemployment prevail among unemployed women: in the first place – there is no opportunity to find a job (53.3%), in the second – for family (personal) circumstances (45.4%), in the third place – voluntary dismissals (43.4%). The lowest level of unemployment among unemployed women for the following reasons: parental leave (0.3%), temporary suspension of activity (bad weather, accident, breakdown, introduction of isolation, etc.) (0.1%).

Discussion

Now let us look at the indicators of the unemployed population in the context of the regional aspect (Official website of the Bureau..., 2021). Thus, the most unemployed men were recorded in the city of Almaty, Almaty and Turkestan regions, and the least – in the Mangystau region. The unemployment rate among men is highest in Northern Kazakhstan, Akmola, Atyrau, Kyzylorda regions, and the lowest unemployment rate among men is recorded in Mangystau region.

Analysing the unemployment rate among women, the author of the paper came to the conclusion that the most unemployed women were recorded in the city of Almaty, Almaty region, and the least in Northern Kazakhstan. The unemployment rate among women is highest in Mangistau and Turkestan regions, and lowest in Northern Kazakhstan, Nur-Sultan. The level of youth unemployment among young men is higher in Northern Kazakhstan, and the lowest level is recorded in the Pavlodar region. The level of youth unemployment among young women is higher in the Karaganda region, and the lowest level is recorded in the Atyrau region. Analysing the unemployed population by level of education, the author of the paper came to the conclusion that most of the unemployed with higher and postgraduate education are observed in Almaty, as well as in the Turkestan region, and the least number of unemployed with this type of education is recorded in the Mangystau region.

Unemployed persons with incomplete higher education are most recorded in Almaty and Almaty region, and the lowest figure is recorded in Northern and Eastern Kazakhstan, Karaganda, Mangystau regions. Most of the unemployed with secondary professional (special) education are registered in East Kazakhstan and least of all – in the Kyzylorda region. Among the unemployed population with primary professional education are mostly residents of the Almaty and Karaganda regions and the least – among the residents of Mangystau and Turkestan regions.

Most of the unemployed population with secondary general education is recorded in the Almaty region, and least of all – in the Mangystau region. Analysing the indicator of the unemployed population by the duration of unemployment, the author came to the conclusion that in the category "less than 1 month," high rates were recorded in the Pavlodar region and East Kazakhstan, and the lowest rate was recorded in the Mangystau region. In the category "1-3 months", high rates are observed in the Almaty region and East Kazakhstan, and the lowest level is recorded in the Mangystau region. In the category "from 3 to 6 months", high values of the indicator were recorded in the cities of Nur-Sultan and Almaty, as well as the Aktobe region, and the lowest values in this category were recorded in the Mangystau and Turkestan regions. In the category "from 6 to 12 months", high values of the indicator were recorded in the city of Almaty, as well as East Kazakhstan, and the lowest values in this category were noted in the Mangystau and Turkestan regions, as well as Shymkent.

According to the category "1 year and more", it can be concluded that the highest values of the indicator were recorded in the Karaganda region, and the lowest value of the indicator was noted in the Turkestan region. In the category "never worked", high values of the indicator were recorded in Turkestan, Almaty, and Zhambyl regions, and the lowest values in this category were noted in the Pavlodar region and Northern Kazakhstan. The highest number of unemployed men among the urban population is established in the cities of Almaty and NurSultan, as well as East Kazakhstan, Shymkent, Karaganda region. There is the lowest number of unemployed men among urban residents in Northern Kazakhstan. The highest number of unemployed women among the urban population was recorded in the cities of Almaty, NurSultan, Karaganda region, as well as Shymkent and East Kazakhstan. The least number of unemployed women among urban residents in the Mangystau region. Having analysed the unemployment rate in the Republic of Kazakhstan, the author further proposes to analyse the unemployment rate in individual countries of the world.

Separately, youth unemployment can be considered, which, as a rule, is much higher than the general level: the average is below 20 percent (for comparison, total unemployment is only six percent), and in a number of countries, it exceeds 35% (Official website of Eurostat, 2021). The most problematic situation is in Greece and Spain (35 and 40%, respectively). It is also

quite difficult for young people (15-25 years old) to find a job in Italy and Lithuania. In another 11 countries, at least one out of five young people has difficulty finding a job (Official website of Eurostat, 2021). Young people are best employed in Germany, where only 6.2% cannot find a job. Youth unemployment is below ten percent in three other countries with fairly strong economies: the Netherlands, Sweden, and the Czech Republic (Official website of Eurostat, 2021).

The lowest unemployment rate at the end of 2020 was recorded in the Czech Republic - the share of residents looking for work does not exceed 3% here. Greece and Spain, on the contrary, have the highest number of unemployed citizens – over 16% of the population are looking for a job. It is especially difficult for young people in these countries – more than 35% of novice specialists cannot find a job due to various reasons (Official website of Eurostat, 2021). According to the World Bank and the International Labour Organisation, it is noted that in a number of developing and economically underdeveloped countries, unemployment is not fully indicated since most people, without actually working, are not officially registered. The average unemployment rate in the world is 6.5%. Countries with the highest unemployment rate in the world: South Africa (28.7%), Palestine (27.4%), Lesotho (24.7%), Swaziland (23.4%); and the lowest unemployment rates were recorded in Burundi and the Solomon Islands – 0.8% in each country, Niger (0.7%), Cambodia (0.3%). However, it is worth noting that there are countries where the unemployment rate is either absent due to the high level of employment of the population or is not officially recorded because citizens are not registered in official institutions and there are no data on the unemployed population: Aruba, Andorra, American Samoa, Antigua and Barbuda, Bermuda, Cayman Islands, Dominica, Faeroe Islands, Micronesia, Isle of Man, Kiribati, Saint Kitts and Nevis, Liechtenstein, Saint Martin, Monaco, Marshall Islands, Nauru, Palau, San Marino, Saint Martin, Seychelles, Turks and Caicos Islands, Tuvalu and Kosovo.

Considering what the unemployment rate is projected in the Republic of Kazakhstan, it can be noted that according to the results of 2020, the unemployment rate was 4.9%. In Kazakhstan, as part of the work on the National Development Plan, it is planned to reduce the unemployment rate to 4.7% by 2025. In 2021, employment assistance measures are expected to cover almost 1.2 million people, including 700 thousand under the Eñbek state programme, 32 thousand people under the anticrisis Employment Roadmap, and 440 thousand people under other state programmes. Having considered and analysed SMEs and unemployment both in the Republic of Kazakhstan and in the world, the author brought together all the information on measures to support both businesses and employed and unemployed persons. The results of summarising this data are attached below.

Let us consider the main measures to support business and employment that have been proposed by some countries: business support: access to loans (liquidity support), special conditions for access to loans (liquidity support), rent payment benefits for sectors most affected by restrictive measures, non-employment tax benefits (cash flow preservation), digitalisation assistance, special measures to support small businesses, individual entrepreneurs and the self-employed; employment preservation and other measures in the labour market: extension of paid leave – for part of the quarantine period, insurance benefits contributions or taxes on wages (as part of the employment support package), subsidising salaries, compensation for underemployment, retraining programmes, including due to the transition to remote employment, changing the rules for the appointment and payment of unemployment benefits (can be considered as part of measures within the framework of social insurance), other measures in the labour market.

Measures of social support of the population (except for measures on the labour market):

1. Support of the population: social insurance – hospital and other areas of social insurance;
2. Support of the population: non-insurance programmes: tax benefits, benefits/deferrals on loans, rent payments or payments for housing and communal services, lump sum payments, monetary payments to parents, monetary payments to the elderly, other monetary payments, child care support, meals/vouchers, other social assistance measures;
3. Intangible forms of support (services). Kazakhstan (in addition to supporting SMEs) should consider supporting large businesses that dominate the economy.

Having analysed indicators of the development of small and medium-sized businesses, as well as indicators of unemployment in Kazakhstan and the world, the author further suggests developing recommendations that will allow the unemployed population of all ages to be employed through business development.

The areas proposed by the author of the paper will increase the level of interaction between SMEs and the state in the context of the development of interaction mechanism between the state and business in the Kazakh market for subsequent employment of more unemployed citizens of Kazakhstan: development of an effective communication policy for positioning the enterprise in the external market; increase the level of patent activity and intellectual property protection; increase funding for research and development (from all sources); expand opportunities and procedures for financing small and medium-sized businesses; create business incubators; revise training programmes in schools and universities.

To do this, "Effective Entrepreneurship" study clubs should be created in schools, where children (12-17 years old) will learn the basics of business vision in a playful way, using real cases, business and role-playing games, as well as with the involvement of successful entrepreneurs who will share their experience. In higher educational institutions, it is necessary to work out more practical skills in developing projects, business plans, the ability to present the results of their work, analyse and evaluate their activities, calculate all types of risks, and develop programmes to overcome the crisis; open grant support programmes for social entrepreneurs; create creative industry centres in Almaty, Nur-Sultan: installations made of various materials that change every season, animation, virtual and augmented reality technologies, robotics, high-tech manufacturing, and commercialisation of projects; assist in bringing small and medium-sized businesses to external markets; support project initiatives in the field of tourism and the hospitality industry. Creation of a tourist information centre in Almaty and Nur-Sultan. Active promotion of the Republic as a tourist destination on internal and international tourist markets, including through such social networks as Instagram, Facebook, and TikTok. Arrangement of infrastructure facilities of tourist routes in the field of inbound tourism; grant support: cultural and educational tourism, ecotourism. Arrangement of public spaces, shopping pavilions, kiosks, and fast food cafes; restoration of employment, growth of citizens' incomes. Professional training and additional professional education of unemployed citizens under the staffing needs of employers (investors) of the region. Extension of the Programme for the organisation of professional training and additional professional education of persons affected by the consequences of the spread of a new coronavirus infection for 2021; grant support for self-employed, unemployed citizens to create their own businesses. As well as:

- development of mass entrepreneurship among young people;
- reduction of the interest rates on loans for SMEs;
- to subsidise the operating expenses of microfinance organisations;

- to organise the work of commissions to review applications of candidates for a state grant;
- to conclude contractual relations between the "Atameken" employment centre and the entrepreneur to employ the unemployed population of Kazakhstan;
- to carry out social career guidance activities among young people on a regular basis;
- to create a database of vacancies and organisations ready to provide jobs for the unemployed population and to generate demand and supply for the organisation of social jobs;
- to conclude contractual relations with employers for the organisation and financing of social jobs;
- to create a database of organisations that are ready to provide places for young people to practice;
- to conclude contracts with employers for the organisation and financing of youth practice;
- to develop a list of professions for which additional labour resources will be attracted from the regions of disposal (Lee, 2021).

Thus, it can be concluded that the proposed measures will be effective and will allow the Republic of Kazakhstan and the population of this Republic to restore its economic potential, as well as improve its financial capabilities.

The authorities of this Republic today are interested in offering many favourable conditions for the development of their own small enterprise, which is an undoubted plus both for the population who want to work for themselves and for the economy of the Republic in general. Many small entrepreneurs can open a small business and earn on those types of products and services that previously could not even be considered as a separate type of business before the pandemic. The pandemic has prompted many inhabitants of the planet to start earning on the Internet and to develop entrepreneurial potential, which requires constant development, which means that one needs to learn something new, and look for new niches and areas where one can offer a product or service. It is still too early to assess the effectiveness of the anticrisis packages adopted by the countries. Therewith, the experience of overcoming past crises shows the importance of a quick response to the crisis and considerable amounts of funding for the proposed anticrisis measures.

Conclusion

Small and medium-sized businesses are a platform for the development of national economies and global economic growth, as well as a base for creating new jobs for unemployed citizens of the country. The "flexibility" of SMEs enables them to respond almost immediately to the transformation of external conditions and fully meet emerging demand; they remain vulnerable to serious economic shocks: all existing mechanisms to promote development are insufficient for small and medium-sized businesses to survive the pandemic without additional targeted government support. Today, when a pandemic is raging all over the world, small and medium sized businesses are talking about a reduction in revenue and an increase in distrust on the part of customers, the risk of infection of personnel, disruptions in logistics chains, difficulties in ensuring effective communication, financial instability, increasing uncertainty requiring anticrisis management. The measures taken to support business do not all work effectively.

Due to the pandemic, unemployment rates have also increased around the world, and many experts predict that it will be possible to restore the balance between employment and unemployment no earlier than the end of 2022-2023. Many citizens who lost their jobs in

quarantine have thought about creating their own businesses. Against this background, an increase in the number of new SMEs offering their products and services on a par with major players is registered that are not inferior in quality, which is noted by a large flow of customers. This phenomenon is occurring all over the world, including in Kazakhstan; against the background of the crisis, those players suffer, and can lose everything: customers, revenue, the whole business, liquidating it, but then they are replaced by new players, albeit smaller ones but who can easily adapt to new business conditions, considering all the changes taking place in the external environment.

Today, more new jobs can be created only through the development of small and medium-sized businesses since they are more mobile and open to new participants who can offer any initiatives on their own and then help to implement them. The experience of Russia is currently very interesting in the matter of bringing into business everyone who is currently unemployed. This approach attracts interest, but it will be possible to assess how effective it was to bring non-working citizens into entrepreneurial activity to solve problems related to unemployment only after a while.

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