

result to the individuals from other age range. We also have slight low ecological validity because we used the artificial task in order to investigate conformity, and the result can not be generalized to other real-life situations of conformity.

Conclusion. To sum up, we took Asch's conformity experiment as a fundament of our blocking experimental design by using a methodology of the mentioned experiment. Our team improve the experiment by using distinct conditions like telling fake aim of our research to our experimental units, arrange them by numbers and placing the chairs in circle form in order to maximize the eye contact between experimental group and control group (it helps to increase the pressure), and gave the minimum time to think and answer, all actions were made naturally. Moreover, our specific questions were easy, confusing, familiar and have only one answer among the only 2 variants of answers. In other words, we select questions that stimulate people to follow public opinion. In addition, we add simple questions that even control group does not know the answers so as to minimize the suspicions of the experimental group. Overall, we minimized biases, suspicions and tend to be ecological valid.

Taking into account all above mentioned facts, one can conclude that at a 5% significance level, we reject the Ho. We have a strong evidence that an average number of incorrect answers which affected female is more than an average number of incorrect answers which affected male. Additionally, we corroborate that people conform for two main reasons: because they want to fit in with the group (normative influence) and because they believe the group is better informed than they are (informational influence).

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FACTORS AFFECTING SME PERFORMANCE IN KAZAKHSTAN

Abstract. This study attempted to identify factors that are affecting SME performance in Kazakhstan. The intention of this study is to provide the understanding on how people should start their business by looking at entrepreneurial orientation factors affecting business performance hence help to reduce the risk of failure and increase chances of success. The study examined two entrepreneurial orientation factors that influences the SMEs business success, proactiveness and risk-taking behaviour. The theoretical framework has been drawn out and questionnaire was designed based on the

factors chosen. All hypotheses were successfully tested via Excel and 2 hypotheses were accepted. The most significant factor affecting both operational and financial performance of SMEs in Kazakhstan was risk-taking.

Key words: Small and Medium Enterprises, Entrepreneurial orientation, Operational performance, Financial performance.

Аңдатпа. Бұл зерттеу мақсаты Қазақстандағы шағын және орта кәсіпорындардың қызметіне ықпал ететін факторларды анықтау болып табылады. Аталған зерттеу адамдардың өздерінің жеке бизнесін басбаудағы түсінігін қамтамасыз етеді, яғни кәсіпкерлік бағдарлау факторымен қатар істің тәуекелін кеміту мен табыстың мүмкіндігін арттыру қарастырылады. Зерттеу барысында екі кәсіпкерлік фактор бағыты қаралды: белсенділік және тәуекелдікке дайындығы кіреді. Теориялық негіздер қаланды. Сауалнама таңдалған факторлардың негізінде жасалынды. Барлық болжамдар Excel-де сәтті сыналды және 2 болжам қабылданды. Қазақстандағы шағын және орта бизнеске операциялық және қаржылық көрсеткіштерімен қатар ең маңызды фактор – тәуекелдікке дайындық.

Кілт сөздер. Шағын және орта бизнес, Кәсіпкерлік бағдарлау, Операциялық көрсеткіштер, Қаржы көрсеткіштері.

Аннотация. Целью данной работы является выявление факторов, влияющих на деятельность малых и средних предприятий в Казахстане. Данное исследование обеспечит понимание о том, как люди должны начинать свой бизнес, учитывая факторы предпринимательской ориентации, с целью снизить риск неудачи и увеличить шансы на успех. В ходе исследования были рассмотрены два фактора предпринимательской ориентации: проактивность и готовность к риску. Авторами были определены основные теоретические основы исследования, был разработан опросник на основе выбранных факторов. Все гипотезы были успешно протестированы в Excel и 2 гипотезы были приняты. Наиболее значимым фактором, влияющим как на операционные, так и на финансовые показатели малого и среднего бизнеса в Казахстане, оказался такой фактор как – готовность к риску.

Ключевые слова: Малые и средние предприятия, предпринимательская ориентация, операционные показатели, финансовые показатели.

Introduction

Small and medium businesses are essential each to the individual and to the state. To the individual they grant employment and lift the standard of life of both owners and employees. To the state, they supplement large sized modern businesses, they exploit agrarian and different crude materials that

would have gone nowhere, they are main suppliers in closed or limited markets that merit just small scale manufacturing. Kazakhstan SME sector typically works locally, on small-scale and at a subsistence level.

Over the last several decades, the relationship amongst entrepreneurship and firm performance has gotten impressive consideration in the organizational literature. In particular, scholars have conjectured that the frequency of firm level entrepreneurial practices will be emphatically connected with organizational growth and profitability. Past studies propose that, in specific circumstances, companies showing elevated levels of an entrepreneurial orientation (EO) will accomplish better performance to those having low levels of entrepreneurial orientation. In reality, studies demonstrate the increases in company performance identified with entrepreneurial orientation are viable over long time, however, that this relationship might be dependent upon the environmental context.

Literature review

In today's business environment, portrayed by vibrant changes, intense rivalry and aggressive globalization development, the issue of seeking out of a source of stable competitive advantages come up to the front position. Among the primary strategic orientations a particular spot is held by the EO associated with accentuation on pro-activity, dynamic innovation development, and eagerness for risk at the company level [1]. The idea of EO has emerged and created inside the theory of strategic management as endeavour to respond to the questions "why companies are different?" and "how to make company more prosperous?". Yet, results of the subsequent studies are not consistent: there are researchers, which have discovered a positive effect on business productivity, a negative effect, or presence on nonlinear statement that vouches for need of determination of circumstances under which EO truly directs company to success.

The concept of entrepreneurial orientation originates in Mintzberg [2] works lighting various strategic organization types from which the type placing emphasis on application entrepreneurial the practician is distinguished. The definition of EO is a set of different but related behaviours, which have the characteristics of innovation, proactivity, competitive aggressiveness [3] Pearce et al. (2010). Limited number of studies were researched EO area in Kazakhstan. Those researches did not fully answers the issues related to EO. Specifically, insufficiently studied characteristics of different institutional contexts.

In earlier researches, growth is utilized as an intermediary for SME performance. Growth as an evaluation of performance might be more precise and available than bookkeeping gauges of financial performance. Yet a company might, for instance, select to trade-off long-term growth for interim profitability. We attribute to the point that performance is multidimensional in nature, and it is in this way beneficial to mix diverse measurements of

performance in empirical studies. To catch various characteristics of SME performance, we consolidated evaluations of growth of operational and financial performance [4].

Proactive companies seek to place themselves in expectation of changes in the industry and to take an operative role in holding the future condition of their extraneous environment. To achieve this, companies build up a tendency to be the first company to create and execute strategic approaches in existing market environments or to enter and grow new markets. SMEs use proactive practices to position themselves in a great spot inside their industry by distinguishing altering market situations that rivals have not yet perceived or promoted upon [5]. Companies that show elevated amounts of proactiveness can better place themselves to put the ‘game rules’ in a specific industry giving them favourable position. Proactive companies are better ready to use existing open doors by filtering their environment for helpful data that they are able to use to fulfil underserved markets and to obtain leading positions. Proactive companies are more receptive to market signs and are able to utilize these signs to improve their consciousness of needs of customers. Proactive companies are likewise capable to create new prospects for themselves by aggressively looking to reclassify their business sector; companies winning in this lode advantage from augmented levels of demand, superior levels of customer loyalty, and better profitability.

Putting together these contentions, the positive advantages of proactive practices are liable to be boosted at high levels as competitor companies are set in the position of having persistently react to the effective activities of the proactive SME. However, like innovativeness, the expenses of proactiveness in SMEs frequently identify with up-front investments in building up the abilities needed to proactively go into new markets. Therefore, SMEs are just liable to harvest net performance allied gains once the genuine advantages or proactiveness. SME are liable to practice negative returns to performance when moving from low-to-moderate degrees of proactiveness because of these large up-front costs, nevertheless are liable to experience constructive returns while going from moderate-to-high degrees of proactiveness as companies position themselves in an beneficial market position. Incorporating these contentions, we expect that the costs exceed the advantages at low levels of proactiveness, however, the advantages are prone to exceed the costs at high degrees of proactiveness. Thus, we hypothesized that:

H1: Proactiveness has a positive effect on operational performance of SMEs.

H2: Proactiveness has a positive effect on financial performance of SMEs.

Whilst risk-taking has customarily been seen as a crucial element of EO, the performance associated pros and cons or risk-taking are prone to display distinctive outlines.

Generally, companies that take risks are more definitive and can formulate strategic decisions more rapidly, which improves their overall execution level. Hypothetical contentions underlying the ideas of the learning curve and entrepreneurial learning additionally propose that SME enterprises gain from careful risk-taking. SMEs included in entrepreneurial actions achieve superior levels of empirical knowledge, which prompts to the formation of company specific insights. We contend, in any case, that the cons are more purported than the pros at both high and low degrees of risk-taking in SME. For instance, business that are risk-averse might ‘bypass’ on precious, promising market opportunities and can therefore encounter high opportunity costs at low levels of risk-taking [6].

However, lofty degrees of risk-taking are allied with a superior probability of failure.as the level of risk allied with a strategic progress ascend, the likelihood of success related with that specific strategy is diminished. Better SME execution is then predicated on a modest preference toward risk, where companies assume adequate risk to benefit on up-and-coming market opportunities, yet not all that extremely that the chance for reward is all together put a risk [7]. Thus, we hypothesized that:

H3: Risk-taking has a positive effect on operational performance of SMEs.

H4: Risk-taking has a positive effect on financial performance of SMEs.

Data and methodology

Questionnaires were used to collect the data for the current research. The questionnaire contains of 2 sections. The first section of the questionnaire includes the demographic questions to obtain demographic profile of the respondents. Next section includes questions to measure entrepreneurial orientation, operational performance, financial performance. In order to measure EO we used 6 items adopted from Millers study. To measure operational performance, we utilized four indicators, which are as following: better resource planning, better operational efficiency, reduced inventory level and cost saving. For financial performance, we utilized evaluations of revenue growth over the last three years, net profits, profit to revenue and ROA relative to competitors. Five-point scales were used for the evaluation of all items used.

Respondents of current were top managers of SMEs in Kazakhstan. A total number of 45 questionnaires were distributed and only 32 of them were fully answered. In other cases they were either not answered or partially answered.

Results and conclusion

The results of simple regression analysis show that hypothesis of 1 and 2 were not significant. Only hypothesis 3 and 4 were significant. The p-values

of hypothesis 3 and 4 were lower than 0.001, and the p-values of 1 and hypothesis of 1 and 2 were 0.12. Analysis of 32 Kazakhstani companies showed that in a dynamic and hostile business environment. Risk-taking has a significant positive to the operational and financial performance according to the Kazakhstani SMEs. Whereas proactiveness had no effect on performance, both for operational and financial.

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СИСТЕМА ВЫСШЕГО ОБРАЗОВАНИЯ КАЗАХСТАНА И ЗАРУБЕЖНЫХ СТРАН

Аннотация. В XXI веке образование рассматривается как ключевой фактор стабильности и развития общества. Наступление нового тысячелетия с особой остротой обнажило новую функцию образования как инструмента обеспечения качества жизни. Модернизация национальной системы образования направлена на то, чтобы сделать будущего специалиста успешным, конкурентоспособным не только в