

## THE IMPACT OF CORPORATE GOVERNANCE AND FINANCIAL LEVERAGE ON THE PERFORMANCE OF PAKISTANI FIRMS

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### **Abstract:**

*Pakistan is a developing country with relatively smaller corporate market and lower legislative protection for investors. There has been increasing debate around the world that shareholder need to monitor the behavior of their manager because management of the corporation has tendency to sacrifice shareholder's benefit over their personal benefits and interests and this problem could be severe in developing countries like Pakistan. This study investigates these notions by investigating corporate governance and financial leverage in relation to the firm's performance in Pakistan. This data for analysis were extracted from the annual reports of the firms included in KSE-100 index for the period from 2006 to 2013. SPSS was used to analyze the data from the and pooled regression used to estimate the impact of corporate governance represented by the variables of CEO duality, audit committee, board size, board composition and leverage on financial performance of the firm measured using proxies of the market value of the firm (Tobin's Q), return on equity and return on asset. Findings entail that there is a significant impact of corporate governance related measures on performance of the firm in Pakistan, whereas, CEO duality, board composition, audit committee had an indirect relationship with various dimensions of firm performance and positive impact of board size on return on equity was also witnessed. Thus, investors are suggested to assess the company on the criteria of better corporate governance in order to harvest the maximum benefits of their investments.*

**Key Words:** Corporate Governance, Financial Performance, Financial Leverage

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## **1. Introduction**

The main objective of the corporations is to maximize the shareholder's wealth and for the achievement of this goal, the value of firm is used as a major tool. Corporate governance as well as financial leverage play a leading role in achieving the goal of maximizing the shareholders wealth. Effective corporate governance made a great contribution to increase the firms market value (Beiner & Dchmid, 2005; Gill & Mathur, 2011a; Gompers, Ishii, & Metrick, 2003; Klapper & Love, 2004; Rouf, 2011). As the financial leverage increases, the value of firm will decrease due to increase in bankruptcy risk. It is necessary for every firm if it wanted to increase its value then it should work with an optimal capital structure and effective corporate governance. The concept of corporate governance can be explained as a system through which directions are given to the business corporations and controls them (Kajola, 2008).

La Porta, Lopez-de-Silanes, Shleifer, and Vishny, (2000) provided, "Corporate governance is, to a certain extent, a set of mechanism through which outside investors protect themselves against expropriation by the insiders." These set of mechanism include board composition, establishment of audit committee, curtailing CEO power and information disclosure. In this regard, board composition includes appropriate size of the board with sufficient number of independent directors, member composition of audit committee and

issues relating to duality of CEO, his compensation and tenure.

Leverage is represented by the use of fixed cost, which arises out of utilizing debt in total financing. It allows organization to afford big projects with high financing requirements and also provides tax benefits to the organization. Thus, utilization of leverage could prove to be beneficial for the organization. Overall capital structure of the organizations is composed of a combination of debt-equity and hybrid securities like convertible bonds or preferred stock. Debt of the firm is represented by different financing alternatives ranging from bank loan to bonds. It also includes both short term and long term debts.

Management of any organization may relate to both financial and non-financial aspects of the organization. Deciding and maintaining right combination has various implications for the contemporary organization because it impacts the return and risk of the organization, Leverage can be used as an effective tool to tame the management of the organization as to force them to avoid suboptimal investments and make their performance better. Thus, leverage has impact for the enhancement of shareholder' wealth. These impacts has been widely documented and accepted in modern corporate scenarios, especially there exists a weak investor protection mechanism and legislation.

## **1.1 Questions of the Study**

Research questions include the following. This study helped to find answers to the following questions:

- a)** How conventional corporate governance variables impact value of the firms in Pakistan?
- b)** How the Financial Leverage impacts value of the firms in Pakistan?
- c)** What are implications of financial leverage in context of corporate governance mechanism for Pakistani firms?

## **1.2 Hypothesis of the study**

Following are the testable hypothesis of the study:

Ha<sub>1</sub> H1: There is a significant Impact of corporate governance on the performance of the firm.

H2: There is a significant relationship between the leverage and the profitability of the firm.

## **2. Literature Review**

Shakir (2006) tried to find out the connection between composition of the board, its size and performance. In this study, data of property related companies in Kuala Lumpur over the period starting from 1999 to 2005 was used. Size of the board and its composition were used to test the effect on performance. This study used Regression analysis. The empirical findings show that size of the board of Directors has an inverse association with

the performance which implies that the board should be small.

Ozkan, N. (2007) conducted a research on CEO compensation and its relationship with the performance of an organization by taking a data of 390 UK companies over the period from 1999 to 2005. By using Regression it was found that performance of the firms with higher compensation was having higher performance. According to the study CEO compensation was positively associated with the performance of the firm.

Raffia (2008) studied the relationship between corporate governance and leverage by taking sample of 26 chemical sector firms of Pakistan during 1993 to 2004. Pooled regression was used and found that determinants of corporate governance size, income, growth, and profitability and non-debt tax shield has a significant impact on the leverage, showing the association between corporate governance and leverage.

Chen, Lin and Yi (2008) investigated the effect of CEO duality on the company's performance. This study collected data of firms in the S&P 1500 index. Using the fixed effect approach, study found that no relationship exist between the variables.

Butt and Hassan (2009) investigated the association between corporate governance and ownership structure on the capital structure of the companies listed in Karachi Stock exchange of Pakistan using data from 2002 to 2005. Using multivariate regression analysis, the study found that profitability and managerial ownership had a negative impact on the

leverage of the firm, whereas, CEO duality was found insignificant with regard to its impact on the leverage of the firms in Pakistan. A positive impact of the institutional ownership was also sought after on the corporate leverage.

Ramdani and Witteloostuijn (2010) provided an insight about the influence of independence of a board and dual role of a CEO on the firm's performance. Duality of a CEO and independence of a board were considered as independent variables. In this study, quantile regression was used. Collecting facts about 313 companies in East Asia during the period of 2001-2002, it was found that duality and performance are positively related whereas board size has a moderating opposite impact on the positive link that exist between duality and performance of a company.

Chaghadari (2011) sought to determine the impression of corporate control on the organizational performance of the firm in Malaysia using a sample of 30 randomly selected firms from the construction and material sector during the fiscal year 2007. The purpose of study was to investigate the effects of CEO duality, size of the board, structure of ownership and board independence structure on the performance of an organization which was measured using proxies of ROA and ROE. It was found that CEO duality seems to have a negative impact on organizational performance, whereas, no relationship exist among the other studied variables.

Dar, Naseem, Rehman and Niazi (2011) conducted the study to found out the effect of structure of corporate governance on the performance of the firms in Pakistan using a sample from Pakistani companies that were included in the oil & gas sector from 2004 to 2010. Using multiple and ordinary least square regression; it was empirically proved that Annual General Meeting, size of the board and firm's performance which was measured by ROE and Profit Margin.

Yang and Zhao (2012) analyzed the relationship duality and profitability of an organization using a sample of 1,927 firms over the period 1979-1998. The independent variable used for the study was CEO duality. Research findings using the regression found that performance of dual firms is better as compared to the non-dual firms.

Rehman and Shah (2013) studied the corporate governance and its impact on firm's performance using the data of 80 firms for the period 2005-2009. By using regression it was found that size of the board and independent number of directors is positively related with the performance which was measured by Tobin's Q, return on assets, return on equity and market to book value of the firm.

Yang and Zhao (2013) conducted a study to examine the relationship between the CEO duality and the performance of firm by conducting a study on 1,926 organizations from 1979 to 1998. They examined their study by applying regression. It was empirically proved that

CEO duality is good for a firm i.e. organizational performance is positively related with the duality of CEO.

MOSCU (2013) studied the relationship of dual role of a CEO and performance of the firm by collecting a sample of 62 firms in Bucharest Stock Exchange. Using regression technique, findings of the study found negative relationship between the duality and the performance of the firm.

Ali and Nassir (2014) studied the impact of corporate governance on financial performance by using a sample from 2007 to 2011 in the manufacturing sector of Pakistan. The objective of the study was to test whether the measure of corporate governance have any impact on the firm performance or not. The independent variables used were audit committee, CEO duality, size of the board and its composition, whereas, dependent variable was the financial performance of a firm, which was measured through ROA and ROE. Panel data regression was used and it was empirically proved that all the independent variables were positively associated with the performance of the firm.

### **3. Research Methodology**

This study shows the theoretical relationship between dependent and independent variables. Following is the model of research, whereby performance of the firm is considered as dependent variable, whereas, independent variables included, CEO duality, Audit committee, Board size, Composition of board, financial leverage and size of the firm,

while firm performance is measured by return on equity, return on assets and value of the firm.

$$FP = \alpha + \beta_1 CD + \beta_2 BS + \beta_3 AC + \beta_4 CB + \beta_5 FL + \beta_6 FS + \mu$$

Where,

$\alpha$  = Constant term

$\beta_1 - \beta_6$  = Estimation coefficients

FP = Firm performance

CD = CEO Duality

AC = Audit Committee

CB = Composition of Board

BS = Board Size

FL = Financial Leverage

FS = Firm Size

$\mu$  = Error Term

Following is the detailed discussion on the variables included in this model.

#### **3.1.1 Firm Performance**

Performance of the firm has been a variable of great concern interest since dawn of the modern corporate era. Following the demise of the Enron, increased focus was levied on preventing the opportunistic behavior of the managers in order to prevent shareholders from losses arising out of the management malpractices. Some researcher's argue to use market value of organization as measure of performance of organization as this measure not only is true representative of the future state of affairs of the company but also represents investor's evaluation of the company. In this regard, ratio of Tobin's Q which is represented by the ratio of market value of equity to its total book value is

proposed to represent true value of firm (Rehman & Shah, 2013; Amba, 2013; Dekker, 2013, Ali & Nasir, 2014). This study considers both measurements of the performance and ROA along with ROE is taken as proxy of internal or accounting performance of the firm and Tobin's Q is taken as representative of the market performance of the organization. Calculation of these ratios is entailed as under:

Return on asset (ROA) measurement  
(Internal/ Accounting Performance Measure)

***ROA = Earnings before taxes divided by Total Current Assets***

Return on equity (ROE) measurement  
(Internal/ Accounting Performance Measure)

***ROE = Earnings before taxes divided by Total Shareholder's equity***

Value (Tobin's Q) measurement  
(External/ Market Performance Measure)

***Tobin's Q = (market value of equity + Book value of total debt) divided by total assets of the firm***

### **3.1.2 CEO Duality**

Duality of CEO represents the problem whereby CEO hold two positions one is chairman of the board of the directors of the firm and other is chief executive office of the firm (Fechner & Dalton, 1991). This situation instills more powers in the position of CEO, which is a managerial position and presumed to

expropriate shareholders best interest according to propositions of agency cost theory (Jensen 1976).

Measurement of the said variable is done mostly by constructing a dummy variable. The variables assume value of 1 if there is duality of CEO in organization and 0 otherwise (Chen, Lin & Yi, 2008; Yu, 2008; Yang & Zhao, 2012; Moscow, 2013). Following is the description of the measurement of the variable of CEO duality:

***CEO Duality = Value 1 for duality; value 0 otherwise***

### **3.1.3 Board size**

Size of the Board is represented by total count of the number of directors on the board. Directors on the board are chosen by shareholders and these directors serve as watchdogs on the management as to ensure that stakes of investors are safeguarded against suboptimal schemes of the management. For measurement of board size, previous studies take total number of directors of the organization as proxy. Same proxy is being applied by this study:

***Board size= Count of directors on board of directors.***

### **3.1.4 Audit committee**

Audit committee also provides the number of the auditors forming internal audit committee of the organization. Beasley (1996), in this regard, provided that probability of fraud decreases after

appointment of audit committee. So, more people in the audit committee could reduce agency conflict. This study uses count of the number of the auditors in the audit committee as proxy of audit committee.

***Audit Committee = Count of the numbers of auditors in audit committee***

### 3.1.5 Composition of board

Various types of directors form the board of directors of the firm. One classification of these types segregates non-executive directors from executive directors. Non-executive directors are not part of management of the organization, while executive directors hold some managerial responsibilities on their part. Consistent with previous studies, following measure of board composition is used by the study:

***Board Composition = Count of independent directors in boards /total board members.***

### 3.1.6 Financial leverage

It represents total amount of debt borrowed by the firm. It is the proportion of debt financing in overall financing structure of the firm. Leverage is considered an important mean to influence management of the firm to perform, because higher leverage restricts management's discretion to use the funds in sub optimal investments and management make sure that funds invested in project would not be wasted and project has positive NPV. Thus, debt

is considered as one of the ways to monitor the behavior of management (Jensen & Meckling, 1976). Consistent with that following measure of leverage is employed by this study:

***Financial Leverage= Total Liabilities/Total Assets.***

### 3.1.7 Firm size

Size has always been a factor of interest in the domain of empirical investigation into firm performance. Size represents the strength and maturity of the corporation and it could well be anticipated that firms with larger size are more established and have better understanding of the market. Agency theory postulates that managers sometimes try to make unnecessary investments and thus, a firm grows to a sub-optimal size. The purpose of this growth is to control more resources at manager's disposal, which increase his power in the organization and reputé in the market. Thus, firm size also hinders the performance of the organizations consistent with this following measure of firm size is employed by this research and size is taken as a control variable.

***Firm Size= Log of Total Assets***

## 3.2 Collection of data

This study used secondary data collected from the financial statements of the companies listed and being traded in Karachi Stock Exchange (KSE) of Pakistan. Firms included in KSE-100 index were selected for data collection

because these companies are top performing companies having highest market capitalization, moreover, KSE 100 index have representation of all of the sectors of Pakistani industries. Financial sector companies were excluded from the sample because financial companies have distinct characteristics and operations and are strongly regulated by State Bank of Pakistan. Time frame of study was from 2006 to 2013. Companies not having financial statements on their websites were also excluded from the analysis, while companies having some missing years were considered by the study. Final sample of the study contained 60 companies and data was pooled for the available years from 2006 to 2013.

### **3.3 Data analysis**

The study considered quantitative data, which deemed suitable for sophisticated statistical analysis. Pooled data was used for the estimation of the model specified earlier. Data analysis was done with the help of descriptive statistics i.e. mean & standard deviation, correlation analysis and pooled regression was run in the end in order to relate corporate governance related variables with organizational performance whereby organizational performance is assessed through three proxies of return on equity, return on asset and market value. Three separate regressions were run for this to find out the relationship of corporate governance variables with all three aspects of performance.

## **4.0 Analysis**

### **4.1 Descriptive Statistics**

Initially descriptive statistics were used to describe data set used in the study. Dependent variable of research was organizational performance as represented by three variables i.e. market value, return on assets (ROA) and return on equity (ROE), while independent variables of the study are audit committee, board size, CEO duality, financial leverage, board composition and firm size.

Table 4.1.1 shows means and standard deviations of the variables included in the study. Tobin's Q which is dependent variable provided a minimum of 0.25 along with a maximum of 28,871.31. Mean of Tobin's Q was 1,840.76 and standard deviation of the variable is 2,939.48. Second dependent variable in the research is return on assets, having a minimum of -0.28 and maximum of 0.73. Mean of ROA is 0.73 while standard deviation is 0.12. Third dependent variable of the study is return on equity, having minima of -1.07 and maxima 0.97. Mean value of return on equity 0.24 along with a standard deviation of 0.22.



Table 4.1.1 Descriptive Statistics

|                           | Count | Minimum | Maximum   | Mean     | Std. Dev. |
|---------------------------|-------|---------|-----------|----------|-----------|
| <b>Tobin's Q</b>          | 452   | 0.25    | 28,871.31 | 1,840.76 | 2,939.48  |
| <b>Return on Assets</b>   | 442   | -0.28   | 0.73      | 0.14     | 0.12      |
| <b>Return on Equity</b>   | 460   | -1.07   | 0.97      | 0.24     | 0.22      |
| <b>CEO Duality</b>        | 476   | 0.00    | 1.00      | 0.15     | 0.36      |
| <b>Board Size</b>         | 460   | 6.00    | 15.00     | 8.89     | 2.12      |
| <b>Audit Committee</b>    | 460   | 2.00    | 6.00      | 4.17     | 1.14      |
| <b>Financial Leverage</b> | 452   | 0.01    | 1.00      | 0.50     | 0.22      |
| <b>Board Composition</b>  | 460   | 0.00    | 1.00      | 0.62     | 0.24      |
| <b>Firm Size</b>          | 463   | 13.78   | 24.13     | 17.46    | 2.28      |

First independent variable of the study is CEO duality a dichotomous variable taking value of either 1 or 0. The mean value of CEO duality is 0.15 (standard deviation = 0.36). After this, independent variable is board size, which has minima of 6 and maxima of 15. The mean board size is 8.89. Audit committee of had minima of 2 and maxima of 6. Average of audit committee is 4.17 and standard deviation is 1.14. Financial leverage has a minimum of 0.01 and maxima of 1. Average of financial leverage is 0.5 along with a standard deviation of 0.22. Board composition had a minimum of 0.00 and maxima of 1. Mean value of board composition is 0.62 along with a standard deviation of 0.24. Last variable i.e. control variable is firm size having minima of 13.78, maxima of 24.13. Average value size is 17.46.

Overall, corporate sector in Pakistan has moderate profitability, lesser CEO duality situations, moderate levels of board sizes and audit committee and better board

compositions (more than half of the directors are independent directors).

## 4.2 Correlation analysis

Table 4.2.1 shows correlation Matrix that is used to establish primary relations among variables and also trace problem of multi-co linearity among independent variables. According to Gujrati and Sangeeta (2008), a high correlation exists between independent variables as represented by a correlation coefficient of more than 0.8 indicates towards presence of multi-co linearity.

Tobin's Q showed a direct but weak correlation with other proxies of performance i.e. ROA and ROE (correlation coefficients = 0.376 and 0.387 respectively), while relationship of ROA and ROE is strong (correlation coefficient = 0.758). Relationship of Tobin's Q with board composition, CEO duality, and firm size was negative and significant (correlation coefficients = -0.118, -0.150 and -0.229). Whereas,

relationship of Tobin's Q with independent variables including board size, audit committee and financial leverage was insignificant. For second dependent variable i.e. return on assets, correlation of financial leverage was found negative but **significant** (**Correlation** co-efficient = -0.386) while correlation of board composition in this regard was positive and significant (Correlation co-efficient = .122). Relation between return on assets and other independent variables i.e. CEO duality,

board size, audit committee, and firm size was found insignificant in correlation analysis. Lastly, relationship of CEO duality with return on equity was found to be negative and significant (Correlation co-efficient = -0.144) and relationship of CEO duality with board size was significant and positive (Correlation co-efficient = 0.11). Relationship of return on equity with other variables of audit committee, financial leverage, board composition and firm size was found insignificant.

**Table 4.2.1 Correlation Matrix**

|                    |                     | <b>Tobin's Q</b> | <b>ROA</b> | <b>ROE</b> | <b>CEO Duality</b> | <b>Board Size</b> | <b>Audit Committee</b> | <b>Financial Leverage</b> | <b>Board Composition</b> |          |
|--------------------|---------------------|------------------|------------|------------|--------------------|-------------------|------------------------|---------------------------|--------------------------|----------|
| <b>Tobin's Q</b>   | Pearson Correlation | 1                | 0.376**    | 0.387**    | -0.118*            | 0.014             | 0.010                  | 0.007                     | -0.150**                 | -0.229** |
|                    | Sig (2-tailed)      |                  | 0.000      | 0.000      | 0.012              | 0.768             | 0.839                  | 0.889                     | 0.001                    | 0.000    |
|                    | N                   | 452              | 435        | 444        | 452                | 450               | 450                    | 440                       | 450                      | 451      |
| <b>ROA</b>         | Pearson Correlation | 0.376**          | 1          | 0.758**    | -0.064             | -0.027            | -0.023                 | -.386**                   | .122*                    | -0.064   |
|                    | Sig (2-tailed)      | 0.000            |            | 0.000      | 0.177              | .0578             | 0.623                  | 0.000                     | 0.011                    | 0.178    |
|                    | N                   | 435              | 442        | 441        | 442                | 441               | 441                    | 430                       | 441                      | 441      |
| <b>ROE</b>         | Pearson Correlation | 0.387**          | 0.758**    | 1          | -.144*             | 0.110*            | -0.025                 | -0.056                    | 0.026                    | -0.031   |
|                    | Sig (2-tailed)      | 0.000            | 0.000      |            | 0.002              | 0.019             | 0.601                  | 0.243                     | .577                     | .512     |
|                    | N                   | 444              | 441        | 460        | 460                | 451               | 451                    | 442                       | 451                      | 453      |
| <b>CEO Duality</b> | Pearson Correlation | -0.118*          | -0.064     | -0.144**   | 1                  | -0.065            | -0.137**               | -0.106*                   | -0.108*                  | 0.194**  |
|                    | Sig (2-tailed)      | 0.012            | 0.177      | 0.002      |                    | 0.167             | 0.003                  | 0.024                     | 0.020                    | 0.000    |
|                    | N                   | 452              | 442        | 460        | 476                | 460               | 460                    | 451                       | 460                      | 462      |
| <b>Board Size</b>  | Pearson Correlation | 0.014            | -0.027     | .110*      | -0.065             | 1                 | 0.652**                | 0.241**                   | 0.279**                  | 0.016    |
|                    | Sig (2-tailed)      | 0.768            | 0.578      | 0.019      | 0.167              |                   | 0.000                  | 0.000                     | 0.000                    | 0.734    |
|                    | N                   | 450              | 441        | 451        | 460                | 460               | 460                    | 448                       | 460                      | 459      |

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|                                 |                     | <b>Tobin's Q</b> | <b>ROA</b> | <b>ROE</b> | <b>CEO Duality</b> | <b>Board Size</b> | <b>Audit Committee</b> | <b>Financial Leverage</b> | <b>Board Composition</b> | <b>Firm Size</b> |
|---------------------------------|---------------------|------------------|------------|------------|--------------------|-------------------|------------------------|---------------------------|--------------------------|------------------|
| <b>Audit Committee</b>          | Pearson Correlation | .010             | -.023      | -.025      | -.137*             | .652**            | 1                      | .143**                    | .253**                   | -.075            |
|                                 | Sig (2-tailed)      | .839             | .623       | .601       | .003               | .000              |                        | .002                      | .000                     | .110             |
|                                 | N                   | 450              | 441        | 451        | 460                | 460               | 460                    | 448                       | 460                      | 459              |
| <b>Financial Leverage</b>       | Pearson Correlation | .007             | -.386**    | -.056      | -.106*             | .241**            | .143**                 | 1                         | -.025                    | .072             |
|                                 | Sig (2-tailed)      | .889             | .000       | .243       | .024               | .000              | .002                   |                           | .592                     | .128             |
|                                 | N                   | 440              | 430        | 442        | 451                | 448               | 448                    | 452                       | 448                      | 452              |
| <b>Board Composition</b>        | Pearson Correlation | -.150*           | .122*      | .026       | -.108*             | .279**            | .253**                 | -.025                     | 1                        | .097*            |
|                                 | Sig (2-tailed)      | .001             | .011       | .577       | .020               | .000              | .000                   | .592                      |                          | .038             |
|                                 | N                   | 450              | 441        | 451        | 460                | 460               | 460                    | 448                       | 460                      | 459              |
| <b>Firm Size</b>                | Pearson Correlation | -.229*           | -.064      | -.031      | .194*              | .016              | -.075                  | .072                      | .097*                    | 1                |
|                                 | Sig (2-tailed)      | .000             | .178       | .512       | .000               | .734              | .110                   | .128                      | .038                     |                  |
|                                 | N                   | 451              | 441        | 453        | 462                | 459               | 459                    | 452                       | 459                      | 463              |
| **. Sig. at 1% and *. Sig at 5% |                     |                  |            |            |                    |                   |                        |                           |                          |                  |

Further, no traces of multi-collinearity were found in the data as no correlation coefficient exceeded the cut off value of 0.8. The maximum value of correlation coefficient between independent variables was 0.652, which shows moderate correlation between the variables of board size and audit committee. Hence, the pooled regression estimation could be proceeded without having to deal with the problem of multi-collinearity.

### 4.3 Regression Analysis

Regression analysis is provided in this part of the analysis whereby impact of corporate governance and leverage is assessed on Tobin's Q, ROA and ROE. Three separate regressions were run in this

regard and results are explained in three following sections:

#### 4.3.1 Impact of CG and leverage on Tobin's Q

This part of the analysis shows the estimation of the regression to assess impact of Corporate Governance and firm's performance on Tobin's Q. Table 4.3.1.1 to table 4.3.1.3 shows regression estimation.

Table 4.3.1.1 shows model summary to assess the influence of corporate governance on value of the organization i.e. Tobin's Q. The R-square of model is .078 which shows that model explains only about 8 % variation in dependent variable of Tobin's Q.

##### 4.3.1.1 Model Summary (Tobin's Q Regression)

|   | R                  | R-Square | Adjusted Square | R- | Std. Error of the Estimate |
|---|--------------------|----------|-----------------|----|----------------------------|
| 1   | 0.280 <sup>a</sup> | 0.078    | 0.066           |    | 2834.95793                 |
| a. Predictors:(Constant), Firm Size, Board Size, CEO Duality, Financial Leverage, Board Composition |                    |          |                 |    |                            |

Table 4.3.1.2 shows ANOVA results of the regression estimation conducted to explain market value of organization i.e. Tobin's Q. F-statistics of the model is

6.125 that indicates that model despite of having lower explanatory power is good fit at 1% level of significance.

**Table 4.3.1.2 ANOVA (Tobin's Q Regression)**

|   |            | Sum of Squares | df  | Mean-Square  | F     | Sig               |
|---|------------|----------------|-----|--------------|-------|-------------------|
| 1 | Regression | 295380081.493  | 6   | 49230013.582 | 6.125 | .000 <sup>b</sup> |
|   | Residual   | 3471978143.077 | 432 | 8036986.442  |       |                   |
|   | Total      | 3767358224.570 | 438 |              |       |                   |

Table 4.3.1.3 provides coefficients of the regression conducted to assess influence of Corporate Governance and leverage on market value. Corporate governance was measured through the variables of board size, CEO duality and audit committee, whereas, leverage is measured directly and size is considered in the model as control variable to improve estimation. First corporate governance related variable included in the model is CEO duality, which yielded a beta coefficient of -760.47 along with t-value of -1.97.

This implies that impact of CEO duality on Tobin's Q is indirect but significant at only 5% level of significance. Variable of board composition also yielded an indirect and significant beta of -1989.3 along with a t statistic of -3.36 deeming the impact of CEO duality negative and significant at 1% level of significance. Lastly, control variable of size also yielded negative beta coefficient of -236.32 along with t-statistics of -3.84 deeming the relationship to be significant.

**Table 4.3.1.3 Coefficients (Tobin's Q Regression)**

|   |                    | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig.  |
|---|--------------------|-----------------------------|------------|---------------------------|-------|-------|
|   |                    | B                           | Std.-Error | Beta                      |       |       |
| 1 | (Constant)         | 6863.06                     | 1208.83    |                           | 5.68  | 0.00  |
|   | CEO Duality        | -760.47                     | 385.86     | -0.09                     | -1.97 | .049  |
|   | Board Size         | 112.64                      | 87.71      | 0.08                      | 1.28  | 0.20  |
|   | Audit Committee    | -128.07                     | 161.18     | -0.05                     | -0.79 | 0.43  |
|   | Financial Leverage | -111.52                     | 658.01     | -0.01                     | -0.17 | 0.85  |
|   | Board Composition  | -1989.30                    | 591.74     | -0.17                     | -3.36 | 0.001 |
|   | Firm Size          | -236.62                     | 61.55      | -0.18                     | -3.84 | 0.00  |

Board size and financial leverage on the other hand were found to have an insignificant impact on the market value of the Organization.

Overall, variables of CEO duality, board composition and firm size had a significant and positive impact on the value of organization in corporate sector of Pakistan, while variables of board size and leverage were found to have an

insignificant relationship with the value of the firms.

#### **4.3.2 Impact of CG and Leverage on Return on Assets**

Following is the regression estimation analyzed to assess the influence of corporate governance and leverage on firm performance. Table 4.3.2.1 to table 4.3.2.3 provides estimation analysis in this regard.

**Table 4.3.2.1 Model Summary (ROA Regression)**

|   | R                  | R-Square | Adjusted R-Square | Std. Error of the Estimate |
|---|--------------------|----------|-------------------|----------------------------|
| 1   | 0.411 <sup>a</sup> | 0.169    | 0.157             | 0.12325                    |
| a. Predictors: (Constant), Firm Size, Board Size, CEO Duality, Financial Leverage, Board Composition, and Audit Committee |                    |          |                   |                            |

Table 4.3.2.1 provides model summary for the estimation results of influence of corporate governance variables on ROA. R-square of the estimation is 0.157 showing that 15 % variation in ROA is explained by variables included in the model.

Subsequently Table 4.3.2.2 provides ANOVA Table, whereby F statistics of 14.254 shows that estimation model is good fit at 1% level of significance.

**Table 4.3.2.2 ANOVA (ROA Regression)**

| Model |            | Sum of Squares | Df  | Mean Square | F      | Sig.              |
|-------|------------|----------------|-----|-------------|--------|-------------------|
| 1     | Regression | 1.299          | 6   | .217        | 14.254 | .000 <sup>b</sup> |
|       | Residual   | 6.411          | 422 | .015        |        |                   |
|       | Total      | 7.710          | 428 |             |        |                   |

Table 4.3.2.3 shows coefficients. CEO duality yielded beta of -0.036 and a t-statistic of -2.144 showing the influence of CEO duality to be negative on return of assets and this relationship is significant at 5% level of significance. Second variable of board size yielded beta of 0.006 along with a t-statistics of 1.529 deeming the impact of board size on return on assets to be negative. Third independent variable of the study was audit committee, which yielded a beta coefficient of -0.13 along with a t-statistic of -1.836, which also indicates that impact

of audit committee size is insignificant for return on equity. Leverage yielded a negative beta of -0.246 along with a t-statistics of -8.515, showing that impact of leverage on return on assets is negative and also significant at 1% level of significance. Board composition yielded a positive beta of .045 along with a lower t-statistics of 1.725 showing that the relationship to be insignificant. Size of the firm provides a beta co-efficient of 0.000 along with a t-statistics of 0.103 showing this relation to be insignificant as well.

**Table 4.3.2.3 Co-efficient (ROA Regression)**

|   |                    | Unstandardized Coefficients |            | Standardized Coefficients | T      | Sig.  |
|---|--------------------|-----------------------------|------------|---------------------------|--------|-------|
|   |                    | B                           | Std.-Error | Beta                      |        |       |
| 1                                       | (Constant)         | 0.233                       | 0.053      |                           | 4.392  | 0.000 |
|   | CEO Duality        | -0.036                      | 0.017      | -0.099                    | -2.144 | 0.033 |
|   | Board Size         | 0.006                       | 0.004      | 0.095                     | 1.529  | 0.127 |
|   | Audit Committee    | -0.013                      | 0.007      | -0.112                    | -1.836 | 0.067 |
|   | Financial Leverage | -0.246                      | 0.029      | -0.040                    | -8.515 | 0.000 |
|   | Board Composition  | 0.045                       | 0.026      | 0.081                     | 1.725  | 0.085 |
|   | Firm Size          | 0.000                       | 0.003      | 0.005                     | 0.103  | 0.918 |
| a. Dependent Variable: Return on Assets |                    |                             |            |                           |        |       |

Overall, variables of CEO duality, and financial leverage had a significant and negative impact on return on assets, while variables of audit committee and board composition also yielded a weak significant impact on the return on asset whereby, impact of audit committee was negative and impact of board composition was positive. Rest of the variables i.e. firm size and board size were deemed insignificant for their impact on return on assets.

### 4.3.3 Impact of CG and Leverage on Return on Equity

Following are estimation results of the regression conducted to assess the impact of corporate governance and leverage on firm performance whereby performance was proxied through return on equity. Table 4.3.3.1 to table 4.3.3.3 provides results in this regard.

**Table 4.3.3.1 Model summary (ROE Regression)**

|   | R                 | R-Square | Adjusted R-Square | Std. Error of the Estimate |
|---|-------------------|----------|-------------------|----------------------------|
| 1 | .256 <sup>a</sup> | .066     | .053              | .21726                     |

Table 4.3.3.1 shows model summary of the regression, which yielded r square value of 0.066, which indicates that

almost 7% of the variation in return on equity was explained by the independent variables included in the model.



**Table 4.3.3.2 ANOVA (ROE Regression)**

|   |            | Sum of Squares | df  | Mean Square | F     | Sig.              |
|---|------------|----------------|-----|-------------|-------|-------------------|
| 1 | Regression | 1.435          | 6   | .239        | 5.069 | .000 <sup>b</sup> |
|   | Residual   | 20.391         | 432 | .047        |       |                   |
|   | Total      | 21.826         | 438 |             |       |                   |

Table 4.3.3.2 provides ANOVA results of the model, which indicates towards goodness of fit of the estimation. F-statistics of 5.069 provides that model is good fit at 1% level of significance.

Table 4.3.3.3 provides regression coefficient of the regression conducted to assess impact of corporate governance and leverage on return on equity. First independent variable of the study was CEO duality, which yielded beta coefficient of -.11 along with a t-statistic of -3.59 indicating that impact of CEO duality is negative on return of assets and this relationship is significant at 1% level of significance. Second variable of board size yielded beta coefficient of .03 along with a t-statistics of 4.14 deeming the impact of board size on return on equity to be positive and also significant at 1%

level of significance. Third independent variable of the study was audit committee, which yielded a beta coefficient of -0.04 along with a t-statistic of -3.46, which also indicated that impact of audit committee size is significant and negative for return on equity. Next variable considered in the study is leverage, which yielded a negative beta of -.09 along with a t-statistics of -1.89, implying that impact of leverage on return on assets is negative and also significant at 10% level of significance. Next variable of board composition yielded a beta of -0.03 along with a lower t-statistics of -.57 deeming the relationship to be insignificant. Lastly, size of the firm provides a beta coefficient of .00 along with a t-statistics of -.04 implying this relation to be insignificant as well.

**Table 4.3.3.3 Co-efficient (ROE Regression)**

|   |                    | Unstandardized Coefficients |            | Standardized Coefficients | T     | Sig. |
|---|--------------------|-----------------------------|------------|---------------------------|-------|------|
|   |                    | B                           | Std. Error | Beta                      |       |      |
| 1 | (Constant)         | 0.24                        | 0.09       |                           | 2.62  | 0.01 |
|   | CEO Duality        | -0.11                       | 0.03       | -0.17                     | -3.59 | 0.00 |
|   | Board Size         | 0.03                        | 0.01       | 0.27                      | 4.14  | 0.00 |
|   | Audit Committee    | -0.04                       | 0.01       | -0.22                     | -3.46 | 0.00 |
|   | Financial Leverage | -0.09                       | 0.05       | -0.09                     | -1.89 | 0.06 |
|   | Board Composition  | -0.03                       | 0.05       | -0.03                     | -0.57 | 0.57 |
|   | Firm Size          | 0.00                        | 0.01       | -0.00                     | -0.04 | 0.97 |

Overall, variables of CEO duality, audit committee and financial leverage had a negative and significant impact on return of equity. Board size on the other hand

had a positive and significant impact on return on equity. Remaining two variables of board composition and firm size had insignificant impact on return on equity.

**Table 4.4 Summary of Results:**

| Variable           | Tobin's Q    | ROA          | ROE         |
|--------------------|--------------|--------------|-------------|
| CEO Duality        | Negative **  | Negative**   | Negative*** |
| Board size         | Positive     | Positive     | Positive*** |
| Audit committee    | Negative     | Negative*    | Negative*** |
| Financial leverage | Negative     | Negative *** | Negative*   |
| Board composition  | Negative *** | Positive *   | Negative    |
| Firm size          | Negative *** | Positive     | Positive    |

## Conclusion & Implications

### 5.1 Conclusion

In a developing country like Pakistan corporate sector is not that big. Most of

the corporations are family owned and run by families. Common investors do not investment much in the corporate firms due to fear of expropriation by the management of the company. The notions of corporate governance are proposed in

this regard whereby corporate governance provides mechanism to ensure that investor's right and money is handled in the best way consistent with the principle of wealth maximization. The purpose of this study is to test whether corporate governance has any relationship with the performance of the Pakistani firms or not. The corporate governance mechanism lays out the rules, regulations and guidelines to manage the affairs of company in an effective manner. Developing countries like Pakistan do not have effective legislative mechanism to deal with corporate frauds and internal mechanism of corporate governance, which mainly is represented by the board structure and CEO characteristics, is that effective. Thus, alternative mechanism of leverage in this regard could be used to sustain performance of the corporations in this scenario. These propositions are tested in the study as to establish a relationship between corporate governance related variables and firm performance.

The study found a significant impact of corporate governance related variables on firm performance. Variable of CEO duality had negative and significant impact on all three dimensions of the performance. Board size had a significant impact on firm performance and this relationship is significant for performance measure of return on equity. Audit committee also has a significant and negative impact on return on equity. Financial leverage also showed a negative and significant impact on return on assets.

Lastly board composition has a negative and significant impact on market value of the firm. Size was also found to have a significant and negative impact on the value of the firm. Overall, this study supports the notions of the theory rating to corporate governance and agency cost prepositions. So, strengthening corporate governance could improve corporate performance of the organization. Moreover, this study also found that different corporate governance related aspects have different impact on different performance measure of the firm and also that both internal and external performance measures could be improved curbing the powers of chief operating officer of the organization. It is also found that leverage may actually have a negative influence over the performance of the organizations. This might be due to tight monitoring of the institutional debt holders as in Pakistan where no bond market exists and firms have to take loans from the financial institutions. So, there is a need to investigate the debt related agency issues and future research should be directed towards strengthening the corporate governance mechanism in Pakistani corporate scenario.

## **5.2 Implications of the study**

This objective of the study was to understand the interrelationships between corporate governance, leverage and performance of the organization. Following are implications in this regard: First and foremost firms in Pakistani corporate sector should strengthen

corporate governance structure, where focus should be made to monitor behavior of top management and tame their powers so that cash flows of the firm are not wasted and sub optimal investments are avoided.

- Apart from that internal tire of corporate governance mechanism, policy and legislative aspects of the corporate governance should also be considered. Government should take objective initiatives in this regard in order to build confidence of the general investors.
- There is a specific need to build bond market in Pakistan, so that sophisticated mechanism of debt could be utilized to curb managerial power and control.
- Organization should regularly float credible information relating to governance structure to the investors in order to instill confidence of the investors.

### **5.3 Limitations of research**

Following are specific limitations of the study i.e. the avenues this research did not consider to investigate:

- This study only considers KSE 100 companies and financial companies are also excluded from the sample due to different nature of financial firms.
- Only leverage as a, agency reduction mechanism has been utilized by this study and other aspects such like managerial compensation and dividend policy are excluded from the analysis.
- Most of the corporations in Pakistan are family owned or part of a business group and such companies are different than the companies having scattered ownership,

whereby managers might have more control than such firms operating in Pakistan.

The study only considers agency conflict between management and shareholders and do not consider agency conflict between bond holders and stock holders and between majority share holders and minority share holders.

### **5.4 Directions for future research**

Following are the suggestions for future research:

In future, research can address the limitations of this study as mentioned in the previous section and investigate other dynamics of agency conflict for local firms.

A comparative study between different countries or different markets could be conducted for investigation of corporate governance, agency conflict and firm performance for understanding of implications of agency theory and corporate governance.

There is also need to construct a standardized corporate governance measure to facilitate comparisons across firms and industries. Future research could seek to develop such measure.

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## **SOCIAL AND ECONOMIC PROBLEMS EFFECTING LIFE'S OF ELDERLY WOMEN**

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### **Abstract:**

*The purpose of this study was to find out social and economic problems faced by elderly women. This was hypothesized that the impact of social and economic problems changes the life style of elderly women. We used purposive sampling technique for sample selection. A sample of 150 elderly women between the age ranges of sixty to eighty years was approached for data collection. Our statistical analysis shows that age of elderly women affects their social relationship. We also found out that family members of the elderly women neglect them because of their poor health conditions. Furthermore the opportunity of good treatment was solely based on economic conditions of the family. The study shows that elderly women face social problems such as neglect form family and society. Other major issues also include economic problems such as unavailability of necessary food, clothing, shelter, and adequate medical treatment. These situations may be the major reason for depression and anxiety in elderly people.*

**Key words:** Social Problems, Economic Problems, Depression, Health Problems

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## **1. Introduction**

Ageing in humans refer to a multi-dimensional course of physical, psychological and social life cycle changes (Ali, 2014). It is the accumulation of changes over time. When talking about growing old, it is important to distinguish between the normal and pathological ageing. People facing pathological ageing may face much more problems than the one passing through normal ageing (Plotnik, 1989). Many elder people live alone, and being alone is a common source of anxiety for people of all stages. Generation gap characteristic of industrial societies are reflected in changes in the organization of families. The extended family including elderly, younger adults and their offspring, is common in preindustrial societies. With industrialization, however, nuclear families, composed of parents and their children were predominate (Macionis, 1988). Social problem is not an ideal situation faced by society still due to unmet needs of people. A social problem is a friction between the cultural and societal practices, which create disharmony for social group. The culture of deep respect is one of the main reasons of distress and anxiety among elderly people (Eldemire-shearer, 2008, Itrat, Taqui, Qazi and Qidwai, 2007). After the age of 60 most people are found to be less active. The bodily functions of people decrease. They become dull (newspaper, 2012).

Almost all elderly people are facing negative influences of aging. But old

females face more unfavorable attitude in comparison to men due to their economic dependence (Jamuna, 2003). the proportion of people with sixty years and above age group will rise from 5.8 in 2000, 7.3 in 2025, and 12.4 in 2050 approximately based on U.N report (2000). But the fact is that Pakistan's present elderly population is already 11.2 million and will triple the number by 2050. Health, income, education, training, social welfare, protection, transportation, gender and human rights are directly leading to psycho-social, economic and physical problems for elderly in Pakistan. Elderly loses physical health, social contacts, financial security, mental stability and also face loss of respect. (Ali, 2014).

Elderly people are found either sitting idle, helpless or engaged in laborious work unfit for their age. Moreover they have no facilities of shelter, food and clothing. Elderly people are considered to be blessed when they have someone caring them (Khan, 2010; Tyagi, 2013). The main reason of physiological decline in old people is because of this dis-functioning of the body resulting in poor mobility, vision, hearing etc. A feeling of loss of self-worth because of loss of earning power is also a major problem (Jamuna, 2003). Poverty followed by illness due to economic issues is very common instance (Yadava, Yajpeyi, 1997).

Government provides different schemes for poor elderly people so that they can improve their living standard, but very

few people can avail them because of multiple issues. Many among them are unaware about the various issues. Article 1 of 'Universal Declaration of Human Rights' deliberates on the concept of freedom, equality, dignity and rights for all. If human rights declare the word 'all'; elderly are also inclusive. Moreover, article 25 of Universal Declaration of Human Rights also emphasizes that everyone has right to live quality of life and so does the ageing individual. (Universal Declaration of Human Rights, 2013). Women are the most important part of our society, as any society greatly depends on women in every aspect of life. In spite of having great importance, women are facing great difficulties in their daily life one of which is gender discrimination in professional and personal life. (Khan, 2012).

### **Rationale of the study**

This research will be helpful in determining the problems faced by elderly women, mostly due to financial and family issues. In our country, if we observe our current affairs there are various economic problems like poverty, inflation. Most of the families have low income according to their expenses, in which case we can easily understand that old people suffer from economic and financial instability in daily life. As a society efforts should be done to understand the problems faced by elderly people. It is a common understanding that elderly people have more medical issues due to aging, while the problem becomes

tenfold due to financial inability. Contributions are needed in determining various ways in which elderly should be treated.

### **Objectives:**

1. To identify various socio-economic factors that affect lives of elderly women
2. To understand problems faced by elderly women due to social relationships, family structure, children behavior and health conditions.

### **Hypothesis:**

1.  $H_0$  = Family income is likely to be related to the treatment that elderly women receive by the family
2.  $H_0$  = Age of elderly women is likely to be related to their relationship with relative
3.  $H_0$  = Educational qualification of elderly women increase their economic problem

### **Literature Review**

According to Tanjanai, Moradinazar and Najafi (2016) depression is the most commonly occurring psychiatric disorder and the second prime cause of ill health among older adults. Among elderly population depression has a high prevalence. It is important that this vulnerable group is provided with access to supportive environments that involves active participation in occupational and social activities, which in turn help, reduces suffering from depression.

Change in socio-economic status and various health problems adversely affects an individual's way of life during old age. There is a need for geriatric counselling centers that can take care of their physical and psychological needs (Lene, Ashok, Padma and Kamath, 2009). Multiple factors are associated with quality of life among elderly. Social support, medical facilities and outdoor leisure activity were significantly associated with all the domains of quality of life. Among the four domains of quality of life, the physical domain had the highest score and the social domain have the lowest score (OnunKwor, Al-Dubai, George, Arokiasamy, Yadav, Barua, Shuaibu, 2016). The care of the aged has been the responsibility of the family. But nowadays family structure is transforming from joint to nuclear. This pattern has reduced the capacity of this institution to serve as safety net for the less privileged. There are many elderly people who are living with their families but nonetheless miserable. Elderly had not high expectation from their busy children. This pattern is also the reason of depression in old people (Sarfaraz and Riaz, 2015). The process of growing old or appearance and characteristics of old age are termed as the phenomenon of ageing. All human beings wish to remain young and healthy. But everyone has to face ageing process (Khan, 2012). Ageing is the connection between changes in performing physical functions and drastic changes in behavior and psychological factors (Camacho and Terry, 1994).

Elderly people have many problems because of old age, fear of death, retirement and losing of health and also losing of wealth etc. In every stage of our life we have to face social and psychological problems, but in old age problems increase. The concept of family members associated with the economic contribution of old aged should be independent from disturbance and children should be responsible (Josh, 2005). Main problem with some women is that they neither want to live in their parent's house nor husband's home. These women are helpless and associated with multitude of stresses, such as forced to live with husband she hated, not being permitted to visit her own home (Sharmal, Pandit, Pathak and Sharma, 2013). Elderly people living independently have many problems in different aspects, such as medical care, life arrangement, poor health etc. Particularly studies are concerned about the mental health such as, depression and loneliness, life satisfaction and quality of life (Yao, 2006; Chen, 2009). According to Chen and Hicks (2012), they found that older people living independently have high risk of depression. Lower life satisfaction and mental disorder are two major problems faced by elders who are alone. The elders who are alone also had lower physical and psychological health scores, weaker relationship with children and social support, and they have higher prevalence of chronic diseases than those elders who are not alone (Liu and Guo, 2008). According to Sok and Choi (2012),

and Chan, Shoumei, Thompson et al. (2006) they shows that those elderly who have positive social relationships with family, friends and neighbors they promotes the good quality of life and those elders who's social contacts decreased which could occurs through loss of members of a social network is significantly associated with poor quality of life. Ageing have more problems related to long term aspects of economic, political and social process. Ageing is also about the change of family care and guiding system through old to young and young to old. Ageing process in fact starts from the day you are born. It is more often perception that after the age of retirement a person is ignored as a senior citizen (Muhammad, Ahmad, Shah, Jan, 2009).

Old age increase problem related to individual and family, with relevant socio-economic challenges because bodily functions start decreasing, so some functions that changes are in vision, hearing, touch, skin, endocrine renal musculoskeletal (Mahmood, 2008). The developing countries have many difficulties like worldwide economic recession and the process of globalization. Increase in det, servicing and withdrawal of subsidies and continuous denial of market access to export have had negative impact on the overall economic and social affairs in developing countries. The vulnerable groups, especially the elderly, have been affected most severely (Ahsan, 2002). Many people are left as single after the death of their spouse in old age. The

incidence of remarriage of widowed and divorced is lower among women than men, this is due the cultural issues of remarriage with widowed women. This contributes to keep the proportion of widowed or divorced among the elderly women high (Muhammad, 2003-2004).

## **Methodology**

Current study was conducted using quantitative survey method. Quantitative research methods are basically applied for collection of data that is structured and represented numerically. Survey was conducted in local areas of Lahore city in order to collect primary data. For this purpose questionnaires was used for the collection of data. 150 questionnaires were filled by the elderly women of the local areas of Lahore. Each questionnaire consisted of 25 questions. Local areas were visited and the samples were selected for the research. We used purposive sampling technique for selecting our sample. Participants taken for this research were only elderly women between the age ranges of 60 to 80 years. Young girls and males were not included as participants. For data analysis SPSS software was used. Recording and tabulation was done in order to analyze the data properly.

## **Results and Findings**

We approached 150 elder women for data collection. Demographic information about respondents is given in this paragraph. Almost 102 (68%) women

belonged to 60 to 70 age range. Whereas 48 (32%) elder women were between the age range of 70 to 80 years. Among our respondents 25% were doing jobs while 75% of them were unemployed. Almost 7 % of the females were depending on their own income, 67% were depending on their husband's income, 13% were depending on their son's income, 3% were depending on their daughter's income, while 10% of the participants were depending on more than one source of income. 59% (n=88) of the respondents were literate and 41% (n=62) were illiterate. Furthermore on enquiring about death of their husband 20, 16, 6, and 1 female reported that their husband died 5, 10, 15, and more than 15 years respectively, before the interview. While 27 old females had 0 to 2 children, 63 old females had 4 to 4 children, 41 females had 5 to 6 children and 19 females reported that they had 6 to 10 children. The inquiry about ailments and diseases revealed that 21% of the respondents were suffering from high blood pressure, 20% from diabetes, 23% from joint pains, 11% from stress while, 25% of the females had more than one disease.

**Table 1**  
**Current and Preferred Family Structure**

| Family Type | Current          |     | Preferred        |     |
|-------------|------------------|-----|------------------|-----|
|             | Family Structure |     | Family Structure |     |
|             | <i>f</i>         | %   | <i>f</i>         | %   |
| Nuclear     | 84               | 56  | 74               | 49  |
| Joint       | 66               | 44  | 76               | 51  |
| Total       | 150              | 100 | 150              | 100 |

## Interpretation

Table 1 shows that almost 56% of the respondents are currently living in nuclear family system. And 44% participants are living in joint family system. 49% respondents preferred nuclear family structure, while 51% preferred joint family structure.

**Table 2**  
**Elder females living in the accommodation of their relatives.**

| Living Together   | <i>F</i> | %   |
|-------------------|----------|-----|
| With Son          | 24       | 16  |
| With Daughter     | 12       | 08  |
| In own House      | 112      | 75  |
| With any Relative | 2        | 01  |
| Total             | 150      | 100 |

## Interpretation

Table no 4 shows that 16 % of respondents are living in their son accommodation. 8% of respondents were living with their daughter, 75% of respondents were living in their own house and 1% of respondents were living with their relatives.

**Table 3**  
**Average Rent of the House**

| Rent of Their House | Frequency | Percentage |
|---------------------|-----------|------------|
| 10,000-20,000       | 19        | 31         |
| 20,000-30,000       | 33        | 54         |
| Above 30,000        | 09        | 15         |
| Total               | 61        | 100        |

### Interpretation

Table 5 shows that 31% of the respondents were those whose house's rent was 10,000-20,000, 54% of the respondents were those whose house's rent was 20,000-30,000 and 15% of the respondents were those whose house's rent was above than 30,000.

Simple frequency and percentage distribution of respondents to people are earning at their home.

**Table 4**  
**Number of People Earning at Home**

| People Earning at Home | Frequency | Percentage |
|------------------------|-----------|------------|
| 1                      | 67        | 45         |
| 2                      | 57        | 38         |
| 3                      | 18        | 12         |
| More than 3            | 8         | 5          |
| Total                  | 150       | 100        |

### Interpretation

Table 6 shows that 45% of the respondents have only 1 person earning at their homes, 38% of the respondents have 2 persons earning at their home, 12% of the respondents have 3 persons earning at their homes and 5% of the respondents have more than three persons at their home.

**Table 5**

### Reasons Behind loneliness of elder females

| Reason Behind loneliness | <i>f</i> | %   |
|--------------------------|----------|-----|
| Children Behavior        | 4        | 9   |
| Husband who is not alive | 25       | 53  |
| Both reasons             | 18       | 38  |
| Total                    | 47       | 100 |

### Interpretation

Table 2 identifies overall percentage distribution of respondents according to the question the table and graph indicates that 09% of the respondents were those whose children behavior is the reason of their loneliness, 53% of the respondents were those whose husband's death is the reason behind their loneliness and 38% of the respondents were those who face both these conditions.

**Table 6**

### Reason Behind Illiteracy of elder females

| Reason Behind Illiteracy | <i>f</i> | %   |
|--------------------------|----------|-----|
| Cultural Reason          | 15       | 25  |
| Poverty                  | 30       | 48  |
| Did not Interested       | 07       | 11  |
| Any Other Reason         | 10       | 16  |
| Total                    | 62       | 100 |

### **Interpretation**

The above table 3 shows overall percentage distribution of respondents according to the question the table and graph indicates that 25% of the respondents were those who were illiterate because of cultural reasons, 48% of the respondents were those who were illiterate because of poverty, 11% of the respondents were those who were illiterate because they were not interested in study and 16% of the respondents were those who were illiterate because of any other reason.

**Table 7**  
**Reason Behind No Opportunity of Health Treatment**

| Reasons           | <i>F</i> | %   |
|-------------------|----------|-----|
| Low income        | 14       | 26  |
| Children Behavior | 22       | 41  |
| Both Reasons      | 18       | 33  |
| Total             | 54       | 100 |

### **Interpretation**

Table 7 shows that 26% of the respondents were those who have no opportunity of health treatment because of low income, 41% of the respondents were those who have no opportunity of health treatment because of children behavior and 33% of the respondents were those who have no opportunity of health treatment because of both of the reasons.

**Table 8**  
**Questions about social problems of elderly women**

| S. no | Question   | Yes | %  | No  | %  |
|-------|--|-----|----|-----|----|
| 1     | Is your husband alive?   | 107 | 71 | 43  | 29 |
| 3     | Do you feel lonely in old age?   | 103 | 69 | 47  | 31 |
| 2     | Do you think ageing is the reason of loneliness?                       | 76  | 51 | 74  | 49 |
| 4     | Do your children feel you as a burden?                                 | 71  | 47 | 79  | 53 |
| 5     | Do your family consider you as a burden?                               | 27  | 18 | 123 | 82 |
| 6     | Are you suffering from any disease?                                    | 54  | 81 | 46  | 69 |
| 7     | Do you get good treatment opportunity?                                 | 96  | 64 | 54  | 36 |
| 8     | Do you feel ignorance by family is the reason of your illness?         | 45  | 30 | 105 | 70 |
| 9     | Are you living in your personal house?                                 | 89  | 59 | 61  | 41 |
| 10    | Do you have good relationship with your relatives?                     | 101 | 67 | 19  | 13 |
| 11    | Are you facing financial problems due to joint family system?          | 99  | 66 | 51  | 34 |
| 12    | Are there any negative influences of growing age?                      | 93  | 62 | 57  | 38 |
|       | Do you satisfy with your family relations?                             | 127 | 85 | 23  | 15 |
|       | Do you think illiterate women face more social and financial problems? | 59  | 40 | 91  | 60 |



### Interpretation

Table 8 shows that 51% of respondents were those who support this statement that ageing is reason of loneliness and 49% of respondents were those who did not support this statement. Almost 69% of respondents were those who feel lonely at their homes and 31% respondents were those who did not feel lonely at their homes. 47% of the respondents felt that their children consider them a burden and 53% respondents did not felt that their children considered them a burden. 18% of the respondents support this statement that there family feel them as burden, 82% do not support this statement. Almost 54% of the respondents were suffering from some disease and 46% respondents reported that they were not suffering from any diseases. 30% of the respondents reported that family ignorance is the major cause of their illness, 70% of the respondents do not feel this way. 59% of the respondents are living in their own house and 41% of the respondents were living in someone else house. 64% of the respondents were satisfied with health treatment opportunities, 36% of the respondents were not satisfied. 66% of the respondents face financial problems due to joint family, whereas 34% of the respondents do not face financial problems due to joint family. The table shows that 67% of the respondents have good relation with their relatives, 13% of the respondents do not have good relation with their relatives and 20% of the respondents have good

relation with their relatives up to some extent. 62 % respondents stated that they were facing negative impacts of growing age while 38 % of the respondents said that old age does not have any negative impacts. 85% of the participants reported that they were satisfied with their family relations, while 15% are not satisfied with their family relations. 40% of the respondents support this statement that illiterate women face more financial problems, while 60% reported that education do not increase problems.

**Table 9**

**Comparison of means of Family income and the treatment that elderly women receives by their family**

| Family Income                         | Opportunity of Treatment |               |
|---------------------------------------|--------------------------|---------------|
|                                       | Yes                      | No            |
| 10,000-20,000                         | 08<br>(14.5)             | 12<br>(7.93)  |
| 20,000-30,000                         | 16<br>(20.5)             | 14<br>(11.21) |
| 30,000-40,000                         | 12<br>(11)               | 05<br>(6.02)  |
| Above 40,000                          | 39<br>(29)               | 10<br>(15.85) |
| Total                                 | 75                       | 41            |
| Calculated value of Chi-square= 23.11 |                          |               |
| Table value of Chi-square= 12.59      |                          |               |
| Value of Significance= 0.05           |                          |               |
| Co-efficient of correlation=0.36      |                          |               |

### Interpretation

Though statistical analysis of data it is found that the calculated value of Chi-

square 12.59 at 6 degree of freedom and 0.05 significance level therefore, the actual hypothesis “ Family income is likely to be related to the treatment elderly women get in the family” is accepted and the null hypothesis “Family income is not likely to be related to the treatment elderly women get in the family” is rejected, therefore, relationship exist between the “Family Income” and “Opportunity of the treatment”. Co-efficient of correlation 0.36 shows that income and no opportunity of good treatment has week relationship.

**Table 10**  
**Age of elderly women is likely to be related to relationship they have with their relative.**

| Age   | Good Relations with Relatives |               |                | Total |
|-------|-------------------------------|---------------|----------------|-------|
|       | Yes                           | No            | To Some Extent |       |
| 60-70 | 40<br>(4.83)                  | 25<br>(34.83) | 30<br>(25.35)  | 95    |
| 71-80 | 15<br>(20.17)                 | 30<br>(20.16) | 10<br>(14.67)  | 55    |
| Total | 55                            | 55            | 40             | 150   |

Calculated value of Chi-square= 11.98  
Table value of Chi-square= 5.99  
Value of Significance= 0.05  
Co-efficient of correlation=0.27

### **Interpretation**

Through statistical analysis of data it is found that the calculated value of Chi-square 11.98 is greater than the table value of Chai-Square 5.99 at 2 degree of freedom and 0.05 significance level therefore, the actual hypothesis “age of

elderly women is likely to be related to relationship they have with their relatives” is accepted and the null hypothesis i.e. “ age of elderly women is not likely to be related to relationships they have with their relatives” is rejected, therefore, relationship exist between the “Age” and “ Good relationship with relatives”.

Co-efficient of correlation 0.27 shows that the age of elderly women and good relations with the relatives has week relationship.

**Table 11**  
**Comparison of means of Educational qualification of elderly Women leads to economic problem faced by them.**

| Educatio<br>n | Economic Problems |               |                | Total |
|---------------|-------------------|---------------|----------------|-------|
|               | Yes               | No            | To Some Extent |       |
| Yes           | 53<br>(53.72)     | 15<br>(12.11) | 11<br>(13.17)  | 79    |
| No            | 49<br>(48.28)     | 08<br>(10.89) | 14<br>(11.83)  | 71    |
| Total         | 102               | 23            | 25             | 150   |

Calculated value of Chi-square= 2.21  
Table value of Chi-square= 5.99  
Value of Significance= 0.05  
Co-efficient of correlation=0.27

## **Interpretation**

Though statistical analysis of data it is found that the calculated value of Chi-square 2.21 is less than the table value of Chi-Square 5.99 at 2 degree of freedom and 0.05 significance level therefore, the actual hypothesis “Educational qualification of elderly women leads to economic problems faced by them” is rejected and the null hypothesis “Educational qualification of elderly women not leads to economic problems faced by them” is accepted. Therefore, relationship did not exist between the ‘Educational Qualification’ and ‘Economic Problems’.

## **Discussion**

All humans are disposed to several adversaries in life however the elderly population is much more exposed to such problems. The number of elderly population is constantly increasing especially in developing countries.

## **Economic Factors Effecting Lives of Elderly Women**

We found that very few elderly females were employed and earning, while most of the females were unemployed and in one way or another depending on their family members either husband, son or daughter. Poverty and economic constraints are especially problematic for the elderly as they have very little prospects to recover from decrease in income (Cherchye, Rock & Vermeulen, 2008). Almost half of the elderly women

were literate while other half being illiterate reduces the scope for their earning opportunities. In some cases deceased husband also becomes a cause of financial distress among women. The elderly women living in their own houses had better economic conditions as it greatly benefits the financial conditions of any family. Joint family system has many positive as well as negative influences on economic conditions of a family members. Unbalanced financial conditions of a combined household proposes many problems for family on the whole. Almost more than half of the elderly women face financial problems due to joint family system. No child take's sole responsibility of taking care of elderly people. They have weak economic status due to their demanding physical and mental health. Our statistical analysis shows that age of elderly women affects her social relationship. We also found out that family members of the elderly women neglect them because of their poor health conditions. These deprivations and deplorable condition lead them to be dependent on others. Our first hypothesis, ‘family income is likely to be related to the treatment that elderly women receive by the family’ was accepted. A relationship between family income and opportunity of proper treatment was clearly identified. While our third hypothesis i.e. ‘educational qualification of elderly women increases their economic problems’ was rejected. Better education provides improved economic and social opportunities to women.

## **Social Factors Effecting Lives of Elderly Women**

Social care and family support can increase and boost the self-worth of the older adults and such support has a defensive role in the maintenance of emotional health. Half of the women pointed out that ageing are a major reason of loneliness. They don't like to stay at home all the time as it increases their loneliness. Previous researches also indicate that among the elderly, women have been noticed to have feeling of loneliness and isolation because of maltreatment of the family members (Dildar et al, 2012). Financial dependence on children is another dilemma of old age as elderly women despise the realization that they have to depend on their children for their needs. The fact that their children or other family members considered them a burden is also disturbing for them. Although the contribution of elderly people has been great in the formation, development and stability of family but their contribution is not adequately acknowledged. They are not allowed to be involved in decision making. Nuclear and joint family system is prevalent in our society in almost equal ratio. While an increasing trend of nuclear family system has been observed. The preferences of people are also similar in this context. Owing to this, the elderly population has been ignored by their children and grandchildren. Because of this ignorance of the family members the elderly feel themselves to be isolated from the society. Although social and

psychological problems are related to all phases of life, but old age poses many problems. The concept of family members associated with the economic support of old age should be independent from disturbance and children should be helpful (Josh, 2005). The second hypothesis was age of elderly women is likely to be related to relationship they have with their relatives. The result shows that there is relationship between age and good relationship with relatives is accepted.

## **Health Conditions**

It was evident from our data that most of the elderly women were suffering from many diseases such as high blood pressure, diabetes, joint pains, stress, and depression. Many among them had multiple ailments. The elderly people require proper services in organized institutions on the level of state. However the rehabilitation and residential facilities for the older population are not satisfactory at all levels (Cassum, 2014). In Pakistan strong and unconditional family support has traditionally compensated the absence of state and societal support for the whole population particularly for the elderly. However, the old-style joint family system is changing to nuclear family system. Owing to the breakdown in structure of family institution the fitness of elderly is weakened as in nuclear family elderly parents have little or even no authority and their care and support is overlooked. The prevalence of depression

is high among the elderly population. It is very significant that elderly women being vulnerable group should be provided with access to adequate health care facilities, active participation in professional and community activities, which can as a result reduce suffering from stress and depression. In some cases women pointed out that ignorance of their family members is the major cause of their illness as wellbeing of the elderly has been the concern of their family. Today family organization is molding from joint to nuclear system. This social pattern has reduced the capacity of this institution to serve as safety for elderly. Many elderly people are also living in miserable conditions. While some women reported that they don't have high expectation from their busy children. More than half of the elderly women who participated in this study reported that they were partially satisfied with the health care treatment of general hospitals. Social support, medical facilities and outdoor recreational activity were meaningfully connected to all the fields of quality of life. Among the four spheres of quality of life, physical domain had the highest rating and the social domain have the lowest rating (OnunKwor, Al-Dubai, George, Arokiasamy, Yadav, Barua, Shuaibu, 2016).

### **Conclusion**

Aging is universal and natural phenomena. Elderly population requires special need in regard to their physical mental and emotional health. This study

sheds light on the fact that opportunity of good treatment is solely based on economic conditions of the family. Elderly women often face social problems due to the neglect form family and society. Other major issues also include economic problems such as unavailability of necessary food, clothing, shelter, and adequate medical treatment. These situations may be the major reason for depression and anxiety in elderly people. Many elder people live alone, and being alone is a common source of anxiety for people of all stages. Research has important implications in improving the families' behavior towards the elders by knowing the adverse effects of the worse behavior of the family members with elders. It also implements in the area of NGO's and the Old houses which helps the homeless elders, it tells that how they should be treated. Families should properly support their elderly parents because without support they cannot continue their normal life. To promote healthy life situations adequate legislation and provision of facilities on government level is required.

### **Future Recommendations:**

A sample of 150 respondents is not enough to represent elderly women of the whole country, future researchers should include large sample. Our empirical study was limited to some areas of Lahore, whereas respondents from other cities will be helpful in generalizing the findings. We have tried to highlight social and economic problems faced by elder

women. Further study can be conducted about psychological problems.

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## THE FACTORS INFLUENCING THE APPEARANCE OF UNIVERSITY STUDENTS IN RESPECT TO SOCIAL AND PSYCHOLOGICAL PARAMETERS

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### Abstract:

*An appearance is a form of a non-verbal message. Also included are hereditary personalities such as sexual category, traditions, quality, stature, and physical construct. On personal intensity, the wearable can be drawn for the information usage of an individual's also, safety, the standard of living, social, and individual associations. Appearance and fashion styles are a compelling influence on world economies. People spend millions of dollars to look good and beautiful. People judge you by what you are wearing. If the dress is not appropriate with an environment or university one will be negative. That's why appearance is almost considered a very important aspect of human life. This research will provide useful information in discovering the significant values of this sector of university students. The research was made to highlight and quantify the understanding of the factors performance, behavior, approach, and attitude which are directly linked to clothes and appearances of a university student. This study would also give a persona that is particularly to the university-aged sector. Auxiliary studies concerning styles of university students link to the age as factor to study. To quantify the factors related to the hypothesis generated was first through the convenience sampling framework as we have drawn samples from the leading three major universities from Karachi, with a sample size of 80 respondents with a structured questionnaire to validate the hypothesis. Furthermore; we used multiple regression as our methodology to research the anomaly of the variables. Results to show that university students get to influence millions and they want social acceptance but the family role, belief regarding appearance are also play a very vital role. Furthermore; the variables significantly predict appearance it's suggested that social acceptance is highly important for university student and it will enhance their buying behavior.*

### Keywords:

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## **Introduction**

An appearance is a form of a non-verbal message. If we see on each person level appearance gives information regarding the individual standards, outlook, way of life, and social and individual personal associations. We can categorize values as external or internal. External/social values we can define by interpersonal relationships, perception, being appreciated, safety, self-controlled, associations with others. In internal values, it only focuses on each individual value.

University students are very cautious about his/her appearance. A student's own appearance is mainly a key factor for each student it represents him/her as an entity to other students and the faculty. Hygiene, humility, security, and the standard of the appropriateness of individuals should be considered. Appearances consent to others to generate opinions about the wearer including individual and social value, personal information. The university student is extremely concerned to acquire rationale products and influence others to buy it as well. University student opinions about appearance, style, and looks are very different they are more materialistic and brand-conscious they spend extra money on fashion merchandise to maintain their overall appearance, for university student clothing is used as status icon they consider themselves highly confident and powerful if they dress and appearance are high class. Social-cultural research shows a change in outlook, traditions, social

values, happening with the development and money control. Young people are enrolled in numerous universities the age group is 17 to 24. This group size is rising repetitively. This research is based on a deductive approach because it starts with the general argument and ends with specific conclusions.

## **Research questions**

- How university student's personality attributes, fashion consciousness, influence their appearances?
- Do values and norms have influences as in shopping?
- Can media create influence on the purchase?
- Does enjoyment have their relative inputs over shopping?
- Do events, situation, function influence the buying behavior?
- Do fashion leaders influence buying behavior?

## **Objectives**

- To explore social factors that influences the appearance.
- To investigate influence as a factor over shopping in considered value of enjoyment.
- To investigate the events, situation, functions influences the appearance.
- To study personality characters that influences the appearance.
- To investigate fashion leader, influence the appearance of a university student.

### Hypothesis

**H<sub>1</sub>** Personality attributes have a positive influenced through appearances

**H<sub>2</sub>** Media has a positive influence on purchases decision

**H<sub>3</sub>** Environment has an influence through buying behavior

**H<sub>4</sub>** Fashion leaders have positive influence over purchase decision

**H<sub>5</sub>** Family/Peers have positive influence on purchase decision

### Research model

The devised model is as follows;

#### Internal Values

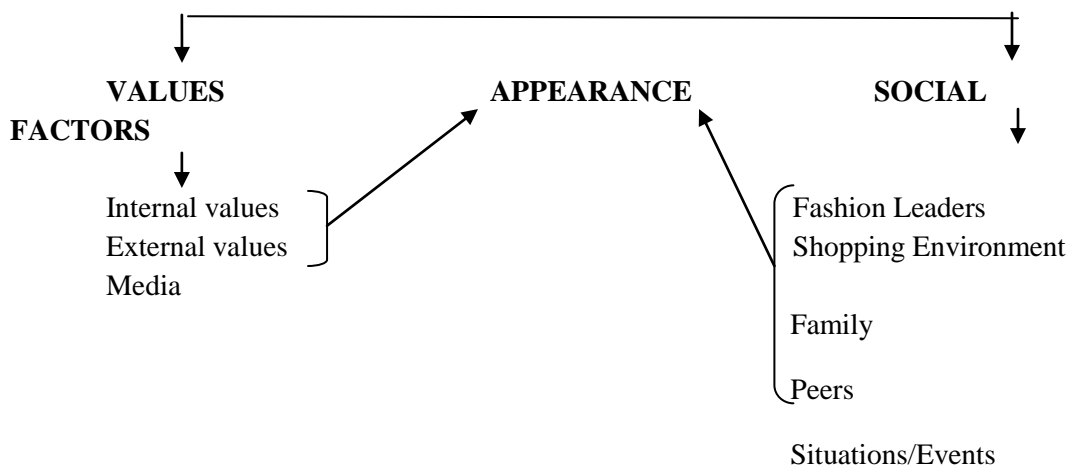
Media  
Personality Traits  
Family  
Peers

#### External Values

Values  
Fashion Leaders  
Shopping Environment

**APPEARANCE**

### Conceptual Model



## **Literature review**

Clothing is a wide term in research; the study defines as an assortment and adoption to the human body and it complements the human body. Clothing represents the overall presentation and appearance of the person. The addition and deviation to the appearance that communicates to an observer, conceptual uniqueness of the wearer, it defines the association with others, and different types of situations the wearer is apprehensive. if we look more exclusively, clothing conveys the key message 1) individual personalities which contains behavior, standards, attitudes, benefit, existence, and atmosphere, moral; 2) association such as cultural surrounding, group attachment, group responsibility (relatives and family, profession, companionship, and sexual characteristics), class, and reputation; and 3) different situations such as official events, informal, sober, & humorous. (Damhorst, Miller, & Michel man, 1999, p. 128)

Appearance is a type of non-verbal message to others. It expresses the individual social standard thus creates an image before any language/ word has spoken. Appearance refers to be the social mean of contact as well (Roach-Higgins & Eicher, 1992). Appearance normally gives the instant and noticeable image and cues regarding age, sexual characteristics, background, social class, and social position, clothing intentionally and instinctively encodes various messages

for the understanding. A lot of things can be learned by observing an individual personality and appearance (Johnson, Schofield & Yurchisin, 2002). Attire is a reflection of appearance. People observe first and then memorize. Attire is an extremely obvious form of a message to others. Clothing is understandable as three-dimensional substances that contain and enclose the body in various manners. Define clothing as an ornamental body layer. Clothing is commonly used as a basic expression for several layers for the human body (Sproles & Burns, 1994). Attire represents a tangible item create and established defined perception. It derives that clothing is used to the reason for both a personality and a group level. Attire symbolizes the individual, it is constantly a sign of which each individual is or struggle to be. (Biecher et. al., 1999)

Appearance is useful for research because they are laden with consequence. Clothing is the key factor of appearance it gives various clues regarding the wearer. As themes of information, a sample of daily life is revealing in exploring. The concept of appearance is broader than attire. On the basis of personal and individual level, represent how each individual thinks about them and convey individual principles as a person live (Damhorst, 1999). When exploring clothing in our society, we have to collect information cautiously and full understanding should be needed for the overall appearance of a person. Appearance is the best way to define as a term of the traditions in which

an individual can argue and define their wisdom of identity. The significance of the theory gives the idea, it is not important what we are wearing but how it is worn is most important (Tulloch, 2004).

Theory about fashion has been built on the basis of a social category or social status and fashion follower. Different theories suggest that the fashions of higher class people are implemented or followed by the middle class. One the fashion or style has attained the middle class; a new style is a launch in the higher class. The gathered information or awareness about certain things and recognized a comprehensively meaning system. Media facilitate values, morals, and the formation of daily life. It has the capability to educate and delicately persuade consumer performance. The effect of media is unusual nowadays because media creating the style in a culture which contains clothes and appearance (Mordas, 2004). Nowadays young cohorts are bombardment by several forms of media every day that may contain a TV, Movies Theater, and means of communication/music, journal, newspapers, and other sources of internet. This age group has the right to use the internet, TV, song, and print media and they control their spare time and activities (Weiss, 2003, p. 31). Values/principles are learned from various sources containing peers, family, and personal incident, and circuitously via the media. Values build-up from life incidents, inhabitants get experiences by

intermingling with their environment, situations causing Values/principles that contain an extremely social environment. Socially cognitive might equally lead and encourage group (Kahle, 1983).

Students are the intense user of the internet when appraising the common inhabitants. The internet is analysis as a crucial enrichment for a student's instructive knowledge because it is utilized equally in their educational and common life. Wisely, students use the internet for class deliberations and for research reasons. Generally, it suggests specific means of leisure or activity and a way to connect with the group, people for conversation and discussions (Al-Obadiah et. al, 2004). Innovative ideas for fashion may initially set by the designer or individuals. Fashion magazines may endorse the style as "trendy". Evaluation of print media is a spare time activity for students if we compare it with last years (Cusec, 2001, Dam horst, 1999). Television is generally the art of home décor, most people use television daily. University students gain knowledge and get information from watching the news, fashion shows, sports programs on television (Al-Obadiah 2004).

Nowadays a group of 17-24-year-olds gets pleasure more with media choice than all other age groups. These cohorts of young people and adults are media educated and identify precisely what has preferred from media and what medium persuade those requirements (Al-Obadiah

2004). Family and peers (referents) play an essential part in manipulating young group appearance. Social pressure is strongly unpredictable in the openness of persons to peer and orientation groups. The daytime activities permit a person to associates with others and are in touch with others, typically relatives and peers. This daily interface is acknowledged as socialization, which is crucial in determining the individual's socially desirable purpose in society (Sanders-Thompson, 1994). The family, specifically parents, has a major influence on the appearance of young kids. The family's role in manipulates appearance reduces drastically during teenage years and into young middle age as the young person starts to be conventional to peers while emergent a distinctiveness for themselves (Dam horst 1999).

As adolescence become mature and go to university, their requirements and apply of clothing transform. University students are more independent and self-sufficient in making attire selection. A major percent of university students can be classified as fashion influential or fashion-leaders and a still bigger percent as fashion supporters or followers (Stan forth, 1995). Attire and trend are the way during which persons may communicate their distinctive traits and vision of themselves. Fashion influential who promotes more fashion and endeavor for distinctiveness or exclusivity in clothing and appearance. (Goldsmith, Flynn & Moore, 1996). Fashion influential has diverse internal and consumer

distinctiveness than fashion supporters. Mostly fashion leaders are considered more with style and clothing. They lean to be more abreast of trend; they go shopping frequently and waste money more on clothing than fashion supporters. They implement the latest fashion and take more risks. But, the preference to be a fashion influential or fashion supporters is conduct by individual values (McKinney2004).

### **Methodology:**

The undertaking of this examination is to find the social factor and purchasing conduct that controls and impacts the presence of college understudies. Appearance is subjective to non-verbal messages. Appearances convey a clear stance of the persona to sees or start various gestures about the person. The defined qualities are imparted through this factor and the way in which an individual spruce up they pass on their own qualities. Students have novel conclusions about their appearances. Dress and appearance are important to investigate because they are stacked with implications. Our research depends on a quantitative strategy to gather all information through investigations, articles, and investigate diaries, books, and sites. Information for the subject examination was gathered utilizing a self-directed review in which the poll was the key instrument to quantify the viability of this investigation. The poll depended on a writing study and was covering all issues worried about the subject investigation. Therefore; as to

dissect the information accumulated from the review, for associational inquiries or research proclamations like mine, generally, specialists suggest Pearson Correlation, & Cross tab as the model structure

### **Population**

The population for this study consisted of students of undergraduate/graduate business & BCS at three institutions of higher education in Karachi which is totally based on university students. The institutions are MAJU, PAF-KIET, and CBM.

PAF-KIET has experienced teachers. Today it is a public and co-ed institution, supporting 1000 enrolled students. PAF-KIET offers degree programs at the undergraduate level, graduate level, postgraduate levels, M. Phil, MS-Management Science. CBM is one of the famous universities/institutes in Karachi, located in Korangi, CBM's serving 1500 enrolled students. They offer programs at the undergraduate level, as well as graduate and professional study and lifelong learning opportunities for their students. MAJU is also a very famous institution. They have an outstanding record of success in a wide range of professional training courses and academic. MAJU has enrolled 600 students. They offer different programs like BBA, MBA, BS (CS), BS (Telecommunication) and MS.

### **Sample technique & size**

The selection of the sample is based upon a sampling methodology of non-random convenience sample of the mentioned

university students. The selected sample shares majority of the students with diversified regional and cultural background. The sample range age is in between 1-24 years with n=80.

### **Analysis**

#### **Descriptive Statistics**

|            | <b>Mean</b> | <b>Std. Deviation</b> | <b>N</b> |
|------------|-------------|-----------------------|----------|
| Acceptance | 1.70        | .644                  | 80       |
| Go         | 2.10        | .704                  | 80       |
| Articulate | 1.80        | .753                  | 80       |
| Opinion    | 1.90        | .704                  | 80       |
| Personal   | 1.90        | .704                  | 80       |
| Dress      | 1.80        | .753                  | 80       |
| Other      | 1.80        | .604                  | 80       |
| Gather     | 2.30        | 1.011                 | 80       |

## Multiple Regressions

| Correlations        |            |            |       |            |         |          |       |       |        |
|---------------------|------------|------------|-------|------------|---------|----------|-------|-------|--------|
|                     |            | acceptance | go    | articulate | opinion | personal | dress | other | gather |
| Pearson Correlation | acceptance | 1.000      | .290  | .083       | -.513   | -.513    | .292  | -.156 | .295   |
|                     | go         | .290       | 1.000 | -.535      | .224    | -.388    | .420  | .524  | .242   |
|                     | articulate | .083       | -.535 | 1.000      | -.611   | .153     | -.250 | -.757 | -.053  |
|                     | opinion    | -.513      | .224  | -.611      | 1.000   | -.020    | -.038 | .429  | -.384  |
|                     | personal   | -.513      | -.388 | .153       | -.020   | 1.000    | -.038 | -.048 | -.384  |
|                     | dress      | .292       | .420  | -.250      | -.038   | -.038    | 1.000 | -.089 | .479   |
|                     | other      | -.156      | .524  | -.757      | .429    | -.048    | -.089 | 1.000 | -.066  |
|                     | gather     | .295       | .242  | -.053      | -.384   | -.384    | .479  | -.066 | 1.000  |
| Sig. (1-tailed)     | acceptance | .          | .005  | .231       | .000    | .000     | .004  | .083  | .004   |
|                     | go         | .005       | .     | .000       | .023    | .000     | .000  | .000  | .015   |
|                     | articulate | .231       | .000  | .          | .000    | .088     | .013  | .000  | .320   |
|                     | opinion    | .000       | .023  | .000       | .       | .429     | .368  | .000  | .000   |
|                     | personal   | .000       | .000  | .088       | .429    | .        | .368  | .337  | .000   |
|                     | dress      | .004       | .000  | .013       | .368    | .368     | .     | .216  | .000   |
|                     | other      | .083       | .000  | .000       | .000    | .337     | .216  | .     | .279   |
|                     | gather     | .004       | .015  | .320       | .000    | .000     | .000  | .279  | .      |
| N                   | acceptance | 80         | 80    | 80         | 80      | 80       | 80    | 80    | 80     |
|                     | go         | 80         | 80    | 80         | 80      | 80       | 80    | 80    | 80     |
|                     | articulate | 80         | 80    | 80         | 80      | 80       | 80    | 80    | 80     |
|                     | opinion    | 80         | 80    | 80         | 80      | 80       | 80    | 80    | 80     |
|                     | personal   | 80         | 80    | 80         | 80      | 80       | 80    | 80    | 80     |
|                     | dress      | 80         | 80    | 80         | 80      | 80       | 80    | 80    | 80     |
|                     | other      | 80         | 80    | 80         | 80      | 80       | 80    | 80    | 80     |
|                     | gather     | 80         | 80    | 80         | 80      | 80       | 80    | 80    | 80     |

## Model

| Model | R       | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|---------|----------|-------------------|----------------------------|
| 1     | .862(a) | .743     | .718              | .342                       |

a. Predictors: (Constant), gather, articulate, personal, dress, go, opinion, other

## Anova (b)

| Model |            | Sum of Squares | df | Mean Square | F      | Sig.    |
|-------|------------|----------------|----|-------------|--------|---------|
| 1     | Regression | 24.370         | 7  | 3.481       | 29.733 | .000(a) |
|       | Residual   | 8.430          | 72 | .117        |        |         |
|       | Total      | 32.800         | 79 |             |        |         |

a. Predictors: (Constant), gather, articulate, personal, dress, go, opinion, other

b. Dependent Variable: acceptance

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**Coefficients (a)**

| Model |            | Unstandardized Coefficients |            | Standardized Coefficients | t      | Sig.       |
|-------|------------|-----------------------------|------------|---------------------------|--------|------------|
|       |            | B                           | Std. Error | Beta                      | B      | Std. Error |
| 1     | (Constant) | 5.085                       | .562       |                           | 9.049  | .000       |
|       | Go         | .111                        | .090       | .121                      | 1.230  | .223       |
|       | articulate | -.297                       | .113       | -.347                     | -2.637 | .010       |
|       | Opinion    | -.805                       | .083       | -.880                     | -9.660 | .000       |
|       | Personal   | -.560                       | .073       | -.613                     | -7.692 | .000       |
|       | Dress      | .272                        | .084       | .318                      | 3.227  | .002       |
|       | Other      | -.147                       | .134       | -.138                     | -1.103 | .273       |
|       | Gather     | -.310                       | .056       | -.487                     | -5.544 | .000       |

a. Dependent Variable: acceptance

**Descriptive Statistics**

|            | Mean | Std. Deviation | N  |
|------------|------|----------------|----|
| Acceptance | 1.70 | .644           | 80 |
| Style      | 1.80 | .753           | 80 |
| Leader     | 1.60 | .668           | 80 |
| Stores     | 2.00 | .636           | 80 |
| Internet   | 2.20 | .877           | 80 |
| Clothes    | 2.68 | 1.088          | 80 |



## Correlation

|                        |            | acceptance | style | leader | stores | internet | clothes | other |
|------------------------|------------|------------|-------|--------|--------|----------|---------|-------|
| Pearson<br>Correlation | Acceptance | 1.000      | -.334 | .188   | -.494  | -.788    | .022    | -.156 |
|                        | Style      | -.334      | 1.000 | .443   | .211   | .061     | .167    | -.535 |
|                        | leader     | .188       | .443  | 1.000  | .000   | -.208    | -.234   | -.704 |
|                        | stores     | -.494      | .211  | .000   | 1.000  | .544     | -.201   | .264  |
|                        | internet   | -.788      | .061  | -.208  | .544   | 1.000    | .056    | .459  |
|                        | clothes    | .022       | .167  | -.234  | -.201  | .056     | 1.000   | .131  |
| Sig.<br>(1-tailed)     | Acceptance | .          | .001  | .047   | .000   | .000     | .424    | .083  |
|                        | Style      | .001       | .     | .000   | .030   | .294     | .070    | .000  |
|                        | leader     | .047       | .000  | .      | .500   | .032     | .019    | .000  |
|                        | stores     | .000       | .030  | .500   | .      | .000     | .037    | .009  |
|                        | internet   | .000       | .294  | .032   | .000   | .        | .312    | .000  |
|                        | clothes    | .424       | .070  | .019   | .037   | .312     | .       | .123  |
| N                      | acceptance | 80         | 80    | 80     | 80     | 80       | 80      | 80    |
|                        | style      | 80         | 80    | 80     | 80     | 80       | 80      | 80    |
|                        | leader     | 80         | 80    | 80     | 80     | 80       | 80      | 80    |
|                        | stores     | 80         | 80    | 80     | 80     | 80       | 80      | 80    |
|                        | internet   | 80         | 80    | 80     | 80     | 80       | 80      | 80    |
|                        | clothes    | 80         | 80    | 80     | 80     | 80       | 80      | 80    |

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### Correlations

Variables Entered/Removed (b)

| Model | Variables Entered                          | Variables Removed | Method |
|-------|--|-------------------|--------|
| 1     | clothes, stores, nternet, leader, style(a) | -                 | Enter  |

a All requested variables entered.

b Dependent Variable: acceptance

### Model Summary

| Model | R       | R Square | Adjusted Square | Std. Error of the Estimate |
|-------|---------|----------|-----------------|----------------------------|
| 1     | .879(a) | .773     | .757            | .318                       |

a Predictors: (Constant), clothes, internet, style, leader, stores

### ANOVA (b)

| Model |            | Sum of Squares | df | Mean Square | F      | Sig.    |
|-------|------------|----------------|----|-------------|--------|---------|
| 1     | Regression | 25.339         | 5  | 5.068       | 50.266 | .000(a) |
|       | Residual   | 7.461          | 74 | .101        |        |         |
|       | Total      | 32.800         | 79 |             |        |         |

a Predictors: (Constant), clothes, internet, style, leader, stores

b Dependent Variable: acceptance

### Coefficients (a)

| Model |            | Unstandardized Coefficients |            | Standardized Coefficients | t       | Sig.       |
|-------|------------|-----------------------------|------------|---------------------------|---------|------------|
|       |            | B                           | Std. Error | Beta                      | B       | Std. Error |
| 1     | (Constant) | 2.710                       | .205       |                           | 13.221  | .000       |
|       | style      | -.398                       | .059       | -.465                     | -6.772  | .000       |
|       | leader     | .282                        | .066       | .292                      | 4.265   | .000       |
|       | stores     | .051                        | .073       | .050                      | .702    | .485       |
|       | internet   | -.542                       | .051       | -.739                     | -10.706 | .000       |
|       | clothes    | .130                        | .038       | .219                      | 3.443   | .001       |

a Dependent Variable: acceptance

Social acceptance that hairstyle, fashion leadership, visiting stores, internet (media, additional clothes) and are all significantly correlated with social acceptance. Furthermore, this model

shows a very good model for predicting social acceptance of the appearance of the university students.

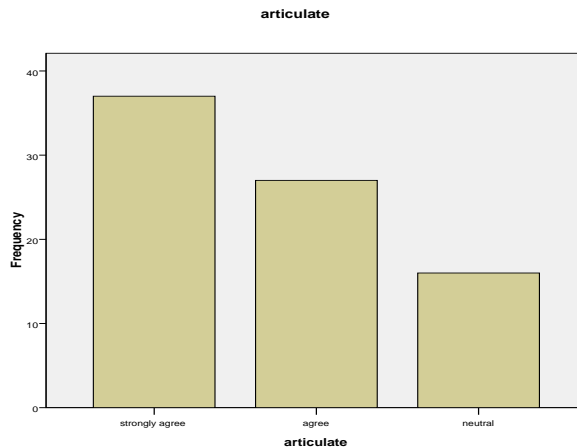
**Results:** Survey Findings Frequencies

### Q1. Traditions & customs plays vital

Articulate

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | strongly agree | 37        | 37.0    | 46.3          | 46.3               |
|         | agree          | 26        | 26.0    | 33.8          | 80.0               |
|         | neutral        | 17        | 17.0    | 20.0          | 100.0              |
|         | Total          | 80        | 80.0    | 100.0         |                    |
| Missing | System         | 20        | 20.0    |               |                    |
| Total   |                | 100       | 100.0   |               |                    |

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**Interpretation:**

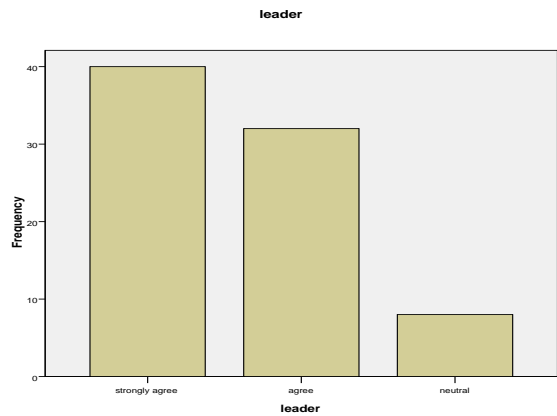
Table and chart show that most of the respondents (i.e. 37%) said *strongly agree*

that they communicate their traditions/customs through their clothing style.

**Q.2 Fashion leader has an importance in my selection.**

**Leader**

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | strongly agree | 40        | 40.0    | 50.0          | 50.0               |
|         | agree          | 31        | 31.0    | 40.0          | 90.0               |
|         | neutral        | 9         | 9.0     | 10.0          | 100.0              |
|         | Total          | 80        | 80.0    | 100.0         |                    |
| Missing | System         | 20        | 20.0    |               |                    |
| Total   |                | 100       | 100.0   |               |                    |



**Interpretation:** agree that it's important for them to be a fashion leader.

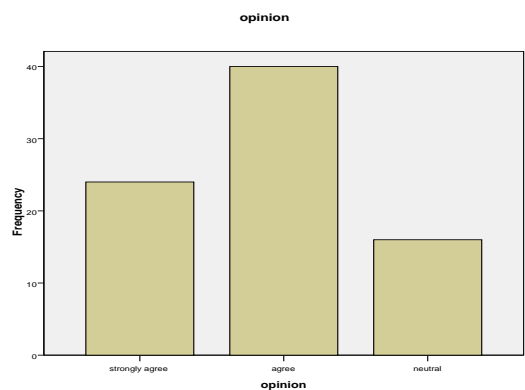
the above table and chart show that most of the respondents (i.e. 40%) said strongly

**Q3. Family selection has importance over friends' suggestion in clothings**

**Opinion**

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | strongly agree | 25        | 25.0    | 30.0          | 30.0               |
|         | disagree       | 39        | 39.0    | 50.0          | 80.0               |
|         | neutral        | 16        | 16.0    | 20.0          | 100.0              |
|         | Total          | 80        | 80.0    | 100.0         |                    |
| Missing | System         | 20        | 20.0    |               |                    |
| Total   |                | 100       | 100.0   |               |                    |

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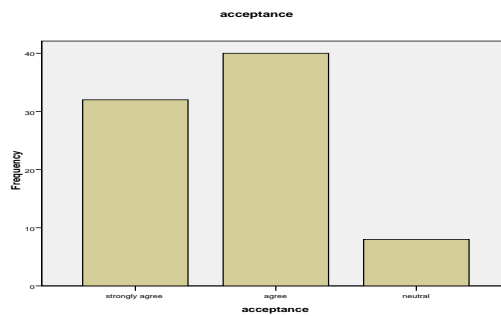


**Interpretation:** more important than their friends' opinion regarding fashion.  
 Table and chart with 40% said mildly agree that family views and opinion is

**Q.4. My choice to get socially accepted in dressing**

**Acceptance**

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | strongly agree | 31        | 31.0    | 40.0          | 40.0               |
|         | agree          | 41        | 41.0    | 50.0          | 90.0               |
|         | neutral        | 8         | 8.0     | 10.0          | 100.0              |
|         | Total          | 80        | 80.0    | 100.0         |                    |
| Missing | System         | 20        | 20.0    |               |                    |
| Total   |                | 100       | 100.0   |               |                    |



### Interpretation:

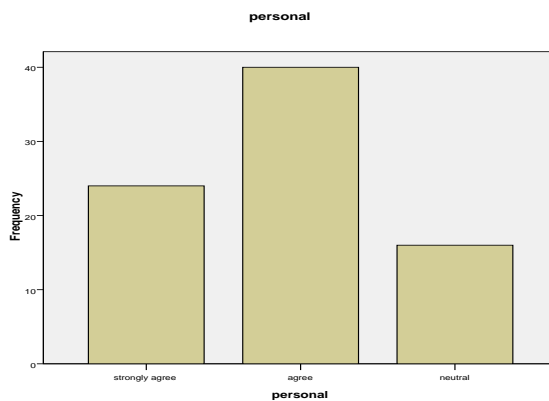
Table and chart with around 40% said agree that social acceptance of clothing is important for them.

### Q.5. Personal characteristic in terms of lifestyle and attitude influence my buying behavior

#### Personal

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | strongly agree | 23        | 23.0    | 30.0          | 30.0               |
|         | Agree          | 40        | 40.0    | 50.0          | 80.0               |
|         | neutral        | 17        | 17.0    | 20.0          | 100.0              |
|         | Total          | 80        | 80.0    | 100.0         |                    |
| Missing | System         | 20        | 20.0    |               |                    |
| Total   |                | 100       | 100.0   |               |                    |

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**Interpretation:**

of lifestyle and attitude influence my buying behavior.

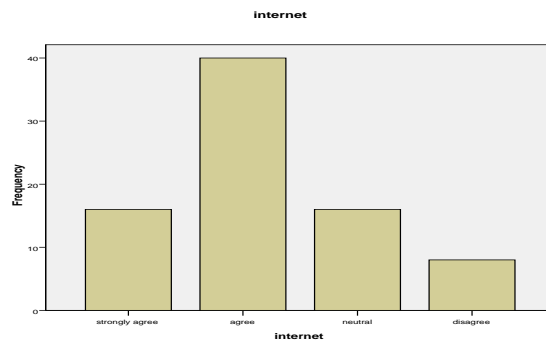
Table and chart with response 40% said agree that personal characteristic in terms

**Q.6. Media such as internet influences my buying behavior**

**Internet**

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | strongly agree | 17        | 17.0    | 20.0          | 20.0               |
|         | Agree          | 40        | 40.0    | 50.0          | 70.0               |
|         | neutral        | 15        | 15.0    | 20.0          | 90.0               |
|         | disagree       | 8         | 8.0     | 10.0          | 100.0              |
|         | Total          | 80        | 80.0    | 100.0         |                    |
| Missing | System         | 20        | 20.0    |               |                    |
| Total   |                | 100       | 100.0   |               |                    |





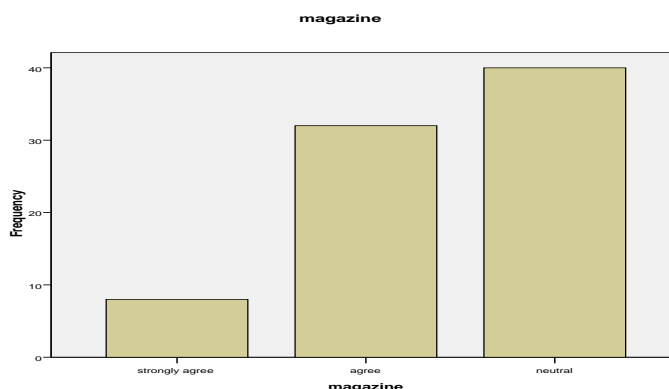
**Interpretation:**

Table and chart having response 40% said agree that media such as internet influences their buying behavior.

**Q.7. Media such as fashion magazine influences my buying behavior**  
**Magazine**

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | strongly agree | 9         | 9.0     | 10.0          | 10.0               |
|         | Agree          | 31        | 31.0    | 40.0          | 50.0               |
|         | Neutral        | 40        | 40.0    | 50.0          | 100.0              |
|         | Total          | 80        | 80.0    | 100.0         |                    |
| Missing | System         | 20        | 20.0    |               |                    |
| Total   |                | 100       | 100.0   |               |                    |

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### **Interpretation:**

The above table and chart with 40% said I am neutral that media such as fashion magazine influences their buying behavior.

### **Conclusion**

The factors socially play an important role in the appearance of young people particularly university students. Results show that university students get influence easily and they want social acceptance but the family roles, beliefs regarding appearance are also play a very vital role. Furthermore; it shows that the variables significantly predict their contribution as in appearance it's suggested that social acceptance is highly important for university student and it will enhance their buying behavior. In the end "hairstyle, fashion leadership, visiting stores, internet (media), additional clothes go shopping, gather information, dress properly, Articulate customs, family opinion, personal characteristics "are the predictor variable and *Appearance* was dependent variable for this study.

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## **A REVIEW ON PAKISTANI SMES: IMPORTANCE AND CHALLENGES FACE BY SMES**

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*Saba Farooq<sup>4</sup>*

*AdeelaKhalid<sup>5</sup>*

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### **Abstract**

*The small and medium-sized enterprises (SMEs) regarded as a key contributor in progression of an economy and main pillar of GDP of any country. SMEs are the major source in generating employment. Generally, the large firms are often thought as the larger contributors towards the economic development and foreign exchange earnings but now this point of view has been changed because countries like Korea, Taiwan, and Japan have developed and boosted their economies through the Small and Medium Enterprises businesses.*

**Key Words:** SMEs, GDP, Pakistan

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## **1. The Importance of SMEs**

SMEs promote sufficient economic growth and development and are the source of wealth, dynamism, knowledge, improved livelihood, and competitiveness. Compared to multinational corporations, on a social level, SMEs have a direct impact on poverty alleviation. In an economy where SMEs are successful and integrated into the formal economy, there is a better use of human and material resources (Leo, 2011).

All over the world, SMEs are regarded as the most substantial proportion of business establishments. According to Organization for Economic Cooperation and Development (OECD), SMEs contribute tremendously in employment opportunities, market creation, and development; delivering a better living standard, along with contributing hugely in the gross domestic products (GDPs) in a vast majority of countries (OECD, 2002).

Strategically, SMEs' roles are crucial in many developing countries, mostly which are located in the Asian region. In Japan, SMEs signify 99.7% of businesses, provide 71 % of employment and accumulate 55.3 % in GDP (OECD, 2017); In Malaysia, SMEs characterize for 97% businesses, hold 65% of employment and contribute 36% in its GDP (The World Bank, 2016). In Indonesia, the conforming figures are 99.8%, 99.7%, and 57% respectively (International Council for Small Business,

2015). In the case of China, 99% of the total business establishments hold by SME's, signify 70% of employment and contribute 60% in GDP (Deborah & Oluwaseun, 2015).

In Pakistan there are about 3.2 million SMEs operating in Pakistan which holds about 90% of the total firms, contributing over 40% of GDP, sharing 35% in manufacturing goods and accounting for 30% in exports of manufactured goods (Khalique, Shaari, et al., 2011). Hence, in Pakistan SMEs are the main source of sustainable economic development of the country and need further research investigation for the problems desolation.

## **2. SMEs in Pakistan**

SMEs are perceived as the backbone of the Pakistani economy. In the industrial sector, they employ up to 90% of all private enterprises and almost 78% of the labor force from the non-agriculture sector. Besides giving out 36% value addition in the manufacturing products, their contribution is around 40% in GDP, and they contribute 30% share in the exports of manufactured products. Table 1 shows the Pakistani SMEs distribution.

**Table No 1: SMEs division province wise in Pakistan**

| Province           | SME units |
|--------------------|-----------|
| Punjab             | 65.26 %   |
| Sindh              | 17.82 %   |
| Khyber Pakhtunkhwa | 14.21 %   |
| Baloshistan        | 2.71%     |

Source: SMEDA (2016)

For this reason, the Ministry of Economy had established the National Entrepreneur Institute (INADEM), aimed at developing a competitive entrepreneurial environment. These plans strove to not only give financial assistance, but also to build entrepreneurs and employees' capacities in terms of marketing, training, organizational structure, and technology to fortify SMEs and promote regional development.

Likewise, two main factors make SME more favorable to innovate than large firms. Firstly, SMEs are flexible enough to make rapid adjustment in their business operations and planning in a short time span and secondly, this requires less financial resources for growth as the SMEs' organizational structure are less complicated as compared to large firms making them more flexible and possess less bureaucratic regulations and red tapes in the decision-making process.

Another point is the government has given a significant emphasis on the SME sector and prioritized it as an important strategic sector (SMEDA, 2016). To illustrate, the national strategy for the SMEs indicates that, undoubtedly, highly

performing SME sector can play an active role in encountering the challenges of the low productivity and the other issues such as the regional development, the income generation, the unemployment, and the poverty eradication. This relevant as the Pakistani SME sector consists of a vast array of business areas including manufacturing, services, agriculture, tourism, construction, fisheries, and mining.

This is further supported by Jasra et al. (2012), who highlighted that SMEs are contributing quite effectively in industrial employment and export of different manufacturing goods. They added that dynamic and flexible SMEs are playing their part in reducing unemployment levels, earning foreign exchange, upgrading the knowledge profile of the workforce, and diffusing technological learning all over Pakistan. Also, SMEs are constructively and productively mobilizing the domestic resources, which otherwise could have lain idle and unemployed (Akhtar, Raees&Salaria, 2011).

### **3. Importance of SMEs in Pakistan**

In fact, a few studies revealed that it has been on record that SMEs contribute significantly towards the promotion of Pakistan's industrial sector. Many researchers have studied this fact and documented in the SME literature. According to SMEDA (2016), SME plays

the following roles in the Pakistani economy, which includes among others,

**Employment generation:** SMEs assist the government in the provision of employment opportunities as to many people in the country as possible, thereby reducing unemployment in the society. These enterprises operate in urban, semi-urban, and rural areas, and by this, they can provide means of livelihood to the inhabitants of such areas byways of employment.

**Use of local resources:** Small and Medium enterprise sector is geared towards the production of simple consumer goods that use local raw-materials as compared to modern large-scale manufacturing formations. Industries like textiles, food and beverages, and many more depend mainly on local resources.

**Entrepreneurship development:** The growth of SMEs has brought about the development of entrepreneurial activities in the sense that entrepreneurs have access to local raw materials and with little capital and initiative they can engage in small and medium scale activities.

**Conservation of foreign exchange:** One of the significant contributions of SMEs is the conservation of foreign exchange through import substitution because the total production of SME sector has been inadequate to meet the demand of the local consumption, the question of export hardly arises. However, the product from

the sector serve as the substitutes for those: which might have been imported with a considerable amount of foreign exchange. With the rapid development of SMEs, import of certain items is gradually reducing while the local production of such items is encouraged.

**Equitable distribution of income and wealth:** SMEs development does not concentrate on one particular area of the economy or state. Instead they exist in every part of the country, and each part have several types of such enterprises. This makes it possible for them to share almost equally all facilities and incentives made available to them by the government. For instance, the creation of Small Scale Industrial Centers in every state of the federation arid from which the sector benefited. Thus, SME growth potentials are bound to ensure equitable distribution of income and wealth to many people.

**Capital formation:** SMEs contribute to capital formation, and they are significant sources of private savings for productive purposes. SMEs are also known to acquire relatively little infrastructural investment, and to utilize locally available raw materials instead of relying on exports. Furthermore, SMEs can look inwards and identify/develop products for domestic consumption and the export market as a means of earning foreign exchange for their country.

It can be concluded that SMEs of Pakistan plays a vital role in the growth of the economy of the country and enhances

GDP. In developing countries like Pakistan, SMEs contributes to the development of the economy and also a significant source of the employment generation. Despite the facts, the performance of Pakistan still lacking behind; therefore, the performance of SMEs has to be enhanced to get the maximum output.

#### **4. Challenges Faced by SMEs in Pakistan**

According to Ali et al., (2011) the main problems hindering performance of SMEs in Pakistan include insufficient sources of getting external knowledge, lack of innovation activities, unfavorable government policies, , high threats due to uncertainty, lack of intellectual resources, insufficient institutional support, lack of suitable business strategies adoption , and as well as the unfavorable business environment.

Also, another constraint faced by the SME sector is the low level of technology and the absence of technical and managerial skills. The low level of technology has directly reduced the innovation activities and operational efficiency of the SMEs. The insufficiency in intellectual skills decreases the ability to compete against the rivals. Unfortunately, the government supportive organizations and other organizations such as universities have not taken the responsibility of improving the technical and professional knowledge in this sector. What is more, many SMEs in Pakistan do not have the intellectual skills and

relevant educational background to manage their businesses. These affect their ability to do effective control and planning. Some SME owners use the loans obtained for the business for personal use (Khalique et al., 2015). This is evident when the large numbers of SMEs ended up their operation between 1 to 5 years, while some vanished within 6 to 10 years of existence and the small scale enterprises in Pakistan that continue to grow to maturity are less than 5% to 10% (Khalique, Isa, et al., 2011). Hence, this indicates that SMEs in Pakistan has low growth and high mortality rate. Consequently, SMEs performance of Pakistan is below the expectation level as compared to the others from the middle-income level countries (Bilal et al., 2016). For any firm, Intellectual capital is one of the key success factor In the knowledge-based economy (Khalique, Shaari, et al. 2011).In Pakistan, lack of experienced and skilled workers are the main hurdle in declining the performance of SMEs. SMEs need to establish the concept and practical implication of intellectual capital, to attain the market-based competitive edge.

Other than that, innovation is considered a major issue in SMEs in Pakistan. In the Global Innovation Index report, Pakistan is positioned at 108th out of 128th countries. There are more than 3.2 million business enterprises in Pakistan; 99% of those businesses are SMEs (Bilal et al., 2016). However, the non-competitive SMEs sector has suffered loss of market share both in local as well as foreign



markets, ultimately resulting in overall declining in SMEs performance. Bilal et al. (2016) further expanded that Pakistani SMEs are not actively and extensively involved in the innovation activity or building innovation capability, this is due to lack of financial and expertise capabilities, hence becoming barriers for SMEs to perform well and create value.

Another reason for the underperformance of SMEs in Pakistan is environmental turbulence. In Pakistan, turbulent environment is the main hurdle that hinders the performance of the firms and prevent them from taking advantage of opportunities (Harram & Fozia, 2015). That is the reasons behind the low growth rate of the textile industry which lags behind the other Asian counterparts such as China, India, and Bangladesh. In just few years, Pakistani manufacturer sector is facing competition from regional players and the textile share in global market keeps decreasing from 2.2% to 1.6%.

According to the Bureau of Statistics of Pakistan, the country's exports of the merchandise have decreased to \$10.322 billion from \$12.058 billion during the first seven months of the current year. Percentagewise, the decline is recorded at 14.40%. The leading causes of the declining exports such as the outdated technology, lack of intellectual capital, and absorptive capacity cited as some of the reasons contributing to the lower exports of the textile product of Pakistan (Pakistan Ports and Custom, 2015).

## 5. Conclusion and Recommendation

SMEs are regarded as one of crucial pillar in progression of any economy. The importance of SMEs are acknowledged in each economy either they are developed, developing or under-developed. In Pakistan, SMEs are also playing vital role in economic development of the country. This paper tries to summarize the importance and challenges faced by SMEs of Pakistan. Current paper highlighted some factors which creating hurdle in smooth functionality of Pakistani's SMEs. Future researchers should focused on these key factors while conducting the researches.

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## EFFECT OF ORGANIZATIONAL SOCIALIZATION ON ORGANIZATIONAL INNOVATION

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Muhammad Zulqarnain<sup>2</sup>

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### Abstract:

*The aim of research is to explore the relationship between organizational socialization and organizational innovation among the employees of banking industry of Pakistan. Organizational innovation is very essential and important topic for the organizations of modern age. Organizational socialization is considered as independent variables and organizational innovation is considered as dependent variable. There are number of studies which are held in advance countries for exploring the phenomenon of organizational innovation. Current research is a unique effort to check the relationship of organizational socialization with organizational innovation in Pakistani cultural context. Banking industry is chosen for doing this study, because this sector is playing critical role in the economy of Pakistan. Technique of random sampling was used for choosing the sample. 340 employees were provided the questionnaires and 308 questionnaires were used in final analysis. These employees belonged to 44 bank's branches of Lahore. For collecting the data a structure questionnaire was used. Test was performed with the help of SPSS 24. A series of test like reliability analysis, correlation analysis and multiple linear regression analysis was performed with the help SPSS 24. Organizational socialization is good predictor of organizational innovation.*

**Key words:** Organizational socialization, Organizational Innovation, Banking Sector, Lahore Pakistan

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## **Introduction**

Current research is designed to explore the relationship between organizational socialization and organizational innovation among the employees of banking industry of Pakistan. According to Nawaz & Khatoon, (2015), “organizations of modern era are facing dynamic environment changes like shortening of product life cycle, fast technological changes and globalization”. Traditionally, organizations are running with very slight innovations (Ahmed & Mahmud 2011).

Moreover these organizations are focused “only on quality of products which may be useful for customers for long period instead of changing it each year (Nawaz & Khatoon, 2015)”. This means that these organizations are lacked behind regarding the concept of innovation. It is obvious that organizations of modern age must be more innovative to survive and creative to grow, to compete, and to lead (Mumford & Gustafson, 1988). Organizational Innovation is crucial for attaining the competitive advantage of organizations as well as for reducing the cost in the 21st century (Mumford & Gustafson, 1988). Hence, an increasing competition is faced by the organizations in the field of innovation (Mumford & Gustafson, 1988). Organizational innovation is considered as key variable in many advance countries. According to report of French “Community Innovation Survey” (CIS 2006), organizational innovation is most prevalent type of innovation in

French organizations. According to this report (CIS 2006), 47.6% French organizations are involving in organizational innovation. This implies that 52.4% of French organizations are lacking in implementation of concept of organizational innovation.

Researches have proved that there is positive relationship of organizational innovation with organizational performance and organizational productivity (Mazzanti, Pini, & Tortia, 2006; Mol & Birkinshaw, 2009). This suggests that organizational innovation is critical for enhancing the performance and productivity of the organizations. In French organizations, organizational innovation has significantly enhanced the quality of services and goods up to (41.9%) and response time to customers (33.4%) (CIS 2006). This shows that there is still a need for improvement in organizational innovation. According to Lu et al., (2008), in Asian Pacific organizations are facing problem regarding innovation in the organizations. This means that organizational innovation is the serious problem for the organizations of advance countries and in Asian countries.

Previous researches show that industrial sector of Pakistan lacks behind in term of innovation Ahmed & Mahmud (2011). According to Global Competitiveness Reports 2011-2012, Pakistan ranks at 118<sup>th</sup> out of 145 countries respectively. India falls at 109, China at 81, and Turkey at 61 (World Bank, 2011). Pakistan is much behind in term of innovation (Kalim

& Lodhi, 2002). Another latest report (World Economic Forum Global Competitiveness Report 2016-17) indicates that Pakistan ranks 122 among 148 countries because of little innovation. All above discussion shows that organizational innovation is a serious problem for most of the countries and this problem is much apparent in developing countries like Pakistan. Organizational innovation is based on adaptation of new technology (Ayerbe, 2006; Damanpour & Evan, 1984; Kimberly & Evanisko, 1981; Ménard, 1994; Mol & Birkinshaw, 2009; Molleman & Broekhuis, 2001). Current study is conducted on banking sector of Pakistan in developing country like Pakistan. Here the organizations lack behind in prospect of organizational innovation.

### **Transformational Leadership**

Simola et al. (2012) defined transformational leadership to be a kind of leadership in which dealings or associations between interested groups are managed, “around a collective purpose” with the directions to “transform, motivate, and enhance the actions and ethical aspirations of followers.” Geib and Swenson, 2013, further illustrate about the transformational leadership as the leadership style that highlights positive transformation “in those who follow” and those who achieve required changes through the “strategy and structure” of organizations. Transformational leadership is categorized in various forms of behavior (Bass, 1990). The first

characteristic of transformational leadership utilizes the charisma of leaders to make sure the relation of trust and respect with the stakeholders to make them delighted. Furthermore, the charisma emphasizes the conditions of common vision and the roadmap regarding the objectives required for the transformation. Secondly, the motivation is also considered a characteristic that a leader utilizes to highlight the struggle of the workers (followers); the leaders explain the basic objective of the transformational process and simply convey the message of higher level of expectations to accomplish the tasks in better ways. The third characteristic of transformational leadership is intellectual motivation. The leaders psychologically motive the employees while they take part in practices of creativity or problem solving matters. The fourth characteristic of transformational leadership is individual consideration. In this form of transformational leadership, the leaders offer the personal attention to each employee individually to facilitate them if needed any assistance to that employee by the leader.

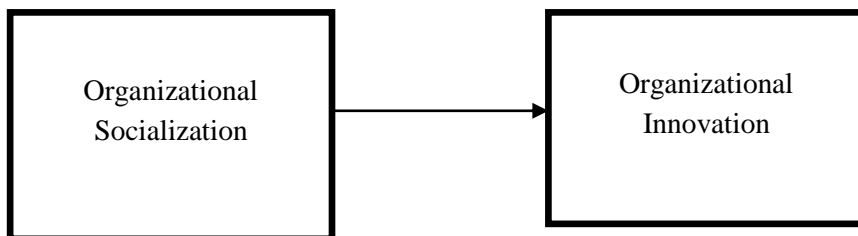
### **Organizational Socialization**

The organizational socialization is defined as a cognitive learning process in which knowledge and collecting information is included. The organizational learning process is considered as a learning process (Fisher, 1986) and the other scholars belief learning as the “heart of socialization” (Ashforth, Sluss, and

Harrison, 2007). The organizational socialization is having various models with the similar dimensions (Taormina, 1997; Chao et al., 1994). The first dimension of the organizational socialization is termed as the “role clarity or the performance proficiency” that is described as the accusation of expertise and capabilities related to the tasks performed (Taormina, 1997). It can be clarified that the attitude and behavior is also important along with the skill and abilities. The second domain of organizational socialization is facilitating behavior of colleagues. The relationship between the staff of the organization is very important to evaluate the performance of the organization. In socialization process the source of learning about the organization is also valuable. The support of the staff is essential where the tasks are performed in the form of team-work because the performance of the team is dependent on

each worker of the team. The third domain of the organizational socialization is getting information about the politics, traditions and history of the organization. The new employee of the organization must have understanding about the formal and informal procedures of the organization and it will lead to success of that employee (Louis, 1980). The fourth dimension of socialization is the understanding towards the vision, mission, strategies, values and goals. The job description is valuable for an employee but the information about the values and objectives get that worker committed with the long term objectives (Chao et al., 1994). The final domain of the socialization proposed by Taormina (1997) is “future prospects”. Future prospects is related to the evaluation of the worker about himself towards the organization i.e. job security and future in the organization.

### **Hypothesized Research Model**



## **Organizational socialization has positive effect on organizational innovation**

From the best of researcher knowledge, no previous research was not checked the relationship of organizational socialization with organizational innovation. Current study has proposed the following hypothesis.

### **H1: Organizational socialization has impact on Organizational Innovation.**

#### **Sample Size**

For conducting this research simple random sampling technique is used. For doing so, 340 employees are selected from the 44 banks branches of Lahore. The process of selecting these employees is that first of all selection of the bank's branches is done with the help of simple random sampling technique (Ishak & Alam, 2009). Then data will be collected with approximately 100 percent of employees in three attempts .308 complete questionnaires are used for final analysis.

#### **Data Collection Procedure**

This research is based on data received from 308 respondents. As, Israel (1992) described that for smooth simple & multiple regression analysis, an ideal sample must be ranged from 200-500 respondents. For this purpose 340 questionnaires were distributed. 325 questionnaires were returned back. 17 questionnaires were incomplete and excluded from final analysis. Structured

questionnaire of this research consisted of 22 statements. Before filling the questionnaires, officers of selected branches were delivered necessary information. For gaining the good standard and unbiased data, employees were insured that data would be kept confidential.

#### **Data Analysis Tools and Techniques**

SPSS (Statistical Program for Social Sciences) 20 is used for interpretation of data. First of all data is organized in the SPSS sheet. The demographics of the questionnaire portion is calculated by mean values and frequency distributions techniques. This research ale uses the series of analysis techniques for complete analysis. After that reliability analysis is used then correlation analysis and at the end regression analysis is used for checking the acceptability or rejection of hypotheses.

#### **Measurements and Instruments**

Organizational Innovation is measured with three item scales which is adopted from the scale of Miller and Friesen's (1983). Reliability of this scale was ( $\alpha = 0.777$ ). Organizational socialization is measured with the help of 10 items scales which is adopted by Haueter et al. (2003). Reliability of this scale was ( $\alpha = 0.850$ ). All these variables are measured on five point Likert scale from strongly disagree to strongly agree.



## Reliability of Data

### Reliability Statistics

| Cronbach's Alpha | N of Items |
|------------------|------------|
| 0.738            | 3          |

The above table provides the value of Cronbach's Alpha of organizational innovation which is 0.738. This value is greater than 0.50. This value indicates that data is reliable.

### Reliability Statistics

| Cronbach's Alpha | N of Items |
|------------------|------------|
| 0.845            | 10         |

The above table provides the value of Cronbach's Alpha of organizational socialization which is 0.8456. This value is greater than 0.50. This value indicates that data is reliable.

## Correlation Analysis

Table No 5.12 Correlation Analysis

|    | OI      |
|----|---------|
| OI | 1       |
| OS | 0.374** |

\*\*Correlation is significant at the 0.01 level (2-tailed)

## Model Summary

| Model | R     | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------|----------|-------------------|----------------------------|
| 1     | 0.501 | 0.251    | 0.244             | 0.64557                    |

Correlation analysis is proving the result about nature of relationships i.e. positive or negative relationships. The above correlation analysis matrix is describing the relationships among organizational innovation and organizational socialization. The coefficient of correlation between organizational innovation and organizational socialization is 0.374. This means that these variables are positively correlated with each other's.

## Regression Analysis

The value of p for the organizational socialization and organizational innovation is 0.000. This value is less than 0.01. This means that hypothesis about the relationship of these variables is accepted. The value of  $\beta$  describes the strength of relationship. The value of  $\beta$  for the relationship of organizational socialization and organizational innovation is 0.416. This result indicates that one unit's increase in organizational socialization will increase the level of organizational innovation equal to 41.6%.

**ANOVA<sup>b</sup>**

| Model |            | Sum of Squares | df  | Mean Square | F      | Sig.  |
|-------|------------|----------------|-----|-------------|--------|-------|
| 1     | Regression | 42.504         | 3   | 14.168      | 33.995 | 0.000 |
|       | Residual   | 126.696        | 304 | .417        |        |       |
|       | Total      | 169.199        | 307 |             |        |       |

a. Predictor: (Constant) OS

b. Dependent Variable: OI

p<0.01

p<0.10

p<0.05

**Coefficients<sup>a</sup>**

| Model |            | Unstandardized Coefficients |            | Standardized Coefficients | t'    | Sig. |
|-------|------------|-----------------------------|------------|---------------------------|-------|------|
|       |            | $\beta'$                    | Std. Error | Beta                      |       |      |
| 1     | (Constant) | 0.279                       | .354       |                           | .787  | .432 |
|       | OS         | 0.416                       | .074       | .288                      | 5.619 | .000 |

a. Dependent Variable: OI

p<0.01

p<0.05

p<0.10

Value of R square describes the nature of variance percentage in criterion (dependent variable) by the predictors (independent variables) (Triola, 2004). Value of R square indicates that either the association is better or not better (Triola, 2004). Value of R square is 25.8%.

The values of F represents that how much the predictors (independent variables) have jointly noteworthy association with criterion (dependent variables). The Coefficient of F test gives the value 33.995. This value is good one. And value of p of F is = 0.000 i.e. this value is <0.01.

**Conclusion and Recommendations**

A large number of organizations all over the world are facing the issues about organizational innovation. This research is conducting on banking industry of Pakistan. Effect of some predictors like organizational environment, transformation leadership and organizational socialization is examined on organizational innovation. Result of first hypothesis indicates that organizational socialization is foremost predictor of organizational innovation then organization environment and then transformational leadership. And these results are same like the results of previous researches (Jung et al. 2003; Garcí'a-Morales & Llorens-Montes

2006). In future researches will be carried out on other sectors i.e. telecom, education, and health care sector for generalizing the results. In future studies, some important variables like organizational learning and shared vision must be included. In future researches compare the results of Foreign and Local banks. In future study, some variable like work-related stress and job stress which has negative effect on organizational innovation must be included. For generalizing the results, longitudinal studies will also be done on organizational innovation.

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## HOW SUSTAINABLE ARE SUSTAINABLE DEVELOPMENT GOALS IN PAKISTAN: STUDY IN PERSPECTIVE OF PROJECTS BY NGOS RELATED TO REDUCING INEQUALITIES

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### Abstract:

*UNSDGs achievement by any country is impossible without inclusion of segments of societies into social and economic sphere. NGOs are best for implementation projects related to social and economic inclusion, having grass roots connection with communities. The study is conducted to analyze the financial factors that influence the projects sustainability in context of various geo political factors in Pakistan. Financial Data from official documents was taken for organizations conducting projects related to social inclusion and economic inclusion. 10 Organizations in both categories were selected with track record of continuous projects from 2009-2018. Regression and correlation was examined on variables of income from donors and own income generation by organizations. Projects sustainability is highly dependent on income from donors, either working on social or economic inclusion. Organizations are not leveraging their assets to generate income and self-sustainability of projects. The research has been conducted for organizations working on projects in domains of social and economic inclusion in Pakistan, from 2009-2018 without interruption. To ensure Agenda 2030 implement, NGOs needs to be understood as strategic partner by stakeholders. Project financial sustainability is mandatory either through ensuring smooth funding from donor or out of box solution for self-sustainability of projects. This study can be used as a base for comparison of project sustainability related to other Goals of SDGs, by social sector organization in Pakistan.*

**Keywords:** Social Inclusion, Economic Inclusion, Project Financial sustainability, UNSDG Implementation, Reducing inequalities.

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## **Introduction**

### **UNSDG**

Since history, recorded or unrecorded humans has faced many challenges, good thing is that we have survived. However, current millennium opens up challenges which are threats to the existence of life on this planet. The challenges are global and are not limit to humans only.

The intensity of the challenges in future, led the world leaders and nations to come up with the Millennium Development Goals, which after revision been presented to nations in form of Sustainable Development Goals. The millennium development goals were addressing to issues to developing nations, however SDGs apply to all countries and addresses the shortcomings in MDGs (Fukuda-Parr, 2016). With 17 goals, 169 targets and 300 indicators, nations are now contributing their efforts through projects, programs and policies to build a sustainable future on planet (UN, 2015).

## **Literature Review**

### **UNSDGs categorization**

UNSDGs can be categorized into three domains-social, economic and environmental. Researchers have contributed in defining the concept of sustainable future by elaborating the all efforts to reach the ultimate goal of “Sustainable Wellbeing” (Daly, 1992). Costanza, McGlade, Lovins, & Kubiszewski (2014) categorized the ultimate goal of sustainable wellbeing into three domains of Efficient Allocation, Fair Distribution and Sustainable Scale.

The Sustainable Scale includes the goals related to existence of life within planetary boundaries. The domain of Fair Distribution is composed of human centric goals of ensuring opportunities for prosperity for all segments of society leaving behind the factors of nations, religion, ethnicity and others (Table 1). The third domain composed of goals related to efficient allocation of resources to have a sustainable living economy. The “Means-End” Spectrum shows the hierarchy of goals starting from “ultimate Means” to “Intermediate Means” to “Ultimate Ends” (Costanza, et al., 2016).



**Table 1: UN SDGs clustered under the umbrella of Fair distribution: protecting capabilities for flourishing**

|         |   |
|---------|---|
| Goal 1  | End poverty in all its forms everywhere   |
| Goal 2  | End hunger, achieve food security and improved nutrition, and promote sustainable agriculture   |
| Goal 3  | Ensure healthy lives and promote well-being for all at all ages   |
| Goal 4  | Ensure inclusive and equitable quality education and promote life-long learning opportunities for all   |
| Goal 5  | Achieve gender equality and empower all women and girls   |
| Goal 10 | Reduce inequality within and among countries  |
| Goal 16 | Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels |
| Goal 17 | Strengthen the means of implementation and revitalize the global partnership for sustainable development  |

### **Reducing Inequalities through Social inclusion of marginalized segments of society; Goal 5, 10 and 16 of Agenda 2030**

The challenge of community inclusion particularly in third world countries was addressed in SDGs under Goal 10 of “Reducing Inequalities”, neglected in MDGs. This has been among one of the criticism on MDGs by social and behavioral sciences subject matter experts. The disparities within and outside the boundaries of nations has been strongly advocated by Civil society groups and developing countries specially included in G77 (Fukuda-Parr, 2016).

The concept of reducing inequalities is beyond just the idea of helping less privilege segments of society in monetary terms. The Goal 10 targets and indicators focus on inclusion of all humans in economy, society and politics regardless of social barriers including age, gender and social class etc.(UNDP, UNDP SUPPORT TO THE IMPLEMENTATION OF SUSTAINABLE DEVELOPMENT GOAL 10, 2016). Reducing inequalities main crust is to end discrimination of any type and ensuring the opportunities for all in terms of education, nutrition, health, access justice, housing and economic resources (UNDP, United Nations Development Programme, ‘Humanity Divided: Confronting Inequality in Developing Countries”, 2013).

### **Reducing inequalities by Non Profit Organizations projects at community level**

Organizations working in grass root level of communities like CSOs, CBOs and NGOs have the first-hand knowledge and experience through project implementation. The feedback in terms of lesson learning, case studies, success stories and experience sharing becomes an organization’s asset and can be used in ideation and planning phases of projects and programs by other organizations (Adams, 2019).

Role of organizations working at grassroots level of community, in the inclusion and participation of citizen in social and economic development and civic norms is evident in many countries and cultures (Oxhorn, 2016). Community based organizations proved to be well effective in raising voice of people, social presence, bridging the gap between public and public officer, democratic rights and accountability (Yeni, Zain, Bala Raju, & Shahid, 2018; Fagan, Hanson, Hawkins, & Arthur, 2008; Yang & Pandey, 2011). Effective implementation of projects and policies related to citizen participation by organizations working at community level has proved to be effective and supportive to local development and local governance institutions and reducing the inequalities among various segments of society in terms of social and economic empowerment (Waheduzzaman & Alam, 2015; Yeni, Zain, Bala Raju, & Shahid, 2018; Wahid, et al., 2017).

### **Reducing Inequalities through Economic inclusion of marginalized segments of society; Goal 1 of Agenda 2030**

Inequalities in terms of income, rights and social justice have been one of the factors which negatively impact the human development, regardless of culture and boundaries (Caillods, 2016). Sen (1997) advocated strongly broadening the discussion from income equalities to economic equalities at individual level which had not been captured by statistical. The argument was concluded with remarks that serious injustice and substantial inequalities among individuals and communities should be the main focus of social inclusion efforts in a society.

Increase in economic inequality is believed to be one of the major causes of civil unrest and crime in a society (Daly, 1992). Cederman, Weidmann, & Gleditsch (2011) studied and correctly argues that economical and political inequalities ultimately leads to civil war and serious conflict among the culture and ethnic groups found on extremes of economic opportunities are more likely to experience civil war.

Fair distribution of wealth, economic opportunities and inclusion of marginalized segments of society into the main stream was given due importance in the Agenda 2030. Goal 1 of no poverty and Goal 8 of Decent work and economic growth has been carried from MDGs to SDGs, which depicts the fact that a lot has to be done to ensure fair distribution of

opportunities. With 1 out of 10 person living in extreme poverty and 700 million workers living in extreme and moderate poverty needs to be economically inclusive, to increase their daily income more than \$3.20 per day, the 'leave no one behind' was one of the five 'big transformative shifts' necessary to drive the new paradigm (UN, 2015).

The shared goals of the communities, states and planet are impossible without the fair distribution of wealth and opportunities. Exclusion of segments of societies and states from the development cycle is main gap for sustainable and prosperous future. The economical inclusion of UNSDGs not only covers the domains of micro level but expands to macro economies (Costanza, et al., 2016).

### **Economic Inclusion through Micro Finance Organization:**

The causes to the problem of poverty may differ from region to region and economy to economy, from which the poverty stems out. The opportunities framework to end poverty comprehends physical, structural and social aspects (Latif, Nazar, Mehmood, Shaikh, & Shah, 2011). Inclusion of communities from the financial resources, equal distribution of opportunities to have income generation and developing abilities of communities to participate positively and productively in market driven economy, has been answered by microfinance organizations (Arun & Hulme, 2008). Micro finance main purpose is to open gate of financial opportunities in shape of small loans to

downgraded segments of society including women, allowing them to kindle the economic inclusion through entrepreneurial creativities (Khavul, 2010).

Grameen Bank is pioneer real life story of economically inclusion of people, suffered from monsoon heavy rains, floods, poverty and lack of opportunities, into the main stream of economy of Bangladesh. The bank originates in form of action research project near Chittagong University by Dr. Muhammad Yunus, in 1976. The initiative was later given status of micro credit bank in 1983 through Government order, because of the huge and fruitful impact on the hypothesis that communities can be productive and economically inclusive into economy, if provided working capital. Since its incorporation, Grameen Bank and Dr. Muhammad Yunus and micro credit sector are interwoven terms when we talk about economic inclusion of poor (Wahid & Hsu, 2000; Yunus, 1998; Hossain, 1988).

Apart from micro credit; entrepreneurial skills, technical capacity building, livelihood opportunities, market access, thinking traits and entrepreneurial essence of the borrower compliment the financial inclusion. Micro finance sector started under the domains of Not for profit organization (NGOs) with focus on capacity building and entrepreneurial spirit among borrowers, however microfinance organizations are evolved into the domain of commercial organization or social businesses

(Chowdhury, 2009). NGOs and micro finance organization have contributed valuable contribution across to neglected segments of society across globe to primary objective of reducing economic inequalities and latterly social inclusion, much effectively and responsibility than states (Samer, Majid, Rizal, Muhamad, & Rashid, 2015; Ali, 2016; Abimbola, Malik, & Mansoor, 2013; Idris & Agbim, 2015; Ukanwa, Xiong, & Anderson, 2018; Hussain, Mahmood, & Scott, 2019).

### **Factors effecting Reducing inequalities in Pakistan**

There have been studies by researchers, studying various factors influencing the inclusion of neglected segments of society into main streams. The macroeconomic factor has been one of the major reason in Pakistan resulting in income inequality since 1980 (Ali, 2016). The shaky democratic regimes in Pakistan led to weak institutions and local government systems and are also one of the major reasons why inequality among various segments prevails in political, economic and social fabrics in Pakistan (Amir-ud-Din & Khan, 2017). Thus political inclusion of an ordinary person does support the access to opportunities by neglected segments of society. This supports the findings and common perception that heavy expenditure on defense budget has been directly linked with less expenditure on social and economic development in states like Pakistan and others security states (Raza,

Shahbaz, & Paramati, 2017). The feudal, patwari system and poor land reforms in Pakistan in various eras has periodically contributed in widening the gap between the opportunities and common man especially in rural setup (Anwar, Qureshi, Ali, & Ahmad, 2004).

Access of common man to opportunities and social inclusion is not only the effect but the root cause of many problems as well. The rising inequalities in income among various classes in Pakistan is a root cause of environmental hazards to common person especially carbon emission (Baloch, Shah, Noor, & Magsi, 2018). Urbanization is another factor which is the effect of lack of opportunities particularly in rural setup (Anwar, Qureshi, Ali, & Ahmad, 2004).

### **Factors affecting project sustainability by NGOs**

The community based organizations work at the grassroots level in Pakistan and this is not a smooth sailing to be a front line implementer in diverse cultural dimensions in Pakistani society (Pasha, Iqbal, & Mumtaz, 2002). The linkage between sustainability of such projects and inclusion of marginalized segments of society is directly linked and validated in Pakistan (Zaidi, 2005). The projects which are conceptualized to reduce inequalities by nonprofit organizations target the marginalized segments of society as direct beneficiaries and usually it is taken as a threat to status quo stakeholders in society (Yeni, Zain, Bala Raju, & Shahid, 2018).

Government's role and support in smooth implementation of projects by NGOs lack sustainability and consistency at various eras particularly in military led regimes (Pasha, Iqbal, & Mumtaz, 2002; Raza, Shahbaz, & Paramati, 2017). Government was found to be on back foot in support to civil society and nonprofit organizations projects and initiatives specially related to fierceness against women, honor killing, blasphemy law misuse, freedom of speech and even on fight against terrorism in various eras (Pasha, Iqbal, & Mumtaz, 2002).

Still Government in Pakistan never ruled out the role of NGOs and communities based organization in social inclusion and some organizations like Pakistan Poverty Alleviation Fund, National Rural Support Program and Rural Support Program in all provinces are being funded by Government (Mustafa, Gill, Azid, & Khan, 2000).

Various political and social factors have still been proven as hindrance in the implementation. The community based projects, particularly to empower communities, must be above the political interference and elite control in order for the smooth and effective implementation and these factors are linked to uninterrupted by financial risks and leading to financial sustainability of the projects (Wahid, et al., 2017; Hussain, Mahmood, & Scott, 2019).

### **Unfavorable conditions for Social inclusion and empowerment projects (Goal 10) in Pakistan;**

The Social sector in Pakistan has faced much turbulence in the past and the policy of Government towards them has never been always steady. Government support was witnessed in welfare, emergency relief and philanthropy projects and initiatives (Yeni, Zain, Bala Raju, & Shahid, 2018). However projects related to Goal 10 of UNSDG i.e. social inclusion, minority rights, gender equality, political advocacy and mobilizing support for civil society were not supported by Government (Pasha, Iqbal, & Mumtaz, 2002; Zaidi, 2005; Amir-ud-Din & Khan, 2017; Yeni, Zain, Bala Raju, & Shahid, 2018). In fact many times Government and its subordinate institutions were witnessed in opposite role of facilitation when they were found vocal against the “untouchable” issues and taboos (Raza, Shahbaz, & Paramati, 2017; Amir-ud-Din & Khan, 2017).

There are cases when social projects were opposed due to public perception of anti-state or anti-religion (Bano, 2008). Pakistan has witnessed threats to social initiatives and projects under Taliban regime in Swat valley and Tribal Areas. Social and field workers were attacked, schools were destroyed, women were not allowed to earn livings and local leaders were threatened who raised voice in favor of social inclusion and reducing inequalities by militants and their apologists (Din, Mumtaz, & Ataullahjan, 2012; Qazi, 2013). Even the polio eradication program face severe threats with propaganda campaigns and even lethal attacks on Polio Eradication Team

in both urban and rural setup. Government has to deploy military to protect the implementation of program. Abbottabad Operation increased the controversial status of polio eradication initiative into scandalous (Abimbola, Malik, & Mansoor, 2013).

Social and Development sector organizations have faced the front-liner in war against extremism and many projects were initiated and conceptualized to combat radicalization in Pakistani society (Mirahmadi, Farooq, & Ziad, 2012). A very good example is of Pakistan Institute of National Affairs, who conceptualized and launched a workshop series and capacity building project in 2006-08 for Madaris students and administration, conceptualized to bring back their students into main stream of society (Qazi, 2013).

### **Financial Sustainability of NGOs led projects;**

NGOs, CSOs or CBOs are nonprofit organization and profit earning is not the basic intention of the existence of such organizations. However, the projects sustainability mainly depends on availability of financial resources and one of main factor in project management triangle (Yescombe, 2002). Mustafa, Gill, Azid, & Khan (2000) discussed in details how the lack of financial resources affect projects and emphasized on alternate financing methods alongwith better governance to have maximum impact on communities through their projects and programs.

Decline in donors funding to projects and shift of focus to other domains, usually stood out as main causes why NGOs need to find different sources of funding. Nonprofit and social sector organizations usually have donated money in form of traditional fund raising, social contracting and donor funding to have financial sustainability of the projects (Alymkulova & Seipulnik, 2005).

International Donor Agencies usually come up as the best source of funding for social sector projects. From all phases of project management; conceptualization, planning, implementation, closing and evaluation, international donor agencies have enough financial sources as well as expertise, analysis and lesson learnt from other projects, to have sustainability of project and its impact.

For Profit organizations have adapted philanthropic strategy under Corporate Social Responsibility which includes issuance of grants to events and projects related to social welfare, usually in collaboration with NGOs (Sobczak & Martins, 2010). However, they lack experience of being connected to communities as compared to communities based organizations, who act as front line implementers of projects (Holmes, Banda, & Chawansky, 2016; Claydon, 2011). In germane of various political and social factors, there is continuous search going on for more practical, effective and alternate model of CSR to have maximum interaction with beneficiaries of philanthropist projects and initiatives by organizations (Claydon, 2011).

Financial Sustainability depends upon two sources for social and development projects; either own income generation or Income from donors.

Own income is also a major pillar of project sustainability and entails raising of funds that are unrestricted and flexible. The NGOs can generate own funds through contributions to a trust/endowment fund; fundraising for institution building/operations; sale of goods/services; financial management and corporate alliances. Thus, own income measures other funding the NGO raises through its own activities and sources other than donors in order to build reserves (Carroll & Stater, 2008).

Good donor relationship management involves building and nurturing positive connections with donors. The stronger the relationships an NGO have with its donors the more sustainable projects it is (Ali, 2016). Donor relationship management entails being able to keep track of major donors and their funding priorities, and keeping donors updated on the organization's activities. Managing relations with donors also includes being able to account for the use of donor funds according to grant agreements, agreed scope of projects, timelines and budgets (Fukuda-Parr, 2016). Yeni, Zain, Bala Raju, & Shahid (2018) added that part of donor relations management is being able to understand what the donor wants, who the NGO's contact person in the donor's office is, and relevance of project to donors agencies portfolio.

### **Research Gap;**

With emphasis on increased partnership between NGOs, CSO's, INGO's, Corporate Sector and government to conceptualize, initiate and execute projects related to social inclusion(Qazi, 2013), which contribute to reducing inequality, the financial sustainability of such projects in Pakistan remains a question. There is a gap to study financial sustainability in perspective of unfavorable situations in Pakistan for the projects conceptualized in perspective of Goal related to social and economic inclusion of UNSDG.

### **Research Objectives:**

The aim of the study is to understand the following questions.

H1: Is Funding from donors directly affect the sustainability of Social Inclusion Projects.

H2: Is own income generation by organization effect the sustainability of Social Inclusion Projects.

H3: Is Funding from donors correlates with own income generation by organizations working on Social Inclusion Projects.

H4: Is Funding from donors directly affect the sustainability of Economic Inclusion Projects.

H5: Is own income generation by organization effect the sustainability of Economic Inclusion Projects.

H6: Is Funding from donors correlates with own income generation by organizations working on Economic Inclusion Projects.

### **Methodology:**

The financial data of top 10 organizations working on Projects and Programs of Reducing Inequalities in Pakistan, have been picked. The data was collected from their financial disclosure in official documents including project documents and annual reports. The documents were taken from NANGO Data base and some documents were taken from the organizations for the research paper as well. The selection of 10 organizations was based on the volume of project finance on the projects and programs. Data was collected from the year 2009-2018. The organizations selection also was based on continuity of projects or programs on Reducing Inequalities continuously throughout the duration. Project sustainability has been taken as Dependent Variable and Own generation income and funding from donors have been taken as Independent variables.

Data was coded and analyzed using a STATA version 11.2. Correlation model was applied to determine the significance of variables. The quantitative analysis was done using an econometric model. Descriptive and inferential statistics were used to obtain relationships between the variables and answer the research questions.

Where: Y = Project Sustainability (PS)

X1 = income from donors (IFD)

X2 = own income generation (OIG)

### **Hypothesis 1**



H1: Is Funding from donors directly affect the sustainability of Social Inclusion Projects?

**Test:-**

Variable of Income from Donors as independent variable was regressed

**Table 4.2: Model summary**

| Model | R    | R Square | Adjusted R Square | Std. Error of the estimate | Durbin-Watson |
|-------|------|----------|-------------------|----------------------------|---------------|
| 1     | .809 | .654     | .611              | 213632.9                   | 1.12          |

**Finding:-**

Table 4.2 shows that the adjusted R-square is 0.611. From the model summary above, looking at the adjusted R-square the selected variables (factors influencing project sustainability) explained over 61 percent of the variations in the dependent variable (project sustainability). Durbin Watson tests sows that there is positive correlation between the two variables.

against the Dependent variable of Project sustainability. In order to obtain statistics for inference purposes, multiple regression analysis was conducted and the results are presented below in Table 4.2 below.

H2: Is own income generation by organization effect the sustainability of Social Inclusion Projects?

**Test:-**

Variable of Own generated Income as independent variable was regressed against the Dependent variable of Project sustainability. In order to obtain statistics for inference purposes, multiple regression analysis was conducted and the results are presented below in Table 4.3 below.

**Table 4.3: Model summary**

| Model | R                 | R Square <sup>b</sup> | Adjusted R Square | Std. Error of the estimate | Durbin Watson |
|-------|-------------------|-----------------------|-------------------|----------------------------|---------------|
| 2     | .706 <sup>3</sup> | .564                  | .761              | 254632.7                   | 1.31          |

**Finding:-**

Table 4.3 shows that the adjusted R-square is 0.761. From the model summary above, looking at the adjusted R-square the selected variables (factors influencing project sustainability) explained over 76 percent of the variations in the dependent variable (project sustainability). Durbin

Watson tests sows that there is positive correlation between the two variables.

H3: Is Funding from donors correlates with own income generation by organizations working on Social Inclusion Projects?

**Test:-**

Correlation test was applied on variables of Funds from Income and Own income

Table 4.4: Model summary

| Correlation |               |
|-------------|---------------|
|             | Donors income |
| Own income  | <b>0 .389</b> |
| P value     | <b>.000</b>   |

generation. Model Summary of the test can be found in Table 4.4.

**Finding:-**

Table No 4.4 shows that there is a 38.9 percent relationship between own income and the donors income. There is a highly significant relationship between Own income and Donors income as per p value =0.000

H4: Is Funding from donors directly affect the sustainability of Economic Inclusion Projects?

**Test:-**

Variable of Own generated Income as independent variable was regressed against the Dependent variable of Project sustainability. In order to obtain statistics for inference purposes, multiple regression analysis was conducted and the results are presented below in Table 4.5 below.

**Table 4.5: Model summary**

| Model | R                 | R Square <sup>b</sup> | Adjusted Square | R | Std. Error of the estimate | Durbin Watson |
|-------|-------------------|-----------------------|-----------------|---|----------------------------|---------------|
| 1     | .809 <sup>3</sup> | .742                  | .711            |   | 237182.94580               | 1.16          |

**Finding:-**

Table 4.5 shows that the adjusted R-square is 0.711. From the model summary above, looking at the adjusted R-square the selected variables (factors influencing project sustainability) explained over 71 percent of the variations in the dependent variable (project sustainability). Durbin Watson tests shows that there is positive correlation between the two variables.

H5: Is own income generation by organization effect the sustainability of Economic Inclusion Projects?

**Test:-**

Variable of Own generated Income as independent variable was regressed against the Dependent variable of Project sustainability. In order to obtain statistics for inference purposes, multiple regression analysis was conducted and the results are presented below in Table 4.6 below.

**Table 4.6: Model summary**

| Model | R                 | R Square <sup>b</sup> | Adjusted R Square | Std. Error of the estimate | Durbin Watson |
|-------|-------------------|-----------------------|-------------------|----------------------------|---------------|
| 2     | .706 <sup>3</sup> | .764                  | .861              | 67832.76580                | 1.10          |

**Finding:-**

Table 4.6 shows that the adjusted R-square is 0.861. From the model summary above, looking at the adjusted R-square the selected variables (factors influencing project sustainability) explained over 86 percent of the variations in the dependent variable (project sustainability). Durbin Watson tests shows that there is positive correlation between the two variables.

H6: Is Funding from donors correlates with own income generation by organizations working on Economic Inclusion Projects?

**Test:-**

Correlation test was applied on variables of Funds from Income and Own income generation. Model Summary of the test can be found in Table 4.7.

**Table 4.7: Model summary**

| Correlation |                   |
|-------------|-------------------|
|             | Donors income     |
| Own income  | <b>0 .379.000</b> |
| P value     |                   |

**Findings:**

Table No 4.7 shows that there is a 37.9 percentage relationship between own income and the donors income. There is a

highly significant relationship between Own income and Donors income as per p value =0.

**Discussion:**

Projects and programs of any sort, needs financial support to ensure sustainability. Cost has been termed as one of the main pillars in Project Triangle. However, the projects and programs by social or development sector, are tend to be more sensitive in terms of financial constraint and stability.

Not for profit organizational projects have faced turbulence in sustainability, as the national and international factors have highly effected the sustainability of projects. The check and balance on funds transfer to NGOs and INGOs have been tightened and as a result the projects suffered a lot.

To overcome the dependency on funding from donors, the organization came with the solution of asking funds to self-sustain the NGOs by starting ventures through social entrepreneurship and small business activities (Alymkulova & Seipulnik, 2005).

The research concludes that projects related to Social and Economic inclusion or reducing inequalities in Pakistan, are

highly dependent on self-generated income by not for profit organization. The dependency of projects is positively correlates with funds from donors. So, both financial inputs for projects; from external and internal funding determines the sustainability of projects and both funding modes are correlated with each other.

The institutionalization of not for profit organizations needs to be rethink, as external factors including geo political and economic factors, which are beyond the control of organizations are determining the financial sustainability of the projects. The religious and political circles of society, impact the donations from within the country.

The organization thus heavily depends on the funding from external organizations including International NGOs and International Donor funding agencies. With Pakistan name in FATF Grey list and unstable geo political situation since 2009, international commitment in terms of financial donation to projects particularly related to civil society and social inclusion has not been sustainable. There are conditions after APS Attack, when all the social sector organization has to go through strict scrutiny just like the banned outfits.

This labeling of NGOs from state has created a misperception regarding NGOs among masses. This distortion of image has been depicted during the data collection process of the survey, where almost professionals at various levels have shared their concern. Best example

can be of Save the Children. After Abbottabad Operations, Save the children has faced tight scrutiny by security and internal affairs officials.

Under these conditions, the question of sustainability of the projects is doubtful. Author made the following recommendation for the sustainability of the projects by NGOs especially under Goal 10 of UNSDG.

NGOs need to rebuilt their perception and guarantee from state, if they wants the projects sustainable. This has been effecting Pakistan progress towards achieving Agenda 2030. Social gap is widening in every terms in society of Pakistan.

This research report calls for international donors to consider supporting the project sustainability of NGOs by allowing them to use part of donated funds to engage in social entrepreneurship and small businesses, so that organizations can create their own income generation activities. Organizations need to leverage their assets towards social entrepreneurship activities seeking out of the box social innovation solution, rather than the traditional just philanthropic activities.

#### **Limitations and Future Studies:**

The study limits to NGOS working on social and economic inclusion only in Pakistan. The

Future studies can be done on the factors affecting the sustainability of projects, others from financial domains like motivation level of project leaders, state

affairs, Donor Agency policies and economic factors in country etc.

The studies can be further taken up assessing the sustainability of projects from financial factors, on projects on other goals of UNSDGs.

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## **WOMEN-PRENUERSHIP: A STRONG PILLAR OF HUMAN CAPITALIN PAKISTAN**

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### **Abstract:**

*Human, Financial and knowledge capitals are the basic fundamental pillars for the steady economic growth of any country. Pakistan is blessed in this regard that it holds a rich human capital, which can assume an imperative job in the advancement. Inclusion in building up Women's organizations gives works opportunities, monetary strengthening and social acknowledgment to them. 50% of the global population is constituted of women(World Bank 2016) but this area has not been tapped still due to the lower feminine rank and file in the society. This paper posit that despite of Gender inequality and constraint women entrepreneurship (WE) in Pakistan is the emerging sector and sustainable development can be achieved by strengthen women entrepreneurial intentions. Qualitative approach was employed to identify the core factors that have influence over the rise of women as an entrepreneur and findings indicates that set up of learning laboratories is unavoidable for the inculcation of the entrepreneurial mindset. SWOT Analysis of Women Entrepreneurship reveals that a Feminine power can be utilized to concrete self-development, economic opportunities, knowledge transfer and change in socio-Cultural perception and in this context role of the Government of Pakistan is very critical because without devising proper policies for the establishment of the eco-system in a society ranging from culture, mind-set of a society to formal and informal trainings and education of entrepreneurship, WE is just a dream.*

**Key Words:** Women Entrepreneurship, Economic Empowerment, Gender Inequality, Socio-Cultural Perception.

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## **Introduction**

Due to rapid globalization and liberalization role of women has been evolving day by day from traditional to the top achievers. Women from every walk of life despite of discrimination of urban, rural, educated, non-educated or skilled are sharing a larger pie in the economic prosperity. According to the report 1/3 of the World entrepreneurial activities consist of women entrepreneurship (Female Entrepreneurship Index, 2106). The Global entrepreneurship and development Institute ranked Pakistan at 123/150 countries in 2015 with the GDEI score of 20.1 (Acs, Szerb & Loyd 2017). This low position indicates the weakness in attitude toward technology adaptation, start-up facilitation, absorption of new trends and cultures, lack of policies and procedures and above all support from the government.

## **Women empowerment through education**

In this era of knowledge-based economy education is a deniable fact. Literacy rate of females in Pakistan are 40% out of 200 million people which is unfortunately very low, partly because of the negligence of the government. Movers and shakers of this society contradict their statements that they believe on the critical a vital importance of Education. Empowerment and enhancement of women is unavoidable element for sustainable development. It would be worthy if the

proper policies are devised and implemented for the female entrepreneurial strength from entrepreneurial awareness to formal or informal education, from mindset to shared responsibilities. Eventually at the end of this drill it will be beneficial for both women and Economy, as with the raise in the social, economic, political and individual status of the women livelihood of human capital also increases. Characteristics credited to ladies, for example, emotionalism, tenderness, affectability, detachment, and absence of rationale, form generalizations that have been appeared to be viable hindrances to work, advancement, and pay increments.

This speak of empowerment specialty requires Academic-Industry linkages and provision of larger or at least equal number of share for the females in opportunity provision with market access and resource availability. Traditional education is not enough in this regard, perhaps vocational and technical education and skill development is a way forward. Generation of technically sound females is the will bring about a change in the economy of Pakistan. There is a huge responsibility on the shoulders of our education sector and universities to cultivate the culture of research for females, so they can be able to respond and adapt new innovations and changes.

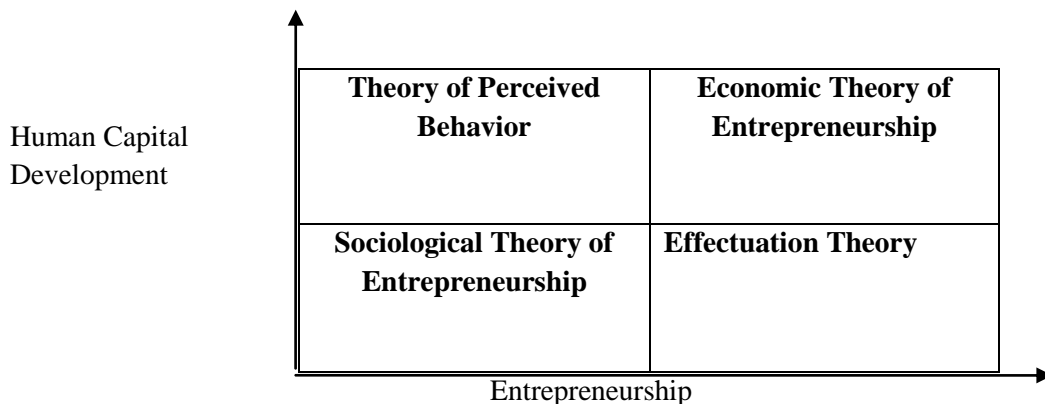
### Entrepreneurship: a paradigm shift

Entrepreneurship is a phenomenon to be discovered and found the journey full of bumpy rides while exploring this (Davidsson, 2005). The previous partners' entrepreneurship with creativity and change-situated conduct, while the latter incorporates additionally undertaking related inspiration, skill, and desire to gain for self. Entrepreneurship envelops three key research spaces: Entrepreneurship, Leadership, and Human Resource Management (Kim & Bae, 2018). Moreover, detailed that proficient human asset can contribute towards monetary and social prosperity of Pakistan and empower it to proactively alter, receive and react to exhibit day challenges (Shabbir, Shariff, & Salman, 2018).

Entrepreneurs are considered as ‘‘game changers’’ in any country. 56% of our generation is under age of 25 and there is a serious lack of jobs in a market for them. Keeping in view this dearth of employment it is advisable to create an enterprise rather to stand in a line to get the jobs. There is no age limit to be an entrepreneur; the only criterion is an availability of required resources i.e land, labor and material (Economic Theory of Entrepreneurship). It was founded that, the phases of advancement are more fluctuated at the development driven stage than at either the factor-driven stage or the productivity-driven stage (Acs, Szerb & Loyd 2017). Suggestions for open strategy recommend that organizations should be fortified before the enterprising asset can be completely conveyed.

### Entrepreneurship Theories:

**Fig 1: Self Developed Entrepreneurial Quadrant**



To illustrate the theories of entrepreneurship this quadrant has been developed, which permit the entrepreneurs to decode the situation through the lens of the particular theory. Richard Cantillon (1680-1734), Jean Baptiste and Adam Smith (1723-1790) hooked up the entrepreneurship with economics and by introducing classic theory of Entrepreneurship they analysed the way how market economy work and embarked entrepreneurs as an ultimate decision maker (Bylund & McCaffrey 2017). By building a bridge by Parker in his book explained the link between the Theory of Perceived behavior and Economics theory of Entrepreneurship, that the spurs of economy influence the entrepreneurial behavior and vice-versa (Parker, S. C., 2018). It is also evident that Entrepreneurship and uncertainties are always be in very good terms with each other and to bring down uncertainties to the minimalistic level, Effectuation theory offers the suitable tools and instructions (Agrawal 2018). Birds in hand, Lemonade principle, crazy quilt and Affordable loss are the four golden rules prescribed in theory of Effectuation, to fade the negative relation of causation and effectuation theory for entrepreneurship (Prashantham, Kumar, Bhagavatula & Sarasvathy 2018). Furthering the discussion it is observed that Entrepreneurial behavior is directly influenced by the societal values, religious beliefs, customs and taboo particularly in the context of women-preneurship. It was researched and

explored that normal structures and procedures engaged with establishing new organizations reflect regular social understandings held by individuals from a gathering about the estimation of business and how it ought to be attempted (Tolbert & Coles 2018). Additionally, expects that these personal conduct standards and social understandings change by geographic locale and after some time. It is pivotal by connecting the subtle dots of all these theories to devise the blue prints to vanquish the epistemological stumbling blocks encounter during entrepreneurship journey of an individual despite of gender (Townsend, Hunt, McMullen, & Sarasvathy 2018).

### **U-Shaped Relation between Entrepreneurship and Gender**

It is a fact that entrepreneurship has become a vital part of the economic growth and the role of every individual despite of age, gender, color and race, serves as a catalyst. The available literature suggested that there is a positive relationship between the gender harmony and human capital development. Business enterprise guarantees comprehensive development through riches creation and work age and human improvement. The dynamic strides, with genuine endeavors and centered consideration by females will enable them to cross from ladylike business visionaries to fruitful business people (Hans 2017). It is indicated by the study that, states of mind do increment entrepreneurial aim. Additionally, he

clarifies that open door acknowledgment state of mind pursued independently from anyone else regard disposition and hazard readiness demeanor highly affected pioneering aim than other attitudinal measurements (Johnson & Mathew 2017). The discoveries likewise uncovered that sex and business training does not impact innovative goal. Regarding gender orientation contrasts, for females, work self-sufficiency and employer stability were noteworthy indicators while for men, requirement for accomplishment and hazard taking propensity added to entrepreneurial goal (Yukongdi & Lopa 2017). The smarter way a country can adopt to raise the bars of financial capital is to start investing in their women. Pakistan ranked at lowest that is 77 in the Female Entrepreneurship Index 2016, which is a point of ponders for the government.

### **Women Entrepreneurial Inclination**

In this male dominant society, Women face disparities at every level. It is evident by reviewing a large volume of literature that women still lag behind by men in the field of entrepreneurship either. Empowerment of Women is still a question of wonder even in this era of rapidly emerging changes and it characterizes an idea as a combination of enterprise, pioneering introduction, innovative administration and authority (Gupta, MacMillan & Surie 2004). British Council DICE program stresses on enabling ladies and young ladies and

accomplishing gender-specific balance are vital to making comprehensive, open and prosperous social orders (British Council, DICE). It was proposed that, giving access to business enterprise training is particularly vital in energizing the pipeline of hopeful women entrepreneurs, on account of the solid job training plays in raising their levels of self-viability, and at last their enthusiasm for beginning their own endeavor (Wilson, Kickul & Marlino 2007).

In the context of feminine entrepreneurial intentions and inclination, the outcomes of research demonstrate that outside variables appear to be more basic on account of ladies to create innovative conduct (Entrialgo & Iglesias 2018). Specifically, presentation to parental good examples impacts state of mind toward business enterprise in ladies than men, and introduction to enterprise instruction has a more prominent impact over their apparent pioneering conduct control in ladies than in men. While expanding on Ajzen's hypothesis of Planned-Behavior, recommend that aims anticipate start-up practices that will be, that there is an intention– behavior connects. At that point social job hypothesis recommend that the intention– behavior connect is directed by gender (Shinnar, Hsu, Powell & Zhou 2018). Uniqueness of mental inclinations can be gauged between female and male business entrepreneurs based on similarities and differences shows that, they the ratio of similarities is higher than differences (Sexton &

Bowman-Upton 1990). While a few contrasts existed, they would not be relied upon to influence the individual's capacity to deal with a developing organization. Thus, as expressed prior, sexual orientation related mental attributes identified with administrative contrasts do exist. In any case, they don't give an inlet is to sexual stereotyping.

### **Make or break: opportunities and challenges**

The Early Stage Entrepreneurial Activities rates in females are much lower than men in Pakistan and the population of Pakistan is comprises of approximately 49% of Women (World Bank, 2016). Major chunk of them are not motivated and neither equipped to take part in wealth creation which by and large contributes in the country's economy.

With the dawn of 21<sup>st</sup> century time has changed eventually. Emergent of the wake for Women empowerment are evolving new horizons for the females globally. There hasn't be a good time for female entrepreneurs to climb the ladder then now. Public as well Private sector is also taking interest in women entrepreneurship, lot many venture capital companies are exclusively providing seed money for female ventures and startups. Formal Education, technical awareness, seed funding has shifted many women from kitchen to the economic grounds (Saritha, 2018). In the pursuit of suggestion that, other than formal

education proper eco-system that involves mentoring, coaching, provision of related material, exhibitions and trade fairs is also needed for the attainment of sustainable development goal through feminize ventures (Bharthvajan 2014).

The major challenges women are facing in their entrepreneurial journey are Lack of government policies, Market knowledge, operating problems, lack of social security, financial support, family constraints and communication barriers. But yes, scenario is changing gradually unfold and there is an evolving socio-political situation, where ladies are being emphatic in requesting their rights. Ladies require expertise and information to develop as fruitful in the new fields where men have solidly settled in them since ages (Kambam 2018).

Breaking the glass ceiling women entrepreneurs paved a way by transforming the challenges into opportunities including flexible working hours and now contributing in a significant way in almost all segments of the economy (Radović-Marković & Achakpa 2018). Regardless of the developing open doors for the female business visionaries in Pakistan the issues and difficulties for lady's business people still exists as absence of family support and subsidizing impediments (Jamali 2009). Government can play a major role in this, they could take initiative to educating entrepreneurs to get themselves registered and give them tax rebate for

certain amount of time so that they could grow rather than going after their blood

### **The big push**

Parlancing the theory of Big Push of Rosenstein Rodana Sachs in 1999, forced on the basic use of huge push thinking proposes that common asset blasts can be critical impetuses for advancement in poorer nations (Sachs, & Warner 1999). Investing in women to have productive lives is just the right thing to do now. If a country wants to embrace the global challenges, it can only be happened when we invest in our peoples without gender discrimination and make them enable to realize their inner potentials at the highest level. Public and Private sectors together can identify the ways to improve investment in people by improving the all 14 pillars of the Human Capital Index.

Women-preneurship is the best example of the 'Big Push' these projects will create an assertive drive and enable them to make effective reforms in policies. Alone Economic reform doesn't ensure sustainability. In addition, it requires knowledgeable citizens which can only be produced by investing in the education as an unavoidable factor at ever layer of the society. The basic thing all is required is a brilliant idea out of which one can make a money, Chaiwala is the best example of Entrepreneurship in Pakistan. 95 % of startups fail globally in their first attempt so it's not easy like cup of tea that if you

are not doing anything lets be an entrepreneur. But mostly people try again and become serial entrepreneurs because you haven't fail the idea may be before its time or you didn't get the right path first time round. Extensive literature review establishes that, Pakistan is principally bound to promote, cultural, technical and economic cooperation among his member countries and women-entrepreneurship under the umbrella of ECO is extensively reconnoiter (Sarfaraz, Mian, Karadeniz, Zali, & Qureshi 2018). Hareem Bari a female Entrepreneurs shares her view, "Everybody needs to be educated not just the people who are coming up as startups and entrepreneurs as well as peoples who are willing to invest but they don't know how to."

### **The moderating role of innovation for female entrepreneurs**

Innovation is a key aggressive device for survival in a pressing situation. The quick pace of innovative change and the increasing ecological disturbance in our economy impact all organizations, including the lion's share of little firms that are dying at a quicker rate. Penchant of females towards the innovation, development and growth is very low as compared to males. Strategies of revamping and re-engineering are the best defensive tools of the entrepreneurs when they deal with the dearth of resources. Businesses with new horizons are the wave of fresh air. Entrepreneurship is nothing without innovation. More females

are preceding towards higher education, also, into full-time business; the innovation upheaval has brought a large number of efficient family unit items such as dish-washers and small-scale waves. Females are more responsive towards the innovation than men and it is proven by many of the successful ventures led by women. Strategic and market driven policies of both sectors can led to the innovative product generation through females ventures.

The role of culture is very important as moderator when it comes to propensity of an individual towards the innovation, pro-activeness and self-efficacy and keeping this in view females faces limitation in the society especially in Pakistan. In this fast moving pace quick fix are suggested for the empowerment of women. Considering females as a counter part of males it is observed by studying large number of literature that female are lesser in number in innovative business.

### **Angel investments and eco-system**

In such manner there are two schools of contemplations who are working parallel. One doesn't support the idea of hooking up the minds of the entrepreneurs by feeding them with the pre-seed money. They wouldn't like to favor the idea that an entrepreneur need capital what basically all they need is a brilliant idea that would generate a money for you because no matter what they do they never get the enough angel donors and

investment companies to satiate the appetite of the new growth of entrepreneur, though they believe that's the very good source if one get it that's brilliant but individual need to rely on herself and need to come up with the base to generate the money that's how only one can take off otherwise not everybody is lucky enough to get the angel investment. In a separate research finding that actual outcomes of eco-system is still yet to be reveal, specifically when it gels the economic development through innovative ventures. Many entrepreneurial resources like cultural, social and political are embedded in an eco-system (Spigel & Harrison 2018).

Other take a slight shift on this thought, they believe that for entrepreneurship startup capital is a basic requirement, Clearly idea is necessary without that capital won't work at all but in this era its exceptional to bootstraps .The bulk of people are require some amount of startup capital and few years back this amount was only funded by the SETH ORGANIZATIONS on the conditional basis and largely Return on investment on funded capital was about 99 % of that company's revenue. So regardless of how brilliant venture idea was eco system did not exist for an investor to be found .Now ecosystem has changed, still compare to our neighbors (India) our eco system is in infancy but yes now in Pakistan many ventures companies and equity firms are working. The students and people from different walks of life in different stages



of their careers are becoming now entrepreneurs are much more well informed they are owing to technology owing to all of those incubators and accelerators that Pakistan now supports they have access to so much knowledge and so much experience that all of these peoples on the mentor networks who have done the run and drill so they do not really need to re-invent the wheel they learn from their experiences that comes from leaps and bounds they faced.

That's the statistics around the world not only for Pakistan that they won't make it beyond the startup stage. They will crash and burn because they will not be looking beyond what their minimalistic situations would be providing them for.

### **Conclusion**

There hasn't been a good time in Pakistan to be an Entrepreneur for females. Negating all the barriers society has deployed for women in form of family pressures, social completions, unawareness of marketing strategy female prove that here is no rocket science in it. Yet much reform on the Government and private levels are required bracketing education, technical and vocational trainings and most importantly the mindset and culture of the society to facilitate the women ventures and brings them in the stream of wealth generation and economic sustainability. Self-Management and Knowledge Management are the key strings in this context. For moving the needles of the human capital index revamping of

education system and investment for the establishment of female specific eco-systems, incubators both in rural and urban area is critical. Unified provision of seed money, access to the market through venture companies, tax freedom and regular pitching events to cater the needs of women business hatcheries and ventures are highly recommended. Moreover, linkages, patents and bridging of academia-Industry are rays of hope for the Pakistani females at Technical, vocational and higher education level. It is also revealed during this research that there is a disparaging need of harvesting entrepreneurial mindset and culture in the society, it is noticed that the even the professor of a higher education institute is convinced to produce a manager rather than an entrepreneur especially in case of feminine- ship. Entrepreneurial mindset and inclination must be indulged at all level of the society for the transformation of traditional economy into knowledge-based economy and country's steady progress.

Concluded by noting that feminine-Ship is yet a field far mile to go. It is Global call for rising the bars of human capital index to invest in the women of the country to get prepare for the digital future. More and more reforms are required to unleash the true power and potential of this fragile creature of the world. Pakistan is truly blessed that it possess a rich human capital and if emphasis will laid on the nourishment of the education system and trainings we will see the marginal success.

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## MASS CUSTOMIZATION; ANALYZING CONSUMER PREFERENCES RELATED TO PRODUCT, PROCESS AND PLACE

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### Abstract:

*The purpose of our research was to analyze consumer preferences related to mass customization. A questionnaire survey was used to determine preferences for mass customization related to product, process and place that have the potential of affecting success of such setup. The survey was conducted to a non probability purposive sample of 100 university students. Successful mass customization of ready to wear apparel at retail stores is dependent on identification of suitable dimensions of product, process and place. Our implications address analyzing analysis of consumer preferences related to mass customizing design and fit of apparel products in retail store setting. Our results reveal that people in general highly appreciated the idea of mass customization as it offers solution to their multiple problems in regard to ready to wear apparel. Brand outlets, discount stores and the stores in shopping malls were preferred places for mass customization. People wanted a customization facility at the very place they buy their product which could potentially save their time, money and efforts.*

**Keywords:** Apparel Products, Mass Customization, Product, Process, Place, Co-design

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## **Introduction**

Textile industry is an important sector in financial as well as production field all over the world. The issue of mass customization has immerged due to massive production chains of ready to wear garments all over the world. Despite the fact that garment industry uses standardized sizes for their bulk production that are revised regularly, individual customers require customization in their products (DesMarteau, 1999). In present study we aim to understand customer preferences regarding mass customization of a variety of ready to wear apparel articles.

## **Mass Customization**

Mass customization is “the process of providing consumers with unique products when, where and how they want them and necessarily at an affordable price”. “Mass customization is a technology-assisted production process where consumers can modify a company’s product line to produce their own required design, styles and fit requirements” (Fralix, 2001). Mass customization can be understood as the capacity to produce on mass basis exclusively designed products and styles to meet individual customer’s needs (Istook, 2002). Mass customization can interpret as the process of distributing the expansive package products and services that are customized to fulfill a particular consumer's want and requirement. It is manufacturing and marketing approach

which associate the adjustability and personalization of customized articles with the less expenditure correlated to mass manufacturing. Built-to-order or made-to-order contain as the other names for mass customization. This is consequently a recent apprehension in manufacturing segments in clothing industry. Customization of mass permits the consumer’s to design unspecified product features, although the maintenance of expenditures are still nearer to the production of the mass produce. In this process consumers acquire a dynamic role in determining the quality of products e.g., color, style, fabric content and trims that will best fulfill their requirements. Mass-customization might concern various fields; however several interconnect it toward retail industry (Lee, et. al. 2002).

There are broadly four main categories of mass customization which took the idea to advance level (Gilmore & Pine, 1997), i.e. collaborative customization in which brands work in cooperation with customers to offer services or products exclusively suitable for each customer, adaptive customization involving companies to construct standardized articles which the consumers may change, transparent customization in which companies offer exclusive products to individual customers without stating that articles are customized, while cosmetic customization involving companies to manufacture standardized products but advertise them in diverse ways to various target market (Lee et al, 2002).

## **Product**

Produce is defined as “product types and features that consumers prefer to customize.” Mass customization strategy has the potential of cater most satisfactory customized product to the consumers (Dollarhide, 2019).

## **Process**

Process is defined as “consumer preferences for interaction between humans and technology for body scanning and co-design.” For consumers garment industry is striving to provide process facilities of mass customization to their consumers. Basic mass customization methods in garment industry is recognized as body scanning for size, personalized fit, and co-design for fashioning the client’s own exclusive design, and an individualized combination of design options. Customized fit has been recognized as a fragment of co-design in which garment fit was chiefly important in mass customization (Anderson et al., 1997)

## **Place**

Place can be defined as ideal shopping outlets in which body scanning and co-design facilities are possible. For mass customization place is of great importance. Shopping outlets include variety of stores such as discount stores, departmental stores, brand outlets, stores in shopping malls, shopping areas in city market and tailor shops. The strategy also must comprise of how much area will be

compulsory and if the employment will be offered within the entire or else special sell places (Abernathy, et al., 1999).

## **Co-design**

Co-design can be understood as processes that allow customers to interact with sales person to choose an individualized combination of product style, color, size, and fabric from a group of options or create the customer’s own unique design based on her or his preferences (Wu, et al. 1998).

## **Body Scanning**

Body scanning involves scanning the body with advanced electronic devices that take three-dimensional sizes of the figure. This size is used by apparel brands to customize garment fit.

## **Significance of the Study**

This research will help in understanding garment production issues associated with mass customization. Mass customization has been introduced with the intent of contributing customers the desired product diversity while controlling merchandising problems. Mass customization also helps in developing the customer contentment by offering consumers modified products, an exceptional shopping process, as well as a place or environment for the process of the co-design and body scanning.

## **Problem Statement**

This study will strive to identify the consumer preferences about mass customization of apparel products. The effectiveness of mass customization in current scenario of Pakistan fashion industry will also be investigated.

## **Objectives**

- To investigate the product types and features that customers prefer to customize
- To understand the process of mass customization which customers prefer
- To identify the place where customers prefer to participate in mass customization

## **Literature Review**

Mass customization in the clothing industry is an innovative concept. In the past, consumers were helped as individuals. However, in our modernized society, with the expansion of mass marketing and mass production, these values have been lost. A consumer can no longer enjoy that old feeling, of being individual and having the delicate attention, by her/his tailor. While only the very elite can afford to have, for example, a modified suit. With mass customization one can enjoy over these values without any significance costs and ultimately at no added costs. According to Gilmore and Pine (1997), mass customization can be achieved by not only changing the standard product but also the representation of the product to meet

needs of individual customers. Mass customization is process which allow customers to walk into a store, be measured by a computer-controlled camera or laser beam, browse through the computer database of virtual 3D garments from a library of choices, try the garments on one's own figure in virtual space, select the most appropriate one, return in a few days, or even within hours to pick up the new, hot-off-the-assembly-line, customer-tailored suit, blouse or a pair of jeans (Fralix, 2001; Istook, 2002; Yeung & Choi, 2011).

## **Apparel Mass Customization**

Mass customization of garments has faced customer interest in amendment of apparel designs and fit. According to Anderson, et al. (1997), customer's domain of interest in customizing garments include altering design choices and personal fit with the assistance of a trained assistant, in co-design procedure. Garment fit was found to be of great importance. Wu, Anderson, and Ulrich (1998) also witnessed extraordinary interest of computer literate students in co-design process. Customer involvement in the design process markedly changes their buying experience (Duray, et al. 2000). For example, in apparel brands such as Levi Strauss, Second Skin Swimwear, and Custom Foot, mass customization starts in a retail store where a line of ready-to-wear is offered along with mass customization services (Lee & Chen, 1999). After choosing ready-to-wear and possibly trying on garments to

decide fit and size, the customer is helped in creating personalized product specifications. A client may be able to select individualized blend of product style, fabric, color, and size from a number of options. This process of customization allows the customers to create a unique design based on their requirements or achieve personalized size and fit based on their physical body measurements or body scanning. After specifications are developed, the customer pays for the product, and order is sent to the production facility. The completed product is delivered to the customer satisfaction (Yeung, & Choi, 2011).

## Methods

This study uses qualitative survey approach to enquire the customer preferences regarding apparel mass customization. While non-probability purposive sampling procedure was used for data collection. This information was collected from 100 university students including male and female. University participants were preferred as sample because these participants were concerned with readymade apparel shopping and aware about latest concept of mass customization o highlight market's viewpoints on mass customization.

For this purpose we used the questionnaire developed by Lee, Eun Kunz, Fiore & Campbell (2002) consisting of questions regarding preferences for mass customization of apparel products. Ten dimensions of

product customization were included i.e. fit to body length, your particular size, overall style, colors, garment details, fabric texture, fabric weight, fiber content, fabric print, fabric weave. The apparel products considered were jeans, dress shirts, T shirts, intimate apparel, casual wear dresses, and party wear dresses. We also measured preference for place among brand outlets, discount store, stores in shopping malls, shopping areas in city market, and tailor shops. We also assessed preference for appearance decision involving co-design process. Choices were associated to style (e.g., actual fabric swatches of the accessible fabrics), fabric print or pattern (e.g., computer printed image on fabric of a textile print or pattern that you designed), and the accessibility of a supporter. Three illustration examples (computer image viewing the modified product design on a body type, computer produced photo sensible reflection of the garment and fabric, and computer created line drawing of a garment packed with the likeness of the fabric) were given to matters to simplify co-design options. The collected data was coded in SPSS software. The results were obtained after applying descriptive statistics, correlation tests and ANOVA.

## Results & Findings

A total of 100 students belonging to 20 to 25 age range participated in the study. Almost 52 respondents were between 20 to 22 years, while 48 respondents were between 23 to 25 years. Majority of the respondents were female (61%), whereas 39% of the respondents were males.



Table # 1

*Preference for Customization in Apparel Products*

| Products            | Fit to body length | Your particular size | Overall style | Colors | Garmet details | Fabric texture | Fabric weight | Fiber content | Fabric print | Fabric weave |
|---------------------|--------------------|----------------------|---------------|--------|----------------|----------------|---------------|---------------|--------------|--------------|
| Jeans               | 46%                | 52%                  | 48%           | 51%    | 25%            | 39%            | 27%           | 23%           | 28%          | 26%          |
| Dress shirts        | 29%                | 51%                  | 44%           | 42%    | 34%            | 43%            | 20%           | 24%           | 24%          | 25%          |
| T Shirts            | 33%                | 51%                  | 54%           | 42%    | 28%            | 34%            | 21%           | 26%           | 19%          | 23%          |
| Intimate Apparel    | 22%                | 45%                  | 39%           | 35%    | 25%            | 38%            | 20%           | 23%           | 18%          | 18%          |
| Casual wear dresses | 35%                | 55%                  | 46%           | 44%    | 33%            | 45%            | 24%           | 27%           | 26%          | 29%          |
| Party wear dresses  | 38%                | 49%                  | 60%           | 37%    | 38%            | 38%            | 29%           | 29%           | 31%          | 24%          |

### Interpretation

In table 1 we observed the characteristics of six different product types i.e. jeans, dress shirts, t-shirts, intimate apparel, casual wear dresses, and party wear dresses. The purpose of this table was to examine the respondent's opinion about customization in apparel. For jeans about 52% of the respondents were concerned about customization of size, 51% about color of jeans, 48% about overall style of jeans, 46% about length of jeans must be available in every size, 39% about texture, 28% about fabric print, 27% about fabric weight, 25% about garment details and 23% about fabric content of jeans. For dress shirt 51% of the respondents preferred customization in according to their particular size, 44% about overall styles of the shirt, 43% of the respondents wanted customization in fabric texture of the dress shirt, whereas 42% of the respondents were concerned about color of the dress shirt, and some respondents also wanted customized (34%) garment details. For t-shirt most of the respondents 54% were interested in customization of overall style for the t-shirt, whereas 51% about size of the t-shirt, and 42% were

concerned about color of the t-shirt. About 45% of the participants were concerned about the customization of size of intimate, whereas 39% wanted to customize the overall style, 38% about the fabric texture to be customized, and 35% of the participants preferred color of the fabric. For casual wear dresses 55% of the participant's preferred that size should be customized, while 46% of the respondents are those who wanted to customize style of the garment, 45% texture of the fabric and 44% wanted to change color of the dress. For party wear dresses most of the participants (60%) look the overall style first because according to them their dress should be attractive. About 49% of the respondents wanted customization of their own particular size, whereas 38% of the participants are those who want that the dress should be fit according to their body length, they also preferred the garment details for the party wear dresses, and the fabric texture is also important which is preferred by the participants, 37% of the respondents preferred the color of their party wear.

**Table # 2**

**Preferred Place for Apparel Product Customization**

| Sr. no | Places or Areas               | Yes | No  |
|--------|-------------------------------|-----|-----|
| 1      | Brand outlets                 | 88% | 12% |
| 2      | Discount store                | 86% | 14% |
| 3      | Stores in shopping malls      | 83% | 17% |
| 4      | Shopping areas in city market | 76% | 24% |
| 5      | Tailor shops                  | 61% | 39% |

**Interpretation**

Table 2 shows the customer pinion about five different retail stores for the apparel product customization. Brand outlets are preferred by 88% of the respondents, whereas 86% of the respondents preferred discount store, 83% of the respondents preferred the stores in shopping malls, shopping areas in city market were preferred by 76% of the respondents, and 61% of the respondents preferred tailor shops for customization.

**Table # 3****Preferences of customizations in Co-design Processes**

| Sr.<br>no | Themes                  | Variables   | Yes | No  |
|-----------|-------------------------|---|-----|-----|
| 1         | Style                   | Computer image viewing the modified product design on a photograph of your body                           | 89% | 11% |
|           |                         | Concrete fabric swatches of the available fabric  | 83% | 17% |
|           |                         | Computer image viewing the customized product design on body type similar to yours                        | 77% | 23% |
|           |                         | Computer produces photo-realistic image of the garment and fabric   | 74% | 26% |
|           |                         | Sample sizes of the style to try on   | 72% | 28% |
|           |                         | A photograph of the product   | 72% | 28% |
|           |                         | Computer illustration filled with the likeness of the fabric  | 71% | 29% |
| 2         | Fabric print or pattern | Computer printed image on fabric of a fabric printer pattern you designed                                 | 87% | 13% |
|           |                         | Computer printed image on paper of a fabric print or pattern you designed                                 | 81% | 19% |
|           |                         | Computer system that will let you design your own fabric print  | 77% | 23% |
| 3         | Assistant               | Sales person from the store to help you with the technical process  | 83% | 17% |
|           |                         | Specialized sales person who has knowledge about fashion design to help you determine the right selection | 79% | 21% |

### **Interpretation**

Preference related to co-design features i.e. style, fabric print or pattern, and assistant are given in table 3. The respondents (89%) most likely preferred the computer reflection presenting the personalized item for consumption designed on a photograph of their own size. 83% of the respondents wanted tangible fabric swatches of the presented fabric. About 77% of the respondents want the computer image viewing the customized product design on body type exactly comparable to them. About 74% of the respondents were also concerned about computer generated photo-realistic image of the garment and fabric. About 72% of the respondents preferred sample size of the style and also want a photograph of the product. 71 % of the participants preferred computer illustration filled with the likeness of the fabric and material. For designing pattern or fabric print about 87% of the respondent's preferred printed illustration on fabric or sample of their own design. About 81% of the respondents preferred the printed figure on paper pattern a fabric print of their own design. And about 77% of the respondents are interested to create their own design on the computer system. Whereas study of the preference regarding assistant 83 % of the respondents showed their inclination for sales person from the store to help them with technical process. And 79% preferred specialized sales person who has knowledge about fashion design to help in right selection.

**Table # 4****Relationship between Product Type and Gender of the Participant**

| Sr. no | Product Type        |        | Mean   | St d   | <i>F</i> | <i>p</i> (Sig.) |
|--------|---------------------|--------|--------|--------|----------|-----------------|
| 1      | Jeans               | Male   | 1.5744 | .33773 | 2.392    | .125            |
|        |                     | Female | 1.6738 | .29715 |          |                 |
|        |                     | Total  | 1.6350 | .31571 |          |                 |
| 2      | Dress Shirt         | Male   | 1.6308 | .30101 | .810     | .370            |
|        |                     | Female | 1.6852 | .29145 |          |                 |
|        |                     | Total  | 1.6640 | .29491 |          |                 |
| 3      | T Shirt             | Male   | 1.6128 | .30537 | 2.396    | .125            |
|        |                     | Female | 1.7049 | .28013 |          |                 |
|        |                     | Total  | 1.6690 | .29222 |          |                 |
| 4      | Intimate Apparel    | Male   | 1.6513 | .28734 | 3.885    | .052            |
|        |                     | Female | 1.7590 | .25257 |          |                 |
|        |                     | Total  | 1.7170 | .27045 |          |                 |
| 5      | Casual Wear Dresses | Male   | 1.5667 | .32954 | 3.294    | .073            |
|        |                     | Female | 1.6803 | .28915 |          |                 |
|        |                     | Total  | 1.6360 | .30896 |          |                 |
| 6      | Party Wear Dresses  | Male   | 1.5692 | .33729 | 2.196    | .142            |
|        |                     | Female | 1.6639 | .29441 |          |                 |
|        |                     | Total  | 1.6270 | .31362 |          |                 |

**Interpretation**

A significant difference between the mean values of preference regarding mass-customization of intimate apparel was found among males ( $M=1.65$ ) and females ( $M=1.76$ ). ( $f=3.885$ ,  $p>0.05$ ).

**Table # 5**

**Cross tabulation between preference for customization in co-design process and preferred place for customization**

| # | Themes | Variables  |           | Brand Outlets | Discount Stores | Stores in Shopping Malls | Shopping Areas in City Market | Tailor Shops |
|---|--------|--|-----------|---------------|-----------------|--------------------------|-------------------------------|--------------|
| 1 | Style  | Computer image showing the customized product design on a photograph of your body  | N% within | 80            | 77              | 74                       | 68                            | 55           |
|   |        |  | Place     | 90.9%         | 89.15%          | 89.16%                   | 89.47%                        | 90.2%        |
|   |        |  | Sig.      | 0.098         | 0.672           | 0.912                    | 0.788                         | 0.642        |
|   |        | Sample sizes of the style to try on  | N% within | 64            | 67              | 61                       | 60                            | 49           |
|   |        |  | Place     | 72.7%         | 77.91%          | 73.49%                   | 78.95%                        | 80.3%        |
|   |        |  | Sig.      | 0.661         | 0.001           | 0.462                    | 0.006                         | 0.020        |
|   |        | A photograph of the product  | N% within | 65            | 67              | 62                       | 63                            | 50           |
|   |        |  | Place     | 73.9%         | 77.91%          | 74.70%                   | 82.89%                        | 82.0%        |
|   |        |  | Sig.      | 0.261         | 0.001           | 0.184                    | 0.000                         | 0.005        |
|   |        | Actual fabric swatches of the available fabric                                     | N         | 72            | 72              | 72                       | 63                            | 51           |
|   |        |  | % within  | 81.8%         | 83.72%          | 86.75%                   | 82.9%                         | 83.6%        |
|   |        |  | Place     |               |                 |                          |                               |              |
|   |        |  | Sig.      | 0.394         | 0.634           | 0.028                    | 0.960                         | 0.840        |
|   |        | Computer illustration filled with the likeness of the fabric                       | N         | 63            | 63              | 64                       | 54                            | 51           |
|   |        |  | % within  | 71.6%         | 73.26%          | 77.12%                   | 71.05%                        | 83.6%        |
|   |        |  | Place     |               |                 |                          |                               |              |
|   |        |  | Sig.      | 0.724         | 0.218           | 0.003                    | 0.984                         | 0.001        |
|   |        | Computer generated photo-realistic image of the garment and fabric                 | N         | 65            | 67              | 61                       | 60                            | 46           |
|   |        |  | % within  | 73.9%         | 77.91%          | 73.49%                   | 78.95%                        | 75.4%        |
|   |        |  | Place     |               |                 |                          |                               |              |
|   |        |  | Sig.      | 0.933         | 0.027           | 0.799                    | 0.045                         | 0.688        |
|   |        | Computer image showing the customized product design on body type similar to yours | N         | 69            | 64              | 64                       | 59                            | 47           |
|   |        |  | % within  | 78.4%         | 74.42%          | 77.12%                   | 77.63%                        | 77.1%        |
|   |        |  | Place     |               |                 |                          |                               |              |
|   |        |  | Sig.      | 0.365         | 0.128           | 0.955                    | 0.789                         | 0.988        |

Mass Customization; Analyzing Consumer Preferences Related to Product, Process and Place

|   |                         |   |          |       |        |        |        |       |
|---|-------------------------|---|----------|-------|--------|--------|--------|-------|
| 2 | Fabric print or pattern | Computer system that will let you design your own fabric print  | N        | 67    | 72     | 67     | 65     | 50    |
|   |                         |   | % within | 76.1% | 83.72% | 80.72% | 85.53% | 82.0% |
|   |                         |   | Place    |       |        |        |        |       |
|   |                         |   | Sig.     | 0.578 | 0.000  | 0.051  | 0.000  | 0.140 |
|   |                         | Computer printed image on paper of a fabric print or pattern you designed                                 | N        | 70    | 70     | 70     | 67     | 54    |
|   |                         |   | % within | 79.6% | 81.40% | 84.34% | 88.16% | 88.5% |
|   |                         |   | Place    |       |        |        |        |       |
|   |                         |   | Sig.     | 0.315 | 0.803  | 0.060  | 0.001  | 0.016 |
|   |                         | Computer printed image on fabric of a fabric printer pattern you designed                                 | N        | 78    | 74     | 72     | 69     | 55    |
| 3 | Assistant               |   | % within | 88.6% | 86.05% | 86.75% | 90.79% | 90.2% |
|   |                         |   | Place    |       |        |        |        |       |
|   |                         |   | Sig.     | 0.188 | 0.482  | 0.868  | 0.045  | 0.239 |
|   |                         | Sales person from the store to help you with the technical process  | N        | 74    | 71     | 69     | 65     | 57    |
|   |                         |   | % within | 84.1% | 82.56% | 83.13% | 85.53% | 93.4% |
|   |                         |   | Place    |       |        |        |        |       |
|   |                         |   | Sig.     | 0.432 | 0.771  | 0.938  | 0.231  | 0.001 |
|   |                         | Specialized sales person who has knowledge about fashion design to help you determine the right selection | N        | 70    | 71     | 69     | 67     | 53    |
|   |                         |   | % within | 79.6% | 82.56% | 83.13% | 88.16% | 86.9% |
|   |                         |   | Place    |       |        |        |        |       |
|   |                         |   | Sig.     | 0.717 | 0.030  | 0.025  | 0.000  | 0.015 |



## **Interpretation**

Preferences regarding mass customization were analyzed among university students about process and place. For this purpose cross tabulation was conducted between place preferences and process. Majority of our participants (n=80, 90.91%) who preferred brand outlets for mass customization also expressed their preference for processor image screening the customized invention plan on a photograph of customer's size. The participants (n=67, 77.91%) who preferred discount stores for mass customization, also stated their preference for ready-to-wear model dimension of the fashion to try because it can make easy for the customers to take decisions of the product and customers also want that they should be provided the photograph of the product. The participants who wanted the actual fabric should swatches for the garment (n=72, 86.75%) also preferred the stores in the shopping malls. The participants those who are concerned for the computer illustration which are filled with the likeness of the fabric (n=64, 77.12%) preferred the store in shopping malls. Majority of the participants (n=67, 77.91%) who preferred the discount store also preferred computer generated photo-realistic image of the textile and garment. The participants who preferred the process of computer image showing the customized product design on body type similar to yours (n=69, 78.41%) also preferred brand outlets. For the fabric print or pattern the customer preferred the discount stores (n=72, 83.72%). For

assistant the customers preferred the brand outlets (n=74, 84.09%) to select the sales person for the store who know the technique of the design.

## **Discussion**

### **Customer Preferences for Product Types and Features**

We offer significant information for merchandising strategy associated to types and features of the product. University student's answers were consistent with their life style. Selecting suitable products to modify appears related towards mass customization. As university student customers were targeted in this study Jeans was most likely product which was selected for the mass customization that was mostly worn by the university students. We found that, both male and female participant's interest was high for customizing jeans. We also encounter differences among genders in selecting product types and specifications for customization of ready to wear apparel. For the university student several apparel product were not suitable due to their lack of strength used for customization. We observed that size was of great importance for almost all participants and they wanted personalized sizes in almost all the categories of apparel i.e. jeans, dress shirt, intimate apparel, and casual wear dresses. While for the categories of t-shirt and party wear dresses the participant's highlighted their desire to customize overall style of the garment other than size and garment fit.

It is significant to communicate that different product types were targeted by different target customers. In case, one might visualize that if the target customer was specialized men and women about 30 and above, those who occupied in business surroundings, than the product which they want to modify might be dress shirt or casual wear instead of jeans. Manufacturers must be aware to the needs, lifestyles, and the priorities of their target market when assembling the results for the product or mass customization. For mass customization a merchandise plan desires to comprise alternatives for consumers correlated to the product characteristics. The most imperative product qualities that university participants want to customize were the size and fit, considering fewer of product categories. This result maintains buyer interest in fit and size. "Other researchers have also found that size was the most common and most likely preferred category of customization for ready-to-wear. It appears that the merchandise plan must contain options for customization of fit and size regardless of product types"(e.g., Kunz, 1998). Though, we also recommend that depending on invention types the further preferred product features will be different. For example, for party wear dresses the customers also preferred the overall style, garment detail and fabric texture other than the size and fit of the garment to their body length. Intimate apparel is the product category that showed a higher percentage for customization preference. The analysis

among gender reveals a higher concern by female participants, that they require more custom fit intimate apparel in various regards. This may be due to the fact that intimate apparel being right next to the body needs to be very comfortable in order to satisfy the wearer.

### **Customer Preferences for Mass Customization Processes**

University student customers seem to be a potential target market for mass customization since they have interest in using customization processes, and co-design. We suggest that a gender difference should be considered in mass customization process. But we see that the gender difference was significantly found in the category of intimate apparel, where female participants were less satisfied in comparison to male participants. For co-design three aspects were checks: what they prefer to apply to improve the capacity to make resolutions associated to style, fabric print or pattern, and who they would like to have as supporter.

People in general highly appreciated the idea of mass customization. They expressed very positive views about the use of latest high technology system for body measurements, computer images of customized product on a photograph of their own body, and the actual fabric swatches of the available fabric. Our university student sample also showed great interest in use of lap top images of the personalized product so that conventional ready-to-wear samples could be tried on the virtual screen. The use of

technology can be highly beneficial for customers to improve their ability to compose choices during co-design process. A positive trend was revealed about the benefit of trained sales person for the store provided that they were well trained and quick in work. University students suggest that the needs of the customers can be satisfied by merchandiser, in case they provide customization for ready-to-wear products so that the customers can easily decide regarding product and product features.

### **Customers Preferences for Place**

For the apparel product customization we offered five different retail stores to our participants to give their opinion about mass-customization. The participants also showed interest in mass customization related to place for apparel products. Most of the participants wanted their products to be customized for their requirements, from where they purchase. Therefore majority participants preferred the brand outlets, discount stores, and the stores in shopping malls for customization of the product. And the least wanted to go to tailor shops for the customization of ready to wear apparel products. This is mainly due to the fact that approaching tailors for customization increases product cost as the customer needs to necessarily pay to the tailor as well. The main factor in buying ready to wear products is affordability of the customers, as products made in bulk are economical as compared to tailored garments. Availing separate tailor for customization is also time

consuming and requires extra effort on the part of customer as well.

Our results highlight that female participants in general were more concerned about the customization of the apparel product than male participants. Mass customization required both floor spaces as well as investment in technologies. Participants required that information related to measurement must be saved in some form of available database. Stores must propose co-design with a smaller amount of space necessary and in-close relationship to their ready-to-wear manufactured goods lines. It is obvious that customers are highly interested in mass customization of ready to wear garments. Mass customization could prove to be a key solution for consumer satisfaction. Merchandisers may begin to trial with mass customization opportunities for a related target market. Still, mass customization is not likely to resolve merchandiser's assortment problems in the short run. Collaboration with external bodies, such as on store tailors to customize the garment are necessary to execute mall and retail store collaboration.

We also suggest a solution similar to Pine that by creating a small number of identical pieces and offering customization to clients can potentially generate an idea of customer interest. While repetitive orders and modification demanded in higher numbers can be implemented on a large production line. This new article produced according to the customers demanded realized as a

result of customized products of individual clients have higher potential chances of immediate hit in sales. The individual demands may be collective in a variety of ways producing a cost-efficient production model and still allow consumers customize. Consumers can acquire a dynamic role in determining the preferred combination of product qualities (e.g., styles, fabrics, colors, trims) that will best persuade their requirements (Pine, 1993).

## Conclusion

Main purpose of this research was to understand the merchandising issues related to product, process, and place. Therefore we offer significant information about merchandising approach associated to product, place, and process. "Customers have become dissatisfied with shopping due to the lack of variety and inappropriate sizes in products being offered while, at the same time, retailers are offering more variety than ever before" (Abernathy, et al. 1999). Merchandising today is dynamic as it involves multiplicity of products available for sales and display. The display of those products should be in such a way that it must develop interest and entices customers to make a purchase. For mass customization the merchandisers should provide options to the customers related to product features. When making the product decision for mass-customization, the merchandisers should be conscious to the customer needs, lifestyle, and demands (Black, 1998). Customization

options related to ready-to-wear must be provided to the customers so that they can make decision easily related to product types and product features. There should be retail stores available for the customers where they can easily customize their products. Finally, the results of our study highlighted that suitable options of customization in regard to ready to wear apparel related to products, processes, and places can offer solution to most of the problems related to mass production, and take the place and deliver benefits of old tailoring system.

## Future Recommendations

This study will pave way for future researches in this field. Present research includes university students of Lahore as sample, while future researchers can collect data from other institutions and cities. Future researchers are recommended to compare our results with a random section from various populations. Due to a small sample of male respondents in this thesis, gender differences were only evaluated in product categories and features, whereas place and process could also be highlighted in their technical relevance. Future research can corroborate the finding of our study by approaching various mass customization environments.

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## BOOK REVIEW OF INDIA AN APARTHEID STATE

*Tahira Parveen<sup>1</sup>*

*Nazir Hussain Shah<sup>2</sup>*

### **Abstract:**

*Junaid Ahmad is an accomplished academician, researcher and prominent management consultant of Pakistan. He studied at Govt. College of Commerce & Economics, Karachi, Concordia University and McGill University in Montreal, Canada in mid 1970s. He has over two decades of experience of teaching university level courses and executive development programs both in Canada & Pakistan. During the past thirty years he has supervised completion of over 1400 research studies and consulting assignments as Chairman of National Management Consultants (Pvt) Ltd, the Country's premier consulting firm. He has also been actively involved in numerous research studies and movements relating to current issues confronting Pakistan. He has profound professional portfolio in the field of Financial Advisory, Investment & Economic Policymaking, Industrial Research and Consultancy. Adding on, he has served in private and public sectors and bags rich executive as well as administrative experience of both national and foreign firms. However, other than being a Member of Board of Governors' of Karachi Council on Foreign Relations, his portfolio voices no professional experience in any dimension relation to Political Science or International Relations.*

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The author has written a book namely “India an Apartheid State” where he has highlighted the origin of Hindutva ideology and the factors rising of RSS/BJP and the fall of congress and Modi Doval Doctrine and security paradigm in South Asia. This book has been written in English and also been translated in other languages in Urdu Chinese and Russian etc. India presents itself as a secular country. India is a Hindu state with a caste system which basically promotes inequality and apartheid in its true sense. The lower caste Hindus are considered untouchables and as such have no right to live. The Hindu State also treats followers of other religions as untouchables having limited rights. Since 1947 there have been thousands of uprisings in India. These have comprised; Upper Caste Hindus vs Dalit riots; Hindu-Muslim riots, Hindu-Christian riots, Hindu-Sikh riots, atrocities committed in Indian-held Kashmir, Nagaland, Mizoram, and other places. Abuse of women, infanticide of girls and abortions also reflect the Hindutva approach to women. India destabilizes its neighbors, created Bangladesh, meddled in the internal affairs of Nepal and Sri-Lanka and continues to promote terrorism in Karachi and Balochistan. The support of the West enjoyed by India is perhaps attributable to the existence and promotion of eroticism, anti-Muslim posture and lately, the West is also using India against China and hence its support.

In Junaid Ahmad’s book “India an Apartheid State”, he has collected a wide-range of facts, mostly from Indian, US, and British sources, that expose the hollow secularism based on deception through which present-day India constantly tries to fool the whole world. The book is an explanation and step-by-step chronological development of Indian secularism. This research is an insight into Indian society, its history and a review of its democracy. The writer critically analyzed the Indian hypocritical mindset which, despite the constitutional guarantees, deprives the minorities of their basic human needs and highlighted the inequality, tyranny of Indian society and justified that how Indian economy development is only a mirage. He exposed the null and void claims of becoming a regional super power and its secular based democracy. Indian system government can be categorized as plutocracy, aristocracy, autocracy but surely not democracy which is a cobweb of religious chauvinism, genocide, homicide, infanticide, rapes, social stagnation, societal subjugation, extreme poverty, unemployment, slavery, forced labor, civil war, corruption, suppression of religious minorities and oppression of realism and altruism. He also explained that Indian economic development is another constructed propaganda which is countered on the projection of Indian Socio-economic landscape. Every model of development needs to include social welfare, social justice, social equality on the political and economic level and

liberty of life, religion, choice, speech and freedom of movement. But in India such fundamental rights are beyond the reach of a common man. So as a critical analytical approach it is a tailored-to-perfection kind of research and reference material for students, faculty, researchers, historians and media, government, politics and for those who has a strong belief that India is a secular state. This book contains 13 chapters in this book the prominent aspect of Hinduism cast system which beliefs in inequality and imbalance in the society of human being. The casts are divided into four main groups and untouchables and Dalits are treated brutally so Indian always devises strategies to control the minorities and suppress their religious and ethnic that reflects the mind set of Indian Hypocrisy. India projects himself that he is looking after the marginalized community whereas in the next three chapters the writer has very beautifully highlighted the atrocities handed by India against, Sikhs, Muslims inhabitants in India and Kashmir. In India the inequality with gender inequality and subjugation of women is another issue. They believe in harassment of women social stagnation of woman is arousing and human trafficking incidents are not reported which is a big issue of India. The India has curbed the tendency of freedom struggle in Kashmir.

**Conclusion:** The author has written after a lot of painstaking and every chapter deserves that scholar should research on each chapter. This book is recommended

for research scholar's students and for keeping in the Libraries.



## **BOOK REVIEW OF GANGA TO PULWAMA; INDIA'S FALSE FLAG OPERATIONS**

*Nazir Hussain Shah<sup>1</sup>*

*Zahid Mahmood<sup>2</sup>*

### **Book Review**

**Title of Book: *Ganga to Pulwama; India's False Flag Operations***

**By DrJunaid Ahmad&Ibnul Hasan Rizvi**

#### **Abstract:**

*The author Dr Junaid Ahmed specializes in the academic and professional dimension of Finance, Accounting and Management Studies. He has achieved academic degrees from notable foreign institutions but in the sub-fields of Finance & Accounting, with no specialization in Political Science, International Relations or their sub-fields. Without holding any academic specialization in Political Studies; his two highly acclaimed books which were written in English and also been translated in Urdu, Chinese and Russian. The second author named Ibn-ul-Hasan Rizvi has graduated in engineering from India and then was migrated to the East Pakistan. He has attained internship with Suzler, Winterthur, George Fischer and other international companies based in Switzerland. The author later shifted to Karachi and worked in the industrial units nationally and internationally.*

**About the Book:** The book under reference critically questions the flag operations claimed by India against Pakistan. The authors transpire reality of these operations and fracture India's egregious designs to vilify Pakistan as a terrorist state. The book envelops and gives an unvarnished rendering of spurious insistence of carrying out operations such as Hijacking of Ganga aero-plane in 1971; India Parliament Attack in Dec 2001; Arson in Train at Godhra leading to Gujrat Carnage in 2002; Samjhota Express Arson in Feb 2007; Mumbai Attacks in Nov 2008; Pathankot in Jan 2016; Uri Attack in Sep 2016 and Pulwama in Feb 2019.

The book in hand features as how India has duped and deluded the world by branding Pakistan as mischief monger which is responsible to destroy peace in the South Asia. The world's attention has been clamored to garrotte India from hegemonizing the region as India blames Pakistan for all the disquiet. India failed to establish Pakistan's hand in any of the above-mentioned incidents. In order to decimate any proof leading to its false claim involving Pakistan, India whacked all the attackers within few hours of the occurrence of all the above incidents. Interestingly, the attackers involved in these operations belonged to the lower caste Hindus or Muslims of India. The investigations were misled or maneuvered in order to get their desired results. The courts were tailored to get their favorable judgements. Pakistan downplayed these incidents and improper handling and

acquiesce on such incidents led the world to doubt Pakistan.

The covert false flag operations were carried out to create an impression in the eyes of the world that Pakistan is responsible for the acts of terror carried out in India. From 1971 till 2019, the Indian establishment through its agents and backing of the governments in saddle has been staging an act of terror within its own territory. After the occurrence of pre-conceived drama, Indian Prime Minister hurried to blame Pakistan and threatened her with the calamitous reverberations. The book also contends that Indian pugnacious and oppugnant posture and bludgeoning disposition has sent a wave of discomfort and fearfulness in the countries of South Asian region. The content of each chapter is discussed as under.

### **Chapter One**

This chapter is titled as 'Introduction'. The book has 11 chapters and it contains 408 pages.

### **Chapter Two**

This chapter is titled as 'Hijacking of Ganga' and it amply narrates as how the Indian government had enacted a drama of hijacking of its own Fokker aircraft on 30<sup>th</sup> January, 1971. Pakistan was held responsible for the insinuation of incident and sponsorship to Kashmiri Mujahideen. Circumstances were romped in such a

way as led to the dismemberment of Pakistan and creation of Bangladesh.

The authors argument that India never accepted Pakistan whole-heartedly. It never assuaged itself to the chopping of Sub-continent. Therefore, India targeted the East-Pakistan to mangle and lacerate Pakistan. Sheikh Mujeeb-ur-Rehman and his Awami League was chosen by India to fulfil its dream of ripping apart and splintering Pakistan. This party created anarchy and the Pakistan Army tried to control misrule and rebellion which resulted in the influx of refugees to the Indian West Bengal. Mukti Bahini was created by the Indian spy agency Research and Analysis Wing (RAW) unleashed a reign of terror in the East Pakistan and narrative was developed that India should intervene in the East Pakistan on the basis of human rights violations. Soviet Union provided ammunition, modern aircraft and other allied military hardware to improvise the Indian defense capabilities in the East Pakistan and to this effect it signed a defense pact with India in August, 1971.

Hijacking drama of Ganga Aircraft was a ploy in order to throttle the West Pakistan's air route to the East Pakistan. Fokker aircraft flying the military officers and their families was presumably hijacked by the Kashmiri Mujahideen. The aircraft hijackers were given political asylum in Pakistan. On safe evacuation of the passengers the hijackers blew themselves. Taking the hijacking of aircraft as plea, India stopped west

Pakistan to fly its aircrafts from its airspace. This Indian move isolated the East Pakistan which subdued the Pakistan Army and gave ascendancy to the Indian Army and its ally Mukti Bahini.

### **Chapter Three**

Chapter three discusses attack on Indian parliament. Authors consider the 13<sup>th</sup> December, 2001 attack was presumably orchestrated. A car loaded with ammunition and carrying 5 persons intended to attack parliament when it was in session. The terrorists were killed within 30 minutes and car driver fled. Three Kashmiris were arrested after the incident inclusive of Afzal Guru, his cousin and wife. Under the POTA (Prevention of Terrorist Act), Afzal Guru was sentenced to death while lady was acquitted and her husband was jailed. On 9<sup>th</sup> Feb 2013, Afzal Guru was hanged in the Tihar jail. His family was not allowed a last meeting and was buried in a secretive manner. He was declared as accomplice without taking his confession. Despite setting aside the confessional statement of Afzal Guru, the Indian Supreme Court didn't commute his death sentence to life imprisonment. Congress under pressure from the BJP (Bhartia Janata Party) asked President of India not to accept the mercy petition of Afzal Guru as the party could face criticism in the election campaign. Atal Behari Vajpayee, the then Prime Minister of the India equated the incident of attack on parliament with the incident of 9/11 and heightened the tension by

installing the Indian forces for more than 10 months at the Pakistan borders.

Authors contend that the government of General Pervez Musharraf reacted to this incident in a lackluster manner.

#### **Chapter Four**

This chapter narrates the story of Godhara Train arson on 27<sup>th</sup> Feb, 2002 which led to the barbaric carnage of Gujrat. Train arson at Godhara left 60 people died. Narendara Modi being the Chief Minister of Gujrat ordered to send the charred bodies to Ahmedabad in a procession. The processionists were carrying the charred bodies and raising slogans against Muslims and Pakistan. Ahmedabad riots turned into setting on fire the properties of Muslims starting with Muslim Congress MP Mr. Ahsan Jafri. Besides this, Muslims were bathed in blood. Narendrara Modi along with Amit Shah had devised the plan to arouse Hindu-Muslim rampage and furore in order to gain Hindu support to win the mass elections at the national level. He won the election of 2002 in Gujrat. The world leaders dubious character is explicit as he was declared as murderer but became acceptable when he won the general elections in 2014. Concerned Citizens Tribunal-Gujrat 2002 have collected enough evidence against Modi whenever International Court of Justice tries him. Ra'anaAyub, an investigative journalist has also mentioned the involvement of Modi in the massacre of Muslims in her book titled as 'Gujrat Files – Anatomy of

a Cover Up'. The authors have made a point that the government of General Pervez Musharraf did not rebut the Indian propaganda in a befitting manner.

#### **Chapter Five**

Samjhota Express bombing attack on 18<sup>th</sup> Feb, 2007 was another flag operation to disrepute the international image of Pakistan. Bombs were exploded in a Lahore-bound train when it was passing Diwana, near Panipat 80 Kilometer north of Delhi. The bomb blasts killed 68 people and 48 of the dead people were returning to Pakistan after meeting their relatives in India. The world was immediately informed by the Indian government that the allegedly Pakistani-sponsored militant organizations Jaish-e-Mohammad and Lashkar-e-Tayyaba were mastermind of the incident and it went on blame the Pakistani intelligence agency ISI also for the involvement. It was argued by the Indian government that the incident was manufactured in order to stall the peace process between India and Pakistan. On 20<sup>th</sup> March, 2019, the world came to know that the Indian court acquitted the accused on the basis of insufficient evidence. Falsity of the incident fed in the world powers led the UN Security Council and the US Treasury bench to put sanctions on the Lashkar-e-Tayyba.

#### **Chapter Six**

India claims the incident of Mumbai attack as 26/11 on the pattern of 9/11 in

the US twin towers. The evening of 26<sup>th</sup> November, 2008, Indians claimed that hundred of terrorists had attacked Mumbai. Later, it was told that 10 terrorists had attacked and 9 were killed. Presumably, the Indian-sponsored terrorist had attacked central railway station, CAMA hospital, café leopid, Taj Mahal hotel, Oberai/Trident hotel and the Nariman House. Operation against the terrorists cleansing lasted for four days. Author Elias Davidson of 'The Betrayal of India: Revisiting the 26/11/Evidence' does not blame Pakistan for the involvement in the Mumbai attacks. He claims the Hindutva terrorist groups of BJP/RSS were involved in planning killings of Muslims and other terror attacks. As usual, the authors contend that the PPP government led by Mr. Asif Zardari and Yusuf Raza Gillani were buckled under the Indian pressure and offered them to send its DG ISI in order to investigate the situation.

### **Chapter Seven**

This chapter has been devoted to the narration of Pathankot incident of 1<sup>st</sup> January, 2016. Six people dressed in the Indian military uniform climbed wall of the Pathankot air base with the help of eucalyptus trees. They remained in the base and by 5<sup>th</sup> January, 2016, it was claimed by India that all six terrorists were killed. Jaish-e-Mohammad was held responsible for the incident. This false flag operation and similar other operations were carried out to divert the attention from holding parleys on

Kashmir issue and subversive activities carried out in Balochistan and FATA.

### **Chapter Eight**

18<sup>th</sup> September, 2016 Uri attack was manufactured in order to avoid tarnish the image of Pakistan and avoid any talk on Kashmir issue. India demanded from Pakistan to stop its infiltration of terrorists in Kashmir. Uri Indian Army Brigade Headquarter was attacked by four militants in which 30 people were killed inclusive of 17 Indian army officers. Jaish-e-Mohammad was held responsible. The Indian government used the incident of Uri to its advantage and boycotted the 19<sup>th</sup> SAARC summit. Further, propaganda was unleashed on Pakistan which was poorly countered by the government of Nawaz Sharif.

### **Chapter Nine**

Central Reserve Police Force convoy was hit by the explosive-laden vehicle on 14<sup>th</sup> Feb, 2019 when it was passing from the Jammu-Srinagar Highway near Pulwama which killed 40 jawans. As usual, Pakistan government was blamed for this act. On 26<sup>th</sup> Feb, 2019, the Indian air force attacked Balakot (Pakistan) and Indian media claimed to have killed 350 terrorists hatched by Pakistan. Pakistan shot down two aircrafts of the Indian air force on 27<sup>th</sup> Feb, 2019 and caught the Indian pilot named Abhinandhan red handed. He was later released and handed over to the Indian military authorities. Prime Minister of India Narendra Modi

capitalized on the incident of 27<sup>th</sup> Feb, 2019 in its general elections of 2019 and won two-third majority.

**Conclusion:**

There is no denying that peace of the South Asian region is at stake due to desire of India to establish its hegemony. Pakistan sores in tis designs. The book under review truly highlights the manufactured occurrence of the false flag operations by India to portray bad face of Pakistan in the comity of nations. Conjoining the above-mentioned incidents should lead the world to understand the enforcement of ideals of Hindutva. Modi's India sit on nuclear button and his wish to impose its Hindu ideals may force him to annihilate Pakistan by waging a nuclear war. The book under review titled as *Ganga to Pulwama; India's False Flag Operations* should serve as an eye opener to understand the Indian nefarious designs which may ruin peace of this region.