Firm Ownership Structure and International Sales: Empirical Evidence from Pakistan

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بسم الله الرحمن الرحيم

Dedication

To My Beloved Sister Faiza Shaukat (Late)

Declaration

I hereby solemnly declare that all the literature presented in following dissertation is entirely based on research work carried out in defense of my thesis topic. This publication is pioneer in its context and has neither similarity to any previously submitted thesis nor any copied material in its contents from any source except where due reference is clearly mentioned. All of the published data is result of my own efforts, research and analysis with support of those mentioned in acknowledgement, in specific my supervisor. If at some later stage plagiarism is detected in the submitted research based literature, I will be fully responsible for all the consequences as per the prevailing rules and law of approval committee.

Faria Shaukat

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Abstract

This study explores the impact of CEO ownership and foreign investors' ownership on the level of international sales in Pakistan using panel data covering the periods from 2006 to 2014. We use three alternative dimensions of family involvement to separate family and non-family firms. We also utilize firm-specific variables, namely, firm size, firm age, and board size, as control variables in our empirical models. Whereas family involvement is used as a dummy variable. Ordinary least square regression technique with robust standard errors is used for estimation of the empirical models.

We find that foreign investors' ownership has a positive and significant relationship with the level of international sales. Whereas, CEO ownership has a negative relationship with the level of international sales. The negative relationship of CEO ownership with level of international sales shows that as the CEO have the risky nature so they avoid to expand their business internationally that is why, there exist a negative relationship between CEO ownership and international sales.

By separating family and non-family firms we can look at the impact of both CEO ownership and foreign investors' ownership on the level of international sales of both family and non-family firms. Regarding this, Our results show that family involvement positively and significantly moderates the relationship between the percentage share of the foreign investors' ownership and the level of international sales, whereas, family involvement negatively moderates the relationship between the percentage share of CEO ownership and the level of international sales. Firm size, firm age and board size are positively related to the level of international sales. Overall, the results presented in this

study are consistent with the prior theories and the existing empirical literature of ownership structure.

Keywords: Ownership structure; CEO ownership; Foreign investors' ownership; international sales; Family and non-family firms; Board size; Firm age.

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List of Abbreviations

BS	Board Size
CEO	Chief executive officer
CEOOWN	CEO Ownership
FA	Firm Age
FI	Family Involvement
FIOWN	Foreign investors' ownership
FS	Firm Size
IJV	International joint venture
KSE	Karachi Stock Exchange
OLS	Ordinary Least Square
PSX	Pakistan Stock Exchange
SBP	State Bank of Pakistan

Chapter 1

Introduction

1.1 Background

The term ownership structure can be defined as the distribution of equity with regard to votes and capital but also by the status of the equity owners. As ownership structure determine the enticement of managers and thereby the economic efficiency of the enterprises they manage, these ownership structures are considered to have major grandness in businesses. With the global economic growth and the business activities which are opening worldwide, internationalization[1] is considered as a good contingency for the strategic reopening of all types of business. Following Welch & Luostarinen (1988) we define the term internationalization as 'the process of increasing involvement in international markets'.

Internationalization process is usually considered as the most challenging for the family owned business as compared to non-family business because there are several risks and limitations which family firms have to face due to their family nature. Therefore, family firms internationalizes very slow and later relative to non-family firms (Segaro (2012)). On the importance of internationalization for family business long term continuance there is a growing debate by the researchers (Claver, Rienda, & Quer (2009)). However, there are several important affairs which are associated to family business internationalization. Thus,

[1] Internationalization is the act or process of making a product suitable for international market, so here the term internationalization would refers to international sales or exports all over the world.

there is a critical need to further explore the issue to check that whether and to what extent there are particular family features which might have an impact on the question of when, why, and how a family firm internationalizes and to what extent it is different to non-family firms.

Internationalization is considered as an inestimable strategy for any firm's growth and its development. However, there is very less information available regarding internationalization behavior of family firms (Graves & Thomas (2008)). Family enterprises of small and medium-sized internationalize their business by first making their position strong in domestic market and after that they start exporting in international market. For extending their business in abroad they first beef up the necessary resources and potentiality than they extend it (Segaro (2012)). The exporting literature and internationalization have experienced a phenomenal advancement during the last five decades (Leonidou, Katsikeas, & Coudounaris (2010)).

The both types of businesses (family or non-family) which are having concentrated information, older principal founders, with more resources, contact networks and knowledge of management are usually considered more likely to be exporters and to internationalize more faster than other firms (Westhead, Wright, & Ucbasaran (2001)). However, in home country family business tend to have low level of internationalization as compared to their non-family fellow countries. The common reason for a firm internationalization are basically related to advantages for the firm, but if there are political coalition in the firms than this view does not assume to be enough to explain why and to what extent firms internationalizes. Oesterle, Richta, & Fisch (2013) demonstrated that the main reason of a firm internationalization is associated with advantages for the firms but

For the process of internationalization family participation assumes to be an important element. Some studies shows that family business is related with the worse level of internationalization. It has been concluded from the effect of family contribution on internationalization that family inclusion is connected with the higher foreseen risk of internationalization activities. There is no explicit or absolute relationship between the firm's level of internationalization and it's familiness (Calabrò, Torchia, Pukall, & Mussolino (2013)).

Expansion of international operations has become necessary for firms of all sizes and ownership types due to the globalization of the world economy (Parker (1998) and Zahra & George (2002)). However, when the researchers examined the international development and extension they have studied large corporations and new ventures as well not only family businesses (Zahra, Ireland, & Hitt (2000)). However, the substantiation proposes that family firms are turning into the administrator in worldwide markets, while the researchers have not inspected these business inside and out (Harveston, Kedia, & Davis (2000)).

Beside the impact on the resources that an international strategy requires, there are different types of owner and each of these owner may have a different level of risk aversion. Both types of firms (i.e. Family and non-family firms) are different in terms of strategic behavior, values, and objectives (Donckels & Fröhlich (1991) and Singer & Donoho (1992). The differences between family and non-family firms and their effect on strategic decisions such as internationalization is very important issue but not yet have been appropriately explored (Eriksson, Johanson, Majkgard, & Sharma (1997)). For example, kinsperson possession can make it difficult to obtain resources, but, firm's ownership provides business firms an easier way to technological, financial and potentiality.

Owner–CEOs are supposed to behave as administrator or guardian of the firm's resources. If there is an increase in the level of internationalization or in the productivity of the firm due to guardianship or stewardship behavior comparative to agency thinking, than this is a matter of comprehensive debates (Jensen & Meckling (1976) and Miller, Breton-Miller, & Scholnick (2008)). Similarly, the risk perceptivity of owner-CEOs and the impact of their risky attitude may affect the decisions related to internationalization but still it is a very important matter of discussion in literature (Fernández & Nieto (2006a), Gómez-Mejía, Haynes, Núñez-Nickel, Jacobson, & Moyano-Fuentes (2007) and Zahra & George (2002). It can be broadcasted that CEOs perceive internationalization as a fomite for building an aggregate power and a domain. In this context, foreign owners must be entered into the market to beat the rivals and foreign markets are another stage for creative items and procedures. This entrepreneurial predilection towards internationalization would lead towards the profitability and firm growth (Zahra & Garvis (2000)).

Sanders & Carpenter (1998) found that the relationship between the internationalization level of a company and CEO long-term indemnity is positive, expecting this long haul view urges the CEOs to indict risky procedures that advances firm development. Despite some confirmation on mixed results identified with ownership structure and risk profiles (e.g. Palmer & Wiseman (1999)), the dominant part of studies were talking through an agency-theoretic lens and they have found that expanded ownership focus would prompts higher risk avoidance of owner-CEOs (Denis, Denis, & Sarin (1997b)). Before debut a product in foreign markets internationalization through exportation can leads towards a large amount of necessary activities, like the foundation of dispersion channels, advertising endeavors, satisfaction of legitimate prerequisites for the item, provincial customization of the item and so forth. On the off chance that the achievement of foreign business sector is not happening as arranged, the expenses of these activities can be a genuine risk for the financial position of the business. The desire of owner-CEOs to secure their own wealth and wall the pay streams is the prime contention for the disapproval of owner-CEOs towards risky choice like internationalization. Especially this risk aversion can become conspicuous if a significant bit of a CEOs complete resource is secured up in the business she or he is overseeing, (S. E. Beatty & Talpade (1994), Musteen, Datta, & Herrmann (2009) and Sanders & Carpenter (1998)).

When we talk about foreign investors, we consider various types, including institutional, governmental, financial, corporate, and private (high net worth individuals) investors. Direct association in the organizations operations does not seems interesting to the investors which are having absolute financial outlook, but still they need adequate information related to the financial performance of the business (Kaplan & Stromberg (2001)). Within business operations this credentialism encouragement will lead to comprehensive acknowledgment of weaknesses, which make inferable money streams that can take the firm towards international markets. Particularly, for the fast growth the first choice is export as a type of internationalization with low hindrances (Ramaseshan & Patton (1994)). Furthermore, foreign financial investors relying upon the percentage of ownership, similar to banks, might give access to wide systems of business accomplices and other neighborhood foundations of their host nation. For instance, 50% equity of a Norwegian firm is held by a large German bank would have the capacity to help this business to go into the German market by its items with building up associations with nearby legislative organizations and merchandiser. For the similar industries we can apply this network argument. Further, corporations can provide the knowledge also financial and other resources (Djankov & Hoekman (2000)).

1.2 Gap in the literature

Some empirical studies have been conducted in Pakistan related to ownership structure and they have discussed relationship of ownership structure with firm performance. These studies include Javid & Iqbal (2008) and Shah & Hussain (2012). They took the data of Pakistani firms and found the relationship of ownership structure with the firm performance but none of them discuss the relationship of ownership structure with international sales. However, this is an important issue to explore that whether ownership structures have an impact on the international sales or not. Whereas, at international level, there are several authors who have discussed the impact of different ownership structures on international sales. Past quantitative literature showed that different types of ownership plays very important role in making an internationalization strategy for firm. For family firms, the main contributions have comes from George, Wiklund, & Zahra (2005). They took data from Swedish SMEs and concluded that as CEO ownership increases, the level of internationalization decreases.

However, Calabrò et al. (2013) conducted a survey for Norwegian firms and found that there exists a negative relationship between CEO ownership and international sales and a positive relationship between foreign investors' ownership and international sales. A good understanding of how family owned firms initiate their internationalization have been given by Zahra (2003) and Kontinen & Ojala (2012). Positive relationship between institutional investment and level of international sales has been found by George et al. (2005). Whereas, they also found that the level of internationalization cannot be effected by institutional involvement.

Furthermore, preexisting researchers do not provide detailed information regarding firm's ownership types and its impact on internationalization strategy. George et al. (2005) contributed in the literature by explaining scale and scope of internationalization. They do not showed a difference between foreign investors' ownership and CEO ownership and they totally ignored the family owned firms. Similar to that Zahra (2003) explained kinsperson ownership internationalization which the past literature neglected. The preexisting literature only focused on impact of kinsperson owned firms which George et al. (2005) neglected. From the previous research it is clear that there is a prominent gap in the field of ownership type (i.e. foreign investors' ownership and CEO ownership) and its impact on internationalization. First, there is need of research in the field of how foreign investors' ownership and CEO ownership affects the internationalization policies of firms. This study would help the policy makers to better understand that how ownership types effects the internationalization of firms and also helps to fill the gap in present research. Henceforth the focus of this study is to give an overall picture and to show that how ownership structure controls the internationalization policy of firms.

1.3 Problem Statement

In principle, internationalization of firms and their relationship with ownership structures plays a significant role in explaining the overall value of firms. When we examine the past empirical literature regarding the determinants of ownership structure we see firm specific variables like firm age, board size and firm size play an important role in ownership structure dynamics. When we observe the literature for developed countries we see that several empirical literature focused on ownership structure and its impact on internationalization.

Further, most of the empirical studies have separated the family and non-family firms and check their impact on the level of international sales for different ownership structures. Similarly, when we examine the empirical literature for developing countries we find that most of them focused on ownership structure-firm performance relationship. In order to understand the ownership structure and its impact on internationalization in overall firm performance, there is a necessity to explore impact of different ownership structures (foreign investors' ownership and CEO ownership) in developing countries. For this, we separate family and non-family firms for investigating the role of foreign investors' ownership and CEO ownership on the level of international sales in case of Pakistan.

1.4 Research Objectives

There are mainly three objectives of our study, which are as follows:

i. To examine the impact of CEO ownership on the level of international sales of firms.

ii. To explore the influence of foreign investors' ownership on firms' international sales.

iii. To investigate the role of family involvement in establishing the relationship between CEO ownership, foreign investors' ownership and international sales of firms.

1.5 Research Questions

The research questions of our study are:

i. Is there any influence of CEO ownership on the international sales of family and non-family firms of Pakistan?

ii. Is there any influence of foreign investor ownership on the international sales of family and non-family firms of Pakistan?

iii. Are the percentage share of foreign investors' ownership and the level of international sales, moderated with the family involvement in the business?

iv. Are the percentage share of CEO ownership and the level of international sales, moderated with the family involvement in the business?

1.6 Research Hypothesis

We construct the following hypothesis based on the empirical literature. According to Ramaseshan & Patton (1994) for fast growth export as a sort of internationalization with low hindrances is thought to be the principal decision. Further Musteen et al. (2009) provides the evidence that the existence of external foreign owners leads towards the higher level of international sales. Whereas according to Fernández & Nieto (2006a) and Gómez-Mejía et al. (2007) there exist a negative relationship between CEO ownership and international sales because of risky nature of CEO. This narrated appraisal of literature strands in the research field of ownership structures and internationalization devotes to an improve classification of our research model (see Fig. 1). Certainly, the center of attention on which we emphasis are mainly two elements: the ownership structure and family involvement. For these elements we are presenting four hypothesis, through which we analyze the impact of CEO ownership and foreign investors' ownership on the level of internationalization of our sample firms. Also we test the moderating impact of family involvement. To achieve the objectives of the study, we construct the following hypothesis.

H1: There is a positive and direct relationship between the shareholding of foreign investors and level of international sales.

H2: There is a negative and direct relationship between the CEO shareholding and the level of international sales.

H3: Family involvement positively and directly moderates the relationship between the shareholding of foreign investors and the level of international sales.

H4: Family involvement negatively and directly moderates the relationship between the CEO shareholding and level of international sales.

The above-mentioned hypothesis can be shown in the following figure as given by Calabrò et al. (2013);

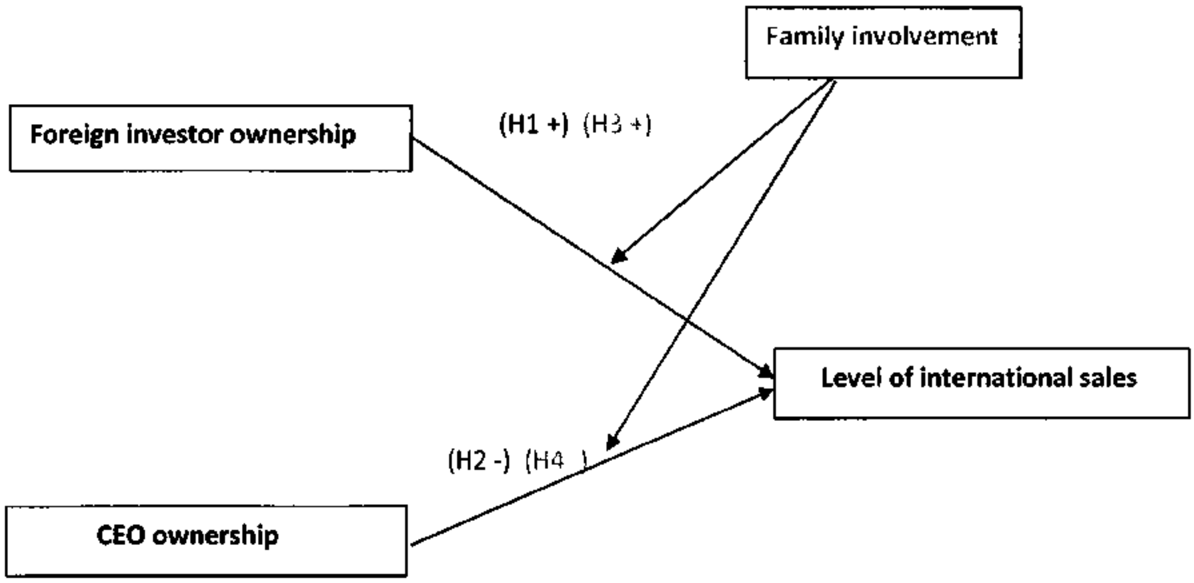

Fig. 1. Research model

1.7 Significance of the study

As long as there is a huge globalization of markets and high volatility of environments in Pakistan and to increase their competitive advantage in both contexts (national and international), internationalization is turning into an imperative choice for firms of numerous types. This study would be helpful for firms in the way that it looks at the relationship of ownership structure with international sales and how both family and non-family firms can improve their international sales in relationship with the ownership structure. The main purpose of this study is to further contribute on the relationship of international sales with foreign investors' ownership and CEO ownership with regard to family involvement.

From the previous studies we found that they assimilate the firm specific determinants in explaining the decision taken by firm related to internationalization. There are few studies in developing countries regarding the impact of ownership structure on international sales. Hence for designing efficient policies regarding internationalization, it is vital to realize the relationship between different ownership structures and international sales. In this manner the empirical findings of this study help corporate managers to make better strategies and financial choices while choosing about their organizations' exporting choices. Also this study contributes to a better understanding of how family involvement moderates the relationship between ownership structures and international sales. Our study is significantly different from previous studies done in Pakistan[2]. Specifically the main objective of our study is not just identifying the relationship of CEO ownership and foreign investors' ownership with the level of international sales but also we check the impact of family involvement on this relationship.

1.8 Scheme of the Study

Chapter 1 includes background, problem statement, objective, and significance of the study. The remainder of thesis is planned as follows. Chapter 2 reviews the important literature and theories related to ownership structure and the international sales. Chapter 3 discloses the data and methodology. Chapter 4 presents the empirical results and their

[2] Javid & Iqbal (2008) and Shah & Hussain (2012).

analysis. Finally Chapter 5 presents some conclusions and future directions of research on the issue.

Chapter 2

Literature Review

Literature review is basically substantive findings as well as theoretical and methodological contributions to the proposed field. While doing literature review we have gone through several articles which are related to ownership structure as well as with international sales of both family and non-family firms. We observe that some of the studies are clearly showing the relationship between ownership structure and international sales. Whereas the other are providing mix results, Prior studies have also discussed the difference between the internationalization of family firms and non-family firms due to several risks faced by the family firms. For better understanding we group the existing empirical studies on the impact of ownership structure on family and non-family firms' internationalization into three categories. The first group of studies focus on family business inclination to internationalize in contrast with non-family business. The second group of studies emphasized on the family business as an organization with high entrepreneurial activities, in which the proprietors and administration are slanted to take risky choices. At the end the third group of study focus on the factors which could impact the internationalization procedure of family business.

2.1 Inclination of Family business towards internationalization in contrast to non-family business

The first group involves those studies that examines family business penchant to internationalize in correlation to non-family business. These studies reasoned that, contrasted with non-family business, family business have lower export propensity and power (Matlay, Crick, Bradshaw, & Chaudhry (2006), Fernández & Nieto (2005) and Graves (2006)). The reason for the investigation of Matlay et al. (2006) was to explore contrasts in the apparent execution and aggressiveness of "fruitful" family and non-family-owned firms in abroad markets. Their discoveries demonstrated that little family-owned organizations can be pretty much as focused in abroad markets as their non-family possessed partners, accepting that a compelling procedure is utilized. Their discoveries can served as valuable good examples. Fernández & Nieto (2005) have recognized a few parts of the internationalization system of family SMEs. Subsequent to analyzing the different issues confronting family SMEs as respects internationalization, as far as absence of assets, a few systems are examined to check their negative impact. They have utilized a wide specimen of Spanish SMEs. A few tests for the balance of means were done keeping in mind the end goal to have a guess of the conduct of family SMEs toward internationalization. They confirmed the presence of a negative relationship between family possession and internationalization, measured by fare exercises. They additionally broke down the part of generational changeovers and stable associations with different firms through shareholding or understandings expected to advance global extension. These instruments were embarked to give family SMEs the essential assets that have turned out to be enter components in a fruitful internationalization process.

Fernández & Nieto (2006a) examined the relationship between the internationalization methodologies of SMEs and sorts of possession. Distinctive sorts of proprietorship influence firms, and this thusly will impact the internationalization technique received. They utilized a specimen of Spanish SMEs, their outcomes demonstrate that internationalization is contrarily identified with family proprietorship and absolutely identified with corporate possession. They have additionally watched that the vicinity of a corporate piece holder in family firms supports internationalization. These outcomes bolsters the thought that possession sort impacts the choice to internationalize.

Fruitful global extension requires the administrative abilities important to configure and influence a firm's assets in the worldwide commercial center since family firms can confront one of a kind difficulties in building their administrative capabilities (Graves (2006). The reason for their study was to look at the administrative capacities of family and non-family firms as indicated by the level of their internationalization. They have utilized the most as of late accessible longitudinal database of Australian little to-medium-sized enterprises. Their study used nonparametric measurable procedures since they were distribution free and robust while utilizing non ordinary information. The aftereffects of their study demonstrates that the administrative abilities of family firms linger behind those of their non-family partners as they extend universally, especially at large amounts of internationalization. These studies indicate how after internationalizing family organizations keep up their recognizing highlights, they stay cautious and always focus on long term objectives. Without a doubt, a few creators found that family business have a tendency to internationalize later and much slower than non-family organization (Graves (2006)).

One strand of researchers arrived at the conclusion that the administrative capacities of family organizations appear to linger behind non-family organizations, prompting lower levels of internationalization (Graves & Thomas (2004); Okoroafo (1999)). Graves & Thomas (2004) found in their study that Australian family firms made a huge commitment to the Australian and worldwide economy. Notwithstanding the way that the complexities connected with dealing with a family business are not tended to by established administration hypothesis, constrained experimental exploration has recorded the worldwide development of family firms. They inspected whether family firms vary from non-family firms as to the affinity for and degree of their internationalization. They took the information from Australian family firms for the year 1994/1995 to 1997/1998 comprehensive. They used non-parametric measurable methods since they are distribution free, and logistic regression analysis, which is robust while utilizing non-normal information. The aftereffects of their study highlighted that family firms are less inclined to internationalize contrasted with non-family firms. The outcomes additionally recommended that more seasoned and bigger firms, focused on advancement, organizing and an introduction towards development, will probably internationalize their operations. At last, contrasted with non-family firms, family firms are more averse to participate in systems administration with different organizations, more inclined to show development profiles typically of lifestyle and be littler in size.

Okoroafo (1999) decided the degree of internationalization (i.e., worldwide business states of mind and exercises) of family organizations. They directed overview of 187 family organizations from northwest Ohio. Pearson's chi squared decency of fit examination was utilized to test for significance. They found that family organizations don't routinely screen the universal commercial center or incorporate worldwide advancements into household choices. The study found that in the event that a family business does not get incorporated into outside business areas in the first and second eras, it is doubtful to do all things considered in later times. The majority of family organizations does not create sources in remote nations. The family organizations that do source from abroad markets do as such for the most part for expense and quality advantages. Around half of family organizations sold their items in outside business sectors fundamentally by means of trading and joint endeavors.

There is another study which goes in the same course. Particularly Menendez-Requejo (2005) dissected family organizations' development and internationalization choices, looking at if being a family firm decides contrasts in these methodologies. By Resources and Capabilities Theory, family firms can have constraints for internationalization in their monetary and human resource. Then again, the agency theory and the selflessness viewpoint set up that benevolence in family firms can drive their remote frameworks, encouraging them. They built up an observational investigation for the Spanish family firms in 2001 and 2002, with the fundamental conclusion being that they don't discovered foreordained breaking points nor favorable circumstances in the remote development of Spanish family firms, with size and second family eras being the primary determinants of internationalization.

There is a strand of researcher whose principle goal was to investigate the linkages between the general business procedures of little firms and their examples, procedures and pace of internationalization[3]. Matlay et al. (2006) utilized a subjective methodology, including 30 top to bottom meetings with key chiefs of internationalizing little firms situated in 3 UK locales (15 'learning escalated' and 15 "customary" firms). The discoveries propose that business approaches, including those connected to proprietorship and/or administration changes, had an essential impact upon the global introduction of numerous organizations.

[3] See for example Matlay et al. (2006) and Graves (2006).

There were close connections between item approaches and advertise center, with item or process advancement frequently giving an imperative jolt to worldwide development. On the other hand, contrasts existed in the examples, procedures and pace of internationalization between little 'learning escalated' and "conventional" assembling firms.

Fruitful universal development requires the administrative capacities important to configure and influence a firm's assets in the global commercial center. Since family firms can confront one of a kind difficulties in building their administrative managerial capabilities (Graves (2006)), the motivation behind their study was to think about the administrative capacities of family and non-family firms as indicated by the level of their internationalization. Utilizing the most as of late accessible longitudinal database of Australian little to-medium-sized enterprises. Their study used nonparametric measurable systems since they are distribution free and robust while utilizing non ordinary information. The results of this study demonstrated that the administrative capacities of family firms linger behind those of their non-family partners as they extend globally, especially at elevated amounts of internationalization.

2.2 Strong entrepreneurial conduct of the Family businesses organization

The second group incorporates papers portraying family organizations as an association with high entrepreneurial activities, in which the owners and administration are slanted to take risky choices. Example of these papers are Calabro, Mussolino, & Huse (2009), Claver et al. (2009), Fernández & Nieto (2005), Fernández & Nieto (2006a), Segaro (2012) and Zahra (2003). One of the central message of these studies was that family commitment is from every angle a key determinant of internationalization strategy. Zahra (2003) considered the collaboration of family affiliation and internationalization of US collecting firms. The results prescribed that being a solidly held family business is associated with lower level of internationalization, this is not the circumstance for other family associations that are not immovably held. She took information of 409 U.S producing firms. The creator suggested that the discoveries might identify with the proprietor chiefs enthusiasm to keep relatives included through internationalization. In addition family business might approach internationalization all the more carefully and they may be more propelled by the long haul execution enhanced through internationalization. Results showed that family proprietorship and consideration in the firm and furthermore the association of this ownership with family commitment are by and large and determinedly associated with internationalization.

Furthermore, Zahra (2005) found that family contribution was absolutely identified with the authorization of family organizations in new outside business sectors. Family firms were generally perceived as a noteworthy wellspring of mechanical development and monetary advancement. Yet, after some time, some family firms get to be traditionalist and unwilling to take the risk connected with entrepreneurial exercises. This study utilized organization hypothesis to highlight key connects of risk taking among 209 U.S fabricating family firms. The t and $\aleph^2$ tests were utilized to set up the representation of the test to its population based. The outcomes demonstrated that family proprietorship and association advance business enterprise, though the long residencies of CEO authors have the inverse impact.

Calabro et al. (2009) found that internationalization is one of the greatest difficulties for family organizations. There were standing out results from admiration to the internationalization conduct of family organizations and the part of sheets of executives in this procedure. Their target of the study was to concentrate on the elements of the internationalization alleyway taken by family associations. Their study in view of test of 146 little and medium sized Norwegian family organizations. For testing the hypothesis multiple linear regression analysis was used. They found that the board is a critical vital asset adding to their worldwide development. Specifically, they find that family organizations with more elevated amounts of non-family board individuals will probably be worldwide. In addition, they found that boards' inclusion in counseling errands contributes absolutely to the fare force.

Claver et al. (2009) demonstrated family-related components that affect the global duty level of Spanish organizations. From a specimen of 7382 Spanish family firms, discoveries of their work demonstrated that long term vision and the vicinity of non-family chiefs were absolutely identified with passage modes including more grounded universal duty, although self-financing restricts this dedication. Logistic regression was utilized to test the hypothesis. They reasoned that long term vision is a key component of the universal development of family firms. By proposes of worldwide enterprise, this component was connected with the qualities of the business visionary. What's more, this element can offer the family firm to make some assistance with progressing in the progressive phases of the internationalization process. By, global development shows up as a slow process both regarding information and as far as firm duty. Segaro (2012) analyzed the determinant components that might clarify the internationalization of family SMEs. All the more particularly they inspected the relationship between possession, administration, top administration group and internationalization in family SMEs. Family SMEs might profit from stewardship introduction. They inspected the potential directing part of stewardship introduction and top administration group behavioral mix.

Fernández & Nieto (2005) concentrated a few parts of the internationalization system of family SMEs. In the wake of looking at the different issues confronting family SMEs as respects internationalization, regarding absence of assets, a few components were talked about to neutralize their negative impact. They utilized a wide example of Spanish SMEs, they confirmed the presence of a negative relationship between family possession and internationalization, measured by fare exercises. They likewise examined the part of generational changeovers and stable associations with different firms through shareholding or assentions meant to advance global extension. One of the focal message of these studies was that family association is by all accounts an essential determinant of internationalization process.

In addition family business might approach internationalization all the more anxiously and they might be more convince by the long haul execution redesigned through internationalization (Zahra (2003). Another vital study concerned the effect of family incorporation on internationalization contemplated that family commitment is associated with a higher expected risk of internationalization activities. No immediate relationship was seen between the organization's familiness and its level of internationalization, the author suggests that the impact of familiness on internationalization is generally indirect (Casillas & Acedo (2005). Cerrato & Piva (2012) did the exploration on components influencing the internationalization of SMEs is appealing in developing interest. They took the information from a specimen of 1,324 Italian fabricating SMEs, their study demonstrated that inclusion of the owning family in administration adversely influences trade penchant at the same time, once the decision to go global has been made, both the level of internationalization and geographical extension in family-managed firms were not significantly not quite the same as nonfamily-managed firms. Observational results demonstrated that the level of human capital and the vicinity of foreign shareholders in the SMEs absolutely influence internationalization.

Graves & Thomas (2008) presumed that association's inside created assets are the most standard wellspring of fund for internationalization tries. Likewise when the proprietor family had tremendous stakes in the associations they may be all the more prepared to give budgetary advantages for internationalization related activities. Furthermore Graves & Thomas (2008) watched that effectively internationalized family business utilized inner assets produced from the household business sector to finance their worldwide venturing. Sciascia, Mazzola, Astrachan, & Pieper (2012) shed another light on the discoveries on ownership structure. They found a curvilinear relationship in between possession and worldwide business enterprise. In their study they proposed that global business enterprise increments at the point when family ownership stays at moderate level, at low family proprietorship levels the same results happen as with high family ownership intensities.

Another study by Calabrò & Mussolino (2013) comprehended the practices of focusing so as to internationalize family firms on when and how they internationalize particularly identified with risky attitude, the part of learning and organizes. They deliberately looked into and fundamentally inspected 72 journal articles distributed (from 1980 to 2012) on the internationalization of family firms. Coming from existing writing, center angles and main gaps were recognized. They planned to conquer the uncertainty of discoveries of past exploration by offering an integrative hypothetical model coordinating the idea of socioemotional wealth with the amended Uppsala model. Their system helped in comprehension practices of focusing so as to internationalize family firms on when and how they internationalize, particularly identified with risk attitudes, the part of information and systems. At last, they gave future exploration subjects spilling out of our recommended model.

Liu, Li, & Xue (2011) investigated how in developing markets possession structure impacts these vital introductions and their adequacy in encouraging worldwide business achievement. Their discoveries in light of overview information from Chinese firms, proposed that proprietorship structure particularly possession fixation and CEO possession can lead firms to pick different strategic orientation. Moreover, they found that entrepreneurial orientation specifically advances an association's internationalization exercises, though advertise introduction had a inverse U-shaped association with internationalization exercises.

2.3 The factors affecting family businesses internationalization process

The third group of studies (Gallo & Pont (1996); Lu & Beamish (2006) and Okoroafo (1999); Okoroafo (2009), Menendez-Requejo (2005)) analyzed particular factors, with respect to case the generational stage and the presence of systems which could impact the internationalization procedure of family business. A few authors talked about the fundamental trademark in various phases of life cycle of firm and the association with the way of the owning family in the internationalization process. Different authors contended that an emphasis on the items pointed basically at the nearby market and a deficient level of innovation have all the earmarks of being the fundamental driver of unbending nature of family organizations as for internationalization (Gallo & Pont (1996) and Menendez-Requejo (2005)). Gallo & Pont (1996) investigated the impact of a few elements applicable to any internationalization forms, and separates between those elements that guide internationalization and those that impede such a procedure. Their study likewise joined these variables with exceptional qualities innate in family business, and examined how such attributes influence internationalization forms in family business.

Lu & Beamish (2006) analyzed the execution ramifications of two sorts of assets contributed by SMEs' IJV partners, host country information and size-based assets. They took test of 1117 global joint endeavors set up in 43 nations by 614 Japanese SMEs that had less than 500 representatives. Their discoveries showed that SMEs' IJVs with neighborhood accomplices might be connected with declines in life span, particularly when SMEs get host nation learning. The host nation experience of Japanese partner(s) does not had any immediate impacts on IJV productivity but rather diminishes the long evity of IJVs. At last, the measure of Japanese partner(s) expanded the long evity of IJVs yet might negative effect on IJV productivity when huge Japanese accomplices had low value proprietorship in IJVs. Their discoveries highlighted the differential impacts that IJV accomplices' experience-based and measure construct assets have in light of IJV execution. Their discoveries likewise showed that the same technique could negative affect distinctive measurements of execution.

Okoroafo (1999) decided the degree of internationalization (i.e., worldwide business dispositions and exercises) of family organizations. A study of 187 family organizations from northwest Ohio establishes that family organizations don't routinely screen the worldwide commercial center or coordinate worldwide improvements into household choices. They found that in the event that a family business does not get incorporated into outside business segments in the first and second periods, it is doubtful to do accordingly in later times. The larger part of family organizations does not create sources in outside nations. The family organizations that do source from abroad markets do as such generally for expense and quality advantages. Around half of family organizations sold their items in foreign markets basically by means of trading and joint endeavors.

Menendez-Requejo (2005) considered family organizations' development and internationalization choices, inspected if being a family firm decides contrasts in these techniques. By Resources and Capabilities Theory, family firms can have confinements for internationalization in their cash related and human resources. Then again, it is built up by the Agency Theory and the Altruism Perspective that in family firms' philanthropy can operate their remote methodologies, encouraging them. Particular, for family firms that can impact their vital choices, family business era is considered to be one trademark. For the Spanish Family Firms an observational examination was produced in 2001 and 2002, with the guideline conclusion being that they don't discover foreordained cutoff points nor preferences in the development in foreign market of Family Firms of Spain, considering second family eras and size as the primary determinants of internationalization.

Zahra, Neubaum, & Naldi (2007) proposed that SMEs' possession and administration frameworks altogether impact the advancement of information based assets vital for internationalization. They utilized a specimen of 384 US SMEs, and found a positive relationship between both the value held by top administration colleagues and financial speculators and the advancement of these imperative assets. This positive affiliation was further emphasized by the existence of free outside executives on SMEs' boards, supporting their following and ambitious roles.

There is a study which overviews the worldwide business dispositions and exercises of US family organizations. The results of their study proposed that they are not very much incorporated into global operations and that are for the most part uninformed of the accessible administrative internationalization support. On the off chance that a family business is not internationalized under the initiative of first or second period, it is implausible to do in that capacity later (Okoroafo (1999) and Okoroafo (2009)). Filatotchev, Stephan, & Jindra (2008) inspected in their paper variables influencing the export penchant of high innovation SME's in a developing economy. In their study they presumed that the ownership of worldwide systems, the existence of a returnee business person and universal learning exchange are fundamentally connected with fare inclination and trade execution.

George et al. (2005) appeared in their study that Small and medium estimated endeavors (SMEs) assume an imperative part in global markets. They contended that the possession structures of SMEs impact their proclivity to take risk and extend the scale and extent of their internationalization endeavors. They took information from 889 Swedish SMEs and uncovered that inward proprietors (CEOs and other senior administrators) have a tendency to be hazard opposed and have a lower proclivity to increment scale and extent of internationalization than outer proprietors (financial speculators and institutional financial specialists). Their outcomes gave fascinating bits of knowledge into the behavioral change of administrators with respect to the scale and extent of internationalization in the existence of outer possession.

While analyzing the empirical ownership structure relationship with international sales, we find that mostly the empirical literature is focused on developed countries. Numerous studies investigated the relationship between ownership structure and international sales (see for example; George et al. (2005), Calabrò et al. (2013), Casillas & Acedo (2005), Fernández & Nieto (2006a), Filatotchev, Liu, Buck, & Wright (2009), Lin (2012), Matlay et al. (2006)). Similarly when we examine the developing countries' literature, mostly empirical ownership literature just focused on the relationship between ownership structure and firm performance (see for instance; Javid & Iqbal (2008) and Shah & Hussain (2012)). However, we observed none of the study in Pakistan that analyze the relationship between ownership structure and international sales. Furthermore, for the better understanding of ownership structure and international sales there is a need to use interaction terms with a specific end goal to check the impact of family involvement on both family and non-family firms in developing countries. For this we are taking interaction terms and dummy variables (family and non-family firms) to look at the effect of family involvement on the relationship between ownership structure and international sales.

Chapter 3

Theoretical Framework

The extent to which firms sell abroad is still a question that what determines the extent to which a firm internationalizes? The transaction cost theory of the multinational enterprises (MNE) considers MNEs to be organizations that arrange activities crosswise over nations through employment contracts when such exercises are more proficiently sorted out thusly than through business sector exchanges, and when the advantages of arranging these interdependencies inside of a firm are higher than the expenses. Whether this is the situation relies on upon transaction characteristics. Consequently firms which need to handle exchanges subject to high market exchange expenses might wind up with a bigger foreign footprint than those which can depend on proficient worldwide markets (Hennart (1982)).

3.1 Transaction cost theory

Transaction cost theory is a theory accounting for the actual cost of outsourcing production of products or services including transaction costs, contracting costs, coordination costs, and search costs. The inclusion of all costs are considered when making a decision and not just the market prices. Essentially this theory illustrates the make versus buy decision for companies. Transaction cost theory assumes that all organizations follow the same techniques and internalize transactions when the advantages exceed the expenses. Be that as it may, choices to internalize transactions are not made in a vacuum: they are made by managers. The motivators they confront, the level of risk they are willing to take, and in addition their time skyline, relies on upon the way firms are sorted out, i.e. on their corporate administration. It is entirely conceivable that, keeping all transaction qualities constant, corporate administration might apply a free impact on the degree of a company's international expansion (Strange, Filatotchev, Buck, & Wright (2009), Filatotchev & Wright (2011)). One particular type of corporate governance is the family firm, the dominant form of corporate governance in many countries (Porta, Lopez-de-Silanes, & Shleifer (1999)).

3.2 Agency theory

The agency theory is a supposition that explains the relationship between principals and agents in business. Agency theory is concerned with resolving problems that can exist in agency relationships; that is, between principals (such as shareholders) and agents of the principals (for example, company executives). The two problems that agency theory addresses are following. First the problems that arise when the desires or goals of the principal and agent are in conflict, and the principal is unable to verify (because it difficult and/or expensive to do so) what the agent is actually doing. Second the problems that arise when the principal and agent have different attitudes towards risk. Because of different risk tolerances, the principal and agent may each be inclined to take different actions.

Agency and international business (IB) scholars are divided on this matter, and the constrained empirical evidence to date is likewise uncertain. Agency theorists have argued that convergence of proprietorship in a couple hands expands the incentives that proprietors need to monitor managers (Jensen & Meckling (1976), Denis, Denis, & Sarin (1997a)). On the off chance that owners manage the firm, as is frequently the case in family firms, they will have motivating forces to expand firm value. Does this imply family firms will be more internationalized? The international business and the finance literature make opposing predictions on this point since they have contradicting views with regards to the optimality of outside development systems. Finance researchers see universal extension as worldwide expansion. They contend that unconstrained supervisors are prone to settle on an over the top level of both residential item and worldwide expansion since it results in a bigger firm, and a bigger firm means higher pay and lower risk for them. Concentrated ownership in family firms will along these lines result in less internationalization Denis, Denis, & Yost (2002). In contrast, most IB scholars international expansion as leading to higher profitability. Hence family firms should be more internationalized.

Family proprietors have commonly sunk the greater part of their wealth in the firm. This might make them more risk averse than chiefs of non-family firms who ordinarily own a great deal more differentiated portfolio (Miller et al. (2008)). Since extending abroad has a tendency to be seen as more risky than growing at home, this proposes family firms ought to be less internationalized. It has likewise been brought up that owners of family firms ordinarily take a long haul point of view since they have their reputation and quite a bit of their wealth put resources into the firm and are regularly inspired by protecting it for future eras (Davis, Schoorman, & Donaldson (1997), Anderson & Reeb (2003)). Because of this, family owners may be willing to make the long-term investments required by international expansion.

3.3 Empirical studies of the impact of family ownership and control on international sales

Given plausible arguments in both directions, whether family ownership and management favors or hinders internationalization would seem to be an empirical issue. Unfortunately the findings of empirical studies are inconclusive. Table 3.1 lists some of the studies that have investigated the link between family ownership and management and internationalization. Three of these studies are based on US samples, four on firms outside the US (Spain, Italy, Taiwan and Australia), and one on a worldwide sample.

Table 3.1: Main studies of the impact of family ownership and management on internationalization

Study	Sample	Family control/ownership (FC)	Internationalization (I)	Impact of FC on internationalization (I) (foreign sales or exports)
Sciasca et al. (2012)	1035 US family firms (> 10% family ownership +1 family member in management)	% family ownership	Exports/total sales	FC decreases I FC + FC^2= inverted U shape
Gomes-Mejia et al (2010)	360 US firms (160 family and 200 non-family)	FC Dummy = 1 if family owns >10% voting stock + 2 members of board are family members	Exports/total sales	FC decreases I % of sales of FC firms in Asia-Pacific lower than for non-FC firms
Zahra (2003)	409 US manufacturing firms	1.% equity held by family 2.% equity held by inside family directors 3. degree of family involvement in management	a. Exports/total sales b. Number of countries where firms sells product	1. Increases a and marginally b 2. increases a and b 3. increases a but reduces b

Carr & Bateman (2009)	65 worldwide family firms (family owns > 50% if private, > 10% if public) + 65 public firms in matched SIC	family owns > 50% if private, > 10% if public	classification into 9 global strategies	Family firms more likely to follow globa strategies than non-family firms
Fernandez & Nieto (2006)	8497 Spanish SMEs with less than 200 employees	Firm belongs to family and one or more family member is in management	a. Dummy if firm exports b. Exports/total sales	Family firms not mor likely to export, and likely to have lower export intensity
Thomas & Graves (2005)	871 Australian manufacturing SMEs	FC dummy = 1 if firm is majority family owned and is managed by family members	a. Dummy if firm exports b. Exports/total sales	Weakly negative relationship between FC dummy and exports/total sales
Majocchi & Strange (2012)	78 Italian manufacturing firms	1.% owned by families 2.President or CEO is member of controlling family	Entropy index of foreign sales in 6 regions	Both 1 and 2 decrease entropy
Lien, Piesse, Strange & Filatotchev (2005)	228 Taiwanese listed firms	1.Dummy if family control 2.Family ownership	a. dummy = 1 if FDI in China and ROW b. Total number of FDIs in China and ROW	Weak impact of 1 on a in China and ROW. Weak impact of 2 on a in China

Zahra (2003) looked at 409 US manufacturing firms. He found that the higher the percentage of equity held by the family, the higher exports as a percentage of sales. While a higher degree of family involvement in management increased exports as a percentage of sales but reduced the number of countries in which the firm sold. Gomez-Mejia, Makri,

& Kintana (2010) selected 160 US family-controlled firms and matched them with 200 non-family firms. Sciascia et al. (2012) looked at how the percentage of family ownership impacted a firm's ratio of exports to total sales. They found a significantly negative impact of family ownership on exports over total sales in the linear model, and a significant inverse-U shaped relationship in the quadratic one. Fernández & Nieto (2006b) analyzed 8,497 Spanish SMEs (average number of employees was 46). Family firms were less likely to exports, and, if they exported, exports made up a lower percentage of their sales. The focus of Thomas & Graves (2005) is on 871 Australian manufacturing SMEs. Family firms tended to export less than non-family firms.

Majocchi & Strange (2012) studied the impact of the percentage of stock owned by families on the dispersion of foreign sales of 78 Italian manufacturing firms. They found that family ownership and the presence of a family member as CEO or President both result in more uneven distribution of foreign sales (a lower entropy index). Lien, Piesse, Strange, & Filatotchev (2005) focus on the decision of Taiwanese firms to invest abroad and find that family ownership and management has little impact on this decision. The only strong support for a positive influence of family ownership and management on foreign sales is provided by Carr & Bateman (2009). They match 65 non-family firms to the world's largest 65 family firms and find that family firms are more likely to pursue global strategies.

We draw the following conclusion from this literature. First, the evidence on the influence of family ownership and management on internationalization is mixed, with four studies showing that the extent of family ownership and management leads to a lower level of internationalization, three studies finding the reverse, and one finding a curvilinear relationship. Second, with few exceptions (Lien et al. (2005); Carr & Bateman (2009);

Gomez-Mejia et al. (2010); Majocchi & Strange (2012)), past studies have focused on small or medium-sized firms, many of them at very early stages of internationalization. It is unclear whether these finding can be generalized to the older and larger firms that are typically studied by IB scholars.

Chapter 4

Data and Methodology

4.1 Data and Sample Description

In order to investigate the relationship of ownership structures i.e. foreign investors' ownership and CEO ownership with international sales for both family and non-family firms, we have taken a panel of 150 non-financial firms listed at Karachi Stock Exchange. In particular, we create an annual panel dataset covering the period from 2006-2014 using the Balance Sheet Analysis of Non-Financial Firms published by State Bank of Pakistan (SBP) and from the annual reports published by firms. As the ownership structure of financial firms is different from non-financial firms, therefore, we excluded the financial firms.

4.2 Definition of Variables

The main aim of our study is to explore the relationship of ownership structures i.e. foreign investors' ownership and CEO ownership with international sales for both family and non-family firms. However we also incorporate numerous other firm-specific variables in our analysis which also affects the international sales of firms. These variables include firm age, firm size, and board size. In order to check the family involvement, we use different criteria to separate family and non-family firms. The greater part of the past studies (see, for example Katsikeas & Morgan (1994), Hitt & Ireland (1985), Moen (1999), Piguillem & Rubini (2013) and Zahra & Garvis (2000)), have used the above mentioned firm-specific control variables, which we also used in our study. The definitions of dependent and independent variable are given in Table 3.1. The table also provides the expected relationship of independent variables with the dependent variable. We expect these relationship in light of the existing theories and empirical evidence presented in the literature chapter.

Table 4.1: Variables Definitions		
Variable Name	**Expected Signs**	**Definition**
Dependent Variable:		
International sales		International sales is measured through the percentage of revenues on export.
Independent Variables		
Focused variables:		
Foreign investors' ownership	+ve	Foreign investors' ownership refers to the complete or dominant part possession or control of a business or asset in a nation by people who are not nationals of that nation.
CEO ownership	-ve	CEO ownership refers to the percentage of equity embraced by chief executive officers.
Family involvement	+ve	Family involvement is a dummy variable that whether a firm is family firm or non-family firm.
Control Variables:		
Firm age	+ve	Firm age refers to the number of years the firm has been in presence.
Firm size	+ve	Natural log of sales.
Board size	+ve	Board size refers to the number of board of directors.

4.3 Empirical Models

Following Calabrò et al. (2013), we consider three different models that enable us to analyze the relationship between international sales and ownership structure for family and non-family firms.

4.3.1 The Baseline Model

The baseline model, establishes the international sales as the function of CEO ownership and foreign investors' ownership along with firm size, firm age, and board size. Our main focus is on the relationship of ownership structures and international sales of both family and non-family firms. We also take into consideration the firm size, as the size of the firm is larger the more it have propensity to export. Also our model includes firm age because it has a positive and significant impact on the level of international sales. Board size is also take into consideration because board size is related positively with international sales. In the prior studies the positive relationship between firm size, firm age and board size with international sales has been found (see for example; Harveston et al. (2000), George et al. (2005), Dunne & Hughes (1994), Dalbor & Upneja (2004), Zahra & Garvis (2000))

Specifically, the baseline model can be written as follows:

$$IS_{it} = \alpha_o + \alpha_1 FS_{it} + \alpha_2 FA_{it} + \alpha_3 BS_{it} + \epsilon_{it} \qquad (1)$$

where IS_{it} is the main dependent variable and it captures changes in international sales for the i^{th} firm at the time t. FS_{it} is the control variable which is showing firm size for i^{th} firm at the time t. The other control variable in our baseline model is FA_{it} which shows firm age at the time period t for i^{th} firm. The last control variable in our baseline model is

BS_{it} which is showing board size of the i^{th} firm at the time t. $\in_{it}$ is the error term and is used to capture the unobserved shocks in the model.

4.3.2 Extended Model

Following the previous research of Calabrò et al. (2013) we augment the baseline model presented in equation (1) by adding more important variable; foreign investors' ownership, CEO ownership, and family involvement. Specifically, the augmented model takes the following form:

$$IS_{it} = \alpha_o + \alpha_1 FS_{it} + \alpha_2 FA_{it} + \alpha_3 BS_{it} + \alpha_4 FIOWN_{it} + \alpha_5 CEOOWN_{it} + \alpha_6 FI + \in_{it} \quad (2)$$

We model the international sales similar to equation (1) and also as a function of the foreign investors' ownership (FIOWN), CEO ownership (CEOOWN), and family involvement (FI). As the objective of our study is to examine the impact of foreign investors' ownership and CEO ownership on the level of international sales, we add these two variables (i.e. foreign investors' ownership and CEO ownership) in our augmented model as independent variables. As the other objective of our study is to investigate the role of family involvement in establishing the relationship between foreign investors' ownership, CEO ownership and international sales of firms. We separate the family and non-family firms by generating the dummy variable that is named as family involvement (FI). We do so by following earlier researches including Lien et al. (2005), Musteen et al. (2009), Alfaro & Chen (2013), R. P. Beatty & Zajac (1990). George et al. (2005) concluded that foreign investors' ownership and CEO ownership have a significant impact on the level of international sales, So we take international sales as dependent variable to check the impact of different ownership structures on the level of international sales that whether it is positive or negative for both family and non-family firms. When we put the dummy = 0 for non-family firms then the model takes the following form;

$$IS_{it} = \alpha_o + \alpha_1 FS_{it} + \alpha_2 FA_{it} + \alpha_3 BS_{it} + \alpha_4 FIOWN_{it} + \alpha_5 CEOOWN_{it} + \epsilon_{it} \quad (3)$$

Whereas when we take the dummy = 1 for family firms then the model takes the following form;

$$IS_{it} = (\alpha_o + \alpha_6) + \alpha_1 FS_{it} + \alpha_2 FA_{it} + \alpha_3 BS_{it} + \alpha_4 FIOWN_{it} + \alpha_5\, CEOOWN_{it} + \epsilon_{it} \quad (4)$$

Thus, for non-family firms, the average IS_{it} is α_o, whereas for family firms is $(\alpha_o + \alpha_6)$, whether family firms, on average exports more or less depends on the sign of α_6. If both α_o and α_6 are positive then family firms exports more as compared to non-family firms. However, if the sign of α_o is positive but the sign of α_6 is negative then family firms exports less than non-family firms.

4.3.3 Extended Moderated Model

To investigate the role of family involvement in establishing the relationship between CEO ownership, foreign investors' ownership and international sales of firms. Specifically theories suggest that the impact of foreign investors' ownership and CEO ownership have different impact on family and non-family firms. That is, the response of international slaes to foreign investors' ownership and CEO ownership depends on whether the underlying firms is family owned or non-family owned. To capture these different effects we attract the dummy of family firms with foreign investors' ownership and CEO ownership variables.

In the third model in addition to all control variables and the independent variables all interaction terms are added in order to analyze the impact of family involvement on the level of international sales and CEO and foreign investors' ownership. So the third model takes the following form:

$$IS_{it} = \alpha_o + \alpha_1 FS_{it} + \alpha_2 FA_{it} + \alpha_3 BS_{it} + \alpha_4 FIOWN_{it} + \alpha_5 CEOOWN_{it} + \alpha_6 FI + \alpha_7 FIOWN_{it} \times FI + \alpha_8 CEOOWN_{it} \times FI + \in_{it} \quad (5)$$

We extend the augmented model as presented in equation (2) by adding interaction terms; '$FIOWN_{it} \times FI$ and $CEOOWN_{it} \times FI$' i.e. foreign investors' ownership × family involvement and CEO ownership × family involvement for i^{th} firm in t time period. The term 'Foreign investors' ownership × family involvement' is showing that when family involvement is linked to foreign investors' ownership what will be its impact on the level of international sales in both family and non-family business. Whereas the interaction term 'CEO ownership × family involvement' will tell us the impact of family involvement when linked with CEO ownership on the level of international sales. Business that are characterized by family involvement have different level of international sales as compared to non-family firms. Indeed, the use of dummy variable (1, 0) family involvement allows us to make comparison between two groups (family and non-family) firms. According to George et al. (2005), family ownership and involvement in the firms as well as in the interaction of this ownership with family involvement are significantly associated with internationalization.

Estimation of empirical model presented in equation (5) enables us to examine the difference impact of foreign investors' ownership and CEO ownership on international sales for family and non-family firms. For instance, to see how the differential effect of foreign investors' ownership on international sales across family and non-family firms. We take the partial derivative of international sales with respect to foreign investors' ownership and obtain the following;

$$\frac{\partial IS_{it}}{\partial FIOWN_{it}} = (\propto_4 + \propto_7)$$

For non-family firms the value of FI is zero, so the impact of foreign investors' ownership on international sales would be measured by only $\propto_4$. On the other for family firms, FI takes value one and, thus, the impact of foreign investors' ownership on international sales form to be $(\propto_4 + \propto_7)$. However, whether the impact of foreign investors' ownership in international sales for family firms is higher than the impact on non-family firms depends on the sign of $\propto_7$. If the sign is positive, then form family firms, the impact of foreign investors' ownership would be higher on international sales, as compared to non-family firms.

To see how the differential effect of CEO ownership on international sales across family and non-family firms. We take the partial derivative of international sales with respect to CEO ownership and obtain the following;

$$\frac{\partial IS_{it}}{\partial_{CEOOWN_{it}}} = (\propto_5 + \propto_8)$$

For non-family firms the value of FI is zero, so the impact of CEO ownership on international sales would be measured by only $\propto_5$. On the other for family firms, FI takes value one and, thus, the impact of CEO ownership on international sales form to be $(\propto_5 + \propto_8)$. However, whether the impact of CEO ownership in international sales for family firms is higher than the impact on non-family firms depends on the sign of $\propto_8$. If the sign is positive, then form family firms, the impact of CEO ownership would be higher on international sales, as compared to non-family firms.

4.4 Family involvement criteria

It is imperative to enhance the learning on issues identified with family organizations on the grounds that the greater part of free organizations are family-possessed. Further targets and administration styles in family organizations are prone to contrast from non-family organizations. At long last their internationalization procedures can be distinctive (Fernández & Nieto (2006a)).

Once in a while a family has a few organizations, and in some cases a business might have a few family proprietors. Besides, there might be substantial families in little organizations, and little families in extensive organizations. Center parts of family business definitions includes incorporate possession, administration, generational exchange, expectations to proceed as a family business, family objectives and cooperation between the family and the business (Astrachan, Klein, & Smyrnios (2002); Chua, Chrisman, & Sharma (1999)). Family members plays numerous roles in overseeing and administering the firm as they are significant proprietors. Surely, what makes a family business distinct is thought to be the family contribution in proprietorship and administration. (Chua et al. (1999)). Family contribution in the business takes distinctive structures. For instance, family members might serve as individuals from the association's top administration group or the board. For the most part, family contribution is characterized through the quantity of association's executives who are likewise individuals from the proprietor family, which apprehend the relatives' inclusion in the choice making process. We have utilized three particular measurements (criteria) with a specific end goal to see the contribution of the family in the firm. (a) Founder is the CEO or successor is connected by blood or marriage. (b) At minimum two relatives (family members) in the administration. (c) Family executives have ownership for at least 20% in the firm. (Zahra (2005), Zahra (2003), Yasser, Entebang, & Mansor (2011), Latif (2014), and Calabrò et al. (2013)).

In the internationalization procedure of few family organizations the part of inclusion is by all accounts essential. Among owner–managers and different individuals from their family it lessens data asymmetry, enriching relatives along the data also the learning important to assess the results of the internationalization methodology. For enhancing the company's aggressive position it might grant in spurring owner–managers. In any case, it could be normal that a chief executive officer from the family will be significantly more risk-reluctant, because of his riches, as well as that of other relatives inside of the business is at risk. With high family inclusion inside of a family business in light of the impact of foreign investors' ownership, it could be contended that it ought to be in any event as positive like inside non-family organizations. Like family organizations with a chief executive officer originating in distinction to the family have a tendency to be intensely concentrated on this individual, in the firm other relatives have a tendency to stick to his or her aspirations (Marshall et al. (2006)). Further thinking about the significance of family contribution in impacting the volume of family organizations' global deals, we need to contrast firms and family inclusion in the business (family organizations) with non-family organizations.

4.5 International Sales

The level of firms' international sales is measured through the percentage of revenues on export (Lu & Beamish (2001), Lu & Beamish (2006) and Westhead et al. (2001)). Particularly for little and medium-sized organizations exporting is viewed as the utmost well-known foreign market entry mode (Leonidou et al. (2010). Specifically, it is identified as a trial device to investigate global markets also an approach to rejuvenate family organizations over expansion in profitable limit (Calabrò & Mussolino (2013) and Zahra (2003)).

The term internationalization can be portrayed as the procedure of expanding association of global movement crosswise over borders (Welch & Luostarinen (1993)). The extent of cross boundaries exercises or activities of a firm can along these lines be indicated by its level of internationalization (Oesterle et al. (2013)). By different definitions, the term internationalization is characterized as a planning process with the point of development (Dana & Wright (2008)). In addition some different papers depict it as a procedure by which associations get to be dynamic in global business since they see the immediate and aberrant impact of universal exchanges in their future business execution (Calof & Beamish (1995). In addition a few analyzers decide internationalization as any type of business action collecting a foreign component (Dana & Wright (2008)) alternately as a procedure in which association in universal operations is expanding (Calof & Beamish (1995)). In any case, it is contended that the fundamental contrast in the middle of internationalization and substitute techniques of development is that an association exchanges or sources its items, administrations or assets crosswise over outskirts (Dana & Wright (2008)). Internationalization is frequently depicted as an incremental procedure (Johanson & Wiedersheim-Paul (1975), Johanson & Vahlne (1977) and Cavusgil (1988)). A few meanings of international sales have been expressed in this study, basic for all of them are the contribution of cross outskirt exercises.

4.6 Foreign investors' ownership

Foreign investors' ownership is measured by the rate of the organizations' value held by outside foreign owners. When we discuss the outside speculators, we consider different sorts, including institutional, money related, key, legislative and private financial investors. Investors with essential budgetary point of view would not be keen on an immediate contribution in the organizations operations, yet at the same time they require adequate data of the money related execution of the business. This professionalization limitation will prompt divulgence of shortcomings inside of business activities that in mix with the need to generate income take the organizations toward global business sector. Particularly send out just as a type of internationalization along less boundaries and risks thought as the first decision for quick development (Ramaseshan & Patton (1994)).

Besides, contingent upon the rate of possession or ownership, foreign financial investors, similar to banks, might give access to broad systems of firms' accomplices and other neighborhood establishments of their host nation. For instance, a huge German bank that occupy half value of a Norwegian producer might have the capacity to offer this business to come in the German market along its products by creating alliance with wholesalers also nearby legislative foundations. This contention can likewise be connected for key financial specialists as companies from a comparable or firmly associated industry. Notwithstanding this, enterprises could give expertise, and in addition budgetary and different assets (Claessens, Djankov, & Lang (2000)). At last, the vicinity of external foreign owners in the firms might devote in family and non-family organizations to a superior comprehension of worldwide markets and relying upon the sort of foreign investors', they might assist as vital accomplices (Musteen et al. (2009)).

4.7 CEO Ownership

CEO ownership is measured by the rate of the organizations' value held by CEO. Chief executive officers as the proprietor of the firm are relied upon to carry on as illustrative of the company's assets. On the off chance that this conduct prompts expanded levels of internationalization or possibly firm execution is a matter that needs an open deliberation inside and out. Particularly the risk repulsion or risk inclination of owner–chief executive officers and the impact of these states of mind on choices identifying with internationalization, is still matter of a vivacious argumentation in the literature (Fernández & Nieto (2006a); Gómez-Mejía et al. (2007)). It could be contended that chief executive officers consider process of internationalization as a vehicle for generating a corporate domain and legacy.

In view of this perspective, foreign markets are another phase for inventive items also forms, and should be entered to wearied contenders. Firm development and benefit will be prompted because of this entrepreneurial introduction towards internationalization (Zahra & Garvis (2000)). Sanders & Carpenter (1998) locate a positive connection between chief executive officer long haul pay and the level of internationalization of an organization, accepting this long haul point of view rouses CEOs to seek after risky procedures that encourage firm development. In spite of some confirmation on blended results identified with proprietorship and risk profiles, the dominant part of studies show that expanded possession fixation prompts higher risk avoidance of owner–CEOs, for the most part contending over an organization theoretic lens (Denis et al. (1997b)). Internationalization prompts an a lot of vital exercises before dispatching an item in outside business sectors, similar to the satisfaction of lawful necessities for the item, foundation of dissemination channels, advertising endeavors, and territorial customization of the item. On the off chance that the outside business sector achievement is not happening as arranged, the expenses of these exercises can be a serious danger for the budgetary position of the business. The principle contention for the hesitance of owner–Chief executive officers towards risky choices like internationalization is subsequently their craving to secure their private riches and fence income stream. Particularly if a significant segment of a Chief executive officer's total assets is secured up in the business she or he is dealing with, this risk avoidance can get to be striking (S. E. Beatty & Talpade (1994), Musteen et al. (2009) and Sanders & Carpenter (1998)).

4.8 Control Variables

In order to see the impact of CEO ownership and foreign investors' ownership on the level of international sales, it is very important to control the other firm-specific variables, because these variables have also a significant impact on ownership structure of firms. Therefore, following the studies of Calabro et al. (2009), Pukall & Calabrò (2014), Zahra, Filatotchev, & Wright (2009), Fernández & Nieto (2005), Graves & Thomas (2004), Claver et al. (2009), we utilize subsequent control variables which they significantly affect the level of international sales of firms. We find that diverse hypotheses state distinctive relationship between global deals and firm-particular variables. Beneath we characterize these firm-particular variables in point of interest, furthermore demonstrate the exact proof to these variables. The control variables in the study are defined as follows.

4.8.1 Firm Age

Firm age was measured by the quantity of years the firm has been in presence. There are numerous contentions recommending that settled firms will probably assemble data about worldwide activities and attempt to manufacture the foundation to enter universal markets (Harveston et al. (2000) and Zahra (2003)). The urgency to enter new markets increments with organization age, in fact entering to the new markets through global deals empowers more seasoned firms to manufacture new abilities that enhance export performance (Zahra (2005)). Dunne & Hughes (1994) conducted a study related to firm age in which they found that larger firms are growing slower whereas smaller firms are growing faster, however with more variable development rate patterns. Following the above literature the impact of firm age on the level of international sales should be positive.

4.8.2 Firm Size

The variable firm size is measured by the natural log of total sales (Dalbor & Upneja (2004)). Bigger organizations may oppose change and advancement (Sathe (2003)). Bigger organizations typically have slack assets that energize entrepreneurial exercises. Bigger family firms likewise have entrenched associations inside and outside their commercial ventures, making it feasible for them to join key organizations together and strengthen entrepreneurial exercise. So the firm size have the positive impact on the level of international sales.

4.8.3 Board Size

Board size shows number of board directors present in the firm. There is relied upon to be a backwards U-shape relationship between board estimate and firm performance (Zahra &

Garvis (2000)). Along these lines, that is by all accounts associated with the movement of internationalizing the business. According to Carpenter, Pollock, & Leary (2003) the board of directors might affect an association's level of internationalization. Further they also shows that how the worldwide experience of the directorate and individuals from the top administration group connect with organization endorsed administration instruments to clarify global activities. Following the literature we can say that board size should have a positive impact on the internationalization strategies. According to Security exchange commission of Pakistan the Company's Bylaws prescribe that the number of Directors of the Company which shall constitute the whole Board shall not be less than five nor more than 20. The exact number of Directors within such range shall be fixed from time to time by resolution of the Board. The Board currently believes that the optimum number of directors is between 8 and 16.

CODE OF CONDUCT FOR MEMBERS OF BOARD OF DIRECTORS:

(i) The Board of Directors are encouraged to have a balance of executive and nonexecutive directors, including independent directors and those representing minority interests with the requisite range of skills, competence, knowledge, experience and approach so that the Board as a group includes core competencies and diversity considered relevant in the context of the company's operations.

(ii) No person shall be elected or nominated as a director / Chairperson of more than five listed companies simultaneously

(iii) Any casual vacancy in the Board of Directors of a listed company shall be filled up by the directors at the earliest but not later than 90 days thereof.

(iv) The board of directors of a listed company shall exercise their powers and carry out their fiduciary duties with a sense of objective judgment and independence in the best interests of the listed company.

(v) Board of directors of a listed company shall ensure that:

(a) Professional standards and corporate values are set in place that promote integrity for the board, senior management and other employees in the form of a "Code of Conduct". The code of conduct shall articulate acceptable and unacceptable behaviors. The board shall ensure that appropriate steps are taken to communicate throughout the company the code of conduct it sets together with supporting policies and procedures, including posting the same on the company's website;

(b) Adequate systems and controls are in place for the identification and redressal of grievances arising from unethical practices.

(c) A vision and/or mission statement and overall corporate strategy for the listed company is prepared and adopted.

4.9 Estimation Technique

Reviewing previous research we come to know that to measure the impact of foreign investors' ownership and CEO ownership with international sales for family and non-family firms, different researches have used different estimation methods. Eppinger, Meythaler, Sindlinger, & Smolka (2015) and Salomon & Shaver (2005) have used fixed effect approach for estimating the impact of foreign investors' ownership on firm's international sales. Fernández & Nieto (2006a) also used fixed effects to examine the relationship between international strategies and types of ownerships with respect to family involvement. Musteen et al. (2009) have also used fixed effects to examine the impact of ownership structures and CEO remuneration mix to a company's decision of outside business sector entry modes. Lin (2012) have also used fixed effects for estimating impact of family ownership on firm's internationalization process. In our case we follow Eppinger et al. (2015), Salomon & Shaver (2005), Fernández & Nieto (2006a), Musteen et al. (2009) and used fixed effects approach to estimate the empirical models. To remove the problem of heteroscedasticity of error, we use robust standard errors. Specifically robust standard errors are used to circumvent some limitation of tradition parametric and non-parametric methods, whereas fixed effect models help with controlling for surreptitiously heterogeneity when this heterogeneity is constant after some time. This constant can be expelled from the information through differencing that will uproot at whatever time invariant segments of the model. Keeping in mind the end goal to overcome the problem of heteroscedastic errors and presence of outliers' fixed-effects is applied.

For deciding among the fixed or random effects we run the Hausman test. The null hypothesis of this test is that the favored model is fixed effects vs. the alternative the random effects (Higgins & Green (2008)). It fundamentally tests whether the unique errors (μi) are associated with the regressors, the null hypothesis is they are most certainly not. Conceivable collinearity among the variables was tested by variance inflation factor in our study. The fixed effect approach does not consider figuring variance inflation factor (VIF).

The VIF was determined by utilizing ordinary least squares regression (which is more traditionalist than the fixed effect for VIF since it doesn't control for the firm and year).

Chapter 5

Empirical Results

In this chapter, we present the empirical results and analysis of those results. To evaluate the empirical relationship between ownership structure and international sales of family and non-family firms, we start our empirical investigation by presenting summary statistics. Summary statistics provides the overview of the dataset. Next, we present the intercorrelations for the sample, which shows bivariate correlation coefficients for the variables. Next, we present the results of our baseline model for both family and non-family firms. Particularly, in the baseline model, we include only control variables; namely, firm size, firm age, and board size. We then present the results of augmented model for both types of firms. In the augmented model, along with the control variables, additional independent variables, namely, foreign investors' ownership, CEO ownership and family involvement are also included. Finally, in the moderated model, we examine the interaction term's effect for both family and non-family firms.

5.1 Descriptive analysis

Table 4.1 reports summary statistics. Specifically, the table presents the mean value, standard deviation (SD), and median values of the underlying variables. Mean is the measure of the focal propensity or we can say it's the average value of the variable. The standard deviation delineates the deviation from the mean, whereas, the median shows the middle value of the variable.

Table 5.1: Descriptive statistics

	Mean	S.D	Median
International sales	0.59	2.61	0.053
Firm size	9.16	4.67	8.250
Firm age	35.15	15.67	32.00
Board size	5.29	3.75	7.000
Foreign investors' ownership	3.17	13.15	0.000
CEO ownership	0.006	0.050	0.000
Family involvement	0.568	0.490	1.000

Note: Table 4.1 presents the summary statistics. The table reports the mean, standard deviation and median. Dependent variable is International sales while independent variables are firm size, firm age, board size, foreign investors' ownership, CEO ownership and family involvement.

We can observe from the table that the mean value of the international sales is 0.59 and the median is 0.053, showing that international sales is positively skewed as the mean value is greater than the median. We can also observe that the mean value of firm size is 9.16 and median is 8.250. The table indicates that the mean value of firm age is 35.15 and the median is 32.00, whereas, the mean value of board size is 5.29 and the median is 7.00. The value of mean for foreign investors' ownership, CEO ownership, and family involvement is 3.17, 0.006, and 0.568, respectively and, the value of median is 0.000, 0.000, and 1.00, respectively. The standard deviation of international sales and firm size is 2.61 and 4.67, respectively, while the standard deviation of firm age, board size, and foreign investors' ownership is 32.00, 7.00, and 0.00, respectively. The standard deviation of CEO ownership and family involvement is 0.00 and 1.00, respectively.

5.2 Intercorrelations

The correlation analysis is utilized to get to preliminary evidence on the relationship between two variables. Correlation is a factual measure that shows the degree to which two variables change together. The correlation coefficient "r" takes the value from - 1 to +1. - 1 implies impeccable negative connection between two variables while +1 infers immaculate positive relationship. A perfect correlation of either - 1 and/or +1 implies that the estimation of one variable decided precisely just by knowing the estimation of other variable, while zero connection infers no relationship between the variables (Pallant & Manual (2007)). Correlation matrix is given in table 4.2.

Table 5.2: Correlation matrix

	1.	2.	3.	4.	5.	6.
1. International sales	-					
2. Firm size	0.032	-				
3. Board size	0.053*	0.289***	-			
4. Firm age	0.029	0.051*	0.014	-		
5. Foreign investors' ownership	−0.006	0.110***	0.074***	0.0653***	-	
6. CEO ownership	−0.018	−0.027	0.0749*	0.0712**	−0.012	-
7. Family involvement	0.062**	−0.003	0.008	0.002	−0.003	−0.0219

Note: Table 5.2 reports the correlation between the variables. Dependent variable is International sales while independent variables are firm size, firm age, board size, foreign investors' ownership, CEO ownership and family involvement. *, ** and *** denote significant at the 10%, 5%, and 1% level of significance, respectively.

Correlation estimates indicate the positive relationship between international sales and firm size. However, this relationship is statistically insignificant. The correlation between the international sales and board size is positive indicating that one variable increases with the other. This correlation is statistically significant at the 10% level of significance. There is a positive correlation between the firm age variable and international sales. However, this correlation is statistically insignificant. This positive correlation suggests that older firms are more likely to enter into the international market. We find that there is a negative relationship between international sales and foreign investors' ownership. There exists a low correlation between international sales and foreign investors' ownership and the relationship is statistically insignificant. There is a positive correlation between international sales and family involvement, which is significant at the 5% level. The correlation estimates indicate a positive relationship between firm size and board size. One should also note that this relationship is significant at the 1% level. There is a positive correlation between the firm size and firm age and this correlation is significant at the 10% level of significance. There is also a positive correlation between firm size and foreign investors' ownership and we observe that this correlation is statistically significant at the 1% level of significance. The correlation between firm size and CEO ownership is negative. However, this negative correlation is statistically insignificant. We find a significant and negative correlation between firm size and family involvement

The correlation between board size and firm age is positive but it is statistically insignificant. The estimate also suggests that there is a positive correlation between board size and foreign investors' ownership. One should also note that this correlation is significant at the 1% level of significance. The correlation suggests that there is a positive relationship between board size and CEO ownership. The correlation estimates indicates the positive relationship between board size and family involvement also the relationship is statistically insignificant. The correlation estimates show a positive relationship between firm age and foreign investors' ownership and also the relationship is significant at the 1% level of significance. We also finds the positive relationship between firm age and CEO ownership also the relationship is significant at the 1% level of significance. The correlation estimates also indicate the positive relationship between the firm age and family involvement but the relationship is statistically insignificant. From the correlation estimates we also find the negative relationship between foreign investors' ownership and CEO ownership but the relationship is statistically insignificant. There also exists a negative relationship between foreign investors' ownership and family involvement but this relationship is statistically insignificant. At the end from the correlation estimates we find that there is a negative relationship between CEO ownership and family involvement, and yet, this relationship is also statistically insignificant.

5.3 Estimating impact of ownership structures (i.e. Foreign investors' ownership and CEO ownership) on international sales

We start our examination by exploring the impact of different ownership structures (i.e. foreign investors' ownership and CEO ownership) on the level of international sales with regard to family involvement. We do so with the objective to examine the impact of CEO ownership and foreign investors' ownership on the level of international sales for both family and non-family firms. For this purpose, we estimate three models using fixed effects estimator with robust standard errors as mentioned in Chapter 3. In the first model, only the control variables (i.e. firm size, firm age, and board size) are considered, whereas, in the second model, the variables of interest (i.e. foreign investors' ownership, CEO ownership and family involvement) are also included in addition to the control variables. Finally, in the last moderated model, interaction terms (i.e. foreign investors' ownership × family involvement and CEO ownership × family involvement) are also added. Following Calabrò et al. (2013), we separate the sample firms into family and non-family firms. We consider firm as a family firm if the founder is the CEO is related by blood or at least two family members are in the management or Family directors have the ownership of minimum 20% in the firm. On the other hand, we consider a firm as a non-family firm if none of the above mentioned conditions are fulfilled. We have generated dummy variable for family and non-family firms. By estimating the empirical models, we find the positive relationship between foreign investors' ownership and international sales and the negative relationship between CEO ownership and international sales.

5.3.1 Empirical findings: The Baseline Model

In order to explore the effect of foreign investors' ownership and CEO ownership on the international sales for family and non-family firms, we have applied fixed-effects estimator with robust standard errors. We use dummy variable to examine whether or not the categorization of firms into family and non-family makes a difference, and if so, by how much.

Table 5.3 presents the results of estimated empirical models. The coefficients for variables mentioned in the table are standardized. First of all, we explain the results for the baseline model. For the baseline model, we use international sales as dependent variable and firm size, firm age and board size as independent variable. The value of adjusted R^2 is 0.013, while, the value of F-statistic is 5.60. The estimated value of F-statistics indicates that the estimated model is a good fit. The value of the Durbin-Watson test is 1.721 which is reported in the last row of Table 4.3. The estimated value of the Durbin-Watson statistic indicates that the estimated residuals are free from the problem of auto correlation. The standard errors are reported in round brackets. The smaller the standard error, the more illustrative the firm year observation. The standard error is additionally contrarily corresponding to the firm year observation; the larger the observation, the smaller the standard error because the statistics will approach the actual value.

The estimated coefficient indicates that the relationship between firm size with international sales is positive and it is statistically significant at the 10% level of significance. This result suggests that large firms have easy access to international sales. Hitt & Ireland (1985) analyzed the impact of firm size on the firm performance. They took the data for large industrial firms and found that the size of the firm has a moderating effect on the relationships of firms' specific distinctive competencies. Katsikeas & Morgan (1994) also found that the existence of significant differences in perceived export competitive advantage between different exporter groups will be related to firm size. Moen (1999) identified that firms of different sizes have different export motivation. McKaig-Berliner (2001) also found in their study that business managers think that they gain competitiveness by tapping foreign resources and that this process is a function of firm size. Similar results are also reported by Cavusgil & Zou (1994). They found that firm size has a positive and significant impact on the level of international sales.

The impact of firm age on international sales is positive and statistically significant at the 10% level of significance. This finding suggests that when the age of the firm increases it also increases international sales. That is, older firms are more prone to export. The positive relationship between firm age and international sales is also confirmed in the literature. In particular, Bastos & Dias (2013) conducted the study for Portuguese manufacturing sector and concluded that as firms tend to pay higher wages, import more costly inputs, and charge higher costs for exports as they grow older. So, as the age of the firm increases, the level of international sales increases as well. According to Piguillem & Rubini (2013), with the passage of time, firms grow and after reaching at a certain size, they start exporting.

The estimated results presented in Table 5.3 indicate that board size is positively related to international sales. That is, the relationship of board size with international sales is positive and statistically significant at the 10% level of significance. This result indicates that when board size of a firm increases, the firm also tends to increase its international sales. This result is consistent with the findings of Calabrò & Mussolino (2013). They concluded that the directors with the knowledge, experience and expertise would be a value able asset that is incorporated with firm systems in ways that delivers positive global execution. Similar results are also reported by Zahra & Garvis (2000). They concluded in their study that directors with various useful foundation, instruction and experience would be able to increases their international sales by associating the organizations to its focused surroundings and gives the firm data about its household and universal markets. In general, the results of the baseline model are consistent with the previous existing studies on the determination of international sales. Next, we extend the baseline model by including a dummy variable having value of 1 for family firms and 0 for non-family firms.

5.3.2 Empirical Findings: Extended Model

Following the previous study of Calabrò et al. (2013), we augment our baseline model to find the relationship between international sales and ownership structure. Further, our extended model takes into account the CEO ownership and foreign investors' ownership. We are using the dummy variable named as family involvement for separating family and non-family firms. We use fixed effects estimator with robust standard errors because it helps in controlling for imperceptibly heterogeneity in the data.

Table 5.3: Ownership structure, Family involvement and International sales:

Variables	Model 1	Model 2	Model 3
Constant	0.6099***	0.6096***	0.6092***
	(0.0041)	(0.0047)	(0.004)
Firm size	0.329*	0.3292***	0.3113***
	(0.804)	(0.850)	(0.8198)
Firm age	0.300*	0.293*	0.301*
	(0.166)	(0.161)	(0.160)
Board size	0.150*	0.151*	0.188**
	(0.085)	(0.084)	(0.090)
Foreign investors' ownership		0.003	0.037
		(0.030)	(0.318)
CEO ownership		-0.025	-0.035*
		(0.015)	(0.018)
Family involvement		0.183*	0.244*
		(0.102)	(0.125)
Foreign investors' ownership × family involvement			0.419**
			(0.190)
CEO ownership × Family involvement			-0.483**
			(0.207)
Adjusted R^2	0.013	0.017	0.020
F-Statistics	5.60***	2.96***	2.57***
Durbin-Watson	1.721	1.723	1.721

Note: Table 5.3 displays results of fixed effect with robust estimations for the regression models (equation 1, 2 and 3). Dependent variable is International sales while control variables are firm size, firm age and board size, independent variables are foreign investors' ownership, CEO ownership and family involvement, whereas the interaction terms are also added. Above table is also reporting the value of adjusted R^2, standard error, F-statistics, and Durbin-Watson statistics.

* P < .10

** P < .05

*** P < .01

After establishing the impact of control variables on international sales decision, we next turn to empirically investigate the extended model by taking into account the effects of CEOOWN, FIOWN, and FI as shown in equation (2), presented in methodology chapter. Table 4.3 also shows the results for the augmented model. The results presented in Table 5.3 indicate that when we extend our model by taking into account the CEOOWN and FIOWN, the value of adjusted R^2 has increased. The adjusted R^2 of this model is 0.017 which shows that the value of adjusted R^2 increases from 0.013 to 0.017. The value of F-statistics is 2.96 and it appears statistically significant at the 1% level of significance. The value of Durbin-Watson for extended model is 1.723 which fulfils the requirement of assumption of regression analysis.

In the augmented model, the estimated coefficients of control variables are similar to the baseline model. Specifically, we find that firm size is positively and significantly related to international sales. Firm age is also positively and significantly related to international sales. We can observe that board size is also positively and significantly related to international sales. These results are consistent with the findings of Katsikeas & Morgan (1994), Cavusgil & Zou (1994), Moen (1999), Bastos & Dias (2013), Piguillem & Rubini (2013) and Zahra & Garvis (2000).

One of the new independent variable which we have entered in this model is foreign investors' ownership. The estimated coefficient suggests that foreign investors' ownership is positively related to the international sales, supporting Hypothesis 1 i.e. foreign investors' ownership positively associated with international sales. This finding implies that firm having more foreign ownership are more likely to exports. That is, foreign investment is positively related with export intensity. This finding is consistent with the existing litetrature. For examle, Lien et al. (2005) and Filatotchev, Isachenkova, & Mickiewicz (2007) have also provided empirical evidence that foreign investors' ownership has a positive impact on the level of international sales. The existence of foreign investors' proprietorship in the firm might devote both in family and non-family organizations to a superior comprehension of worldwide markets and relying upon the sort of outside speculators, they might act as vital accomplices (Musteen et al. (2009)). Foreign owned firms or firms which usually have the foreign investors have more advantages on export market as compared to other firms. According to Alfaro & Chen (2013), foreign owned firms or firms who have more foreign investors indeed outperformed local firms in terms of sale, so the presence of foreign investors as proprietors may encourage and help the internationalization procedure of both family and non-family organizations.

The other independent variable which we have entered in the extended model is CEO ownership. According to our results, the CEOOWN coefficient presented in the table indicates a statistically significant and negative relationship between CEO ownership and international sales, hence, supporting Hypothesis 2 i.e., there is a negative relationship between percentage share of CEO ownership and the level of international sales. CEOs are generally have a tendency to be more risk averse and have a lower proclivity to increment scale and extent of internationalization than outside proprietors (Zahra (2005)). A few studies demonstrated that as CEO proprietorship increments, there is decline in the vast firms eagerness to take risk or put resources into long haul extends that shows a high level of instability (Zajac & Westphal (1994); Denis et al. (1997b)). So, it is showing that as the CEO ownership increases they will be more risk averse and they will less indulge themselves in the international market. According to Zahra (2005), as family firm managers lead their organization, so, they experience different types of risks. Due to variability of the firm performance the CEOs face several forms of risks. Hence, the chief executive officers might shy away from investing in new business development or expanding their business internationally.

We use dummy variable to examine the impact of family involvement on international sales of firms. The estimated coefficients for family involvement is positive and statistically significant at the 10% level of significance. Specifically for family firms we add the intercept (0.6096) with the estimated coefficient of family dummy, i.e. (0.6096 + 0.244 = 0.8536). This implies that family-owned firms, on average, exports more as compared to non-family firms. This can be explained as businesses that are portrayed by family contribution can reach more elevated amounts of worldwide deals contrasted with organizations that have no family association. The utilization of dummy variable family inclusion permits us to make comparison between the two groups (i.e., family and non-family business). Zahra (2005) showed that family possession and inclusion in the organizations and in addition in the connection of this proprietorship with family contribution are altogether and positively connected with internationalization. Owner-managers include other relatives in the business. This inclusion enhances relatives' comprehension of the challenges and opportunities confronting the organization. This additionally empowers the family to investigate different alternatives, discuss the risks connected with these options, and choose how to best execute the picked methodology. Family inclusion prompts better sharing (and bearing) of risks. This is likely to happen when the family claims an extensive rate of the firm's shares since proprietorship gives a motivating force to impart the risks related to entrepreneurial risk taking. Hence, it will positively impact the process of internationalization.

5.3.3 Empirical findings: Extended moderated model

In this section, we examine how family involvement moderates the relationship between the CEO ownership, foreign investors' ownership, and international sales. To do so, we estimate equation (3) presented in methodology chapter. While estimating the impact of family involvement on firm's ownership structure and its impact on international sales, we used international sales as dependent variable, FA, FS, BS, FIOWN, CEOOWN and FI as independent variables, and " Foreign investors' ownership × Family involvement and CEO ownership × Family involvement" as interaction terms. The model is estimated by using fixed effects estimator with robust standard errors. This technique is quite flexible because fixed effect models assist for controlling unobserved heterogeneity. Table 5.3 also shows adjusted R^2 of Model 3, which indicates that as we add interaction terms in the augmented model the value of adjusted R^2 increases. Specifically, the value adjusted R^2 increases from 0.017 to 0.020. The value of F-statistics is 2.57 which is statistically significant at the 1% level of significance, whereas the value of Durbin-Watson for moderated model is 1.721 which fits the requirement of assumption of regression analysis.

The estimated result of FA, FS, BS, FIOWN, CEOOWN, FI are similar to those of Models 1 and 2. Specifically, the results presented in Table 4.3 provide evidence that firm size is positively and significantly related to international sales. Firm age is also positively and significantly associated to international sales. Board size is positively and significantly related to international sales at the 5% level of significance. On the other hand, CEO ownership is negatively related to international sales and this relationship is statistically significant at the 10% level of significance, whereas foreign investors' ownership is positively related to international sales. These results are in line with the studies of Hitt & Ireland (1985), McKaig-Berliner (2001), Bastos & Dias (2013), Piguillem & Rubini (2013), Calabrò & Mussolino (2013), and Zahra & Garvis (2000).

The table also reports the estimated results of interaction term "foreign investors' ownership × family involvement and CEO ownership × family". Specifically, the results shown in the table provide the evidence that foreign investors' ownership × family involvement is positively and significantly related to international sales at the 5% level of significance. Thus, Hypothesis 3 is supported i.e., family involvement positively and significantly moderates the relationship between the percentage shares of foreign investors' ownership and the level of international sales. This interaction term shows that when family involvement is linked to foreign investors' ownership it grants positively to the increase of international sales in family business. The results indicate that the impact of family involvement on the relationship between foreign investors' ownership and international sales is positive. As foreign investors' ownership have the positive impact on the level of international sales and the interaction term foreign investors' ownership × family involvement is also positive. So, it means that when there will be family involvement in the business, foreign investors' ownership will further increase the international sales of that business. Hence, we can say that the impact of family involvement is positive on the relationship between foreign investors' ownership and international sales. The estimated coefficient of interaction term between foreign investors' ownership and family involvement is positive (0.419) and it appears statistically significant. This implies that the impact of foreign investors' ownership on international sales is higher for family owned firms as compared to non-family firms. In other words, if foreign investors' ownership increases by one % the international sales of non-family firms increases by 0.037% of total sales. Where the international sales of family firms increases by 0.456% (0.037+0.419) of total sales.

However, the interaction term CEO ownership × family involvement is negatively and significantly related to the level of international sales. Thus, Hypothesis 4 is reinforced i.e. family association negatively and significantly directs the relationship between the rate offer of CEO possession and the level of global deals. It is suggesting that while the general family involvement in the firm has positive effect on firm internationalization but when this family involvement is restricted to high degree of chief executive officer's ownership concentration this may devote adversely to the expansion of international sales in family business. The results indicates that the impact of family involvement on the relationship between CEO ownership and international sales is negative. The CEO ownership has the negative impact on the level of international sales and the interaction term CEO ownership × family involvement is also negative. So, it means that when there will be family involvement in the business, CEO ownership will further decrease the international sales of that business. Hence, we can say that the impact of family involvement is negative on the relationship between CEO ownership and international sales. The estimated coefficient of interaction term between CEO ownership and family involvement is negative (-0.483) and it appears statistically significant. This implies that the impact of CEO ownership on international sales is higher for family owned firms as compared to non-family firms. In other words, if CEO ownership decreases by one % the international sales of non-family firms decreases by -0.035% of total sales. Where the international sales of family firms decreases by -0.518% (-0.483-0.035) of total sales.

In order to detect the issue of multicollinearity we estimate the variance inflation factor. Column 2 and 3 of Table 5.4 are showing estimated values of variance inflation factor (VIF) and tolerance. Possible collinearity among the variables was tested by estimating variance inflation factor. Variance inflation factor and tolerance are the two collinearity diagnostics figures that can recognize multicollinearity. The variance inflation factor (VIF) measures the effect of collinearity among the variables in a regression model. The VIF is 1/Tolerance, it is constantly more prominent than or equivalent to 1. There is no formal VIF esteem for deciding vicinity of multicollinearity. Estimations of VIF that surpass 10 are frequently viewed as showing multicollinearity. Different proposals for satisfactory levels of VIF have been distributed in the writing. Maybe most regularly, an estimation of 10 has been suggested as the greatest level of VIF (e.g., Hair Jr, Anderson, Tatham, & William (1995); Neter, Wasserman, & Kutner (1989)).

Table 5.4: Variance inflation factor and Tolerance level:

Model		VIF	Tolerance
1	Firm size	1.10	0.90
	Firm age	1.00	0.99
	Board size	1.10	0.90
2	Firm size	1.11	0.90
	Firm age	1.01	0.98
	Board size	1.11	0.90
	CEO ownership	1.02	0.98
	Foreign investors' ownership	1.01	0.98
	Family involvement	1.00	0.99
3	Firm size	1.14	0.88
	Firm age	1.01	0.98
	Board size	1.18	0.84
	CEO ownership	1.02	0.98
	Foreign investors' ownership	1.01	0.98
	Family involvement	1.18	0.89
	Foreign investors' ownership × family involvement	4.19	0.22
	CEO ownership × Family involvement	4.48	0.23

Note: Table 4.4 is reporting the values of VIF and the values of tolerance are also reported in above table.

The VIF suggestion of 10 compares to the tolerance proposal of .10 (i.e., 1/.10 = 10). In any case, a prescribed most extreme VIF estimation of 5 (e.g., Rogerson (2001)) and even 4 (e.g., Pan and Jackson (2008)) likewise found in different writings. In our case, the value of variance inflation factor for all the control variables and independent variables are almost equal to 1. The variance inflation factor for both interaction terms are almost equal to 4 which we cannot consider as an issue of multicollinearity (e.g., Pan & Jackson (2008)). Tolerance is utilized as a pointer of multicollinearity. Tolerance is assessed by 1 - R^2. There is longing of more elevated amounts of tolerance, as low levels of tolerance are known not antagonistically the outcomes connected with a multiple regression analysis. Different proposals for adequate levels of tolerance have been published in the literature. Maybe most regularly, an estimation of 0.10 is prescribed as the base level of resilience. Then again, a prescribed least esteem as high as 0.20 has additionally been proposed (Menard (1995)).

Chapter 6

Conclusion

6.1 Background of Thesis

The previous existing studies on the relationship between ownership structure and international sales concluded that there exists a negative association between CEO ownership and international sales, whereas, there exists a positive relationship between foreign investors' ownership and international sales for both family and non-family firms. Yet, we observed most of the literature has focused on the relationship between firm profitability and ownership structure and ignore international sales relationship. The aim of this study is to investigate the relationship between different ownership structures (i.e. foreign investors' ownership and CEO ownership) and international sales. The study also aims to examine the role of family involvement in relationship between ownership structures and international sales. Specifically, we anticipate that family association absolutely and essentially directs the relationship between the rate shares of foreign investors' ownership and the level of global deals and adversely and fundamentally directs the relationship between the rate offer of CEO possession and the level of international sales. By doing this, we understand how family involvement affects the relationship between the ownership structures and international sales. We utilize panel dataset of all non-financial firms listed at the Pakistan Stock Exchange (PSX) during the period from 2006 to 2014. We use fixed effects estimator with robust standard errors to study the impact of ownership structure on international sales.

6.2 Key Findings

This study has demonstrated that connecting a company's specific administration structure to its volume of international sales may help in revealing advanced insight into the global practices of both family and non-family organizations. Our main findings support the recent advancements in both the family and international business literature which highlight the requirement for farther examination on the contribution also on part that the firm administration structure has in the characterization and execution of internationalization procedures. We find that the presence of foreign investors' ownership has positive effect on international sales in both family and non-family firms. The possibility of high monetary returns might attract foreign investors to organizations that take part in long haul procedures. Due to their lack of capabilities in worldwide activities, family organizations' proprietors may choose to welcome outside financial specialists to join their organizations. Therefore, they may encourage the expansion of learning and capacities about universal markets consequently aiding complicated internationalization procedures.

The presence of diverging antecedents of internationalization between family and non-family businesses become evident when we discuss the negative impact of CEO proprietorship on the level of international sales. In non-family organizations the presence of CEO ownership prompts risk adverse behaviors particularly while taking choices about complicated vital issues like the choice to enter in foreign market. In the family business this negative impact of CEO ownership on international sales is more stronger. The expansion of shares of ownership from chief executive officers in family organizations additionally limits the intention of CEOs to peruse risky internationalization choices. Be that as it may, on account of family organizations we can go beyond the traditional agency theory argument with regards to chief executive officer's ownership. In family organizations, owners–Chief executive officers are inspired by and focused on the protection of non-financial or affective utilities, or what is by and large called socioemotional wealth.

This study has several implications for theory and practice. First, the literature on family business internationalization, particularly identified with family/non-family business comparison is extended. We specifically addressed the differences between family and non-family organizations, concerning administration designs, in this manner offering an explanation to the call for more research on those aspects. Second, the emphasis on the impacts that organizations' administration structure has on the level of international sales gives further commitments to this in-going debate which is becoming popular both in the family and international business research fields. Third, this examination amplifies the current argument on the importance of external owners as a mean of professionalizing the family business, supporting the discoveries that direct levels of family possession takes to the highest level of international activities. Also, we add to this argument by going beyond the examination of curvilinear relationships and looking directly at ownership structure organization in both family and non-family organizations in order to enhance our comprehension on how different types of owners with various personalities and goals expectations may impact the choice to internationalize. This study additionally includes to the open deliberation on risk preferences of owner–managers, for this situation CEO–owners, giving further support to the discoveries of for non-family organizations and by extending our understanding on owners–Chief executive officers' risk averse practices in family organizations through the viewpoint of the "socioemotional wealth protection" argument.

6.3 Policy Recommendation

In our study, it has been shown that there are strong differences between how different ownership types internationalize, and why that is the situation. This has important implications for academics within internationalization research. Previous research mainly focuses on the distinctive internationalization methodologies in between big and small firms or the diverse systems between developing business sector firms and develop market firms. This study suggests that future research into internationalization must take into account the ownership types, as their internationalization techniques vary depending upon their types. One implication for owners and professionals is that corporate administration and self-governance within the firm will dictate how much influence these attitude has on internationalization. At the point when an owner has a positive attitude towards internationalization, a way to implement a positive internationalization strategy is to have a weak level of corporate administration and high autonomy, in this manner imparting the positivity through the organization. On the other hand, if an owner is risk averse, a strong level of corporate administration will guarantee a careful attitude will prevail, slowing down internationalization into a progression of calculated decisions.

6.4 Areas for Future Research

Our study also gives the chance to argue on future research directions that may be valuable to further extend this research field. First of all, the recent introduction of the socioemotional wealth approach offers challenging ideas so as to conquer the contrasting results connected to risk taking practices with regards to family organizations. It is in fact realized that for family-possessed firms, safeguarding the family's socioemotional riches, which is inextricably tied to the association, speaks to a key objective of itself. Thus, accomplishing this objective needs proceeded with family control of the firm. Henceforth, independent of financial consideration, family-claimed firms will probably propagate owners' immediate control over the company's undertakings.

Further questions and aspects are therefore still open: through which circumstances owners–managers are willing to take the risks related to the internationalization? Which is the part that socioemotional riches conservation motion may have in this decision? What is the cutoff point in the socioemotional riches safeguarding recognition that may push owner-managers to take an elite risk and in this manner not choose to execute particular internationalization methodologies? Every one of these inquiries require further examinations and might offer interesting insights on the different practices that internationalizing family organizations may have in correlation to internationalizing non-family organizations. Also, what are the circumstances through which family entrepreneurs are eager to impart organization possession to individuals from outside of the business? More studies can likewise be led cross broadly. This will permit the testing of the distinguished connections and attributes crosswise over various settings.

Diverse nations use different projects for enhancing firms' support to international activities. Really, numerous distinctions in these motivating forces may prompt varieties in the investigation of firms' universal practices. Inspecting assorted qualities of commercial enterprises and advertise fragments, and the timing of universal section can enhance our comprehension of the methodologies that family organizations use to internationalize their operations. Additionally, dissecting the methods of universal development and how they may change after some time are likewise advantageous examination issues that need further investigation.

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Appendix

List of Firms

1	Attock Refinery Limited
2	National Refinery Limited
3	Byco Petruleum
4	Leiner Pak Gelat
5	Nimir Ind.Chemicals
6	Pak Gum & Chem
7	Sitara Chemical
8	Atlas Battery Ltd.
9	Baluchistan Wheels Ltd.
10	Pak Suzuki Motor Co. Ltd.
11	Berger Paints
12	Cherat Cement
13	Dadex Eternit
14	D.G.K.Cement
15	EMCO Industries
16	Fauji Cement
17	Fecto Cement
18	Javedan Corporation
19	Kohat Cement
20	Lafarge Pak. XD
21	Lucky Cement
22	Pioneer Cement
23	Abbot Laboatories (Pakistan) Limited
24	GlaxoSmithKline (Pakistan) Limited
25	Highnoon Laboratories Limited
26	The Searle Company Limited
27	Wyeth Pakistan Limited
28	Huffaz Seamless Pipe Industries Limited

29 Siddiqsons Tin Plate Limited
30 Pakistan Telecommunication Company Limited
31 Shezan International Limited
32 Al-Noor Sugar Mills Limited
33 Ismail Industries Limited
34 National Foods Limited
35 Nestle Pakistan Limited
36 Noon Sugar Mills Limited
37 Rafhan Maize Products Limited
38 Shahmurad Sugar Mills Limited
39 Shakerganj Mills Limited
40 K.S.B. Pumps Co. Limited
41 Bhanero textile mills
42 Crescent fibers ltd
43 Din textile mills
44 Crescent textile mills
45 Gul ahmed textile mills ltd
46 Koh e noor textile mills
47 Mahmood textile mills
48 Nishat mills ltd
49 Quality textile mills ltd
50 Salfi textile mills
51 Al abid silk mills
52 Crescent jute products
53 Ibrahim fibers ltd
54 National silk and rayon mills ltd
55 International knitwear ltd
56 Liberty mills ltd
57 Ahmad hassan textile mills
58 Ali asghar textile mills ltd
59 Al-qadir textile mills

60	Ashfaq textile mills
61	Azgard nine ltd
62	Bilal fibers ltd
63	Blessed textile ltd
64	Colony mills ltd
65	Dewan mushtaq textile mills
66	Dewan textile mills ltd
67	Ellcot spinning mills
68	Fateh textile mills ltd
69	Fazal textile mills
70	Feroze1888
71	Gadoon textile mills
72	Ghazi fabrics international ltd
73	Icc textile ltd
74	Island textile mills ltd
75	J.k spinning mills ltd
76	J.A textile mills
77	khalid siraj textile mills
78	Kohat textile mills ltd
79	Kohinoor mills ltd
80	Maqbool textile mills ltd
81	Masood textile mills
82	Mian textile industries ltd
83	Nadeem textile mills ltd
84	Nagina cotton mills ltd
85	Nishat(chunian) ltd
86	Olympia spinning & weaving mills ltd
87	Prosperity weaving mills ltd
88	Quetta textile mills ltd
89	Redco textile mills
90	Reliance cotton spinning mills ltd

91 Reliance weaving mills ltd
92 Resham textile industry ltd
93 Ruby textile mills
94 Saif textile mills ltd
95 Sajjad textile mills ltd
96 Sally textile mills ltd
97 Samin textile mills ltd
98 Sapphire fibers ltd
99 Sapphire textile ltd
100 Sarghoda spinning mills ltd
101 Shahtaj textile ltd
102 Shahzad textile mills ltd
103 Shams textile mills ltd
104 Sunrays textile mills ltd
105 Suraj cotton mills
106 Chenab ltd
107 Sanofi aventis
108 Sitara peroxide
109 Pak elektron limited
110 Bata Pakistan ltd
111 International industries ltd
112 Service industries ltd
113 Treet group pf companies ltd
114 Tri-pack films ltd
115 Millat tractors
116 Al-abbass cement industries ltd
117 Pakland cement(Dewan cement)
118 Hino pak
119 Packages ltd
120 Thatta Cement
121 Flying cement

122 Macpac films ltd
123 Tariq glass industries
124 Cherat packaging ltd
125 Artistic denim mills
126 D.S industries ltd
127 Dewan farooque spinning mills
128 Faisal spinning mills ltd
129 N.P spinning mills ltd
130 Sana industries ltd
131 Fazal cloth mills ltd
132 Al-Abbass sugar mills
133 Chashma sugar mills
134 Colony sugar mills ltd
135 Dewan sugar mills ltd
136 Habib sugar mills ltd
137 Mehran sugar mills
138 Mirpurkhas sugar mills
139 Sanghar suagr mills
140 The premium sugar mills and distillery co.
141 The thal industries corporation ltd
142 Archoroma pakistan ltd
143 Descon Oxychem limited
144 Descon chemicals ltd
145 Engro corporation ltd
146 Engro polymer and chemicals
147 Ittehad chemicals
148 Ghandara industries ltd
149 Lotte pak PTA
150 Faran sugar mills