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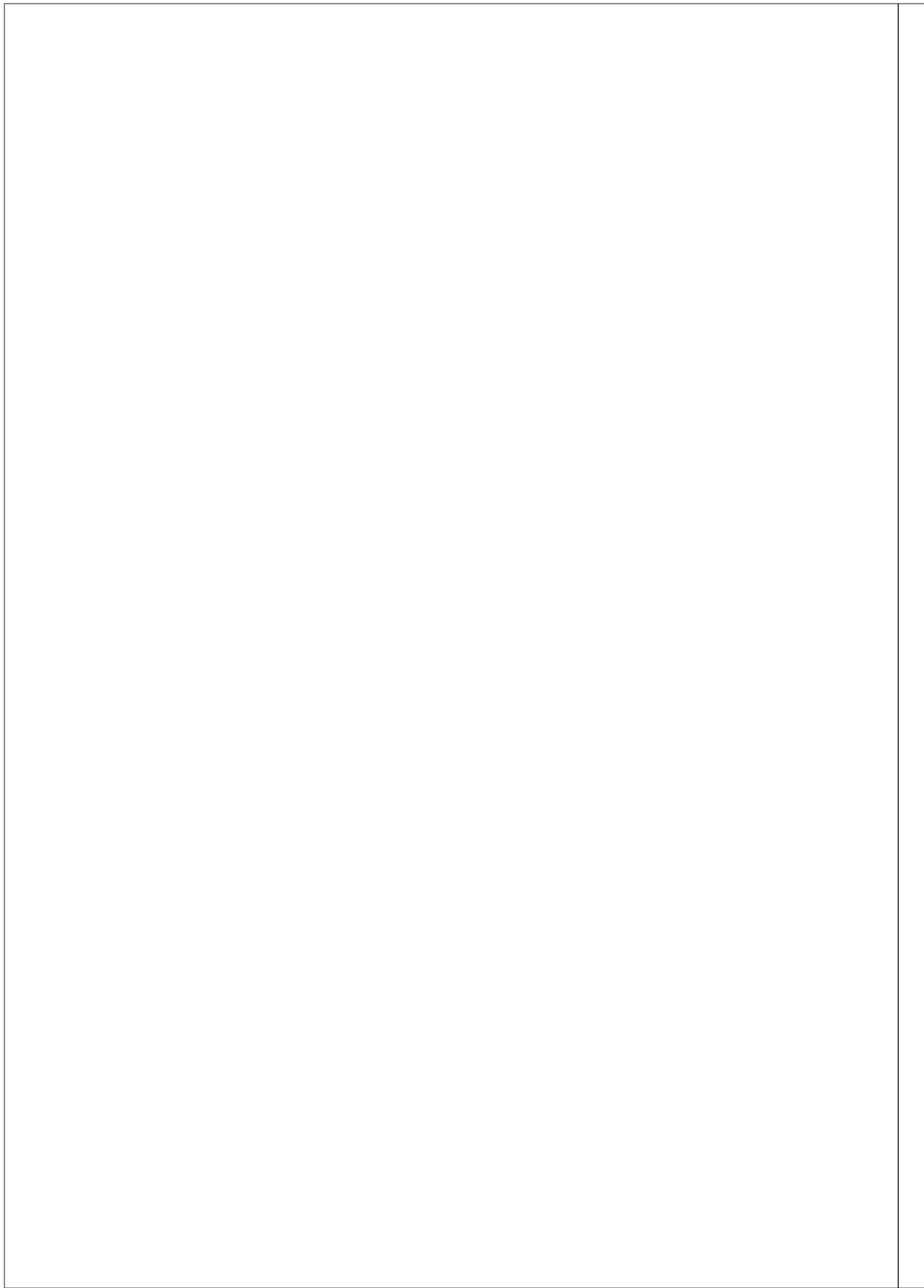
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Notes for Contributors

Greenwich University, Karachi-Pakistan, publishes the Journal of Business Strategies (JBS) bi-annually. Contributions to the Journal may be the papers of original research in the areas of Management Sciences and Information Studies, like business, management, marketing, banking, finance, economics,HRM, and labour laws. The research papers submitted for publication in the Journal should not have been previously published or scheduled for publication in any other Journal.

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Journal accepts research articles, book reviews and case studies written in English. The manuscript should be written (double-spaced, with ample margins) on left side of the paper only. Two copies of the manuscripts along with soft copy should be submitted. Authors should prepare their manuscripts according to the APA – Publication Manual (6th Ed). All manuscripts shall be preliminary evaluated by the editorial board and peer reviewed by the Evaluation Committee. Allow two months for publication decision and upto one year for publication.

Tables

Tables should be reduced to the simplest and must in no case be of a size or form that will not conveniently fit onto the Journal page size. Units of measurement should always be clearly stated in the column headings; any dates relevant to the tabulated information should be stated in the table title or in the appropriate column heading.

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Figures including both line drawings and photographs should be numbered consecutively in the order which are cited in the text. The approximate position of tables and figures should be indicated in the manuscript.

Units

Unit should follow the metric system. Yield or rate is expressed in metric tons/hectare or kg/hectare. Any reference to currency should be expressed in U.S. dollar or the equivalent to a local currency stated in a footnote.

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Journal of Business Strategies

Editorial Note

The Faculty of Management Sciences & Information Studies is well aware of the fact that quality maintenance in universities is possible only with autonomy, semester system, deemed university status, student exchange programs, accreditation and research oriented technologies and the job-oriented courses. Nobody is denying the fact that these are sophisticated western tools for rendering quality education. To stay competitive in the increasingly more challenging business world, Greenwich University is trying to develop new ways for improvement.

The nineteenth issue of the *Journal of Business Strategies* contains eight research papers.

The first paper "The Relationship of Job Stress and Turnover Intention in Commercial Banks of Pakistan by Assessing the Mediating Role of Burnout" is a joint venture of Dr. Aqeel Ahmed and Sher Afgan, examining the different relationships of job stress such as effect of burnout on turnover intention, positive association between burnout and turnover intention, the association between job stress and job performance. Similarly the results found negative relation between the two variables i.e. as stress at job increases, performance of employees' decreases has been examined.

The second paper "Factors Affecting Performance of Stock Market - A Vector Autoregressive Analysis (A case of Pakistan from 2000 to 2014)" written by Prof. Dr. Gobind Herani analyze the relationship among macroeconomics variables with the stock market index in Pakistan. Co-integration trace and Max-Eigen statistics, results show that there was no co-integration results found between variables. In VAR test model statistics showed significant relationship between all variables.

Shoaib Bashir Khan in the third paper "Impact of Monetary Policy on Investment, Growth and Balance of Payments in Pakistan" investigates the impact of recent monetary policy on investment, growth and balance of payments. The latest data on monetary aggregates reveals that the credit intake by private sector is now gradually picking up resulting in better growth of large-scale manufacturing sector. The results of the study indicate that decline in the interest rate alone does not improve the industrial sector growth.

In the fourth paper "Status of Human Resource Management at University Level" was studied by Dr. Naveed Sultana and Dr. Irshad Hussain. It shows the

importance of proper management of human resources for enhancing the performance of human resources who are directly involved in serving the organization.

In the fifth paper, "Impacts of social media marketing on consumer decision making process: Descriptive study of Pakistan", Muhammad Shaheen and Rab Nawaz Lodhi had conducted research on social media marketing aimed to fill the gap between social media marketing and its impacts on consumer's decision making process in Pakistan.

The sixth paper is the case study "Service Quality and Customer Satisfaction: a Study on Islamic Banks of Pakistan" carried out by Dr. Talat Hussain who discussed the association of "service quality" with "customer satisfaction" in Islamic Banks.

Dr. Wasim Abbas Awan, in the seventh article, "Analyzing the Impact of Factors contributing in Job Satisfaction: A case of private banks in Larkana, Pakistan" presented a case study while examining the impact of factors (job security, supervisor behavior, working conditions and work stress) contributing job satisfaction in private banks of Larkana.

In the eighth paper "Investors' Perceptions and Valuation Approaches towards Financial Statements/Reports", Dr. Basheer Ahmed had evaluated the financial perception of investors in Islamabad Stock Exchange, Pakistan. This paper also provides the in-depth working of ISE-Pakistan.

The ninth paper titled "Intra Organizational Factors that Impact Employee's Loyalty" by Aamir Saifullah of Greenwich University explored the intra-organizational factors that affect employee's loyalty in advertising agencies in Karachi city.

In the last paper "Identifying The Factors Affecting The Customer's Buying Behavior: A Case Study of Men's Cosmetic Market in Karachi, Pakistan" by Ms. Amber Yameen Khan, Omair Abbas and Mr Emadul Karim determined various factors such as age, occupation, income, models and celebrity influence, as well as the role of metrosexuals have an impact in cosmetic industry.

The Editorial Board welcomes from readers any suggestions for further improving the technical standard, presentation and usefulness of the Journal.

Editor
Prof. Dr. Shahida Sajjad

Table of Contents

The Relationship of Job Stress and Turnover Intention in Commercial Banks of Pakistan by Assessing the Mediating Role of Burnout

Dr. Aqeel Ahmad* and Sher Afgan**

Abstract

The main objective of this study was to inspect the relationship of job stress with turnover intention by assessing the mediating role of burnout in the commercial banking sector of Pakistan. A total of 300 survey questionnaires were distributed and 246 were returned the response rate was 82%. The findings showed significant positive relationship between job stress and turnover intention. Secondly, the relationship of job stress and job burnout was tested. The findings of the study demonstrated significant positive relationship between the two variables showing that with increase in the amount of job stress, employees get more burnout. Thirdly, the effect of burnout on turnover intention was checked. The results showed significant positive association between burnout and turnover intention i.e., higher the burnout, higher will be the intention to quit. The mediation effect of burnout among job stress and turnover intention was tested. The findings showed that job burnout partially mediates the relationship between job stress and turnover intention. Finally, another objective of this research was to find out the association between job stress and job performance. The findings of the study showed significant negative relation between the two variables i.e. as stress at job increases, performance of employees' decreases.

Key Words: *Job Stress, Turnover Intention Burnout, Bank*

Introduction

The individuals around the globe that are employed face a relentless and perplexing problem within the organization named as stress, which then impacts efficiency and performance of employees. Job stress has been a matter of concern for all the stakeholders and employees of the companies. Various researchers

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concluded that stress at job is a problematic issue for several organizations (Cooper & Cartwright, 1994; Ornelas & Kleiner, 2003). Researchers recognized that in recent times the cost of job stress is very high in several organizations over the world. For example, job stress costs Australian business approximately $15 billion, the American $200 billion, and the UK £63 billion. This cost is associated with the inefficiencies created by job stress like high absenteeism rate, low productivity, reduced performance, and turnover. The cost of job stress are manipulated in terms of higher rate of workforce turnover, minimized profitability, low production, and budget linked with hiring and developing replacement workforce (Shahu & Gole, 2008; Yahaya, Arshad, Ismail, Jaalam, & Zakariya, 2009).

All employees require some degree of stress to perform and to get things done. Excess stress though for a long time period is not good for employees. Stress if exceeds normally leads to burnout. Burnout is a phenomenon which is commonly used to explain the physical and emotional exhaustion practiced by individuals as a direct consequence of too much job related stress. Burnout can be a reason of significant emotional, physical, spiritual and psychological damage to individuals. Many studies concluded burnout to significantly impact intention of workforces to quit their organizations and it was fairly well acknowledged by binary studies conducted in Australia (Sims, 2007) the later research proposed emotional exhaustion and cynicism (two aspects of burnout) as significant forecasters of intention to turnover (Sims, 2007). A study conducted in South African by Rothmann and Joubert (2007) stated corresponding results and Knudsen, Ducharme and Roman (2006) in a study established a positive association among emotional exhaustion and intention to quit (Singh, Fogarty, Moore & Rhoads, 2000; Chaung, Huang & Lin, 2003). High turnover can be extremely destructive for any organization. Hom and Griffeth state that four types of cost are associated with high turnover which include separation cost (all cost incurred concerning laying off the worker), replacement cost (all cost incurred for hiring new worker in the organization), training cost (all cost spent for development of the worker), and vacancy cost (all cost incurred as a result of non-production due to space between worker loss and replacing a newly hired worker).

Job stress is a comparatively emerging phenomenon of contemporary life styles. Over the previous few decades, the nature of work is under gone radical changes and even now it is going through modifications at fast speed. It is now universally understood fact that individuals from almost every aspect of life have to deal with stress. Stress has impacted virtually all professions, beginning from a general worker to a doctor, or an engineer to a sales personnel and obviously increased stress directs towards quitting the job.

Objectives of the Study

- To inspect association between stress at job and turnover intention in the commercial banking sector of Pakistan.

- To test the impact of job stress on burnout in commercial banking sector of Pakistan.

- To investigate the relationship among burnout and intention to turnover in commercial banking sector of Pakistan.

- To conclude whether burnout mediates the association among stress at job and turnover intention in Pakistani commercial banking sector.

- To examine the relationship among stress at job and job performance in the Pakistani commercial banking sector.

Literature Review

Stress

The pioneer idea about job stress concept came from Seyle (1963). In current era, stress has turned out to be a worldwide phenomenon faced by large number of employees around the globe. Furthermore, stress has proven to be a huge problem for employers specifically in developing countries. Over the last few decades, the nature of organizational tasks has changed mainly because of technological advancements, globalization and reorganization among different countries. As a consequence, there are numerous variables that are resulting the employees and employer to be affected from stress. For instance, demand for excessive work, ergonomic inadequacies, time pressure, problematic clients and role conflicts are few of the elements which will cause stress to employer and employees (Nawaz, Mohsan, & Khan, 2011).

Recently Bankers are under tremendous amount of stress caused by diverse stress backgrounds like Role conflict, keeping up to date with fast technological changes, concern for individuals, role doubt, lack of feedback, career development, contribution, being inventive and innovative, current episodic events, organizational environment and structure. Stress has come out to be a common problem for human resource managers of recent time (Avey, Luthans & Jensen, 2009). The outcome generated as a consequence of stressors like Role overload, Role ambiguity, and Role conflict. Hobfoll (1989) concluded that job stress is source of tension generation which is consequence of the gap about what is anticipated and what is performed. Stress is an undesirable response individuals have to immense pressure exerted on them by placing extra ordinary demands

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upon them. To be more precise, stress is physical or emotional response to environmental events and tasks (Lussier, 2008).

Burnout

When employees sense they are no more capable to offer themselves at a psychosomatic level it is called as state of emotional exhaustion (Maslach & Jackson, 1981). The workers feel fatigued, tired their emotive dynamisms are shattered, when this frame of mind becomes continuing and for a longer period of time, the workers are assumed to be exhausted emotionally. The burnout is usually practiced in organizations that offer human services (Maslach, 1981, 1986).

Turnover

Almost for every organization, the employees' intention to turnover is the most important topic. Work on intention to turnover started in 1950 by the management research scholars. Throughout the world the organizations are facing several challenges with rising amalgamation of the world economy into one, giant marketplace offering resilient competition universally. It is concentrated over market clearance phase along with expenditures attached with massive labor turnover. Intention to turnover is defined as the person's own anticipated probability (subjective) that he or she is permanently quitting the business at some specific upcoming time.

The phenomenon of turnover is comprehensively researched in organizational viewpoint and predominantly in businesses that offer services. Plenty of literature is existing on the reasons and outcomes of involuntary and voluntary turnover. Several ways are used to elucidate it "it is observed as voluntary departure of person from business" (Price & Mueller, 1981). It stems from a mixture of events occurring in business, psychological dynamics and workplace circumstances interact among each other to influence staff behavior in and toward the association (Fang, 2001). Intention to turnover happens while the worker looks for another employment. Kim and Stoner (2008) describe "turnover happens once the worker detaches from employment". It's imperative to know specific situations associated with job that might affect a worker to quit her/ his position. Famous view about workers exit their jobs are because of either un-satisfaction or superior prospects with other business. The current study inspects the variables that can predict intention to quit. More specifically, this study demonstrates the direct and indirect effect of stress at job on intention to turnover.

Job performance

Job performance is the sum of output that workers deliver to the business, which it identifies. It is the aggregate of opportunities, motivation and abilities (Scott,

1986). The performance assessment of employee is a critical function of the organizational HR department (Riggio, 2009) . Worker Performance Managing is a course for founding a mutual workforce know how about what is to be attained in a business entity and it is related to synchronizing the objectives of organization with the workers agreed deliverable results, skills, measures, development plans, and competency requirements. Consequently, performance of employees concentrates on the betterment, learning and development to gain an overall business strategy & to produce a high performance level. Because workforce is considered to be an asset which assists the organizations' smooth going, the performance evaluation in system of HR management endorses the point that its consequences reveal the achievement and also a vital step in the area of adaption, placement and several other personal actions to succeed (Marikova, 2005).

Job stress and turnover intention

Turnover is a vital subject matter for management, especially in tight labor market of the 21st century (Batt & Valcour, 2003). The work burden rises due to enormous obligations, lack of staff, as well as extra duties assigned by management, hence it becomes stressful for the employees and therefore they quit job, specifically during critical conditions (Thaden, 2007). The turnover customary elements, work exhaustion and the organizational commitment were associated with intention to quit. Leontaridi & Ward (2002) found significant association amongst levels of stress and turnover intention. Work related stress and its impact on psychiatric symptoms are linked with staff's tendency to quit the employment (Braaten, 2000). Greater the extent of stress the higher the employee intent to quit (Kavanagh, 2005; Cropanzano, Bryne, & Rapp, 2003). Turnover is increased by stress (Moore, 2000). According to Côté & Morgan (2002) stress is fundamentally a shape of unpleasant emotion that has got a great potential to enhance the employee turnover. There is positive affiliation among stress at job and intention to leave the current job (Williams, 2003).

Job stress and Burnout

One of very common definition of job stress is physiological, cognitive, emotional and behavioral reaction to the dynamic and harmful perspectives of work, the environment in which the work is being done and overall organizational climate. Job stress is characterized by feelings of helplessness in accomplishment of task assigned (Mirela & Adriana, 2011). The other outcomes of job stress include significant decrease in the level of organizational commitment and job satisfaction which may lead to depression, non-productive work behaviors and intentions to quit. Work related stress is associated with burnout, job satisfaction and physical as well as mental health outcomes (Kalliath & Morris, 2002; Piko, 2006; Pillay,

2009). Stressors contributing to the experience of work related stress, including poor supervision, conflict with peers and patients, high job demands (Chayu & Kreitler, 2011; Hayter, 1999) and overtime (Garrosa, Rainho, Moreno, & Monteiro, 2010) are all associated with one or more dimensions of burnout. The Maslach Burnout Model (1996) postulates that prolonged exposure to environmental and situational stressors resulting in work related stress, contributes to emotional exhaustion, depersonalization and a lack of personal accomplishment.

Burnout and Turnover intention

A study's results suggested that higher emotional exhaustion results in higher intention to quit the job, on the other hand job satisfaction prohibits turnover intention (Otis & Pelletier, 2005). Employees who get burned out and irritated with the tasks assigned to them are more probable to have greater turnover. (De Croon, Sluiter, Blonk, Broersen, & Frings-Dresen, 2004). A large number of burnout researches are based on the concept of burnout proposed by Maslach and Jackson (1986). As per job burnout's conceptual frameworks (Cordes & Dougherty, 1993; Demerouti, Bakker, Nachreiner, & Schaufeli, 2001), burnout is determined to significantly mediate the association among prolonged job stressors and many attitudinal consequences. Intention to turnover is one of the consequences of burnout that has been supported empirically by many research findings (Harrington, Bean, Pintello, & Mathews, 2001; Huang, Chuang & Lin, 2003).

Job stress and Job Performance

A physiological methodology conceptualizes job stress as a negative mental state which is the consequence of a response to the characteristics of the workplace environment that appear to be physically and emotionally threatening (Jamal, 2005). Workers who suffer from higher level of work stress are more probable of being less motivated, less safe at job, physically unhealthy, and less productive. Their organizations likewise are more averse to succeed in competitive market. There are different sources of job stress and its mode of affecting people is also different. According to the findings of Pawar and Rathod (2007) there is adverse association between stress at job and job satisfaction amongst naval force trainees. They further found that the key determinants of job stress are less autonomy and more insecurity of job. A study was conducted by Jamal (1984) to inspect the connection amongst stress at job and job performance among blue-collar workers and managers. Stress was defined as the outcome of an employee resulted from workplace environment that employee perceives as unsecured.

Theoretical Framework

Theories assist us to recognize fundamental procedure and on that base, select an appropriate course of action. Stoner and Freeman (2000) state that theory is logical and consistent group of postulation presented to interpret the association

between two or more facts that are observable. Effective theories assist us to forecast what will occur under certain circumstances. It is true fact that no matter how much one has the grip of a principle, the theories and history of any arena assist us to implement them to real cases. The schematic diagram illustrates independent variable namely job stress, job burnout as a mediating variable, and turnover intention and job performance as dependent variables.

Fig.1
Theoretical Framework of the Study
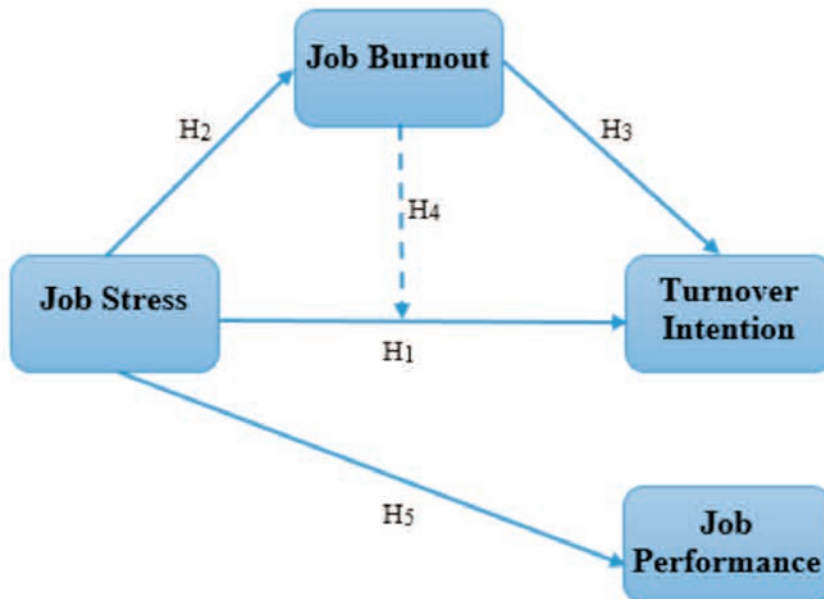
Job-stress and Intention to turnover

Sager (1994) conducted a study among sales managers to inspect the linkage between stress at job and turnover intention. A significant association of 0.45 was found between the two variables, pointing out that the workers with higher stress level tend to be more inspire to leave the job than the workers who suffer lower level of stress. A cross-cultural study was conducted by Jamal (1999) to find out the effect of stress on teachers. The findings of the study showed correlation of 0.27. The findings of many studies conclude the higher the level of stress, the higher is the intention to quit (Chen, Lin, & Lien, 2010; Applebaum, Fowler, Fiedler, Osinubi, & Robson, 2010). Noor and Maad (2008) found positive association between stress, work life conflict, and intention to turnover. Arshadi & Damiri (2013) conducted a research to examine the impact of stress at job on intention to turnover and job performance by assessing the moderating (OBSE)

role. The consequence of research revealed positive association between stress at job and intention to quit. Up till now, the findings of all the studies seems to propose significant affiliation between stress at job and intention to turnover.

Hypothesis 1: There is a significant relationship between job stress and turnover intention

Job stress and job burnout

Burnout symbolizes extended psychological reaction to long-lasting emotional plus interpersonal stressors originate during job that's demonstrated through feelings of depersonalization, lack of accomplishment and emotional exhaustion (Maslach, Schefeli & Leiter, 2001). Many researches have inspected the burnout backgrounds and have concluded that stress at job forecasts burnout directly (Aryee, 1993; Netemeyer, Boles, & McMurrian, 1996; Russell, Altmaier & Velzen, 1987; Taris, Peeters, Le Blanc, Schreurs & Schaufeli, 2001; Lin, Cravens, Grant, & Moncrief, 2013). Maslach, Schaufeli, Leiter, 2001 in a theoretical review about job burnout, suggested that work related stress in direct predictor of job burnout. The argument of Maslach**.** was well supported by the empirical findings of the study investigating the impact of work-related stress and societal support on burnout, which showed that burnout, is significantly predicted by work related stress (Russell, Altmaier, & Van Velzen, 1987). Hock (1988) also determined that the employees suffering from higher stress level were more probable of being burnout, reported that stress at work was correlated with physical and psychological burnout with the respective values of 0.42 and 0.52. Taris, Peeters, Le Blanc, Schreurs, & Schaufeli, (2001) conducted a study by selecting a sample of Dutch teachers, found that three elements of job burnout (and so burnout as a whole) are predicted by work related stress. In 8 year longitudinal study to explore the backgrounds of burnout among blue and white collar employees, Kalimo, Toppinen-Tanner, and Mutanen's (2002) established that stress at job like pressure of time was positively associated with job burnout. The review of literature up to this stage recommended that that job stress significantly affects burnout.

Hypothesis 2: Job stress has significant effect on burnout.

Burnout and intention to turnover

One of the basic outcomes accompanied with burnout is intention to turnover. Research studies have investigated that the higher levels of burnout boost up intention to leave one's job (Lee & Ashforth, 1993; 1996). Burnout is concluded to be principal depression forecaster and in turn depression has been recognized to predict turnover intentions (Anderson, 2008). Jamal (1999) conducted a cross-

cultural study of Pakistani and Canadian teachers and determined that three aspects of job burnout i.e. depersonalization, emotional exhaustion, and lack of accomplishment (and overall burnout) were significantly associated to intention to quit. So, keeping in line with previous research findings, it is hypothesized that burnout significantly affects intentions to turnover.

Hypothesis 3: Burnout has significant effect on intention to turnover

Mediating effect of burnout among job stress and turnover intention

Lee and Ashforth (1993) in the longitudinal study to inspect the effect of job stress on intention to turnover proposed that two of the aspects of burnout i.e. depersonalization and emotional exhaustion would be associated to intentions to quit. Lin, Cravens, Grant, & Moncrief, (2013) carried out a study to investigate the link between burnout, occupational stress, and intention to turnover among managerial employees. The objective of the research was to investigate the relationship among occupational stress, burnout and intention to turnover plus discover their accompanying aspects among employees at managerial level in Guangzhou, China. Lower job satisfaction and higher occupational stress were accompanied with higher level of burnout, specifically in the depersonalization and emotional exhaustion aspect of burnout. Lower job satisfaction and higher emotional exhaustion (burnout) were related to higher turnover intention among staff. Hence, the model under consideration suggests that job burnout mediates the association among stress at job and intention to turnover.

Hypothesis 4: Burnout has significant mediating effect between job stress and turnover intention

Job stress and Job performance

Job performance can be expressed as set of certain behaviors that a worker demonstrates that are matched with his job description and workplace demands, which are triggered towards success of the overall organization (Donovan, Cox, & Ferguson, E., 2004). It is a common factor that businesses require and value employees who perform better, and these high class performers are thought out to be valued assets for the business (Brown & Peterson, 1993; Babin & Boles, 1996; Munro, Peter, & Smith, 1998; MacKenzie, Podsakoff, & Ahearne, 1998; Bhuian & Mengue, 2002; Kim, & Stoner, 2005; Le Rouge, Nelson, & Blanton, 2006; Arnold, Flaherty, Voss, & Mowen, 2009; Yang, 2010; Aghdasi, Kiamanesh, & Ebrahim, 2011; Yucle & Bektas, 2012). One of the earlier study by Jamal (1985) to inspect the association between stress at job and job performance hypothesized that there would be negative correlation between job

stress and job performance for white and blue collar employees. Job performance was measured in term of quality of tasks accomplished, quantity of work and effort exerted to accomplish the tasks assigned. The findings of the study indicated that stress at job was negatively and significantly correlated with above mentioned three elements of job performance for both blue and white collar employees. A similar study was conducted by Aryee (1992) to inspect the association between stress at job and job performance. The findings of the research specified that there was a significant relationship among each of the three predictors of stress at job (role ambiguity, role conflict, role involvement) and quality of work done. In another study Vaitor (2001) investigated the association between stress at job and job performance among female managers. The results of the research showed that job performance was significantly predicted by job stress. These findings are in line with those of Jamal (1985) and Aryee (1992) as discussed earlier. Bashir and Ismail (2010) conducted a study in the banking sector of Pakistan to check out the link between stress at job and job performance. The sample for the study was 144 graduate senior workers like customer services officers and managers from highly recognized emerging banks in Pakistan. The research tool for the study was questionnaire. The data gathered by questionnaire was subjected to statistical test regression and correlation. The result of the study confirmed negative significant correlation between the two variables. The findings of all the studies seem to propose significant affiliation between stress at job and job performance.

Hypothesis 5: There is a significant relationship between job stress and job performance

Methodology

Data Collection

For the study of the topic, the big five commercial banks in district Okara Pakistan were targeted. These banks include Muslim Commercial Bank, Habib Bank Limited, Allied Bank Limited, United Bank Limited, and Bank Al-Falah Limited. The questionnaire was circulated among 300 respondents through simple random sampling to the branch and operation managers. A total of 300 survey questionnaires were distributed and 246 were returned the response rate was 82 %. The items of the constructs for present study are adapted from Stanton, Balzer, Smith, Parra and Iroson. (2001) (Job Stress), Maslach and Jackson (1981) (Burnout), Kelloway, Gottlieb, & Barham, (1995) (Intention to Turnover), Esson (2004) (Job Performance).

Analysis

There is significant strong positive correlation (r=0.784, p<0.01) between Job Stress and Job Burnout. The association between job burnout and intention to quit is also highly positively correlated (r=0.799) at a significance level of (p<0.01).

Job stress and intention to quit are significantly positively correlated at (r=0.768, p<0.01). Where all other variables are positively correlated, the relationship between job stress and job performance is strongly negatively correlated (r = -.748) at a significance level of (p<0.01).

Hypothesis Testing
Job Stress and Turnover Intention

The outcomes of the study showed that the variable has a significant association with turnover intention. Job stress has a strong positive relationship with turnover intention with (=0.768) and (p<0.01) indicating job stress contribute 76.8% to turnover intention of employees. Furthermore, R square value is 0.589 showing that the effect of job stress on turnover intention is 58.9% explained. Results of the study validate Hypothesis 1 i.e. there is a significant relationship between job stress and turnover intention. Table 1 and 2 show the results.

Table 1
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.768ᵃ	.589	.588	.20961

a. Predictors: (Constant), Job Stress

Job Stress and Job Burnout

The regression result confirmed the significant strong positive relationship between job stress and job burnout with (=0.784) and (p<0.01). Job stress contributes more than 78% to intention to quit. Regression analysis further illustrates the relationship between job stress and job burnout is proved the value of R square 0.614 which indicates the effect of job stress on job burnout is 61.4% explained. Current study justifies Hypothesis 2 i.e. Job stress has significant effect on burnout.

Table 2
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.784ᵃ	.614	.612	.22360

a. Predictors: (Constant), Job Stress

Job Burnout and Turnover Intention

The analysis illustrates that the relationship between job burnout and turnover intention is significant with (p<0.01) and strong positive with (ß=0.799) expressing that for one percent

increase in job burnout will have 79.9% effect on intention to quit. R square value for the model is 0.639 which shows the impact of job burnout on turnover intention is 63.9% explained. In the light of these regression analysis results Hypothesis 3 (i.e. Burnout has significant effect on intention to turnover) is accepted. Table 3 shows the discussed results.

Table 3
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.799[a]	.639	.637	.19659

a. Predictors: (Constant), Job Burnout

The mediating effect of job burnout is tested with the help of Barron and Kenny (1986) causal steps method. For testing the mediation effect, the following conditions need to be met.

Dependent variable should be significantly related to independent variable. If this condition is not met statistically, the analysis for mediation stops (Mackinnon, 2008).

Independent variable should be significantly related to mediating variable.

When controlling for effect of mediating variable on dependent variable, the effect of independent variable on dependent variable should no longer be significant (complete mediation). However, when controlling for effect of mediating variable on dependent variable, the effect of independent variable on dependent variable is reduced in magnitude but remains significant there is evidence of partial mediation (Preacher & Hayes, 2004).

Table 4
Results of Mediated Regression Approach

No.	Dependent variable(s)	Independent Variable(s)	Beta	T	Sig.	R^2	Adjusted R^2
1	Intention to Quit	Job Stress	.768	18.719	.000	.589	.588
2	Job Burnout	Job Stress	.784	19.700	.000	.614	.612
3	Intention to Quit	Job Burnout Job Stress	.512 .366	8.919 6.383	.000 .000	.691	.688

The results of causal steps method for testing the mediating effect of job burnout are presented in Table 4. In first step, job stress (IV) and intention to quit (DV) are significantly related to each other with beta value .768 (total effect). This fulfills the

first condition of Barron and Kenny (1986) approach. Second step shows that job stress (IV) and job burnout (mediating variable) are significantly related to each other with (p<0.01), justifying the second condition for mediation effect. With the inclusion of job burnout in third step reduced beta value to .366 but remained significant (direct effect). This proves that job burnout partially mediates the relationship between job stress and intention to quit. Hence Hypothesis 4 is accepted. The indirect effect of job stress on intention to quit is equal to the product of job stress $\longrightarrow$ job burnout path and job burnout $\longrightarrow$ intention to quit path i.e. (.512) (.784) = .40. (See Figure 3)

The estimated Mediator Model Job Burnout (Job Stress – Intention to Quit) The numbers in the Figure represent Standardized Regression Coefficients. **p< .01 Fig.2

Panel A | Panel B
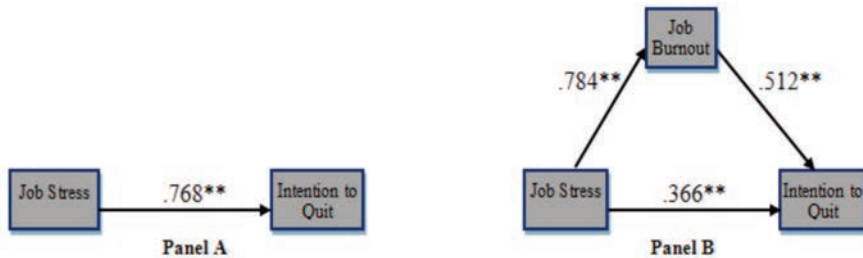
Significance of Indirect Effect

The significance of indirect effect is tested using the Sobel test (Barron & Kenny, 1986; Preacher & Hayes, 2004; Shrout & Bolger, 2002). For this purpose, online Sobel test calculator (http://quantpsy.org/sobel/sobel.htm) is used. The result showed that the indirect effect of job stress on intention to quit via job burnout is significant with p <0.01 and test statistics value of 8.156. This further strengthens the hypothesis that job stress partially mediates the relationship between job stress and turnover intention (See Figure 4).

Fig.3
Sobel Test Results

Input:		Test statistic:	Std. Error:	p-value:
a .886	Sobel test:	8.15640366	0.05061986	0
b .466	Aroian test:	8.14770278	0.05067392	0
s_a .045	Goodman test:	8.16513248	0.05056574	0
s_b .052	Reset all		Calculate	

Where a = raw (un-standardized) regression coefficient for the association between IV and mediator. b = raw coefficient for the association between the mediator and the DV (when the IV is also a predictor of the DV).

Job Stress and Job Performance

The regression result ratifies the significant strong negative relationship between job stress and job performance with (ß= -0.784) and (p<0.01). Job stress contributes 78.4% negatively to job performance. Further, regression analysis demonstrates the relationship between job stress and job performance is proved the value of R square 0.560 which indicates the impact of job stress on job performance is 56% explained. Current study fulfills Hypothesis 5 i.e. there is a significant relationship between job stress and job performance.

Table 5
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.748[a]	.560	.558	.40095

a. Predictors: (Constant), Job Stress

Table 6
Regression Analysis

Model		Un-standardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	7.185	.305		23.544	.000
	Job Stress	-1.422	.081	-.748	-17.631	.000

a. Dependent Variable: Job Performance

Discussion

The prime objective of this study was to inspect the relationship of job stress with turnover intention by assessing the mediating role of burnout in the commercial banking sector of Pakistan. For this goal, first, direct association of job stress with turnover intention was tested. The findings showed significant positive relationship between job stress and turnover intention expressing that as much as stress at job increases the employees' intention to quit the job increases. These findings are consistent with that of Sager (1984), Noor and Maad (2008), Chen, Lin, & Lien, (2010), Applebaum, Fowler, Fiedler, Osinubi, & Robson, (2010), Arshadi and Damiri (2013), and Iqbal Ehsan, Rizwan, & Noreen, (2014). Secondly, the relationship of job stress and job burnout was tested. The findings of the study demonstrate significant positive relationship between these two variables showing that with increase in the amount of job stress, employees get more burnout. Hock (1988) also determined that the employees suffering from

higher stress level were more probable of being burnout, reported that stress at work was correlated with physical and psychological burnout with the respective values of 0.42 and 0.52. Many researchers (e.g. Aryee, 1993; Netemeyer, Boles, & McMurrian, 1996; Russell, Altmaier & Velzen, 1987; Taris, Peeters, Le Blanc, Schreurs & Schaufeli, 2001; Lin, Cravens, Grant, & Moncrief, 2013) have come up with similar findings. Thirdly, the effect of burnout on turnover intention was checked. The results showed significant positive association between burnout and turnover intention i.e., higher the burnout, higher will be the intention to quit. Research studies have investigated that the higher levels of job burnout boost up turnover intention (Lee & Ashforth, 1993, 1996; Jamal, 1999; Anderson, 2008). The mediation effect of burnout among job stress and turnover intention was tested following Barron and Kenny (1986) causal step method. Furthermore, Sobel test was applied to check the significance of indirect effect. The findings show that job burnout partially mediates the relationship between job stress and turnover intention. The results of the study on key effects are coordinated with burnout theoretical framework (e.g., Cordes & Dougherty, 1993; Demerouti, Bakker, Nachreiner, & Schaufeli, 2001). Additionally, another objective of this research was to find out the association between job stress and job performance. The findings of the study showed significant negative relation between the two variables i.e. as stress at job increases, performance of employees decreases. One of the earlier study by Jamal (1985) to inspect the affiliation between stress at job and job performance hypothesized that there would be negative correlation between stress at job and job performance for white and blue collar employees. Outcomes of various researches provided the confirmation of strong negative affiliation among stress at job and job performance (Aryee, 1992; Viator, 2001; Bashir & Ismail, 2010). Findings verify the significant associations of all variables of the hypothesis.

Conclusion

The main objective of this study was to inspect the relationship of job stress with turnover intention by assessing the mediating role of burnout in the commercial banking sector of Pakistan. For this goal, first, direct association of job stress with turnover intention was tested. The findings showed significant positive relationship between job stress and turnover intention expressing that as much as stress at job increases the employees' intention to quit the job increases. Secondly, the relationship of job stress and job burnout was tested. The findings of the study demonstrate significant positive relationship between these two variables showing that with increase in the amount of job stress, employees get more burnout. Thirdly, the effect of burnout on turnover intention

was checked. The results showed significant positive association between burnout and turnover intention i.e., higher the burnout, higher will be the intention to quit. The mediation effect of burnout among job stress and turnover intention was tested. The findings showed that job burnout partially mediates the relationship between job stress and turnover intention. The results of the study on key effects were coordinated with burnout theoretical framework. Additionally, another objective of this research was to find out the association between job stress and job performance. The findings of the study showed significant negative relation between the two variables i.e. as stress at job increases, performance of employees decreases.

Implication and Recommendations

The findings of the study affirm that job stress boost up burnout and employee turnover intentions. It is a matter of fact that an organization cannot be totally stress free. However certain steps can be taken by management to lower down job stress. Since job stress is associated with employees' performance, it is extremely vital to minimize it by implementing the accurate HR polices. Management should keep an eye on burnout factor as well. Burnout can be minimize by applying right working conditions, by lessening role ambiguity, and by offering counseling and psychological training courses to keep employee interested and motivated about their job. Due to day by day increasing competitive environment and financial instability in the banking sector it is very vital for management to retain competitive and skilled workforce. For this purpose, equal promotion and right compensation policy should be implemented so as to minimize the risk factor of employees' turnover.

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Factors Affecting Performance of Stock Market - A Vector Autoregressive Analysis (A case of Pakistan from 2000 to 2014)

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Abstract

The main objective of this research study was to investigate the relationship among macroeconomics variables with the stock market index in Pakistan. Quartile data was collected of four variables having names: stock market index, inflation, interest rate and exchange rate, over the period of 2000:1 -2014:4. For approaching to accurate data results and relationship status among variables, author applied the mentioned analysis model, such as, Unit root test, Co-integration analysis and Vector auto regression (VAR) model techniques. The unit root test at level using Dickey-Fuller test showed that all results were non-stationary and the same test on first difference presents all variables were stationary. Co-integration trace and Max-Eigen statistics, results showed that there was no any co-integration results found between all variables. In VAR test model statistically shows significant relationship in between all variables.

JEL Classification: E43; C43; E31; F 31; P17

Introduction

Over the last few years, the collaboration of macroeconomics and the shares return has been a subject of interest among economic and stock market investors. Often the arguments of the subjects are that the stock market prices are governed by some factual macroeconomic variables such as exchange rate, inflation and interest rate. The stock market is the unique element for sustainable development of economic to provide the multi stations to the foreign and domestic capital for a wide range of investment. In economic terminology the investment in the domain of any business line is the main indicator for growth. The objective of this study was to find out the relationship in between key macroeconomics variables such as interest rate, inflation, exchange rate and stock market index of the Karachi stock exchange (KSE) for the period of 2000 to 20014. With the approach of VAR analysis model.

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A potential capital market can force the economic growth and prosperity with establishing the financial sector and also provides the opportunities for several channels to invest. It would also help to attract foreign and domestic capital in the country (Aurangzeb, 2012). The stock market index acts as the yardstick body, that allows to access to measure the performance level of business and individual portfolios and it also provides forecasted results of future business trend in the common market, however the stock market index measurement characteristics are totally different in the most developed country/ countries. All developed countries are likely to try several attempts to stable the stock market to direct concern with interest rate, inflation and exchange rate (Naik, 2013).

The movements in the stock prices does affect due to changes in the fundamentals of the economy and expectations about the future prospects of these fundamentals. The stock market index is a tool of measuring performance of a market for the period of time. These indices are being used as a benchmark for the investors and Fund managers also used to compare their return with market return as well. As we know that the sustainable growth of any country is directly interrelated to the economic activities. Like GDP, Remittances, Inflation, stock market index, Interest rate, Money supply, Exchange rate, and domestic and international capital investment. (Ahmad, Abdullah, Sulong, & Abdullahi, 2015).

Stock market of any country is reflection of economic development. Stock market is defined as the place where buying and selling activities are being performed in context of business related trade. These activities play important role for the sustainable economic growth to stable financial performance of any country. The recording of reliable growth in the index market is the sign of growing industries and economic development. If the prices of index and stock market are falling down it shows the instability in industrial growth and economic development (Kanasro, Jalbani, & Junejo, 2009).

Over the past decide the investors used to invest their capital into banks to get certain interest rate. Banks offered attractive interest rate to their customers during that time and significantly impact on economic activities of the country was noticed. Therefore investors took their rational action towards economic crises in resultant; they started to invest their capital in stock market of country. same practice was also performed in Colombo Stock exchange (CSE), therefore; it become the most globalized and modern stock market in south Asia, and best performing stock market in the world providing automated platform for trading to the domestic and foreign investors; its average turnover was US$ 18 Billion in a day (Rathnayakaa, Seneviratnab, & Nagahawattac, 2014).

There are two types of capital investors exist in the stock market, bullish investor and bearish investors. Bullish investors use to analysis forecasted data for the purpose of investment, to analyze either stock market will rise or fall down in future. While 'bearish investor' believes in present financial market position for the investment of their capital in trade according to stock market status (Kanasro, Junejo, & Junejo, 2011). Focus of both investors is to take advantage of the movement in stock prices and to grab maximum profit. The trade movement in stock prices is directly linked with some economic fundamentals like performance of the listed companies, movement in key macroeconomic variables and government institution's actions (Barasa, 2014).

Pakistan's equity market status measured as total market capitalization. It displayed the well performance in FY2014. It rose 36% in term of local currency, due to this Pakistan achieved its position amongst top 10 performing stock market of the world. KSE-100 index rise by 36% in Frontier Market Index (MSCI) and 31.4% rose in Emerging Market Index (MSCI) in term of local and US$ currency. Therefore; KSE had 47.06% equity share in the National Clearing Company of Pakistan (NCCPL) and 39.81% equity share in Central Depositary Company of Pakistan (CDC), that indicated the healthy growth by earning equity PKR 172.3 million (KSE, 2013-14).

January 2012, KSE-100 index had increased from by 11.348 points in term of currency. Aggregrate market capitlization incresed by US$ 32.9 billion and as same it rose over 28,913 points in aprial 2014 and interm of currency it rose from US$ 39.3 billion. In this present era of development and globalization Small and Medium Enterprises (SME) playing dynamic role in the development cycle of the economics, Maximum portion of development covers by the SME in several developing countries including Pakistan. KSE Pakistan dynamically working on the development of SME with providing of trading counter. SME segments constituted about 90% of all the enterprisers of Pakistan, with providing of 80% of employment in non-agricultural labor force and it also contributed the 40% share in annual GDP of country (Pakistan Economic Survey, 2013-14).

The growth of trade volumes and market prices has been changing with high volatile fluctuations, which makes bit confused to domestic and foreign stock market investors. Causes of confusion is that unpredictable market. Investors are unable to analyze the market forecast due to high volatile fluctuation. The stock market prices mainly based on the financial return, shared value, turnover and other many variables for financial and economic factors. These pervious empirical studies suggested that stability of economic development and stock market growth vary with market to market, as well country wise.

Whenever the macroeconomic variables like (inflation, interest rate and exchange rate) rise, it impacts the prices of products and hype at the same time. Therefore the stock market prices are inversely related to these variables. The rising panic of these macroeconomic variables has an impact on investor's hostile risk factors, as a result its expected high return on investment capital and real discount rate. However the stock value depends to the profit from investment capital assets. Several studies have been published by the scholars on the same topic, but everyone had given their opinion according to the factors that affecting the stock market index. But in this research study author chose interest rate, inflation and exchange rate of the country and their impact on stock market index.

The objective of this study was to find out the relationship in between key macroeconomic variables such as inflation, interest rate, exchange rate and stock market index in the Karachi stock index market of Pakistan, i) to measure the strength of the relationship in between all variables with applying of (Co integration and VAR model), ii) to know about the movement of stock market index and effect of macroeconomic variables for the period of 12 years from 2000 to 2014.

Literature Review

The stock markets and their drivers are the main pillars of the economic development of the country. The stock market delivered several dynamic ports for liberalize trade that has significant impact on the industrial sector of the country (Singh, 2014). Well established stock market mobilizes the investment and saving activities, projects, which lead to sustainable development of the economy of a country. The core purpose of a stock market is to perform as a moderator between borrowers and severs or lenders. That movement of mobilizes saving from a huge pool of small savers and reform these capitals into dynamic and fruitful investments (Sohail, & Hussain, 2009).

Dynamic trade activities of goods and services in developing countries are significantly associated with sustainable development of economics. While from few past years, the trade activities of goods and services are suffering from very poor performance due to failure of a common market and financial institutions that keep a country under the phase of the underprivileged process of development. Very few macroeconomic variables are the cause of a high cost rate in transactions of any business activity that has a negative impact on profitability of the business (Sultan, 2011). On other hand the poor performance of exchange rates has insignificant impact on overvaluation of currency and it cause of disastrous of economic growth. The real exchange rate is found in short and long term of periods, both period dependent on the trade prices and turnover. These

all are done comes under the umbrella of stock market of the country, ultimately the conclusion is the economic development of the country is based on the stock market of a country and micro and macroeconomics are the pillars (Rodrik, 2008).

The stock market index mobilizes capital for trade is measured as engine of economy. National and international investors has fully focused on the profit and business wealth. Corporate and individual capital investors are significantly cautions in the performance of stock market index. The complex market is normally measured in term of some merged stock market index. The composite stock market index are considerable for the past, present and future performance of respective stock market (Nijam, Ismail & Musthafa, 2015). Well established stock market mobilizes the investment and saving activities projects, which lead to sustainable development of economy of a country. The core purpose of stock market is to perform as moderator between borrowers and severs or lenders. That movement of mobilizes saving from huge pool of small savers and reform these capitals into dynamic and fruitful investments (Sohail, And Hussain, 2009).

The exchange rate will never fix for a long period, fluctuations are varies in different time period, it is based on the financial and stock markets activates and performance of the country. The real exchange rate is a reflection of the current price of goods and services of a country. And it also expresses the strength of domestic and international capital investment (Uğur, 2008). Interest rate and exchange rate regime endure the important matters of economic activities they address international capital in developing countries. Maximum implementation of trade liberalization is mandate from economic growth (Adeniran, Yusuf, & Adeyemi, 2014).

The real exchange rates differ with current price rates of services and produced goods in a country and same send through export channels in fever of exchange program of cash transaction to another country (Mehmood, Ali and Chani, 2013). It recognized as the vital factors for the international macroeconomic variables and financial institutions. Increase Instability in the exchange rate would rise the improbability of the profit on the contracts of denominate in foreign currency, therefore it would have negative impact on economic growth (Musyoki, Pokhariyal, & Pundo, 2012). Macroeconomic factors have exhibited significant impact on the stock market. The economic instability in the national and global context has exhibit influence on the policy makers and capital investors. The relationship in between micro and macroeconomic variables with stock market index has always being area of interest among policy makers and investors (Khan, 2014).

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economy engine. National and international investors have fully focused on the maximum profit and business wealth. Corporate and individual capital investors are significantly cautioned in the performance of stock market index. The complex market is normally measured in term of some merged stock market index. The composite stock market index is considerable for the past, present and future performance of the respective stock market (Nijam, Ismail, & Musthafa, 2015).

A well-organized capital market is one which can adjust security prices rapidly to the foundation of new innovation in the industrial sector, hence; through globalize innovation several business hubs possible for a respectable stock market of a country, due to that the productivity and profitability would be able to move upwards and also has significant impact on the whole economy (Maysami, Howe and Hamzah, 2004). In India macro and micro economic variables such as in industrial production unanticipated and anticipated inflation, yield extent between the short and long term of government bonds were significant illuminate the stock market returns (Naik & Padhi, 2012).

Inflation and money supply have a significant relationship with each other and they both have an effect on stock market return and turnover. In case; if the money supply increase then ultimately the inflation rate directly increase, according to the expected rate of return and high rate of return will fall with the market value of the sectors, in result lower price of the shares. Secondly, if the money supply and inflation rise, then upcoming figures of cash flow will also rise, in the results it will increase dividends and also increase in stock price index (Patel, 2012).

Research Methodology

Co-integration test and Vector Autoregressive (VAR) model applied to know the dynamic relationship in between stock market index and micro economic variables, ultimately; there relationship with economic growth. This test model was done after testing of the stationary and non-stationary results via unit root test model using Augmented Dickey Fuller (ADF) test. This research study was based on the four variables namely, stock market index, inflation, interest rate and exchange rate.

Data source

This study was based on the secondary source of data. The quarterly data was collected for the time period of 2000 to 2012 and it was applied in that empirical analysis. The data was gathered from the KSE, the Pakistan Bureau of Statistics; an official statistical data published in Pakistan and several KSE publications. All data was about stock market index, inflation, interest rate and exchange rate.

Equation:

SMI = a + SMI(-1) + SMI(-2) + ER(-1) + ER(-2)+ IR(-1) + IR(-2) + INR(-1) + INR(-2) + e

ER = a + SMI(-1) + SMI(-2) + ER(-1) + ER(-2) + IR(-1) + IR(-2) + INR(-1) + INR(-2) + e

IR = a + SMI(-1) + SMI(-2) + ER(-1) + ER(-2) + IR(-1) + IR(-2) + INR(-1) + INR(-2) + e

INR = a + SMI(-1) + SMI(-2) + ER(-1) + ER(-2) + IR(-1) + IR(-2) + INR(-1) + INR(-2) + e

Where:
    SMI= Stock Market Index
    ER= Exchange Rate
    IR= Inflation Rate
    INR= Interest Rate

Table 1
Unit root test at Level

	Augmented Dickey-fuller test-Unit root test		
Confidence level	1%	5%	10%
Critical values (At level)	-3.548208	-2.912631	-2.594027
Variables	**t-statistic**	**Prob values**	**Results**
Exchange rate	-1.212137	0.6637	Non stationary
Stock Index	-0.299664	0.9182	Non stationary
Inflation rate	-1.707709	0.4222	Non stationary
Interest rate	-1.352926	0.5991	Non stationary

In this table. 1 unit root test model at level, the results showed Prob.* value of all variables were > 0.05 that indicated the non-stationary outcomes.

Table 2
Unit root test at first difference

	Augmented Dickey-fuller test-Unit root test		
Confidence level	1%	5%	10%
Critical values (1st difference)	-3.548208	-2.912631	-2.594027
Variables	**t-statistic**	**Prob values**	**Results**
Exchange rate	-5.155600	0.0001	Stationary
Stock Index	-5.415718	0.0000	Stationary
Inflation	-5.761199	0.0000	Stationary
Interest rate	-6.043992	0.0000	Stationary

In Table 2 unit root rest at first difference, the results showed the Prob.* value of variables was <0.05 that indicated the stationary outcomes.

Table 3
Co-integration results trace statistics

Hypothesized No. of CE(s)	Eigenvalue	Trace Statistic	0.05 Critical Value	Prob.**
None	0.258434	38.60400	47.85613	0.2763
At most 1	0.183187	21.26255	29.79707	0.3415
At most 2	0.119988	9.526547	15.49471	0.3189
At most 3	0.035775	2.112974	3.841466	0.1461

Note: cointegration trace statistics results indicates there is no cointegration at Prob. Level > 0.05

Table 4
Max-Eigen Statistics

Hypothesized No. of CE(s)	Eigenvalue	Max-Eigen Statistic	0.05 Critical Value	Prob.**
None	0.258434	17.34146	27.58434	0.5508
At most 1	0.183187	11.73600	21.13162	0.5739
At most 2	0.119988	7.413573	14.26460	0.4414
At most 3	0.035775	2.112974	3.841466	0.1461

Note: Max-eigenStatisitcs test indicates no cointegration at the Prob. Level >0.05

Co-integration test model showed that the stock market index, inflation, interest rate and exchange rate had no any cointegration found.

(Co-integration had not been found among these variables. That's why VAR model was to run to evaluate the results. First VAR equation and its results had been presented as under.)

STOCKMARKETINDEX = C(1)*STOCKMARKETINDEX(-1) + C(2)*STOCKMARKETINDEX (-2) + C(3)*EXCHANGERATE(-1) + C(4)*EXCHANGERATE(-2) + C(5)*INFLATIONRATE(-1) + C(6)*INFLATIONRATE(-2) + C(7)*INTERESTRATE(-1) + C(8)*INTERESTRATE(-2) + C(9)

Table 5
Vector Autoregressive (VAR) Model 2

	Coefficient	Std. Error	t-Statistic	Prob.
C(1)	-0.689047	0.524202	-1.314468	0.1948
C(2)	0.933790	0.517194	1.805492	0.0771
C(3)	0.877330	0.137278	6.390889	0.0000
C(4)	0.075596	0.137274	0.550697	0.5843
C(5)	-0.094617	0.064850	-1.459005	0.1509
C(6)	0.125549	0.063494	1.977330	0.0536
C(7)	-0.662900	0.216787	-3.057838	0.0036
C(8)	0.308281	0.214596	1.436567	0.1572
C(9)	0.089775	0.138781	0.646885	0.5207

Table 5 summarized results of the first equation in which stock market index was dependent variable and the exchange rate, inflation and interest rate were independent variables. Third confidential (C3) exchange rate lag one result indicated the Prob.*0.0000 that indicates significance level with stock market index. Seventh confidential level (C7) showed that the Interest rate lag one Prob. *0.0036 that also indicated the significant relationship with the stock market index. On the other hand rest of the coefficients had statistically insignificant relationship with Stock market index.

Table 6

R-squared	0.990498	Mean dependent VAR	3.876207
Adjusted R-squared	0.988947	S.D. dependent VAR	0.386930
S.E. of regression	0.040679	Akaike info criterion	-3.424463
Sum squared resid	0.081086	Schwarz criterion	-3.104739
Log likelihood	108.3094	Hannan-Quinn criter.	-3.299924
F-statistic	638.4887	Durbin-Watson stat	2.240208
Prob(F-statistic)	0.000000		

Table 6 summarized the results of another parameter of the model. R square was 0.990498 that very close to 1 that indicated usefulness of the model. F-statistic was 638.4887 and its corresponding Prob. value was 0.000000 that also indicating that the model was useful for prediction. Durbin-Watson was 2.240208 that indicated there was no autocorrelation between residual and its lag.

EXCHANGERATE = C(10)*STOCKMARKETINDEX(-1) + C(11)*STOCKMARKETINDEX(-2) + C(12)*EXCHANGERATE(-1) + C(13)*EXCHANGERATE(-2) + C(14)*INFLATIONRATE(-1) + C(15)*INFLATIONRATE(-2) + C(16)*INTERESTRATE(-1) + C(17)*INTERESTRATE(-2) + C(18)

Table 7
Vector Autoregressive (VAR) Model 1

	Coefficient	Std. Error	t-Statistic	Prob.
C(10)	-0.003832	0.041804	0.0091676	0.9273
C(11)	-0.002367	0.041803	-0.056631	0.9551
C(12)	0.931912	0.159631	5.837929	0.0000
C(13)	-0.011771	0.157497	-0.074735	0.9407
C(14)	0.048152	0.019748	2.438270	0.0184
C(15)	-0.033912	0.019335	-1.753900	0.0857
C(16)	0.061653	0.066016	0.933898	0.3549
C(17)	0.004584	0.065349	0.070149	0.9444
C(18)	0.065698	0.042262	1.554544	0.1265

Table 7 summarized results of this equation in which exchange rate was dependent variable and stock market index, inflation, interest rate were independent variable.

Twelfth coefficient (C12) was statistically significant which indicated exchange rate lag one Prob. *0.0000 indicates it had significant relation with the exchange rate. Fourteenth coefficient (C14) was also statistically significant which indicated inflation rate lag one Prob. *0.0184 which shows it had significant relation on exchange rate. On the other hand rest of the coefficients were statistically insignificant.

Table 8

R-squared	0.982357	Mean dependent VAR	1.850345
Adjusted R-squared	0.979476	S.D. dependent VAR	0.086470
S.E. of regression	0.012388	Akaike info criterion	-5.802491
Sum squared resid	0.007519	Schwarz criterion	-5.482767
Log likelihood	177.2722	Hannan-Quinn criter.	-5.677952
F-statistic	341.0351	Durbin-Watson stat	1.844998
Prob (F-statistic)	0.000000		

Table 8 summarized the results of other parameter of model. R square was 0.982357 that nears to 1 that indicates usefulness of the model. F-statistic was 341.0351 and its corresponding Prob. value was 0.000000 that also indicating that model was useful for prediction. Durbin-Watson was 1.844998 that indicates there was no autocorrelation between residual and its lag.

INFLATIONRATE = C(19)*STOCKMARKETINDEX(-1) + C(20)*STOCKMARKETINDEX(-2) + C(21)*EXCHANGERATE(-1) + C(22)*EXCHANGERATE(-2) + C(23)*INFLATIONRATE(-1) + C(24)*INFLATIONRATE(-2) + C(25)*INTERESTRATE(-1) + C(26)*INTERESTRATE(-2) + C(27)

Table 9
Vector Autoregressive (VAR) Model 3

	Coefficient	Std. Error	t-Statistic	Prob.
C(19)	-0.548825	1.245437	-0.440669	0.6614
C(20)	0.008312	1.228787	0.006765	0.9946
C(21)	0.413307	0.326156	1.267207	0.2111
C(22)	-0.263562	0.326145	-0.808111	0.4229
C(23)	1.120202	0.154076	7.270426	0.0000
C(24)	-0.287513	0.150855	-1.905898	0.0625
C(25)	-0.007190	0.515059	-0.013960	0.9889
C(26)	0.274131	0.509852	0.537667	0.5932
C(27)	0.290338	0.329725	0.880547	0.3829

Table 9 summarized results of first equation in which inflation rate was dependent variable and stock market index, interest rate and stock market index were independent variable. Twenty-third coefficient (C23) was statistically significant which indicated

inflation rate lag one Prob.* 0.0000 it showed the strong significant relationship with inflation rate. On the other hand rest of the coefficients were statistically insignificant.

Table 10

R-squared	0.881758	Mean dependent VAR	0.877069
Adjusted R-squared	0.862454	S.D. dependent VAR	0.260600
S.E. of regression	0.096649	Akaike info criterion	-1.693733
Sum squared resid	0.457713	Schwarz criterion	-1.374009
Log likelihood	58.11826	Hannan-Quinn criter.	-1.569194
F-statistic	45.67572	Durbin-Watson stat	1.990029
Prob(F-statistic)	0.000000		

Table 10 summarized the results of other parameter of model. R square was 0.881758 that nears to 1 that indicates usefulness of the model. F-statistic was 45.67572 and its corresponding Prob. value was 0.000000 that also indicating that model was useful for prediction. Durbin-Watson was 1.990029 that indicates there was no autocorrelation between residual and its lag.

INTERESTRATE = C(28)*STOCKMARKETINDEX(-1) + C(29)*STOCKMARKETINDEX(-2) + C(30)*EXCHANGERATE(-1) + C(31)*EXCHANGERATE(-2) + C(32)*INFLATIONRATE(-1) + C(33)*INFLATIONRATE(-2) + C(34)*INTERESTRATE(-1) + C(35)*INTERESTRATE(-2) + C(36)

Table 11
Vector Autoregressive (VAR) Model 4

	Coefficient	Std. Error	t-Statistic	Prob.
C(28)	0.407473	0.362951	1.122669	0.2670
C(29)	-0.577633	0.358098	-1.613056	0.1132
C(30)	0.165253	0.095050	1.738598	0.0884
C(31)	-0.140160	0.095047	-1.474641	0.1467
C(32)	0.111722	0.044902	2.488148	0.0163
C(33)	-0.075798	0.043963	-1.724141	0.0910
C(34)	0.906656	0.150101	6.040319	0.0000
C(35)	0.076013	0.148583	0.511582	0.6112
C(36)	0.196518	0.096090	2.045146	0.0462

Table 11 summarized results of equation in which interest rate was dependent variable and stock market index, inflation rate and stock market index were independent variable. Thirty-two coefficient (32) was statistically significant that showed the inflation rate lag one Prob. *0.0163 that indicated it had significant relation with interest rate. Thirty-four coefficient (34) was statistically significant which indicated the interest rate lag one Prob. *0.0000 which showed it has significant relation with interest rate. Thirty-six coefficient (36) was statistically significant which indicated the interest rate

lag two Prob. *0.0462 which showed it had significant relation with interest rate. On the other hand rest of the coefficients were statistically insignificant.

Table 12
Vector Autoregressive (VAR) Model 5

R-squared	0.916188	Mean dependent VAR	1.012241
Adjusted R-squared	0.902504	S.D. dependent VAR	0.090205
S.E. of regression	0.028166	Akaike info criterion	-4.159683
Sum squared resid	0.038873	Schwarz criterion	-3.839959
Log likelihood	129.6308	Hannan-Quinn criter.	-4.035144
F-statistic	66.95517	Durbin-Watson stat	2.002956
Prob(F-statistic)	0.000000		

Table 12 summarized the results of other parameter of model. R square was 0.916188 that is nears to 1 and it indicates usefulness of the model. F-statistic was 66.95517 and its corresponding Prob. value was 0.000000 that also indicating that model was useful for prediction. Durbin-Watson was 2.002956 that indicates there was no autocorrelation between residual and its lag.

Conclusion

The main objective of this study was to identify the factors affecting the performance of the stock market of Pakistan. Four variables were selected in this study having names: stock market index, inflation, interest rate and exchange rate. Empirical and statistical results showed a significant impact of macroeconomic variables on the performance of the Pakistani stock market. Data was collected for the period of 2000:1-2014:4 of Pakistan stock market and macroeconomics variables. Under the evidence of above results, to obtain the maximum foreign and domestic capital investment as they could earn maximum yield and reserve maximum shares in stock market. To facilitate the investors, senior management of government agencies and stock market should have to find out the validated sources that could control the interest rate and inflation within country.

Recommendations

Government bodies should adopt the economic innovations with dynamic business ports. Innovation in economics was actually based on the industrial re-engineering process of the country. Main focus of industrial engineer to reduce the cost of production and operation as could be able to generate maximum revenue in order to reserve maximum shares in stock market of the country. On other hand to control the devaluation of local currency as it was the main cause that had a negative impact on the stock market index, inflation, interest rate and exchange rate of the Pakistani stock market. Due to that the cost of production and operations moved upwards in results the profitability of firms decreased.

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Impact of Monetary Policy on Investment, Growth and Balance of Payments in Pakistan

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Abstract

The monetary policy announced by the State Bank of Pakistan was a tool to achieve price stability and economic growth objectives. The present study investigated the impact of recent monetary policy on investment, growth and balance of payments. The SBP has kept the policy rate unchanged at 6% in its last announcement. The latest data on monetary aggregates reveals that the credit intake by private sector is now gradually picking up resulting in better growth of large-scale manufacturing sector. The results of the study indicated that decline in the interest rate alone does not improve the industrial sector growth. Other factors such as energy outages posed as the main hindrance. The materialization of investment under the China-Pakistan Economic Corridor (CPEC) will strengthen the external sector outlook over the medium to long-term.

Keywords: *Monetary Policy, Investment, Growth, Balance of Payments.*

Introduction

The basic purpose of introducing and implementing monetary policy is to influence objectives of macroeconomics, mainly balance of payments (BOP) equilibrium, economic growth, employment availability and price stability (Sulaiman & Migiro, 2014). Amongst these, economic growth and price stability are the two significant objectives of monetary policy. Another significant job performed by the monetary authority is to float the interest rates and to regulate the money supply within the economy. Major channels like financial markets and bank-based intermediation operate monetary policy and further spread into exchange rates, prices and economic growth. If the financial markets work properly, it will boost capital formation thereby accelerating the economic growth at a faster rate. In addition, monetary transmission has some credible channels like credit management, exchange rates, asset prices and real interest rates (long-term) but expectation channel is also one of the significant channels for this reason that it showed the expectations of economic agent towards stance of monetary policy (Chaudhry, Qamber, & Farooq, 2012).

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GUIDES framework and Pakistan Economy

GUIDES framework is a selection of primary indicators that help in gauging a country's macroeconomics performance and stability. The framework is an acronym where each letter stands for key economic indicator. The first three components (G, U, I) are indicator of current macroeconomic performance. The last three (D, E, S) indicates the sustainability of that Performance (Weinzierl, Schlefer & Cullen, 2011). Any erratic changes in these indicators give early sign of vulnerability in the economy. Figure 1 indicated Pakistan economy through GUIDES indicates overall macroeconomic stability. The GDP growth is creeping up with contained inflation and low interest rates.

Figure 1
Pakistan Economy through GUIDES

G	GDP & Growth	GDP (% change)	4.2*
		GNP Per capita (Rs)	1,53,060*
U	Unemployment & Utilization	Unemployment rate (% change)	5.94**
I	Inflation & Interest Rates	Inflation (CPI)	4**
		Interest Rate	6**
		Investment (% of GDP)	15.1*
D	Debt & Deficits	Government deficit (% of GDP)	1.7**
		Government debt (% of GDP)	61.5**
E	External Balances & Exchange Rate	Current Account Balance (% of GDP)	1.2**
		Direct Investment (US $ millions)	648**
		Portfolio Investment (US $ millions)	167**
		Nominal Exchange Rate	93.26**
		Real Exchange Rate	123.2**
S	Savings	National Saving as (as% of GDP)	14.5*

Annual Data (2014-15)
**As per latest available data*
Sources: State Bank of Pakistan, Pakistan Bureau of Statistics, Planning Commission.

In Pakistan, both monetary policy and fiscal policy work in close coordination for attaining macroeconomic stability as well as higher growth objectives. The State Bank of Pakistan reduced the policy rate from 6.5% to 6% in the monetary policy announced on September 12, 2015 and kept it unchanged in the next two monetary policies announced on November 21, 2015 and January 30, 2016. The declining trend in inflation (1.3% in September 2015-lowest in past 12 years) provides leeway for further reduction in policy rate. However, the SBP's decision to keep the policy rate unchanged at 6.0% indicates a cautionary approach towards a relaxed monetary policy stance (Monetary Policy Statement, 2016). The main purpose of this study was to assess the effectiveness of the SBP's current

monetary policy. This would go a long way in evaluating the impact of monetary policies on important economic indicators of investment, growth and balance of payments using the main objectives of monetary policy as yardstick.

Fig.2
Policy rate from May 2008 to January 2016
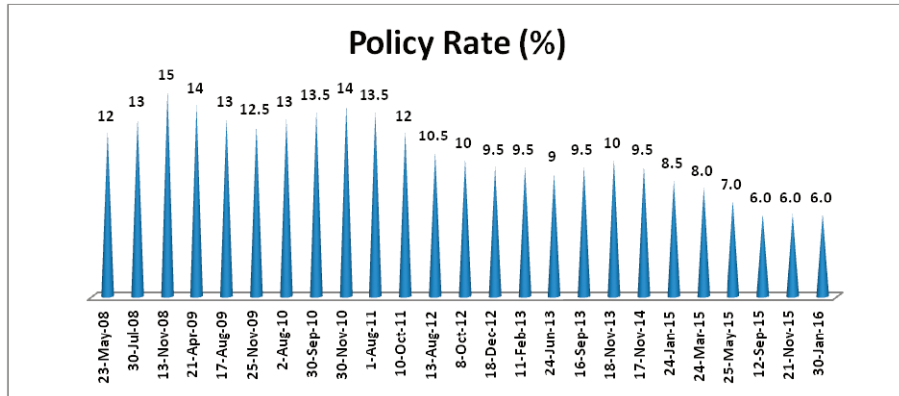
Impact of Monetary Policy on Investment and Growth

GDP growth was provisionally registered at 4.2% during 2014-15 against the target of 5.1%. The lagged impact of tight monetary policy coupled with slump in international oil prices led to a declining trend in inflation (registered at 3.3% in January 2016) (Naseer, 2015). Subdued trend in inflation provided rationale for an easy monetary policy stance and led to consecutive cuts in policy rate (bringing it from 10% to 6% since November 2014). The policy rates announced by SBP have been graphically presented in figure two above. The fall in policy rate was expected to spur industrial activity by reducing cost of doing business. The lower policy rate gradually translated into lowest lending rates (in 10 years) in January 2016 (7.1% and 8.6% weighted average lending rates on fresh and outstanding loans respectively). However, private sector activity remained sluggish despite record low policy rate.

Expansion in the credit to private sector during July-February FY16 was registered at Rs. 318.1 billion as against Rs. 159.0 billion in the same period of last year. Large Scale Manufacturing (LSM) during July-December 2015-16 registered a growth of 3.9% as against 2.7% during the same period of last year. On month-on-month basis, its growth in December 2015 was recorded at 14.5% over November 2015 and 2.3% over December 2014. The growth in LSM shows signs of picking-up in the first half of 2015-16 (QIM, 2015). However, it remains under pressure due to energy shortages and global fall in commodities' prices. The sustained power shortage accompanying

the gas shortage is hazardous for functioning of industries. The initiatives of different power sector projects under China-Pakistan Economic Corridor are expected to bridge the power shortages and boost the industrial sector.

The lower policy rate has reduced "borrowing costs" of the government, giving it more space to borrow from the commercial banks (Rs. 959.8 billion upto 4th March 2016). Therefore, medium to long-term government borrowing patterns coupled with the trend in aggregate demand may determine the transmission effects of earlier policy rate cuts on the private sector credit cycle, eventually affecting overall investment and growth. The private sector's appetite for fresh loans also remains low as businesses seem averse to expand in view of global decline in commodity prices. For instance, outstanding loans of textile sector showed considerable decline. This emanated from a fall in textile and clothing exports that fell by 9% (Kiani, 2016) (to $1.2billion in July-December 2015-16 from $1.3 billion in corresponding period of last year). Additionally, WPI has remained negative consecutively over the past 11 months (0.08% YoY in January, 2016), indicating persistent slack in domestic aggregate demand. However, it is expected that private sector credit will pick up pace with improving LSM and onset of credit uptake phase.

The GDP growth target is set at 5.5% for 2015-16. The investment-to-GDP ratio of 17.7% is set to contribute towards this growth target. Monetary policy easing (since November 2014) is thus geared to attain this investment-to-GDP ratio of 17.7% (target for 2015-16) and policy rate stays at 6.0% (as per Monetary Policy Statement, 30th January, 2016) (Waheed, 2015). However, there is an expectation of pickup in inflation whereby WPI (month on month) has turned positive for January, 2016. If continued, this trend in WPI may reflect the increase in aggregate demand which may, in turn, results from increased economic activity. The inflationary expectations may also lead to reorientation of monetary policy.

Impact of Monetary Policy on Balance of Payments

The latest data released by the Pakistan Bureau of Statistics shows that both exports and imports fell by 10.7% and 2.2 % respectively during July- February FY16 as compared to the corresponding period last year. The decline in exports is mainly attributed to the textile sector which has not performed to its optimum. The Pakistan Bureau of Statistics has reported a decline of 1.7% in exports during February 2016 as compared to February 2015. The external current account registered a deficit of US$ 1.27 billion during July-Dec FY16 as against US$ 2.46 billion in the corresponding period last year (MPIC, 2016).

Pakistan's major exports of cotton yarn and rice have witnessed fall in prices whereas imports were dominated by the price decline of the petroleum group. Low petroleum prices benefitted Pakistan with a saving of US$ 3.2 billion during

July- Dec 2015. This may eventually affect remittances which have been crucial in financing Pakistan's persistent trade deficit and supporting consumption. Positively workers' remittances registered a growth of 6.3 percent during July to Dec FY16 (Details, Figure 3). The foreign exchange reserves are at a comfortable level. Total liquid reserves were US$ 20.3 billion on 19th February, 2016 as compared to US$ 19.8 billion at end October a year ago (State Bank of Pakistan, 2016). The rupee has depreciated during the last couple of months. Due to depreciation in other regional currencies the Real Effective Exchange Rate has also depreciated by 0.5 % during the period from August to December, 2015. The slowdown of the Chinese economy and slow recovery in the Euro zone has weakened external demand, affecting both trade and investment. The increase in SBP-held foreign exchange reserves is mostly on the back of money that the government has either raised from global investors or borrowed from international financial institutions so it mainly comprised of debt and borrowing.

Fig.3

Workers' Remittances (million US$)

	Jul-Dec		FY15	YoY growth in Jul-Dec FY16
	FY16	FY15		
Total inflows	**9,735**	**9,162**	**18,720**	**6.3**
USA	1,348	1,410	2,70	-4.4
UK	1,252	1,213	2,376	3.3
Saudi Arabia	2,896	2,650	5,630	9.3
UAE	2,174	1,987	4,232	9.4
Other GCC[6]	1,174	1,051	2,173	11.7
All others	893	853	1,606	4.6
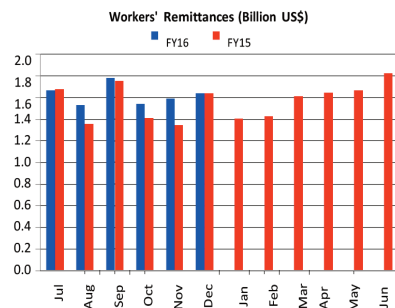
[5] Only cash, [6] Kuwait, Qatar, Bahrain and Oman.

Source: Statistics & Data Warehouse Department (S&DWD), SBP.

Conclusion

The impact of easing of monetary policy on both investment and growth is yet to be boosted substantially. Uptake in credit to private sector is turned positive after intact in off-putting accounts consecutively for the period of four months, whereby the same is expected to pick up with the actualization of lagged effect of monetary policy easing. The lower FBR tax receipts (due to a decline in GST collection on petroleum products) may further increase government's borrowing requirements from commercial banks for deficit financing. The month over month growth of large scale manufacturing showed significant improvement in November, 2015 by rising to 14.48 %. However, it fell to 2.3% in December, 2015. The impact of policy rate reduction to 6% as announced in the monetary policy on manufacturing sector is yet to be realized. Both the credit to private

sector as well as loans to private sector businesses increased during H1-FY16 as compared to the same period last year. The impact of monetary easing, improved financial conditions of the major corporate sector and better business environment encouraged firms to avail credit not only for working capital requirements but also for fixed investments. Going forward, the improvements in LSM, expansion plans announced by major industries and favorable monetary conditions are expected to provide continued momentum in the demand for credit.

Though balance of payments stands to improve from subdued oil prices and steady worker's remittances, this salutary effect may prove to be transitory. Due to monetary expansion and fall in international oil as well as commodity prices, the real effective exchange rate has been depreciated but the decline in exports indicate the ineffectiveness of easy monetary policy on balance of Payments. Therefore, the government has to adopt the ease of doing business policies to boost domestic as well as foreign investment in the country. Efforts should be made to minimize the security threats by implementing the National Action Plan. Incentives in the form of providing rebates to exporters as well as implementation of facilitative SROs should be materialized to achieve the improved growth in exports as well as investment in the country. Government borrowing should be reduced for crowding in of the private sector investment. The creation of Pakistan Stock Exchange is a positive step towards lowering the fragmentation of market and bringing it at par with global markets. Moreover recent introduction of 'Voluntary Tax Compliance Scheme' is envisaged to encourage the business community to contribute to the national exchequer effectively.

Policy Recommendations

Keeping in view the discussion above following policy recommendations would be influential for economic growth, investment, monetary policy and Balance of payment in Pakistan.

1) It is important that government should raise its revenues rather than boosting the money supply in the country.

2) Economy should pursue an outward oriented export led path; improvements should be brought to accumulate the balance of payments by more exports.

3) Pakistan economy was prone to a series of shocks (export prices, droughts, imports, floods, energy crisis, security threats), which affected the economic growth severely. So a move towards adoption of suitably modified monetary policy would be instrumental in order to improve the public and private investment in the country.

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Status of Human Resource Management at University Level

Dr. Naveed Sultana* and Dr. Irshad Hussain**

Abstract

The present study was conducted to examine the importance of proper management of human resources for enhancing the performance of human resources who directly involved in serving the organization. Mainly this study comprised two dimensions: firstly to examine the practices of organizational management for managing the organizational human resources. Secondly to explore the impact of these practices regarding human resource management on the job performance of academic faculty at university level in Pakistan. For this purpose Management and Business Administration departments of ten public universities of Punjab and Islamabad were surveyed. Two group of sample such as hundred institutional administrators and hundred teachers as human resources, ten from each university were selected randomly. Overall during this study main indicators of human resource management such as planning, Organizing, Staffing, Directing and Coordinating were focused.

Introduction

Human Resource Development (HRD) and Human Resource Management (HRM) are necessary for organizations to achieve their respective objectives effectively and efficiently. HRD adds to existing Human Resources (HRs) by enhancing and developing capacities and capabilities of individuals whereas HRM places right persons on the right positions according to the their abilities, qualification and skills required.

Universities both public and private are educational organizations and are considered to play a significant role in the development of a country and / or a nation. They provide experts in all areas to serve the nation. Universities are

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expected to develop human resources by producing graduates having necessary skills to serve the nation. Development and management of human resources is necessary for achieving performance-based outcomes of the organizations. Universities are run by individuals equipped with necessary knowledge and skills in different areas like administration, academics and services. Proper HRM ensures success of a university as an organization. In universities human resources are categorized as administrative personnel and support staff, academicians, and the students.

The administrative personnel consist of chancellors, vice chancellors, deans, directors, chairmen/ chairpersons, registrars, controllers and treasures responsible for running the institutions through effective management. The organizational performance and effectiveness is secured by focusing on the key dynamics of a university such as management, resources, leadership, motivation, structure, communication, decision making, job satisfaction and performance of university teachers and their professional development etc.

Guest (1997) asserted that effective human resource management practices can enhance the organizational performance. According to Bratton and Gold (1999) human resources of an organization are different in terms of ability, commitment and corporation. However, Mcshane (1995) viewed managing people and other resources to be the same. Therefore, different internal and external factors can affect organizational behavior of employees in any organization. But organizational management appears to be one of the most important factors which directly play role in organization successful and failure.

All educational organizations work with human resources like teachers, students, administrative and support staff. Human resources facilitate in achieving the desired objectives of an educational organization –school, college and/ or a university. Hence, organizational management aims to achieve the objectives by proper management of resources –human as well as material. According to Larean (1991) employees generally are of two type according to their performance. First are those who perform their duties well according to a set pattern, and second are those who are innovating, and coming up with new ideas, systems and technology. These two types of performance reflect the management and managerial skills of the managers.

Effective performance requires productive environment which is responsibility of the management. According to Mintzberg (1979) ineffective management skills lead towards uncongenial environment in the organization. Keeping in view it Schon (1983) regarded the manger as a controller and monitor for optimum level

of performance. Similarly, Naoum (2001) viewed people to be the heart of a successful organization, and pointed out key factors effecting on the organizational management such as environmental forces strategy, organization structure, work group, organizational culture, leadership and its intensions, motivation and personnel management. It leads to the assertion that effective human resource management leads towards successful organizations.

Mayo, Dennison, and Bruce (2006) believed in human relations' theory to enhance organizational performance and emphasized on promotion of natural groups, upwards communication, and objectives and good leadership to run the organization. According to Dubrin (2007) organizations should work for developing abilities and [communication] skills of their employees. They should communicate well to respect others and resolve their work place issues or problems. It develops good working relationship among employees –the human resources of the organization.

Objectives of the Study

The objectives of the study were (i) to explore the dynamics for managing the human resources, (ii) to identify the strengths and weaknesses of organizational management as perceived by administrators and teachers of the sampled universities, and (iii) to examine the impact of human resources management strategies for developing the capacity of teachers at university level.

Research Methodology

It was a descriptive study which dealt with the current situation. A survey technique was used for data collection. The overall nature of study was Co-relational/ Survey type as it sought to establish relationships among its different various variables. The population of this study consisted of twenty public sector universities situated in Punjab and Islamabad having Management and Business Administration departments. All Vice Chancellors, Registrars, Controllers of Examination, Treasurers, Dean and Chairpersons/Chairmen and faculty of MBA departments were taken as population of this study. The random and purposive sampling techniques of data collection were used. Ten universities out of twenty general public sector universities having MBA departments were selected as sample institutions. From these institutions administrators and teachers were taken as sample of the study by using purposive and random sampling techniques administrators and teachers were selected.

Sample of Administrators

This category consisted of 100 respondents from 10 universities including 10 vice chancellors, 10 registrars, 10 controllers of examination, 10 treasurers, 10

deans of faculties and five chairmen/chairpersons from ten faculties of sampled universities. These administrators were selected through purposive sampling technique.

Sample of Teachers

This category also comprised of 100 respondents selected randomly from 10 sampled universities taking 10 teachers from MBA departments of the faculty of Management sciences of sampled universities.

Research Instruments

As this study was Co-relational/Survey therefore, a questionnaire on five point Likert's rating scale was developed for obtaining the opinions of administrators and teachers of sampled universities. The questionnaire consisted on 25 items covering the important areas of human resources management such as planning, organizing, staffing, directing and coordinating. The data was collected personally by the researchers.

Data Analysis

In the regard of this study the respondents of both groups (administrators and teachers) were highly qualified and experienced. Therefore 5 point scale had been used to get their accurate and minute responses. For the analysis of data mean score was used. .

Table 1
Opinion of respondents about human resource management

Administrators						Statements	Teachers					
Mean Score	SDA	DA	UND	A	SA		SA	A	UND	DA	SDA	Mean Score
Planning												
3.62	04	27	—	41	28	Objectives of the organization are clearly stated.	28	37	—	27	08	3.5
3.83	04	14	—	59	23	Organizational management possesses all the qualities of leadership for managing the organizational resources.	—	21	—	42	37	2.8
3.34	12	27	—	37	24	Organizational human resources strategy aligns with human resources policies.	08	24	—	41	27	2.86
2.7	20	41		27	12	Teachers as human resources are involved in decision making process regarding the organizational planning.	3	30		49	18	2.51
3.71	06	21		42	31	Elements of the planning contribute positively to the performance of the teachers.	32	49		12	07	3.99

Organizing												
3.64	10	19		39	32	Assignments are assigned according to the abilities of teachers.	31	42		23	04	3.96
3.21	6	21		42	21	Necessary resources are provided for accomplishing the task.	05	19		47	29	2.24
3.36	15	22		38	25	Efforts are made to establish effective human relationships in organization	03	14		51	32	2.05
2.45	27	41		24	08	Organizational management becomes the cause for teachers to leave the organization due to unfavorable policies	31	42		21	06	3.71
3.34	07	33		39	21	Ways of organizing the human resources by management are never questioned.	07	18		58	17	2.4
Staffing												
2.69	18	44		27	11	Human resources required for organization are selected on merit.	9	27		41	23	2.58
3.41	09	28		39	24	Organization management is competent in management skills.	11	32		36	21	2.76
3.87	07	12		49	32	Equal opportunities to all teachers for their professional development are provided.	05	19		49	27	2.26
3.36	15	22		38	25	Teachers have the threat for adverse remarks from their head on their annual confidential report.	32	49		12	07	3.87
3.32	07	34		38	21	Organizational management maintains the favorable work conditions for the better performance of teachers.	15	11		46	28	2.39
Directing												
3.34	12	27		37	24	Organizational management provides guidance to the teachers regarding their academic work.	14	18		41	27	2.51
3.33	11	28		39	22	Organizational management encourages the teches for team work for the betterment of organization.	22	41		25	12	3.36
3.87	10	22		37	37	Adequate feedback is given to all workers of organization timely.	19	17		41	23	2.68
2.76	21	36		32	11	Organizational management style is democratic	10	31		41	18	2.74
3.53	10	23		38	29	Aspects of directing the human resources affect the job performance of teachers.	27	35		26	12	3.39
Coordinating												
3.71	06	21		42	31	Organizational management is competent in communication skills.	08	24		41	27	2.45
3.73	04	23		42	31	Organizational management helps the teachers to solve their personal and professional problems.	7	21		43	29	2.34

3.25	19	20		39	22	Organizational management needs professional training for improving their performance.	32	39		19	10	3.64
2.24	29	47		19	05	Adequate budget is available for running the organizational successfully.	09	29		38	24	2.61
2.26	27	49		19	05	Culture of yes-man-ship exists in your organization.	32	49		12	07	3.87

By analyzing the items of questionnaire, 11 statements were accepted by both groups of the respondents while 14 were rejected by the teachers. In overall administrators were of the opinion that practices of organizational management were constructive for managing the performance of human resources. The similarities and differences of the opinion of both of the groups of respondents are given below:

Results of the Study

1. Both of the groups of the respondents i.e. administrators and teachers of sampled universities agreed that objectives of the organization were clearly stated. They (administrators and teachers) agreed that assignments were assigned to the teachers according to their abilities; whereas they desired merit in selection of required human resources. They also were of the view that teachers faced threat of adverse remarks from their heads on their annual performance report. It was also pointed out by both of the categories of respondents that they wished management style of the university to be democratic as teachers were too involved to make policy decisions. Similarly, they agreed to the statement that the university management needed on-job professional development training for improving their performance.

2. Likewise, both of the groups of the respondents were of the view that adequate budget should be available for effective functioning of the universities. However, they acknowledged the encouragement provided by the university management to the teachers on their better performance and feedback provided timely to all teachers of the sampled universities. Similarly, they appreciated the elements of planning to contribute positively in enhancing the performance of teachers. The respondents from the sampled universities agreed that aspects of directing the human resources affected the performance of university teachers.

3. Administrators of sampled universities agreed that the management

possessed all the qualities of leadership for managing the organizational resources, whereas, the teachers of the same universities expressed their otherwise opinion. Similarly, the administrators pointed out that strategies of university resources were aligned with human resource policies but teachers contradicted it. However, the teachers of the sampled universities stated that management became the cause for teachers to leave the organization due to unfavorable policies but administrators of the same universities did not agree with it, and added that efforts were made to establish effective human relationships in the universities.

4. The administrators appeared to be self-praised as they asserted that practices of organizing human resources by university management were un-questioned and they maintain favorable working conditions in the universities, but their counterparts –the teachers reflected their opposite opinion about it by adding their wish to have necessary resources and job description or tasks determined by the university to be done by them. Likewise, both categories i.e. administrators and teachers opposed each other in providing and having guidance about academic work and competency of the university management; equal opportunities for professional development and rewards on excellent performance of academia; helping teachers to overcome their personal problems; and anti-social practices.

Recommendations

For improving and enhancing the capacity of teachers and administration at university level following recommendation may be useful:

- University management may participate in in-service professional development training to enhance professional knowledge and skills for managing the institutional resources.

- University management might ensure healthy and friendly working environment to the academia and employees to enhance the performance.

- University management may ensure the provision of educational facilities and necessities to all faculty members.

- Quality of work and performance of administration and faculty may rewarded and recognized on merit.

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Impacts of social media marketing on consumer decision making process: Descriptive study of Pakistan

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Abstract

The perception of "social media marketing" has gained a lot of recognition in the arena of marketing. Companies in all over the world like United States of America (USA), United Kingdom (UK), Kingdom of Saudi Arabia (KSA), Qatar and United Arab Emirates (UAE) etc. are altering their styles of marketing for their products and services. This prompt change of marketing has also been embraced by several of the companies in Pakistan. People in all over the world spent a lot of their time on social networking sites(SNS) like Facebook, Whatsapp, Flicker, Twitter, YouTube, LinkedIn and Viber etc. The usage of such marketing techniques has been escalating in our society also. This quick change in behavior of people and desirability towards social networking sites is convincing the marketers to adopt innovative ways to grab the customers. The current research covered this gap between social media marketing and its impacts on consumer's decision making process in Pakistan. The research methodology used for this research is quantitative research method i.e. Questionnaire. Questionnaires were randomly distributed among undergraduate and graduate students of University of the Punjab (PU) and National College of Business Administration & Economics (NCBA&E). Research results were established to keep in mind the concepts of Consumer decision making process (Need recognition, information search, evaluation of alternatives, pre-purchase behavior and post-purchase behavior) in the context of Pakistan.

Introduction

"Traditional marketing is not dying – it's dead!" (Zynman, 1999)

Social media marketing is a type of social network sites(SNS) and its roots can be seen in 1980 when people were connected through Bulletin Boards System (BBS).These systems allowed users to connect, share data and private messages

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with other users. (The social media marketing book, 2009). Social media marketing is one of the most famous marketing efforts where customers and stakeholders are participants rather than viewers and each participating customer becomes part of the marketing department (Ahmad, 2015).

Social media employs mobile (android and IOS phones) and web-based technologies (Tablets, laptops, PCs) to share, co-create, discuss and modify user-generated content. It has transformed the traditional marketing model-which, for the most part, was a one way path from the marketer to consumers with some feedback flowing in the opposite direction and has created a paradigm shift. Not only are consumers more in command of the communication flowing towards them, but they also can initiate communication directed toward marketers. Further interaction between customers has increased dramatically (Kohli, 2015).

Fig.1
Communications Model

Traditional Model   **Social Media Model**

Consumer 1   Consumer 1

Marketer   Marketer

Consumer 2   Consumer 2
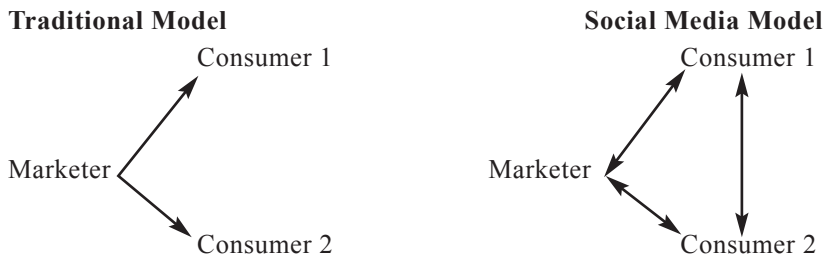
Source: (Kohli, 2015, p. 37)

In the past few decades as compared to twentieth and twenty-first century, people were not so modern or technology oriented. After the twentieth century, it has proved a technological revolution. People in Pakistan and all over the world are now more concisions towards technological advancements. After the invention of smartphones, window phones and IOS phones, most of the people are always in a try to connect to other people at every time and everywhere they are. Technological developments are a big challenge for marketers also. They have to target their customers according to their taste preferences, needs and choice of media channels.

Social media comes in many forms i.e. blogs, microblogs (Twitter), social networking sites (Facebook, Myspace, LinkedIn, whatsapp) and media sharing sites (YouTube, Flicker).

A blog is a type of content management system (CMS) that makes it easy for

anyone to publish short articles called posts. Posts can be of 500 words to pages of words and the main theme of the post should be same. (The social media marketing book, 2009). Microblogging is a type of social networking sites that limits the size of post. For example, twitter limits the size of post to 140 words. On twitter we can manage company account and an individual account as well. Currently Facebook is a dominant social networking site which allowed users to connect with each other, share data and share photos as well. Companies can create their own pages for marketing and allow users to become fans. Facebook pages have an option of "Like" and "Comment". Whenever a social media user comment or like on company's page then it becomes visible o all of the friends of that user. Ultimately it becomes a chain of likers and commenters. Most of them like the page and starting to consider the activities of that specific company. With the passage of time this consideration add-up to consumer's consideration set. Whenever a consumer goes for shopping, that consumer firstly searches the different categories into his/her consideration set and then make the purchase decision which is the ultimate goal of a marketer.

LinkedIn is another social networking site which is specifically for professionals. By using this site the professionals can post job and recruit persons for that specific job.

Literature Review

Social media refers to online platforms where users chat, share videos and pictures, companies make their fan pages and many more. With the rapid increase in technology, users on these social networking sites are increasing day by day. In Pakistan, users of Facebook are more than 14 million and twitter users are more than 2.5 million. Users can make their profiles on these sites like Facebook, twitter, LinkedIn, YouTube and flicker. People in all over the world are spending most of their time on social networking sites. Worldwide there are now more than two billion people using social media and Facebook alone now has approximately one billion active users per day. (Stephen, 2016). Companies are taking part in promoting their products or services through social networking sites.

Many of the companies have their fan pages on Facebook, twitter and share user generated contents (UGC) on YouTube for marketing purposes.

Every consumer in the world didn't purchase a product shortly, but he/she required some time to take a decision. Consumer decision making process was firstly familiarized by John Dewey in 1910 which consists of five different stages. These five stages are shown below in Figure 2:

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Fig.2
Consumer Decision Making Model

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│      Information Search          │   │
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│    Evaluation of Alternatives    │   │
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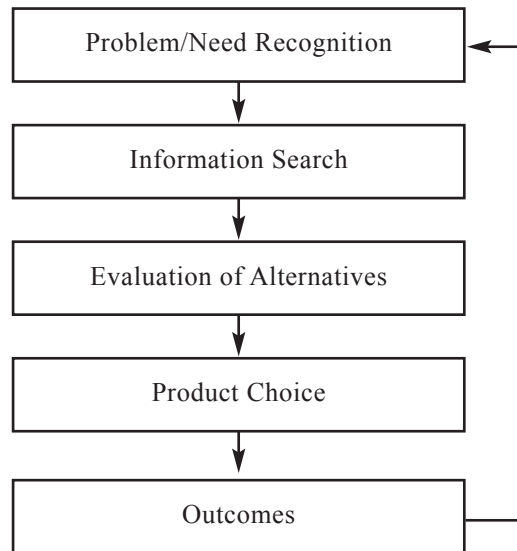
(Solomon, 2013)

Problem/Need Recognition

Every consumer in its life faces the following five stages decision making model. His/her decision to buy a product or not to buy the other one is always based on these stages because researcher believes that a purchase cannot be takes place without a need or to solve a problem. And that need maybe triggered due to internal or external stimuli. For example if a person wants to go to job then its problem is to travel. To daily reach on time that person will identify its need of traveling and he/she will find the ways to solve that problem or to fulfill that need.

Information search

This is the second stage in consumer decision making process in which after identifying the problem or need, consumers starts to searching the information related to products/services attributes, benefits, brands etc. this information search usually conducted by two ways i.e. offline and online searching. Due to its ease and just one button click online searching is increasing now days (Gupta, 2004).

Solomon (2013, p. 310) stated that whenever the information search increases then the knowledge about product also increases.

Evaluation of alternatives

After identifying the problem and information search about different product

or services, this is the stage of evaluation of alternatives. In which different substitutes of a product are examined i.e. different brands etc. (Johnston, 2013).

Product choice

How do a consumer select from the alternatives?

After the evaluation of alternatives in a category, a consumer starts to choose a single one from that product or service category. Now days there are many alternatives in products or service categories so it takes time to select only one among all of them. Consumers use evaluative criteria to differentiate among competing brands and determinant attributes to differentiate among all of choices (Solomon, Consumer behavior-buying, having and being, 2013).

Outcomes

After being purchase of a specific product or service, this outcome stage is also equally important with the other four stages. This stage is also called the post-purchase stage in the decision making process and very critical in retaining a consumer. If the consumer will be satisfied then that will be loyal to company and it will be dissatisfied then it will be an alarming situation for the company. Because that individual customer may share his/her reviews on social media, traditional media and word of mouth as well (Johnston, 2013).

Methodology

The data was collected with an already established instrument which was firstly used in the context of Finland. The reason behind using the already established instrument was its reliability and validity. Reliability of the multi-scale items was checked with SPSS and Cronbach's Alpha. This value has been shown in the below table which is 0.73.

Questionnaires were randomly distributed among the graduate and undergraduate social media users of National College of Business Administration and Economics (NCBA&E) and University of the Punjab (PU). The sample size used for the collection of data was of 110. The Likert scale questions asked in the questionnaire were covering three main parts: respondent's information i.e. age and gender, items related to social media marketing and consumer decision making process. One open-ended question was also asked from the social media users related to the credibility of the social media advertisements i.e. to what extent advertisements on social media are credible. Many of the respondents reply to this open-ended question and almost the response rate to this question was less than 50%. This was may be due to the reason that it was only the single open-ended question in among the all items.

Results and findings

The total data was collected from 110 social media users and respond rate was 100% because researcher visit the respondents one by one. To check the reliability of the data, it was seen the value of Cronbach's Alpha using SPSS which is .730 of 24 items here. It showed that the data is reliable and can be used for further analysis.

Table 1
Case Processing Summary

		N	%
Cases	Valid	110	100.0
	Excluded	0	.0
	Total	110	100.0

Table 2
Reliability Statistics

Cronbach's Alpha	N of Items
.730	24

Background

Section 1 of the questionnaires cover the two general items i.e. age and gender. These questions were asked to separately known the impact of social media marketing on consumer decision making process on two different genders i.e. male and female. Results in the below tables showed that there were 50.9% of the respondents were males and 49.1% were females and the age distribution was under 18(6.4%), 18-21(40.9%), 22-25(40.9%) and 26-30(11.8%).This data showed that young generation i.e. ages from 18-25 is mostly using the social networking sites in Pakistan. Users of social networking sites were mostly among 18-21 and 22-25 i.e. 88.8% of the total population because data was collected from university students.

Table 3
Age of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	under 18	7	6.4	6.4	6.4
	18-21	45	40.9	40.9	47.3
	22-25	45	40.9	40.9	88.2
	26-30	13	11.8	11.8	100.0
	Total	110	100.0	100.0	

Table 4
Gender of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	56	50.9	50.9	50.9
	Female	54	49.1	49.1	100.0
	Total	110	100.0	100.0	

Exposure

The purpose of the items in this section was to sort out that how the different social media users exposed to information available on social networking sites and mass media i.e. TV, Radio, and Newspaper etc. Information search is the second and the most important stage in the consumer decision making model because the consumer will use this searched information into later stages.

Item number three of the instrument was being used to measure the responses on social networking sites, micro blogging and photo and video sharing sites. This item showed that among these three social networking sites (SNS) which site is mostly used. Results shown in the pie chart showed that among the respondents, 87.27% were social networking sites users while 6.36% were micro blogging users and 6.36% were photo and video sharing sites users in Pakistan. Respondents in Pakistan spent most of their time on Facebook, Whatsapp and viber on a daily basis and less of their time on Twitter and YouTube. This information is useful for marketers as well that is they should change their media channel and segment as well. This information also showed that consumer's trend was changing day by day because most of the consumers were moving towards online shopping and information searching. After the introduction of 3G and 4G internet services by telecommunication companies in Pakistan, most of the customers are searching online. People try to connect with their special brands on a daily basis and also share their experiences with their peers, family or social circle as well.

Which of the social media sites you are using on a daily basis
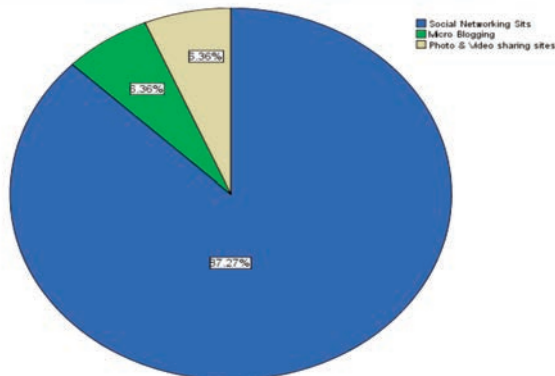
Item four and five are related to time spent in hours in a week on social media sites and mass media sites. The below mentioned analysis in tables showed that from 110 respondents, there was 39.1% were among those who spent 1-3 hours in a week on mass media while in comparison to this there was 43.6% were those respondents who spent 1-3 hours in a week on social networking sites. Number of respondents with zero hours spent on mass media sites is 10% while on social networking sites is only 2.7% and 10 hours or more time spent on social networking sites is also greater than time spent on mass media sites. So, it showed that people were more engaged to social networking sites than mass media sites and respondents were more exposed to the information on social networking sites than mass media sites.

Table 5
Time spent on Mass Media Sites

		Count	Percent
Time spent of mass media sites per week	0 Hours	11	10.0%
	1-3 Hours	43	39.1%
	4-6 Hours	29	26.4%
	7-9 Hours	18	16.4%
	10 Hours or more	9	8.2%
Overall		110	100.0%
Excluded		0	
Total		110	

Table 6
Time spent on Social Media Sites

|		Count	Percent
Time spent on social media sites per week	0 Hours	3	2.7%
	1-3 Hours	48	43.6%
	4-6 Hours	36	32.7%
	7-9 Hours	12	10.9%
	10 Hours or more	11	10.0%
Overall		110	100.0%
Excluded		0	
Total		110	

Attitude

To measure the attitude of respondents, there were three items which were asked to them. In figure(a) Among the respondents, there were 26% respondents who respond that the information they seek out on social networking sites was always consistent with their opinion for a purchase, whereas31% said that

sometimes it happens that there would be consistency in the information seek out on social networking sites and their initial opinions. In figure (b) it was shown that there were six prejudgment factors. Social media users were make prejudgments on the basis of those six factors.it is shown here that 27% of social media users always made judgments on the basis of previous experiences i.e. if their experience with a specific brand would be good than their future judgment about brand on social networking sites will be good or vice versa. Knowledge is also another important factor related to prejudgments of social media users. It was worth mentioning here that only 7% among the respondents set prejudgments on the information from internet i.e. user reviews and 12% make prejudgments on the basis of information from mass media and 13% on information from peers, friends and family etc. After the previous experience and knowledge, mass media is still important factor than social media.

INFORMATION_CONSISTENT

■ Always ■ Often ■ Sometimes ■ Seldom ■ Rarely ■ Never

2%
10%
19%
12%
26%
31%
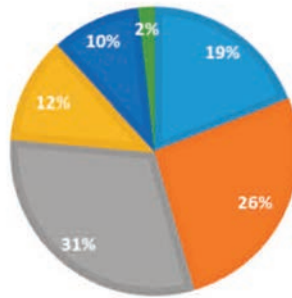
PREJUDGEMENT_FACTORS

■ Previous xperience ■ Knowledge ■ Brand Reputation ■ Info From internet ■ Info from mass media ■ Info from family

13%
12%
27%
7%
17%
24%
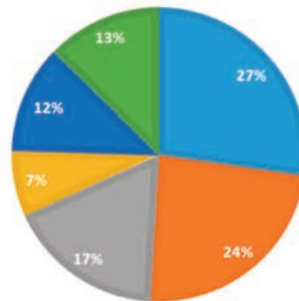
Problem Recognition

This table showed the role of social media marketing in triggering the social

media users for purchase.it was clearly shown in the table that 58.2% respondents said that yes it triggered them for purchase and only 27.3% responds that no social media didn't trigger them while 14.5% were not sure. It showed that marketing on social networking sites had greater influence on social media users and triggers those users towards purchase.

Table 7

Social media triggers you to purchase

		Count	Percent
Does Social Media marketing triggers you to purchase a product/service?	Yes	64	58.2%
	No	30	27.3%
	Not sure	16	14.5%
Overall		110	100.0%
Excluded		0	
Total		110	

To check the attractiveness of advertisements on both social media and mass media, it was asked to social media users that do you still find advertisements on mass media attractive. Then 73.6% of the users said that yes while only 26.4% said that no they didn't. It showed that advertisements on social media were not too much attractive. This was due to difference in creative advertisements on mass media in comparison to social media.

Table 8

Advertisements on mass media are still attractive

		Count	Percent
Do you find advertisements on mass media are still attractive?	Yes	81	73.6%
	No	29	26.4%
Overall		110	100.0%
Excluded		0	
Total		110	

Search for alternatives

Searching and evaluation for alternatives was the third important stage in the consumer decision making process. To evaluate this step in this research there were four items which were asked from the respondents. Respondent's results are shown below in tables. As researcher's aim is to find the impact of social media marketing on consumer decision making process so items in this section are related to social networking sites as can be seen in the tables below. First table showed that information searching on SNS in easier or difficult and it showed

that 40.9% of the respondents states that it was easier to search information about products or services and 28.2% were strongly agree. This showed that most of the respondents in Pakistan were aware of the usage of social networking sites and if the marketers would market on social networking sites than users will be effectively use that information and it would l=generate positive results.

Table 9
Information searching via social media

		Count	Percent
Do you agree that information searching is easier via social media than other?	SA	31	28.2%
	A	45	40.9%
	N	30	27.3%
	D	3	2.7%
	SD	1	.9%
Overall		110	100.0%
Excluded		0	
Total		110	

Most of the respondents were those who sometimes search the information before a final purchase i.e. those were 34.5% which was higher than all other options. And only 16.4% were those respondents who always search the information before a final purchase. This also showed that social media users were using the social networking for other users as well and might be they search the offline information instead of online i.e. SNS.

Table 10
Information searching on SNS before purchase

		Count	Percent
Do you search for related info on social media before a purchase?	Always	18	16.4%
	Often	23	20.9%
	Sometimes	38	34.5%
	Seldom	14	12.7%
	Rarely	6	5.5%
	Never	11	10.0%
Overall		110	100.0%
Excluded		0	
Total		110	

Among the respondents, 49.1% were those who said that SNS influence them to try new brands and 14.5% were strongly agreed with this statement. This showed that by making the advertisements more attractive on social networking sites,

marketers could make customers loyal and could change their decision related to a specific brand. The effective usage of SNS would also be beneficial for new brands. Among the respondents, 49.1% were those who said that SNS influence them to try new brands and 14.5% were strongly agreed with this statement. This showed that by making the advertisements more attractive on social networking sites, marketers could make customers loyal and could change their decision related to a specific brand. The effective usage of SNS would also be beneficial for new brands.

Table 11
SNS influence you to try new brands

		Count	Percent
Do you agree that social media influence you to try new brands/products/services?	SA	16	14.5%
	A	54	49.1%
	N	30	27.3%
	D	9	8.2%
	SD	1	.9%
Overall		110	100.0%
Excluded		0	
Total		110	

Table 12
Feedbacks on social media affect your purchase

		Count	Percent
Do you agree that feedbacks on social media affect your purchase?	SA	21	19.1%
	A	38	34.5%
	N	32	29.1%
	D	17	15.5%
	SD	2	1.8%
Overall		110	100.0%
Excluded		0	
Total		110	

Post-Purchase Behavior

Post-purchase behavior includes the behavior of a customer after purchasing a specific product or service. This purchase can be online and offline as well. This stage can lead to brand loyalty and brand switching. To test this stage of consumer decision making model, following were the items which were analyzed. 37.3% were the respondents who said that they were mostly likely to share comments on SNS after a purchase and 9.1% disagree with this statement. This showed that

most of the consumers shared their positive or negative comments about a brand on social networking sites. Marketers should try to create a positive image on social networking sites.

Table 13

Feel encouraged to voice out your opinion after purchase

		Count	Percent
Do you feel encouraged to voice out your opinion after a purchase via social media platforms?	SA	19	17.3%
	A	41	37.3%
	N	39	35.5%
	D	10	9.1%
	SD	1	.9%
Overall		110	100.0%
Excluded		0	
Total		110	

32.7% were the respondents who were neutral about this question that social media has make the decision more complex and 25.5% among them were agree to this statement. This was due to the fact that a lot of clutter of information is available on these networking sites.

Table 14

Social media makes decision more complex

		Count	Percent
Do you think that social media makes your decision making more complex	SA	20	18.2%
	A	28	25.5%
	N	36	32.7%
	D	21	19.1%
	SD	5	4.5%
Overall		110	100.0%
Excluded		0	
Total		110	

This item was also related to post-purchase behavior i.e. 74.5% social media users that they would change their attitude after reading the positive comments about a brand. This showed that social media users in Pakistan are not much more loyal to their brands and also it shows the effectiveness of comments/blogs on social networking sites. A marketer can easily understand that if a single consumer will share negative word of mouth on social networking sites then it will alter the buying decision of more than 70 people.

Table 15
Likely to change attitude towards a brand after comments

		Count	Percent
Are you likely to change your attitude towards a brand/product/service after reading positive comments?	Yes	82	74.5%
	No	11	10.0%
	Not Sure	17	15.5%
Overall		110	100.0%
Excluded		0	
Total		110	

Final Decision

After conducting the analysis, it could be analyzed that all of the stages of consumer decision making process were equally important. We cannot ignore a single one stage. Usually it wass considered that company and consumer's relation is till purchase but it had proved in the last section of this research that 74.5% consumers would change their decisions after reading positive comments on social networking sites. It had also shown that social media had make the decision making process more complex so there was a need to work on it.

Conclusion

After conducting the analysis, it could be concluded that all of the stages of consumer decision making process, provided by Solomon in his book Consumer Behavior (buying, having and being) are equally important. We can not ignore a single one stage. Usually it is considered that company and consumer's relation is till purchase but it had proved in the last section of this research that 74.5% consumers would change their decisions after reading positive comments on social networking sites. It had also shown that social media had make the decision making process more complex so there was a need to work on it. It had proved from the research that social networking sites had a positive impact on consumer decision making process. Most of the internet users in Pakistan prefer to use social networking sites than micro blogging and photo and video sharing sites. Companies in Pakistan can use social networking sites for their marketing purposes because it is an effective way than traditional media.

Limitations and future research

This research study had following research limitations which can be directions for future researches.

- Due to shortage of time, data was collected from a number of respondents so its generalizability may be less.

- Future researchers can continue this research by taking the respondents who are purchasing online and facing social media marketing ads on social networking sites.

- This study can be applied in other contexts to see the results among different cultures.

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Service Quality and Customer Satisfaction: a Study on Islamic Banks of Pakistan

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Abstract

Service quality in banking sector is becoming more significant as it is the basis of distinction between different types of services and provides an edge over other service providers. Islamic banking as a comparison with conventional banking requires better service quality to attain more customers with limited products. The main reason for present research was to find the association of "service quality" with "customer satisfaction" in Islamic Banks. Data was collected through questionnaire which was adopted from literature. Questionnaire had two parts i.e. 1) service quality and 2) customer satisfaction. Service quality was measured through 22 questions with five dimensions of service quality i.e. 1) Tangibles, 2) Reliability", 3) Responsiveness, 4) Assurance and 5) Empathy. Customer Satisfaction was measured through 4 questions. The results indicate that 'reliability', 'responsiveness', and 'assurance' have positive effect on 'customer satisfaction'. However, Tangibles" and "empathy" had no impact on "customer satisfaction. The outcome of this study will help Islamic Banks to to focus on important factors to improve service quality in order to gain competitive advantage in the Shariah based industry.

Introduction

Islamic banking is different from the conventional banking in many aspects. Islamic banks work on the *"Shariah"* principles. *"Shariah compliant finance"* is another term that can be utilized for Islamic banking (Khan, 2015). *"Shariah"* regulations forbade the interest on money loans referred as the "usury" or *"riba"*. The economic activities based on speculation *"gharar"* are also avoided. Investment in the some un-Islamic businesses which are prohibited is Islam i.e. alcohol business or pork business is not supported by the Islamic banks and

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production of *"haram"* products is discouraged (Rammal & Zurbruegg, 2007). All the dealings, responsibilities, focus for the investment, product characteristics, transactions, approach for carrying out business in an Islamic banks are done after following *"Shariah laws"* (Zaharuddin & Rahman, 2007).

The banking industry performed its role socially and economically. The service sectors are working shoulder to shoulder to the manufacturing sectors (Uddin & Akhter, 2012). Customers are one of the stakeholders in a service organization i.e. banking organizations. The satisfaction or dissatisfaction of a customer is the main element for organizational achievement and success (Karami & Olfati, 2012). Quality of service offered by an organization is a critical success element for organizational competitiveness (Gounaris, Stathakopoulos, & Athanassopoulos, 2003). The satisfaction of customers is the most remarkable concern of the organizations offering services. Various studies had identified the relation between the satisfaction of customers and service quality (Helgesen & Nesset, 2007). Services managers in a service organization are very much concerned about their service quality and satisfaction of their customers (Olorunniwo, Hsu, & Udo, 2006).

Customers always have some expectations from the service organizations and when the expectations are fulfilled the customers become satisfied with the organization (Karami & Olfati, 2012). There existed a positive relationship between service quality offered by the organization and the satisfaction of customers so the management of the organization have to keep focus on the quality of service being offered by the organization (Helgesen & Nesset, 2007). The enhancement in the "service quality", "customer satisfaction" and perceived value was associated with the loyalty of customer toward the service organization (Kuo, Wu, & Deng, 2009). The expectation of each customer about quality of service is dissimilar from each other so there is a lack of standardization and it differs according to the situation (Douglas, Douglas, & Barnes, 2006). If the service quality offered by an organization is high then its customers will be more satisfied (Petruzzellis, D'Uggento, & Romanazzi, 2006). So the "satisfaction of a customer" is based on "expectations of the customer" and "perception of service quality" (Sigala, 2004). "Perceived service quality" is the judgment of the customer about the experience with the organization's service quality (Zeithaml, 1987). "Service quality" measurement has gained attention due to its consequences faced by the organization for example financial profitability, retention of the customers, new customer's attraction through word of mouth recommendation, financial performance, enhancement of the productivity, increase in the market share, decrease in the staff turnover, enhancement in employee morale and reduction in the operational cost (Gounaris, Stathakopoulos, & Athanassopoulos, 2003).

Literature Review

During last decades various studies have been carried out on service quality and usually the research has been carried out by utilizing model like "SERVQUAL" which focuses on "service quality" and "SERVPERF" which focuses on "service performance" (Karami & Olfati, 2012). Kotler (2000) defines the term "Customer satisfaction" as 'a person's feeling of pleasure or disappointment resulting from comparing a product's perceived performance (or outcome) in relation to his or her expectations.'

Organizations can achieve satisfaction of its customers by fulfilling their wants and needs. The satisfaction of customers is a collective response about the delivery of the service by the organization (Uddin & Akhter, 2012). Customer satisfaction is a principal element in achieving the goals in an organization and is a basic standard of excellence performance by the service organization (Munusamy & Chelliah, 2011). The importance of the customer satisfaction can be seen through the slogan "the customer is always right" (Fecciková, 2004). The organizations recognize the idea that to keep the current customers is more important and beneficial as compared to their replacement by the new customers (Boulter, 2013). If the customers are satisfied then they will be loyal with the organization and the customers who are dissatisfied with the service will express it with others regarding their behavior (Zeelenberg & Pieters, 2004). The negative behavior of the customer will have an effect on the financial profits of the organization. Consumers can convey their negative feelings to other customers also, so overall effecting the reputation of the organization in a negative manner and a good service delivery will spread the information by "word of mouth" and will positively impact the reputation of the organization (Babin & Harris, 2012). A research study has revealed that an unsatisfied customer will convey his feelings and bad experience to nine other people (Hoffman & Bateson, 2010). This negative "word of mouth" can be very devastating for the reputation of the organization and its profits (Hussain, Al Nasser, & Hussain, 2014).

Service quality is referred as the gap between the 'expectation of the customers' and 'real delivery of a service' (Parasuraman, Zeithaml, & Berry, 1985). Service means that how an organization is interacting with the world. The service quality is the strategy of the organization and there exists integrity in service when the organization is doing what it is supposed to do. The service integrity aids the organization in measurement of the strategy of the organization and its implementation takes place on contact point of the customers (Munusamy & Chelliah, 2011). Measurement of a quality of service is a concept that is not similar or uniform in various industries and there exist differences in every type of service sector. The employees of the organization have a significant part in delivering better service quality and in turn satisfaction of the customers of the service organization. Furthermore services are of two types "the core services" and "the support services". The customer perceives

service quality in terms of the total service quality combining both "the core services" and "the support services" (Munusamy & Chelliah, 2011).

Customers will be more satisfied with the high service quality. So the satisfaction of customers is dependent on the expectation of the customer about the service quality and perception of the customers about the "service quality" (Sigala, 2004; Christou & Sigala, 2002). "Service quality" and its relationship with the "customer satisfaction" have to be measured on 3 different levels for example behavioral, affective and cognitive level (Parasuraman, Zeithaml, & Berry, 1985). In any service organization there exist three success sources of "service quality" that are "customer satisfaction", "perceived value" and "service charges". The loyalty of the customer with any "service quality" organization is linked with the "improved satisfaction", "perceived value" and "service quality" (Lai, Griffin, & Babin, 2009). Customers have various ways for arriving at their expectation of the "service quality" and these expectations are actually met by the service organizations (Parasuraman, Zeithaml, & Berry, 1988).

The study on the satisfaction of the customers is an important factor in the sector offering service quality because there is a need to retain the customers for survival of the business (Munusamy & Chelliah, 2011). The consultants of the business and service corporations are working for the identification of the organizational features for pleasing the customers and for developing tools to monitor satisfaction of the customers and building systems for improvement in the service quality (Munusamy & Chelliah, 2011).

The SERVQUAL approach has been criticized by many researches. Famous critics include the work of Brown, Churchill, & Peter (1993). They argue that "different score approach" causes issues related to the "variance restriction" related with the "scores of the components" and produce "poor reliability". Teas (1993) also criticized SERVQUAL approach. He argued that SERVQUAL scale utilizes various types of expectations and the researchers may not be able to distinguish between various expectations types while doing their evaluation. The alternative method to the SERVQUAL is the SERVPERF and was developed by Cronin and Taylor (1992). They argued that this model is better but Parasuraman, Zeithaml, & Berry (1985) also used that instrument and concluded that the SERVQUAL provides better diagnostic result for quality of service. The five dimensions of SERVQUAL are suitable for mass service and also suits banking industry (Uddin & Akhter, 2012).

The perception of customers about the "service quality" is based on various factors for example social referrals, communications between sales persons, credibility of the consumers about the organization offering service and the different type of data collection (Gounaris, Stathakopoulos, & Athanassopoulos, 2003). The model SERVQUAL is based on analysis of gap between the "expectations of the

customers" and "perceived service quality". There were five dimensions of "service quality" as mentioned in Table 1 by various researchers (Parasuraman, Zeithaml, & Berry, 1988; Shahin, Mehrparvar, & Shirouyehzad, 2013).

Table 1
Dimension of service quality

Dimension	Definition
Tangibles	Physical facilities, equipment and appearance of personnel
Reliability	Ability to perform the promised service dependably and accurately
Responsiveness	Willingness to help customers and provide prompt service
Assurance	Knowledge and courtesy of employees and their ability to inspire trust and confidence
Empathy	Caring, individualized attention, the firm provides its customers

Source: (Parasuraman, Zeithaml, & Berry, 1988; Shahin, Mehrparvar, & Shirouyehzad, 2013).

Research Hypotheses

Following hypotheses were developed on the basis of literature review. The research hypotheses provided in table 2 showed evidence from literature also mentioned by Leonga, Hewb, Leea & Ooic (2015).

Table 2
Research Hypothesis

Sr.	Hypothesis	Source
H1	There is a significant relationship between Tangibles and Customer Satisfaction	(Aghdaie & Faghani, 2012), (Kim & Lee, 2011) and (Lee, Lee, & Yoou, 2000)
H2	There is a significant relationship between Reliability and Customer Satisfaction	(Aghdaie & Faghani, 2012) and (Lee, Lee, & Yoou, 2000)
H3	There is a significant relationship between Responsiveness and Customer Satisfaction	(Aghdaie & Faghani, 2012), (Kim & Lee, 2011) and (Lee, Lee, & Yoou, 2000)
H4	There is a significant relationship between Assurance and Customer Satisfaction	(Clemes, Gan, Kao, & Choong, 2008), (Lee, Lee, & Yoou, 2000), (Yi & La, 2003)
H5	There is a significant relationship between Empathy and Customer Satisfaction	(Aghdaie & Faghani, 2012), (Clemes, Gan, Kao, & Choong, 2008) and (Lee, Lee, & Yoou, 2000)

Research Model

The research model as shown in *Figure 1: Research Model* was comprised of two

sections i.e. "Service Quality" and "Customer Satisfaction". "Service quality" was consisted of five dimensions i.e. "tangible", "reliability", "responsiveness", "assurance" and "empathy". "Tangible" was comprised of "physical facilities", "equipment" and "appearance of personnel". "Reliability" was covered the "ability to perform the service in a dependable and accurate manner" dimension. "Responsiveness" was included with "willingness to help customers" and "provide prompt service". "Assurance" was comprised of "knowledge and courtesy of employees and their ability to inspire trust and confidence" and "Empathy" included "caring individualized attention which the firm provides to its customers" (Parasuraman, Berry, & Zeithaml, 1991). "Customer satisfaction" included the performance of an organization's product and services as compared to expectation of a customer.
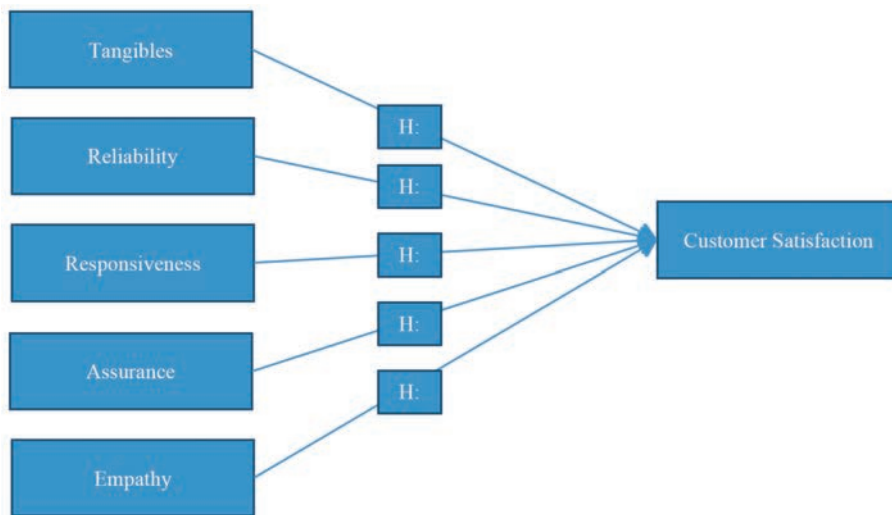
Fig.1 Research Model

Research Methodology

Questionnaire was used for data collection which was based on adoption of constructs from literature. Questionnaire was separated into two parts i.e. "service quality" and "customer satisfaction". There were 22 questions for five dimensions of "service quality" and 4 questions for "customer satisfaction". Each question was measured on five point likert scale i.e. 1= "Strongly Disagree" to 5 = "Strongly Agree". The questionnaire was randomly distributed to every third incoming Islamic Bank customer, the number of respondent were selected from each Islamic Bank based on the size of the bank since there are more visiting customers in Meezan Bank there are more respondents too.

Table 2 showed the sources of constructs adopted from literature which was also mentioned by Leonga, Hewb, Leea & Ooic (2015).

Table 3
Sources of Construct

Construct	Questions
Tangibles	1) The bank has up-to-date equipment
	2) The bank's physical facilities are visually appealing
	3) The bank's employees are well dressed and appear neat
	4) The appearance of the physical facilities of the bank is in line with the type of service provided
Reliability	1) When the bank promises to do something by certain time, it does so
	2) When you have problems, the bank is sympathetic and reassuring
	3) The bank is dependable
	4) The bank provides its services at the time it promises to do so
	5) The bank keeps its records accurately
Responsiveness	1) The bank does not tell its clients exactly when services will be performed
	2) You do not receive prompt service from the bank's employees
	3) Employees of the bank are not always willing to help customers
	4) Employees of the bank are too busy to respond to customer's requests promptly
Assurance	1) You can trust employees of the bank
	2) You can feel safe in your transaction with the bank's employees
	3) Employees of the bank are polite
	4) Employees get adequate support from the bank to their jobs well
Empathy	1) The bank does not give you individual attention
	2) Employees of the bank do not give you personal attention
	3) Employees of the bank do not know what your needs are
	4) The bank does not have your best interests at heart
	5) The bank does not have operating hours convenient to all their customers
Customer Satisfaction	1) I am satisfied with my decision to use this Islamic Bank
	2) My choice to use this Islamic Bank was a nice one
	3) I think I did the right thing when I choose this bank for its services
	4) I feel that my experience with this Islamic Bank has been enjoyable

Source: *(Parasuraman, Berry, & Zeithaml, 1991; Parasuraman, Berry, & Zeithaml, 1991 b; Olorunniwo & Hsu, 2006; Kumar, Tamilmani, Mahalingam, & Mani, 2010)*

Results

Demographic Analysis

Data was collected through self-administrated questionnaires from customers of Islamic banks in Lahore. Questionnaire was distributed to 218 respondents with a response rate of almost 75%. Gender wise respondents' detail is shown in *Figure 2: Gender Wise Respondents'* Detail. Approximately 30% of respondents were females while 70% respondents were male.

Fig.2 Gender Wise Respondents' Detail
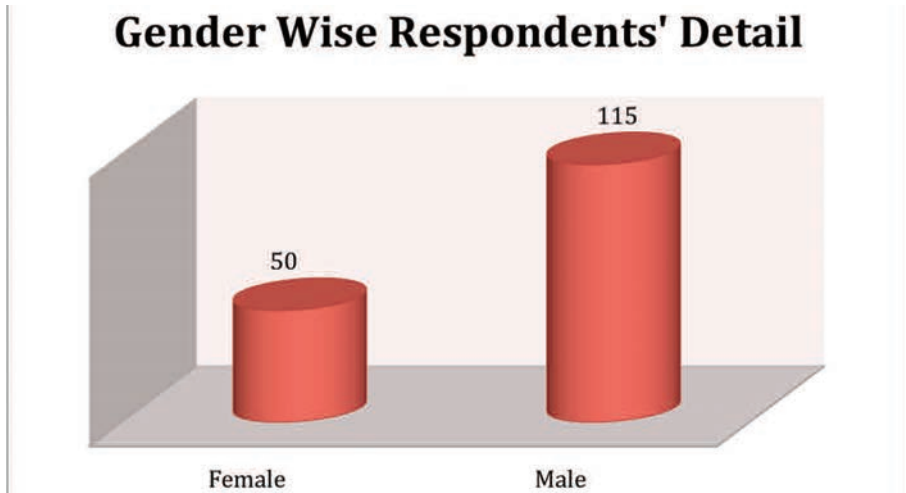
Figure 3: Age Wise Detail of Respondents shows the age wise detail of respondents. 65 respondents belonged to the age bracket of 25-29 years which was 39% of total respondents. Similarly 27.3%, 17%, 10.9%, 3% and 2.4% of total respondents belonged to age group of 30-39, 21-24, 40-49, 50-59 and 20 or less than 20 years of age group respectively.
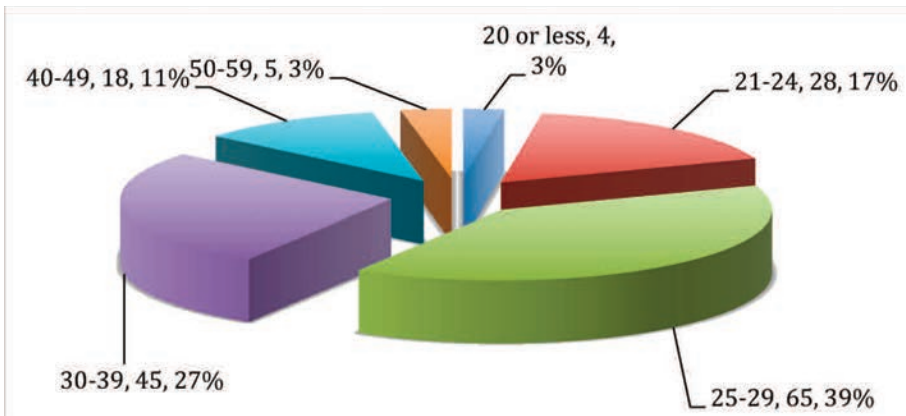

Fig.3 Age Wise Detail of Respondents

Bank wise details of respondents were shown in Figure 3. Almost 54 % of respondents were belonged to "Meezan Bank Limited" which was a largest Islamic bank of the country. Similarly 12.1 % respondents were from each "AlBaraka Bank (Pakistan) Limited" and "Bank Islami Pakistan Limited". Whereas 10.9 % respondents were from each "Burj Bank Limited" and "Dubai Islamic Bank Pakistan Limited."
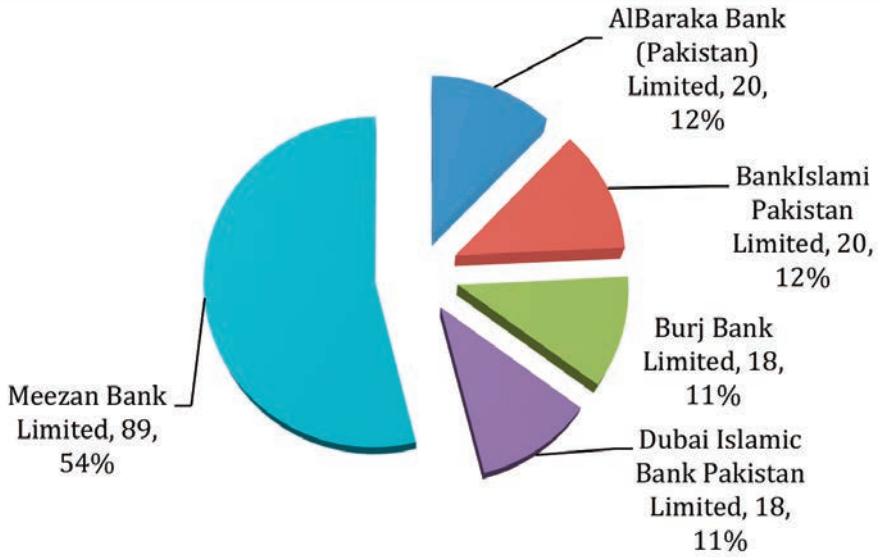
Fig.4 : Bank Wise Detail of Respondents

The reliability of the scale was calculated through the value of Cronbach's alpha (a) value. In this research the value of a was 0.839 for all items which was suitable as per criteria laid down by Nunnally (1978). So, the data collected was reliable for this research, which was also confirmed by the correlation relationship between the variables. In this research correlation matrix was generated as shown in *Table 3: Correlations Matrix*. All variables i.e. "tangibles", "reliability", "responsiveness", "assurance", "empathy" were correlated with dependent variable i.e. customer satisfaction and there was no multicollinearity between the variables. The relationship of "tangibles", "responsiveness", "assurance" and "empathy" with customer satisfaction was strong in nature whereas relationship of reliability with customer satisfaction was weak in nature as per criteria laid down by Field (2009).

Table 4
Correlations Matrix

Correlations		Tangibles	Responsiveness	Assurance	Empathy	Reliability	Customer Satisfaction
Tangibles	Pearson Correlation	1					
Responsiveness	Pearson Correlation	.593**	1				
Assurance	Pearson Correlation	.567**	.399**	1			
Empathy	Pearson Correlation	.666**	.517**	.431**	1		
Reliability	Pearson Correlation	.248**	0.08	.184*	.277**	1	
Customer Satisfaction	Pearson Correlation	.666**	.710**	.769**	.574**	.259**	1

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

In order to find out the estimation of variables relationship, regression techniques was used which showed the variation in dependent variables due to change in independent variables. Table 4: Regression Analysis - Model Summary shows the variation in dependent variable due to independent variable. As the value of adjusted R square was 0.797 which showed that 79.7% of variation in customer satisfaction was being explained by all independent variables.

Table 5
Regression Analysis - Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.896[a]	0.804	0.797	0.2492
a. Predictors: (Constant), Tangible, Reliability, Responsiveness, Assurance, Empathy				

The ANOVA Table 5: Significance of Regression Coefficients - ANOVA in regression analysis showed the significance of variation as explained in Table 5. Table 5 shows the value of p was less than 0.05 which further predicted that overall the model was statistically significant.

Table 6
Significance of Regression Coefficients - ANOVA

ANOVA^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	40.395	5	8.079	130.1	.000ᵃ
	Residual	9.874	159	0.062		
	Total	50.269	164			
a. Predictors: (Constant), Tangible, Reliability, Responsiveness, Assurance, Empathy						
b. Dependent Variable Customer Satisfaction						

Individual effect of independent variables on dependent variables can be shown through Table 6: Regression Analysis - Coefficient. Only measures for responsiveness, assurance and reliability were statistically significant as value of p was less than 0.05 and measures for tangibles and empathy were not statistically significant as shown in *Table 6: Regression Analysis - Coefficient.* The value of regression coefficient for responsiveness was 0.326 which shows that every one unit increase in responsiveness will result in 0.326 increases in customer satisfaction keeping all other variables constant. Similarly, the one unit increase in assurance and reliability will result in 0.400 and 0.105 units increase in customer satisfaction respectively.

Table 7
Regression Analysis - Coefficient

Coefficients ᵃ					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	0.364	0.169		2.153	0.033
Tangibles	0.035	0.046	0.042	0.754	0.452
Responsiveness	0.326	0.034	0.432	9.584	0.000
Assurance	0.400	0.033	0.525	12.205	0.000
Empathy	0.062	0.043	0.069	1.416	0.159
Reliability	0.105	0.04	0.098	2.636	0.009
a. Dependent Variable: Customer Satisfaction					

Conclusion

Quality services resulted in high customer satisfaction. In this research "responsiveness", "reliability" and "assurance" had positive effect on "customer satisfaction". Reliable services by Islamic banks can result in "customer satisfaction". Islamic banks need to ensure that their services are trustable and

reliable which can be done by providing timely service, effective problem solving and keeping record accurately as reliable services play an important role in enforcing customer confidence on Islamic banks. "Responsiveness" was also an important factor which had impact on "customer satisfaction" in Islamic banks. Islamic banks need to respond customers' queries timely, willing to help customers when they need it and always attend customers on time. "Assurance" was also an important factor which had impact on "customer satisfaction" of Islamic banks. In order to attain high "customer satisfaction" through "assurance", Islamic banks needs to be trust worthy, polite, provide support to their employees to help customers and give confidence to customers to feel safe while doing transaction with Islamic bank. "Tangibles" and "empathy" had no impact on "customer satisfaction" and customers did not give importance to these factors or customers felt that a good infrastructure and empathized behavior as a compulsory pillars for customer satisfaction while doing banking with Islamic banks.

This research had some limitations as data was only collected from customers of Islamic banks at Lahore so results could not be generalized to a wider population. For the purpose of generalization customers from other cities needed to be included in the sample. This research had both managerial and theoretical implications. Firstly this research would help Islamic banks to find out the level of "service quality" and "customer satisfaction" and how to improve these factors in order to gain competitive advantage over other Islamic and conventional banks. Secondly this research would also have theoretical implications as research can develop additional factors of "service quality" for Islamic banks.

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Analyzing the Impact of Factors contributing in Job Satisfaction: A case of private banks in Larkana, Pakistan

Dr. Wasim Abbas Awan*

Abstract

Banking sector is one of the rising entities in service industry and contributes major part towards economy of a country. In banking sector the employees remain busy in satisfying their customers and clients to raise the quality of service. However, this can only be done when employees were satisfied themselves. It had been observed from decades that banking sector is facing high turnover. Employees' job switching behavior is very common in commercial banks of Larkana. The purpose of this paper was to examine the impact of factors (job security, supervisor behavior, working conditions and work stress) contributing job satisfaction in private banks of Larkana. This research was descriptive and quantitative in nature. The time dimension was cross- sectional, conducted in non-contrived settings and survey research method was used. To conduct this research close ended questionnaire was adapted which was constructed on 5-point Likert scale. Through random sampling a sample of 175 respondents was selected from 11 banks operating in Larkana and sample size was determined on the basis of scientific calculation where population size (320) is known. SPSS software was used to quantify data whereas Cronbach's Alpha was used to check the internal consistency of the instrument, descriptive statistics was used to summaries characteristics of sample & population particularly, Pearson correlation was used to identify the relationship among variable (IVs and DV) and linear regression was used to analyze the impact of independent variables on dependent variable. The research results identified working condition having highest relationship and impact on job satisfaction respectively. This paper identified a unique and interesting aspect to increase job satisfaction which would significantly decrease turnover in banks of Larkana particularly. It was the only study providing empirical foundation to cater job satisfaction in Larkana city.

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Introduction

Background of Study

Job satisfaction plays a vibrant role in all types of organizations to increase productivity, efficiency, employee relation and to decrease absenteeism and turnover (Vroom, 1964; Locke, 1976; Khaleque, 1984). In order to achieve excellence and success human capital is the key resource and efficiency of this resource is dependent upon job satisfaction (Kornhauser, 1965; Khaleque, 1981).

Banking sector is one of the rising entities in service industry and contributes major part towards economy of a country. In banking sector the employees remain busy in satisfying their customers and clients to raise the quality of service. However, this can only be done when employees are satisfied themselves. Job satisfaction of an employee of a bank is an outcome of experiences related to job. Good experiences signify satisfied employees and results in best utilization of workforce (McClelland, 1961). Therefore, the utmost important is to cater the factors that contribute in job satisfaction and the purpose of this research was to investigate the factors contributing towards the job satisfaction of private banking sector employees in Larkana. This was the reason that the topic of job satisfaction was at the major area of concerns for many researchers, and authors and was defined by them in their own ways.

Job Satisfaction

A situation in which personnel of an organization believes or finds himself/herself satisfied from his job is job satisfaction (Hoppock, 1935). There is a direct relationship of employee job satisfaction with a person's feelings which could be influenced by external as well as internal factors. Vroom (1964) has discussed that the more you assign relevant task to the employees' right expertise more they will be satisfied, because employees' assigned role in an organization is associated with his/her job satisfaction. There is also a relationship exist between behavior and job satisfaction (Davis, & Nestrom, 1985) further he suggested that job satisfaction is a bridge between the expectations of employees and the rewards they get, which balances the extent of their job satisfaction at workplace.

Statt (2004) has associated job satisfaction with rewards at the workplace and established direct relation among the level of appreciation they receive and their interest towards the job. An employees' feeling of success and achievement on workplace is job satisfaction (Kaliski, 2007) the level of employee recognition is directly correlated with the level of employees' commitment. Job satisfaction is the inner condition that creates a link between the attitudes of the workforce

towards their job (Armstrong, 2006) it can be determined from the extreme job dissatisfaction to the extreme job satisfaction. Employee attitude is the tool to measure the level or extent of their job satisfaction, good and positive attitude represents the extent of job satisfaction at work place while, the negative and undesirable attitudes directs to the job dissatisfaction.

Job satisfaction is significant for the organization's growth and success because it keeps employees committed and loyal to the organization and this diminishes employee turnover intention (Reed, S., Kratchman, S., & Strawser, R., 1994). The key to build the loyal customers are the satisfied employees' of the organization (Hanif & Kamal, 2009). Absenteeism can be reduced through the help of job satisfaction (Ellickson & Logsdon, 2001). Job satisfaction can help in mounting profits, reducing turnover intentions, minimizing cost and in retaining the organization's loyal customers (Zeffane, Ibrahim, & Mehairi, 2008).

Spector (1997) outlined the three features of job satisfaction, for the efficient and effective organization. First feature suggest that organizations must be people oriented, that directs them to the greater level of satisfaction and consequences higher employee commitment due to the respect and fair treatment. Second, activities of any organization can be affected by the behavior of its employees which depends on the level of their job satisfaction. This highlights that extreme job dissatisfaction cause negative employee behavior towards their job while extreme job satisfaction results in positive behavior of employees towards their job. Third, job satisfaction is a predictor which assists organizations to assess the performance of employees and they can make changes accordingly if the performance standards are not met up to the defined levels.

Impact of HR Practices on Job Satisfaction

Khatri (1999) highlighted that Human Resource Management is among one of the fundamental factors for firm's development and yield. Many others suggested that managing technological resources are easier than managing the human resources of an organization (Barney, 1991; & Wilson, 1994). If firms become successful at managing their employee or workforce effectively, they can enjoy a sustained competitive advantage for the enduring period (Wright, 1994). Every firm needs a system called "Human Resource Management" to manage the human capital effectively and enjoy the sustained competitive advantage (Story, 1995). To have an effective human resource system and higher level of job satisfaction, firm should implement effective HR practices. Due to the reason that organizational productivity is affected by the employee's job satisfaction, there has been a close relation of HR practices with the job satisfaction (Berg,

Appelbaum, Bailey, & Kalleberg, 2003) which indicates that HR practices are important for the firm.

Khan (2010) highlight the key factors which help to measure the link between HR practices and job satisfaction are; Supervisor role, Job involvement and Reward system. Successful organization must practice on these factors that are responsible to attain sustained competitive advantage. Harmon, Scotti, Behson, Farias, Petzel, Neuman, (2003) underlined that the organizations the work for these best and exclusive HR practices, will get benefit in terms of organizational effectiveness with regards to employee as well as employer. HR practices can guarantee employee job satisfaction by increasing the firm's productivity and developing friendly environment (Colbert, 2004). Supervisors have an essential role in job satisfaction (Durham, Knight, & Locke, 1997) their role can assist to foster flexible working conditions and through getting employees' accurate or relevant feedback.

Determinants of Job Satisfaction

Different authors have highlighted different determinants of job satisfaction. Some of the key determinants are; Supervisor role, Salary, Rewards, Recognition, Employee empowerment, Fair appraisal system, Job security, Promotion, Training and Co-worker Relationship. The relationship between determinants and job satisfaction defined as under.

Supervisor Role and Job Satisfaction

There has been a direct association among supervisor's role and job satisfaction as supervisor role is a worthy element in job satisfaction (Peterson, 2003). Robbins, (2003), indicated that supervisor enhance employees in achieving their tasks, and (Ramsey, 1997) suggested that there is a great impact of supervisors on the employee morale at work place. Grahams and Messner (1998) suggested favorable relationship between employee and supervisor fosters the employees' level of job satisfaction.

Job Security and Job Satisfaction

Rosenblate and Ruvio (1996) established the positive relation between job security and job satisfaction and discussed that job security can have influence on the job performance of the workforce at the work place. He concluded that job insecurities tends towards the lower productivity and creates job dissatisfaction.

Work Stress and Job Satisfaction

Bemana, Moradi, Ghasemi, Mehdi,& Hosain, (2013) found a strong inverse association between the two variables job stress and job satisfaction in their

research. Stanton, Bachiochi, Robie, Perez, and Smith (2002) found that the two variables are related but in distinct way or inversely, conventionally job stress and job satisfaction have been seen as antecedents or inversely related. Stress at job can also have negative impact on the social and intellectual abilities of people at work.

Working Conditions and Job Satisfaction

Working conditions means the facilities like interior and exterior design provided by a firm. This may include equipment, building, machinery offered by the organization for the business purpose. It's the conductive work environment, comprising of workplace with outdoor and indoor through the engagement which have impact on service climate and consequently on job satisfaction. Relevant level of competition between the staff can have sufficient impact on the job satisfaction of employees (Ram, Bhargavi, & Prabhakar, 2011). Personal factors of working environment were identified like category level of the job, variety of job, promotional opportunities, social interaction, rewards system and team work (Korman, 1977). Hui and Yee (1999) highlighted that rather than individual atmosphere, workgroup atmosphere resulted in the greater levels of job satisfaction.

Problem Statement

From last decades banking sector is facing high turnover. Employees' job switching behavior is very common in commercial banks of Larkana. This behavior enables us to examine the impact of factors contributing in job satisfaction to reduce turnover and increase retention.

Research Objectives

- To find out the impact of Independent variables (i.e. Job Security, Supervisor Behavior, Working Conditions, and Work Stress) on job satisfaction.

- To find out the relationship between the job satisfaction and Independent variables (i.e. Job Security, Supervisor Behavior, Working Conditions, and Work Stress).

Research Methodology

The methodology used in conducting this research adapted from Norudin Mansoor, (2012). This research was quantitative, cross-sectional and deductive in nature and done through gathering data with a close-ended questionnaire on 5-point Likert scale.

Research Model
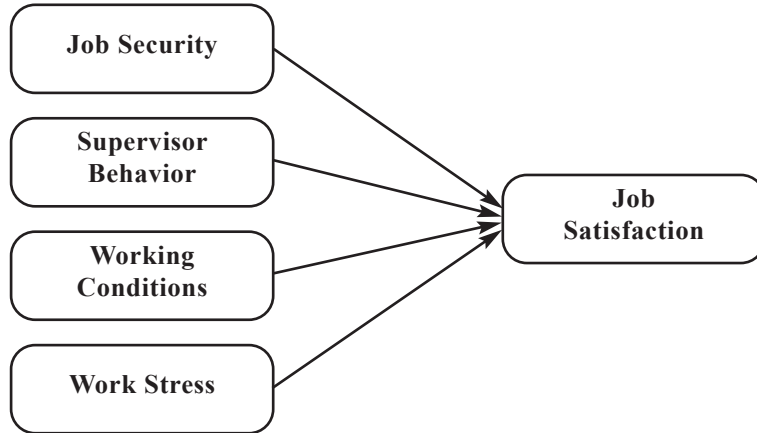
The job security, supervisor behavior, working conditions and work stress had been selected as the independent variables and job satisfaction as dependent variable. This was because these variables have mostly been used by various authors in their studies.

Literature Review

Job satisfaction

Robbins (1997) has explained job satisfaction as self-statement of favourable circumstances that emerge from the derived value of the employee representative experience. Job satisfaction denotes what are the feelings of different employees about the different dimensions of their jobs (Robbins, 2003).

For the assurance the man's component of human life, that represents social liveliness and view point to be used on employment (Hassan, Kashif-ud-din, Mir, Ahmad, Mateen, Ahmad, 2011). Financial or monetary incentives or rewards solemnly never kept the people contented. Various factors simultaneously achieve organizational objectives or autonomous processes linked with motivation of staff discuss personal goals.

Vallejo, Jesús, Diego, & Parra, (2001) has discussed, satisfaction from job is the room between the circumstances and the subject of phenomenal satisfaction of job, expectation of staff, and corporal objectives and the aspects of organization. Workforce satisfaction can be defined as twisted or skewed recognition representative experiences mentioned by the emotional declaration of delight or positivity (Locke, 1976).

Forecasted satisfaction of employees and performance productivity is interpreted

on the value of credibility and which is a thing of more significance at the defined stage.

Various studies identified the association of the employee satisfaction and many factors related to the work. Kaleque and Rahman (1987) defined that employment, peers, supervision, prosperity, boundaries of circumstances, and interactional aspects of the employment has a worthwhile impact on industrial worker's task satisfaction.

Working conditions

No existence or allowance of emergency exits or letting free, no plenty of time or even no time to go to bathroom, or for taking food or going to canteen, mistreating by supervisor, due to the absence of written contract getting inequitable compensation, youth people forced to join mandatory overtime, harassment or other, and other developed places on background causing toiling situations or less compensation or late payment. Guest (2004) and Vasile (2005) discussed task inter-dependency, diminished employment protection, lower satisfaction and lower earning of personnel are poorly impinge with a scarcity of desire to promote.

Hassan (2010) defined working condition as self-sufficiency in the task setting and employment satisfaction, leadership and congregation behaviour in their study found a direct relationship between them.

Whereas workforce satisfaction of human capital in leadership and organic influence teamwork interdependency, transparent, trustworthy wage system is the appropriate stance and extreme diagonal task performance lead to robust stages to enhance favourable work settings. Further, surroundings or circumstances are responsible for employment satisfaction, task setting or task (Judge, Locke, & Durham, 1997). According to Herzberg's theory, pair of factors motives and hygiene was at work. Trophies and superiority represent the hygiene factors, whose absence can create dissatisfaction but their presence is required that fosters satisfaction from the work (Srivastava & Purang, 2009). Jegan and Gnanadhas (2011) argue that workers do not support high performance in adverse toiling conditions superiors cannot transfer high quality service to the customers due to the way of their working life. Moderate employment performance is possessed by workers in good toiling environment, (e.g. bathe interface, attractive) workforce acquire their venture and it will be easier. Teams pinpoint it harsher to perform in bad item (e.g. a sultry, noisy), in other works he said it is impact of toiling conditions on task satisfaction in the same group. Good item, so it may or may not be a subject of employment satisfaction, broke item, you are bulk probable to be dissatisfied.

Supervisors Behavior

Oshagbemi (2000) found that employment satisfaction's main performer was the in-charge behaviour. Chen (2001) said that valued relationship is directed by the supervisor's behavior diagonally. People enlisted with their associates are delighted and performance of assignment was found on them (Smucker, Whisenant, & Pedersen, 2003).

Crossman, & Abou Zaki, (2003) linked woman and man practice to the head or manager or supervisor, apparently at a low oblique of satisfaction. University trainers of Pakistan treat their associates accountable behaviour, work settings and are contented with the incremental opportunities that originate (Malik, Nawab, Naeem, & Danish, 2010).

A leader with task participation, cooperation and gladness adhesive bandage style are of diminished illustrated happiness with their judgement to avoid the style of the exploration (Lee, 2008). Ishfaq, Ahmad, & Sahar, (2011), highlighted significant role played by pay, supervisor, ad and co-workers such as worker's employment satisfaction and civic behaviour of organization. Further, female recruit are of diminished illustrated contentedness than males. Almost all banking sector and work settings presence with women could include collection of pay. It can also augment the satisfaction at work or job. Competitive earning, satisfaction of employee, team task element associated with friendlier environment can be transformed through the reimbursement of enhanced autonomy. Suman, Seema, & Rachna, (2012) recommended that administrator should proportionate with their employees to represent the guidance in order to save the workforce delighted.

Tanke (1990) argues that Human Resources traditions are overlooking the workforce task performance or departing the organization with omission disappointment related to pay (reward management) and strict arguments or disagreements. Hunjra Imran Ahmed (2010), concluded according to his research outcomes that superiorities, domination, and uplifting behaviour and its surrounding has a valuable relationship with satisfaction of workforce. Immaterial supervision over task leads this view of satisfaction (Herzberg, 1966).

Job Security

Assurance of employees for retaining the job is the job security (Rosenblate & Ruvio, 1996), which is positively correlated with satisfaction of job. He also highlighted that there has been the influence of job security on the job performance of the subordinates at work setting, advance level of job security greater the job satisfaction, and also greater will be the performance and

employees job commitment. Moreover, he highlighted that the insecurities related to job grounds diminished productivity and dissatisfaction of the employee's.

Lawler's (1973) discussed employment satisfaction model which highlights job security as a worthwhile transactional reward favorably affecting employment satisfaction. As outlined by the relative deprivation theory (Clark & Oswald, 1996) subjective notion like satisfaction of personnel and job security are distressed by the expectations and norms of the respondents contrasting themselves to others (Brown, & D, 2007). Clark and Rose (2005), in their empirical research found favorable contribution of perceived job securities toward employment satisfaction and on the other hand there was observed adverse relationship of job insecurities with employment satisfaction (Cheng & Chan, 2008; Chirulombolo & Hellgren, 2003; Reisel, Probst, Chia, 2010; Sverke, Hellgren, & Näswall, 2002).

Work Stress

Work stress is pointed to have the adverse association on enthusiastic workforce and productivity diminishes as the extent of job stress rises (Buunk, De Jonge, Ybema, & DeWolf 1998; O'Connor, O'Connor, White, & Bundred, 2002; Tindal, 1998). Many others also investigated the inverse association (Beehr, Walsh, & Taber, 1976; Cotton, 2002; Dua, 1994; Hawe, Tuck, Manthei, Adair, & Moore, 2000; Heslop, Smith, Metcalfe, Macleod, & Hart, 2002; Lu, Shiau, & Cooper, 1997; Richardsen & Burke, 1991; Ulleberg & Rundmo, 1997) between Job Stress and Job Satisfaction. Heck and Marcoulides (1998) stress of an individual in an organization relies on his/her belief, culture of an organization or business entity in which that individual works and the general and task environment of the organization. Bemana, Moradi, Ghasemi, Mehdi, & Hosain, (2013) found a strong converse association between the two variables job stress and job satisfaction in their research. Stanton, Bachiochi, Robie, Perez, and Smith (2002) found that the two variables are related but in distinct way or inversely, conventionally job stress and job satisfaction have been seen as antecedently associated. Harmful stress at job can have negative impact on the social and intellectual abilities of people at work.

Methodology

Research Design

This research was quantitative, cross-sectional and deductive in nature and done through gathering data with a close-ended structured questionnaire. The SPSS 17.0 software had been used to analyze the data. Descriptive analysis had

been used to measure the job satisfaction level, frequency analysis had been taken to analyze demographics of sample, further to analyze the impact of contributing variable on the job satisfaction regression analysis was used and finally Pearson Correlation had been used to identify the relationship between job satisfaction and its independent variables.

Target Population of the study

The target population of the study was 320 employees from the regional offices of 11 private banks of Larkana.

- Muslim Commercial Bank (MCB)
- Allied Bank Limited (ABL)
- United Bank Limited (UBL)
- Habib Bank Limited (HBL)
- Soneri Bank
- Summit Bank
- Al-Habib Bank Limited
- JS Bank
- Silk Bank
- Askari Bank
- Bank Alfalah

Sampling technique and questionnaire

In this research random sampling was used and survey method was used to collect data from respondents. The questionnaire comprising close-ended questions on five-point Likert scale had been used for the study, where 1 = strongly disagree and 5= strongly agree. The questionnaire had been borrowed from the study of Jamal Nazrul Islam, Haradhan Kumar Mohajan and Rajib Datta (2012).

Determination of Sample Size

The sample size 175 respondents were determined on the basis of Krejcie and D.W. Morgan (1970) table.

Hypotheses

H_{01}= There is no impact of job security on job satisfaction

H_{02}= There is no impact of supervisor behavior on job satisfaction

H_{03}= There is no impact of working conditions on job satisfaction

H_{04}= There is no impact of work stress on job satisfaction

H_{05}= There is no relation between job security on job satisfaction

H_{06}= There is no relation between supervisor behavior on job satisfaction

H_{07}= There is no relation between working conditions on job satisfaction

H_{08}= There is no relation between work stress on job satisfaction

Findings

Reliability Statistics

Table 1
Reliability Statistics

Cronbach's Alpha	N of Items
.878	21

Source: This research

Table: 1, showed reliability of the construct used, to measure the internal consistency and to know how close the sets of items were related as a group, Cronbach's alpha was used. High value of alpha was frequently used as evidence that there was consistency among the items used in the construct. The alpha coefficient for the twenty one items is .878, suggesting that the items had relatively high internal consistency. As per standard reliability coefficient of .60 or higher was considered "acceptable" in most social science research situations.

Descriptive analysis of demographics

Table 2
Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	130	74.3	74.3	74.3
	Female	45	25.7	25.7	100.0
	Total	175	100.0	100.0	

Table: 2, categorized the respondents in male and female it showed that out of our 175 sample size 74% were male and 26% were female.

Table 3
Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20-30	62	35	35	35.4
	31-40	89	51	51	86.3
	41-50	24	14	14	100.0
	Total	175	100.0	100.0	

Table: 3, showed the age of our respondents, total respondents were 175 out of which 35% lies under the age of 20 years to 30 years, 51% between 31 years to 40 years, 14% between 41 years to 50 years.

Table 4
Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	B.Com	26	14.9	14.9	14.9
	BBA	49	28.0	28.0	42.9
	MBA	72	41.1	41.1	84.0
	Other	28	16.0	16.0	100.0
	Total	175	100.0	100.0	

Table: 4, showed the education of our respondents, total respondents were 175 out of which 15% are having B.Com, 28% BBA, 41% MBA and 16% are having other degrees.

Descriptive Statistics

Table 5
Descriptive Statistics

	N	Mean	Std. Deviation
Job security	175	4.6019	.40305
Working conditions	175	4.6819	.47116
Supervisor behavior	175	4.4257	.54091
Work stress	160	3.8250	.45626
Job satisfaction	175	4.4043	.51464

Table: 5, showed that the level of job satisfaction among bank employees is high because mostly the mean is in between the 4 and 5 which lies in between agree and strongly agree.

Correlation

Table 6
Correlations

		Job security	Working conditions	Supervisor behavior	Work stress	Job satisfaction
Job security	Pearson Correlation	1	.496**	.487**	.182*	.427**
	Sig. (2-tailed)		.000	.000	.021	.000
Working conditions	Pearson Correlation	.496**	1	.382**	.091	.591**
	Sig. (2-tailed)	.000		.000	.252	.000
Supervisor behavior	Pearson Correlation	.487**	.382**	1	.312**	.459**
	Sig. (2-tailed)	.000	.000		.000	.000
Work stress	Pearson Correlation	.182*	.091	.312**	1	.310**
	Sig. (2-tailed)	.021	.252	.000		.000
Job satisfaction	Pearson Correlation	.427**	.591**	.459**	.310**	1
	Sig. (2-tailed)	.000	.000	.000	.000	

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

Table: 6, shows that:

1. All variables are highly significant and have positive relationship with Job Satisfaction.

2. There is highest relationship between working conditions and job satisfaction as compared to other variables, which is 59%. The second highest relationship is 46% which is of supervisor behavior with job satisfaction. Job security is 43% associated with job satisfaction. Work stress is 31% correlated with job satisfaction.

Excluding the correlation between work stress all correlations are supported by the literature. In the literature there was the negative relationship between work stress and job satisfaction whereas in our study there is the positive and significant relationship exist between two which may be result of the employee biasness of their roles.

Regression Analysis

Table 7
Regression Analysis
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.648[a]	.420	.405	.38197

a. Predictors: (Constant), work stress, working conditions, supervisor behavior, job security

Table: 7, showed Model summary where R (coefficient of correlation) is 0.64, which signified a moderate relationship between variables, R Square (coefficient of determination) is 0.420, which signifies that the possible variation in dependent variable if a unit change is brought in independent variable and Adjusted R square is .405 which signifies R square.

Table 8
ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	16.391	4	4.098	28.085	.000[a]
	Residual	22.615	155	.146		
	Total	39.006	159			

a. Predictors: (Constant), work stress, working conditions, supervisor behavior, job security
b. Dependent Variable: job satisfaction

Table 9
Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.226	.434		.521	.603
	Job security	.062	.093	.050	.669	.504
	Working conditions	.473	.075	.442	6.293	.000
	Supervisor behavior	.197	.067	.212	2.935	.004
	Work stress	.212	.070	.195	3.024	.003

Table 9 showed:

1. All variables had positive impact on job satisfaction.

2. Job security had insignificant impact on job satisfaction because the significant value was 0.504 which is greater than 0.05.

3. There was highest impact of working conditions on job satisfaction as compared to other variables, which was 47%. The second highest impact was 21% which was of work stress on job satisfaction and supervisor behavior has 20% impact on job satisfaction.

4. All the results were supported by the literature except the results of work stress. In the literature there was seen the negative impact of work stress and job satisfaction but in this research there was the week but positive impact which might be result of the employee biasness of their roles.

Conclusion and Recommendation

This quantitative research concluded that there was highly significant and positive impact of variables like, working conditions, supervisor behavior and work stress on job satisfaction therefore we rejected the null hypotheses of H_{01}, H_{02}, H_{03} and H_{04}. Further, there was strong significant and positive relationship existed between the variables like, job security, working conditions, supervisor behavior, work stress and job satisfaction therefore we rejected the null hypotheses of H_{05}, H_{06}, H_{07} and H_{08}.

The variable working condition had strong and significant relationship 59% with job satisfaction, as compared to other variables i.e. job security, supervisor behavior and work stress. Table 8, showed the overall model was statistically significant. While Table 9, showed that, among all variables working condition had high and significant impact on the dependent variable job satisfaction.

In the light of this research we recommended that banks of Larkana should provide better working conditions to the employees in order to have greater satisfaction, less turnover and substantial retention.

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Investors' Perceptions and Valuation Approaches towards Financial Statements/Reports

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Abstract

The purpose of this research was to evaluate the financial perception of investors in Islamabad Stock Exchange-Pakistan. Illiteracy rate in developing countries like Pakistan and due to this high illiteracy level, the investors who participated in investment activities in Stock Market were not well aware about the financial knowledge. We know financial statements are the main source from which an investor can obtain information regarding financial health of the organization to see that either his/her desired organization is suitable for investment or not. But many investors cannot acquire the information about the financial health of the organization through financial statements of the desired organization due to lack of education/financial background. But, instead of not having a proper financial knowledge, many investors in Stock Market succeeded to achieve return/profit and there are other elements behind their success i.e. investment experience, believe on public rumors for taking step of investment, strong relation with other investors etc. by the help of this research, majority of investors found to have a proper knowledge of financial statements making them literate and this tertiary level of education helps them to achieve their desired return. The data was collected from a sample of three hundred and sixty (360) respondents (twenty investors in each bank) who were the shareholders of banking industry and in this industry; total 18 banks were listed in Islamabad Stock Exchange. By the help of this research, majority of investors were found to have a tertiary level of financial knowledge which assists them to understand the financial statements in a right way.

Introduction

There is no doubt that the prices of stocks of listed companies changes on daily basis by many factors i.e. political factors, natural disasters and company's

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internal and external policies and investors receive their return according to the variability of stocks and according to this phenomena, Hartono (2004) examines that a positive and negative sequence of dividend and other earning information have an effect on the stock prices in Stock Exchange. But on the other hand the basic perception/thinking of financial statements is also important to achieve desired return because good and handsome perception of financial statements plays an important role in achieving desired profit so the basic understanding of financial statements of the listed companies in Stock Exchange is very necessary for current and potential investors. Moreover, many factors affect the stock prices in Stock Exchange i.e. Share buy-back, dividend, stock splits, inside trading, hedge funds trading, addition from stock index and removal to stock index, inflation rate and moreover, Udegbunam and Eriki (2001) examined that the relationship among stock prices and inflation provides a strong support for the intention that inflation apply a negative impact on the behavior of the stock prices.

It is also difficult to understand for investor about the fundamentals of financial statements analyses, budgeting, forecasting and capital management for managing the stock because every investor in Stock Exchange perceive financial statements according to their own financial literacy back ground and this variation of financial literacy also occurs country to country moreover, Lusardi and Mitchell (2007) reviewed an evidence of financial illiteracy among developed and under developed / developing countries and suggested that financial illiteracy is a common feature among developed and under developed nations in all over the world.

The strategy of financial investment requires that an investor should knows about the working criteria of that company in which he wants to invest his money for the sake of desired return. The protection of investor by understanding of financial statements is very important for investor and investor can protect his capital by the understanding of ratio analysis of the company, industry benchmarking and other financial analysis techniques which are very important for new investors who invest in the stock market for the first time therefore, Shefrin (2000) and Shleifer (2000) suggested that internal and external behavior of investor depends have strong impact on their financial decisions. An intelligent investor always study/examine the financial statements comprehensively before invest his money in the securities of his desired organization because every investor put his money in the securities of company to get a maximum return and no investor wants to bear a loss.

In fact, financial statements play a roll of back bone of the organization by expressing the real financial position of the organization during financial year. By the investors' point of view, financial statements are also the main source of

minimize the risk of loss and maximize the profit because an investor can minimize his risk and maximize his return before investment by examining / studying the financial statements of the organization which shows the current and previous financial performance of the organization accordingly. Naser and Nuseibeh (2003) ranked financial statements as the first source of information.

Investor's perception / awareness of financial statements in Pakistan:

We distributed the investors / shareholders in the following six points:-

- Investors having investment experience achieving the desired profit.

- Investors having investment experience fail to achieve the desired profit.

- Investors who are literate as well as having proper financial knowledge are achieving their desired return due to the strong financial background.

- Investors who are literate as well as having proper financial knowledge fail to achieve the desired profit.

- Investors who believe on public rumors and achieve the desired profit.

- Investors who believe on public rumors fail to achieve the desired profit.

Problem Identification

Investors in Stock Exchanges of Pakistan belong to different backgrounds in which some are illiterate or semi-literate and cannot perceive financial statements in a right way but instead of this illiteracy, they succeeded in getting desired profit, some investors are literate and have a full awareness to perceive financial statements but fail to achieve desired returns. Some investors are literate and have a strong background of financial literacy and they can perceive financial statements in a right way and also succeeded to get a desired profit. Some investors believe on public rumors which take financial information about the organization from different sources i.e. friends, relatives, colleagues, family members and succeeded to achieve desired profit.

In spite of this above variability among investors, no doubt that the expected return of the investors of stock market depends on the overall market financial situation including internal environment of the stock market as well as overall situation of the country or political and economical situation but these situations are definitely not easy to measure for the researcher or impossible to measure but this thesis is going to identify the problem that up to what extent the different

types of investors in Islamabad Stock Exchange perceive financial statements in a right way or up to what extent the investors have capabilities to perceive the financial statements of the listed companies in Stock Exchange.

Problem Statement

The right and correct perception of financial statements plays a vital role during investment in the securities of listed companies in Stock Exchange and gives favorable results in the shape of profit. There are many investors which have different educational and non-educational backgrounds but they are busy in investment activities by investing their capital in the stocks of their desired organizations and receive a profit or bear a loss. The identification of determining the investors' perception level and valuation approaches towards financial statements of listed organizations in Stock Exchange is needed to be investigated and improved in a right manner.

Objectives of Study

The aim / objectives of this thesis were as follows:

- To investigate the investor's perception or investor's awareness of financial statements of listed Banks in Islamabad Stock Exchange.

- To suggest the investors regarding importance of the perception of financial statements before taking step of investment.

- To investigate the ground realities behinds the inconsistency in return/profit of the investors in developing countries.

- To ensure that a proper financial knowledge enhances the consistency level of return/profit of the investors.

Rationale of Study

The core purpose of conducting this research was to determine the total atmosphere of the investors in Islamabad Stock Exchange (ISE) which were doing investing activities through investment in the shares of listed Banks that either the investors are achieving their desired return according to the response of their perception of financial statements or this desired return is inversely proportioned to their level of perception.

Literature Review

Trading activities in the securities of the company have also a direct relationship with the confidence level of investor and according to this statement, Barber and Odean (2001) predicted with the help of their theoretical model in

which they explained that there is direct relationship between the confidence levels of investors with their trading and they also described that an over confident investor trade more excessively as compared to that investor which have low level of confidence during trading.

The personal uniqueness of investor is directly linked with the decisions making power during purchase and sale of company's stock and more importantly, Coleman (2007) explained that personal characteristics of an individual investors and personality traits have a great impact on the decision making of investors during trade in stock market.

There are some instruments like academic background of investor as well as relevant experience enforce the investor to make ideal investment strategies hence, (Hu, Lin, & Li, 2008) examined that strong educational background, relevant experience and superior resources help the investor to perform better during investment or making future investment strategies and further they described that strong educational background have a great impact on the analyzing ability of investors. Political uncertainty increases the stock prices in the market and decreases the output of stock exchange in overall economy (Bittlingmayer, 1998).

There are some factors which belong to the culture and structure of the investor have some relations with the perception process of investor towards financial statements therefore, (Mitchell & Ong, 2006) described that cultural and structural factor plays an important role in the perception process of investors during investment. There is a huge gender wise difference between the thinking and perception level of financial statements although, Dwyer, Gilkeson, and List (2002) predicted by using data of mutual funds investors and analyzed that the perception of male investors is less risky as compared to the perception of female investors in stock market.

Financial statements of the organization help the investor to take a rationale decision about future investment and in addition to the statement of (Berk & DeMarzo, 2007), financial statements are vital instruments and investors, financial analyst and other external parties examine these instruments for the sack of information related to the organization and these statements are also important for inside managers to take significant decision about an organization. The measurement of assets and liabilities has many implications for an organization and the right judgment gives a right path to investor regarding investment (Mala & Chand, 2012).

Financial statements indicate to investors about important points which play

a vital role in investment activities and as a result, Jooste (2006) analyzed the perception of investors regarding financial statements and commented that the rationale and intelligent readers or examiners of financial statements around the world completely determine the liquidity, leverage, profitability and performance of the organization of the company before taking the step of investment around the organization for proper investment and he further investigated that cash flow statement is a better indicator to evaluate the financial performance of the organization. Financial ratio analysis provides an internal health of the organization to take investment decision in a right way (Melse, 2004).

An investor cannot perform investment activities and future savings without having a proper knowledge of financial concepts most importantly, Norman (2010) confirmed that financial literacy is a key for current investment and future saving. Annual reports are important and primary source of information to take useful corporate decisions for ideal investment (Naser & Nuseibeh, 2003). An important statement at the back the efficient market hypothesis is that investors are coherent and risk reluctant, and possess a limitless capability to practice freely obtainable information correctly (Maditinos, `evi , & Theriou, 2007).

The assessment regarding the usage towards information of financial statements plays a key role during investment activities and furthermore, Mirshekary and Saudagaran (2005) assessed that how different investors uses the information of financial statements and how the importance of different source information is helpful in making investment decisions. A comprehensive and knowledgeable model regarding investment decision making is also important for investor for a rationale investment decision making and according to this statement, Albadvi, Chaharsooghi, and Esfahanipour (2007) introduced a multi criteria decision making model in Tehran Stock Exchange named by "PROMETHEE" in which he ordered the superior stock for ideal decision making for investment.

The significant factors regarding investment decision making are also important to run the investment activities however, (Al-Tamimi, 2009), investigated six important factors which influence on investment decision making i.e. order of significance, corporate earnings get rich rapidly, stock marketability, historical performance of the firm's stock, Government holdings and the creation of the organized financial markets.

Hypotheses Statements & Model

According to the proposed model, the good perception, towards below four important financial statements, enhances the profitability or desired return of the investor.

H1: *Investors' Financial perception can be checked and verified by the help of Income Statement / Statement of Comprehensive Income of the organization.*

Income statement also refers to "Profit & Loss" statement which provides information to the investors about revenues and expenses of the organization over the period of time. The last item of income statement which measures the organizational profitability over the financial year is "net income" and due to the figure of net income, an investor can understand the organization's total earning during the financial period.

H2: *Investors' Financial perception can be checked and verified by the help of Balance Sheet Statement / Statement of the financial position of the organization.*

The first important statement which is very important to understand for current and potential investor regarding rational and ideal investment is the statement of balance sheet and this statement consists of a comprehensive list of company's assets and liabilities which provides a snapshot of company's financial position at a given time. There are various items classified under assets, liabilities and shareholder's equity. Due to the help of balance sheet statements, an investor can easily understand real worth of that company in which he wants to invest his money for the sack of desired return.

H3: *Investors' Financial perception can be checked and verified by the help of the Statement of Cash Flow of the organization.*

The cash flow statement is a comprehensive summary of total cash receipts and total cash payments of the organization during financial period. A standard cash flow statement has basically three important parts. First section of cash flow statement analyse a company's cash flow from net income losses so cash flows from operating activities are the net inflow or outflow from trading operations after tax and financing costs. It is equal to the sum of cash receipts from trade receivables, and cash receipts from cash sales where relevant, less the sums paid to buy inventories, to pay rent to pay wages etc.

H4: *Investors' Financial perception can be checked and verified by the help of the Statement of the Shareholders' Equity of the organization.*

Statement of shareholder's equity provides complete information to investors about changer or variance in the volume of shares of company during financial period. In fact, the above three statements are enough for potential

investors to take a rationale decision about purchasing of company's share but the statement of shareholder's equity is also quite important for potential investors for examining the variability of company's stock over financial year.

H5: *Miscellaneous information has significant influence on the judgment towards Investors' Financial perception.*

The influence of the miscellaneous information regarding the investors has significant effect on the judgment of investors perception towards financial information i.e. influence of investors' education to perceive financial statements/information, influence of investors' investment experience to perceive financial statements/information and influence of public rumors to perceive financial statements/information of the organization.

H6: *Personal information has significant influence on the judgment towards Investors' Financial perception.*

Investors' Financial perception can be checked and verified by the help of the investors' personal information i.e. age, industry sector identification and investment volume to perceive financial statements of the organization.

Research Model/Theoretical Framework

The theoretical frame work is developed in line with the evidence available in literature.
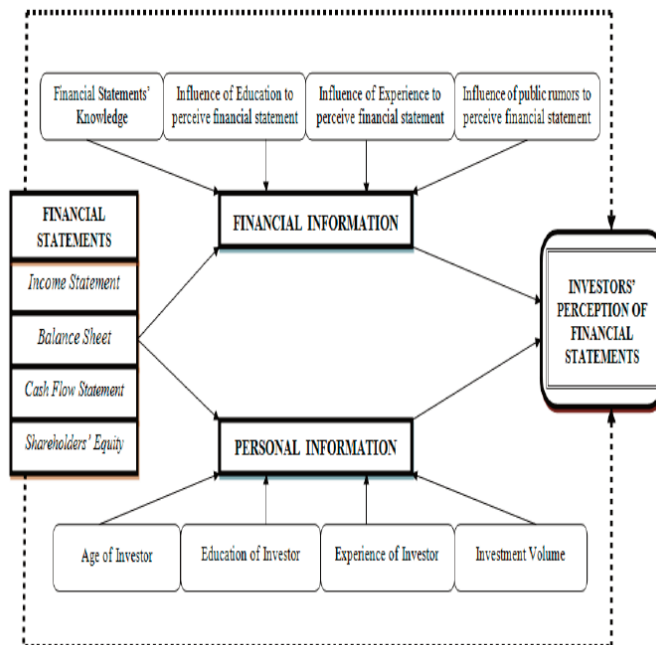
Description of Model

The above mentioned diagram consist of Dependent Variable which is investors' perception of financial statements, Independent Variable which consists of four types of financial statements and two Mediating Variables i.e. financial information and personal information with their other elements respectively.

So according to this model we can see that investors perception of financial statements/financial knowledge is dependent on four types of financial statements i.e. income statement, balance sheet, cash flow statement and statement of shareholders equity which means that the perception level of the investors or up to what extent the investor have financial knowhow can be checked by the help of presenting four types of financial statements because financial statements expresses the real financial position of the organization and with the help of knowing the financial position of the organization, the investor take a step that either he should purchase the securities of this organization or not.

In the above diagram we can see that there are two mediating variables "Financial Information" and "Personal Information" with its other elements playing the role of Moderating Variables among Dependent Variable and Independent Variable.

There are many investors who have proper knowledge of financial statements as well so due to this financial knowledge, they can understand the historically and current financial position of the organization and help them in taking investment decisions so perception level of financial knowledge of investors can be checked by presenting financial statements. There are many investors who have investment experience so due to this investment experience, they are able to understand the real financial position of the organization and help them in taking investment decisions and how much an investor perceives financial statements can be checked out by knowing his investment experience. There are many investors who have a good educational background so due having a good educational background, they are able to understand the real financial position of the organization and help them in taking investment decisions so financial perception level of investors can be checked out by the help of his educational background . There are many investors who believe on public rumors and take information from other internal and external resources about the financial health of the organization and then take the step of investment so this public rumor element is a proper part of financial information so the perception level of financial information of the investors can be checked out by knowing his strong believe on internal and external rumors.

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Methodology

Sample Size:

According to above mentioned eighteen (18) commercial banks listed in Islamabad Stock Exchange (ISE) i.e. twenty (20) investors / shareholders of each listed bank were chosen so total 18 x 20 = 360 (three hundred & sixty) investors were selected.

Sample Techniques:

A comprehensive *'questionnaire'* was developed and distributed among 360 investors of all above listed commercial banks by using the convenient sampling or non probability sampling for the study.

Research Instruments:

The research instrument designed for data collection was a questionnaire. This questionnaire was designed and scales which were used with proper consultation of respected supervisor. Various questions were prepared on the stream line of "five point Likert scale" five (5) for totally agree to one (1) for totally disagree. Some questions had a "Yes" or "No" & True or False answers, and remaining questions were consisting of open ended questions asked from investors for their personal views. So these data collection instruments were used because of having this technique, accurate information could be obtained in this kind of study where variables under investigation require statements of facts and personal judgment.

Data collection procedure:

The questionnaires were distributed randomly among different investors/ shareholders of 18 listed banks in Islamabad Stock Exchange (ISE). Total 360 questionnaires were distributed among the investors of Islamabad Stock Exchange (ISE). Only 229 respondents filled the questionnaires and returned back and in this research data was collected from both male and female investors as both kinds of investors took interest in the investment activities in Islamabad Stock Exchange (ISE).

Method for data analyses:

Analysis of a case study is difficult to carry out without general analytical strategy. So according to this statement, SPSS software was used for statistical analysis of this study.

Results & Discussion

The result and discussion part consists of various statistical tests and sub test and their discussions and conclusions by using SPSS Software i.e. Reliability test and Factor Analysis and Cluster Analysis Techniques to find out the purity regarding the perceptions of financial / investment knowledge of different

investors of Islamabad Stock Exchange (ISE). The details of these statistical test and their sub tests are as under:-

Reliability Test and Factor Analysis:

Reliability and Factor Analysis test was used to measure the reliability and validity of instruments used in research.

According to the below mentioned table, we concluded that the data of Cronbach's Alpha Values mentioned in the above table regarding different kinds of information taken from the investors was reliable because Kristiansen (2004), predicted that if the value of Cronbach's Alpha is greater than 0.60, the data was considered reliable and here in the above mentioned table, all the values of Cronbach's Alpha were greater than 0.60 (see under Table 1).

Table 1
Reliability of the Instruments

S.No	Name of Variables	Cronbach Alpha Values	No. of Items
1.	**Personal Information** *(PI01, PI02, PI03, PI04, PI05, PI06)*	*Not Applicable*	*Not Applicable*
2.	**Financial Information** *(FI01, FI03, FI07, FI09, FI10*	*0.641*	*47*
3.	**Income Statement** *(IS01, IS02, IS03, IS04)*	*0.907*	*47*
4.	**Balance Sheet** *(BS01, BS02, BS03, BS04)*	*0.916*	*47*
5.	**Cash Flow Statement** *(CF01, CF02, CF03, CF04)*	*0.755*	*47*
6.	**Shareholders' Equity** *(SE01, SE02, SE03, SE04)*	*0.856*	*47*

Distribution / allocation of Investors in Islamabad Stock Exchange (ISE):

The investors of Islamabad Stock Exchange were allocated in six different clusters or groups with diversified characteristics.

According to the below mentioned table, we can concluded that 229 investors belong to the Banking Industry in Islamabad Stock Exchange and there were 06 groups of investors in Islamabad Stock Exchange which had their investment in different Banks of Pakistan listed in Islamabad Stock Exchange and each group had its own uniqueness regarding the number of investors and their percentages (See under Table 1.3).

Table 2
Cluster wise allocation of investors in Islamabad Stock Exchange (ISE)

No of Clusters	No of Investors in each Clusters	% of Investors in each Clusters	% of total Investors in each Clusters
1	31	13.5%	13.5%
2	39	17.0%	17.0%
3	37	16.1%	16.1%
4	46	20.0%	20.0%
5	34	14.8%	14.8%
6	43	18.7%	18.7%
Total	229	100 %	100 %

Cluster wise Benferroni adjustment applied on financial information of investors General Financial Information (GI), Income Statement (IS), Balance Sheet (BS), Cash Flow Statement (CF) and Statement of Shareholders Equity (SE).

General Financial information

Graph 1.4 presents cluster wise Benferroni adjustment applied on general financial information So according to this graph, we can conclude that the most illiterate investors belong to the cluster-3 because according to the diagram we can see that the values of cluster-3 related to the general financial information which is necessary for investment are going on negative side and touching the critical values which indicates that investors of clueter-3 do not have the knowledge of financial information and similarly the investors belong to the cluster-4 also do not have a proper knowledge of financial information but their knowledge is better than cluster-3 because the values of clauster-4 are inside the critical values (See fig 1).
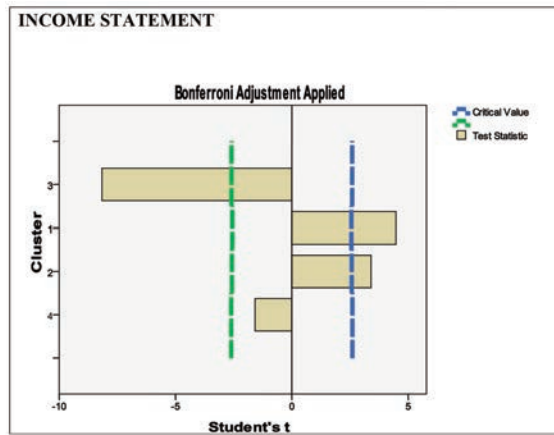
Fig.1
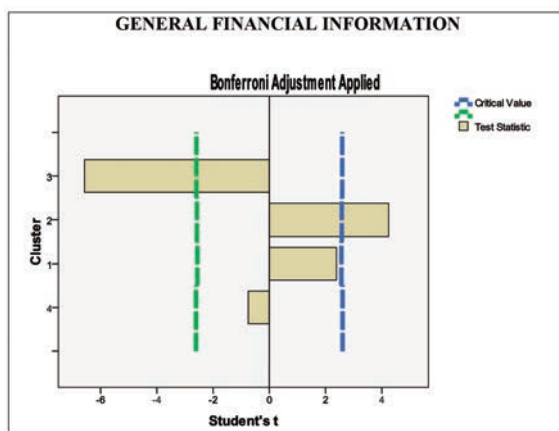
Income Statement

Graph 1.5 presented cluster wise Benferroni adjustment applied on the perception level of investors about income statement. So according to this graph, we could conclude that the most illiterate investors belong to the cluster-3 because according to the diagram we can see that the values of cluster-3 related to the general financial information which is necessary for investment are going on negative side and touching the critical values which indicates that investors of clueter-3 do not have the knowledge of income statement and similarly the investors belong to the cluster-4 also do not have a proper knowledge of income statements of listed companies in Stock Exchange but their knowledge is better than cluster-3 because the values of clauster-4 are inside the critical values (see Figure 2).
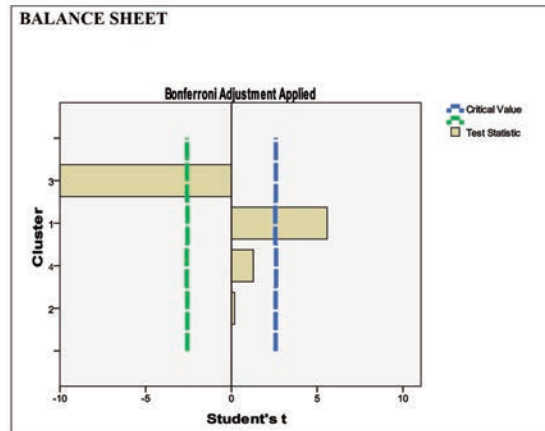
Fig.2

Balance Sheet

Graph 1.6 presented cluster wise Benferroni adjustment applied on the perception level of investors about balance sheet. So according to this diagram, we can see that the values of cluster-3 related to the information of balance sheet which have its own importance because this statements shown the accurate financial health of the organization are going on negative side and touching the critical values which indicates that investors of clueter-3 do not have the knowledge of the statement of balance sheet and their values are going on negative side.

On the other hand, we can see that the investors belong to cluster-1 have proper knowledge of balance sheet and they know about different items in balance sheet i.e. current assets, current liabilities, fixed assets, long term obligations etc so they can understand the financial health of the organization through the statement of the balance sheet of the organization and the investors belong to the group-4 also understand balance sheet but their understanding is not more than cluster-1 and their values are going on positive side according to the diagram (see Figure 3).
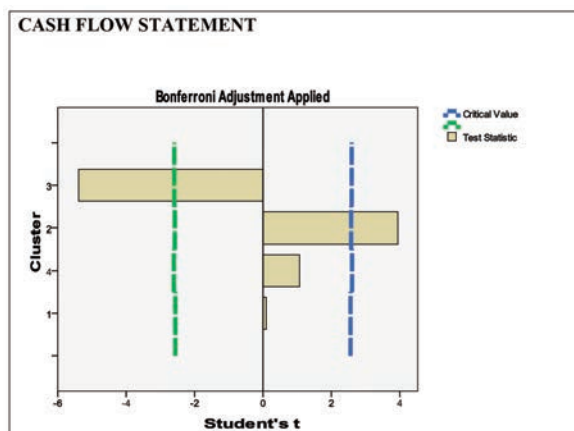
Fig.3

BALANCE SHEET

Cash Flow Statement

Graph 1.7 presented cluster wise Benferroni adjustment applied on the perception level of investors about cash flow statement. So according to the diagram we can see that the values of cluster-3 related to the information of Cash Flow Statement which have its own importance because this statement shows the flow of cash transactions in the organization that either the company is generating its own cash by earning profit year wise or taking loan from outside sources so this above diagram tells that the investors which do not have a proper know how about statement of the cash flow belongs to cluster-3 and values of their perception level is on negative side which shows their illiteracy level about statement of cash flow.

On the other hand cluster-2, 4 and 1 have proper knowledge of the statement of cash flows and their literacy level regarding cash flow statement and the values of each cluster is on positive side which shown their good understanding about the statement. (see Figure 4)

Fig.4

CASH FLOW STATEMENT

Statement of Shareholders Equity

Graph 1.8 presented cluster wise Benferroni adjustment applied on the perception level of investors about the statement of shareholders equity. So according to the diagram we can see that the values of cluster-3 related to the information of the statement of shareholders equity so the investors belong to the group-3 do not have a proper knowledge of the statement of shareholders equity and their perception level is on negative side which shows their illiteracy level about this statement.

The investors which have maximum level of understanding about the statement of shareholders equity belongs to cluster-2 and their perception level is on positive side which shows their best understanding about this statement and after on the investors of cluster-1 have a good level of understanding about this statement but not more than cluster-1 and in last the investors of cluster-4 have a better understanding of the statement of shareholders equity but their understanding is not more than cluster-1 and the level of understating of the investors of these 3 clusters are on positive side which shows their perception level of the statement of cash flow (see Figure 5).

Fig.5
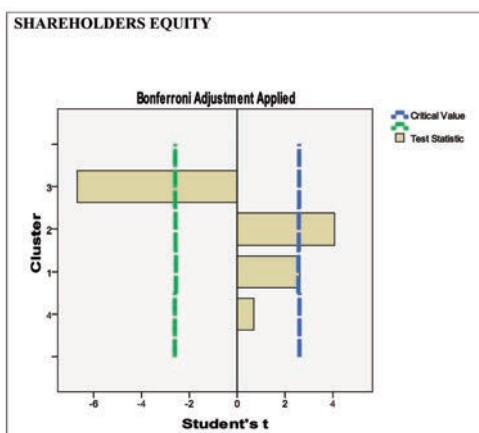
Practical Implementation

As discussed above, the main purpose of this research is to find out that how much an investor has knowledge of financial statements of listed companies in Stock Exchange. By the implementation of this research, an investor can exactly know that how much he have knowledge of basic financial statements and how he can improve his knowledge of financial statements and hoe he can maximize his desired return by improving the knowledge of financial statements. So this research is helpful for investor of Stock Exchange

Conclusion

The perception/awareness of investors of financial statements of listed banks in Islamabad Stock Exchange (ISE) was measured by the help of comprehensive questionnaire *(placed in Appendix)* and this questionnaire was distributed among 360 (three hundred and sixty) as twenty investors of each bank and 229 (two hundred and thirty) investors responded and the number of total listed banks in Islamabad Stock Exchange were eighteen (18).

Through the response of 229 investors, majority of investors in Islamabad Stock Exchange were found to have tertiary level of knowledge of financial statements making them literate and they could understand and interpret financial statements and can take a right decision of investment at the right time to get desirable result of return.

Recommendations

In the light of this whole study regarding the perception of investor about financial statements, following are some of the recommendations based on finding of this study:

- The Government should start the program for training of the investors regarding financial knowledge enhancement so that the more investment will be occurred in the listed organizations in Stock Exchanges of the country and economy of the country will be strengthen.

- The investors themselves should start the program by adopting the focus groups policy and due to these focus groups of investors, a mutual discussion program can be start regarding enhancement of the financial knowledge for an exact perception of financial statements of listed organization in Stock Exchange.

- The findings from the research agrees that investors of the Stock Exchange are literates and know how to analyse and interpret financial statements and hence management of the Stock Exchange should make financial statements readily available to them and it will likely increase their willingness to invest more in the listed organizations in Stock Exchange.

- In portfolio investment, investors study the financial statements of more than one organizations and gain sufficient knowledge to perceive financial statements by many methods so by adopting the technique of portfolio

investment, investors can enhance their perception level of financial statements in a right way. . .
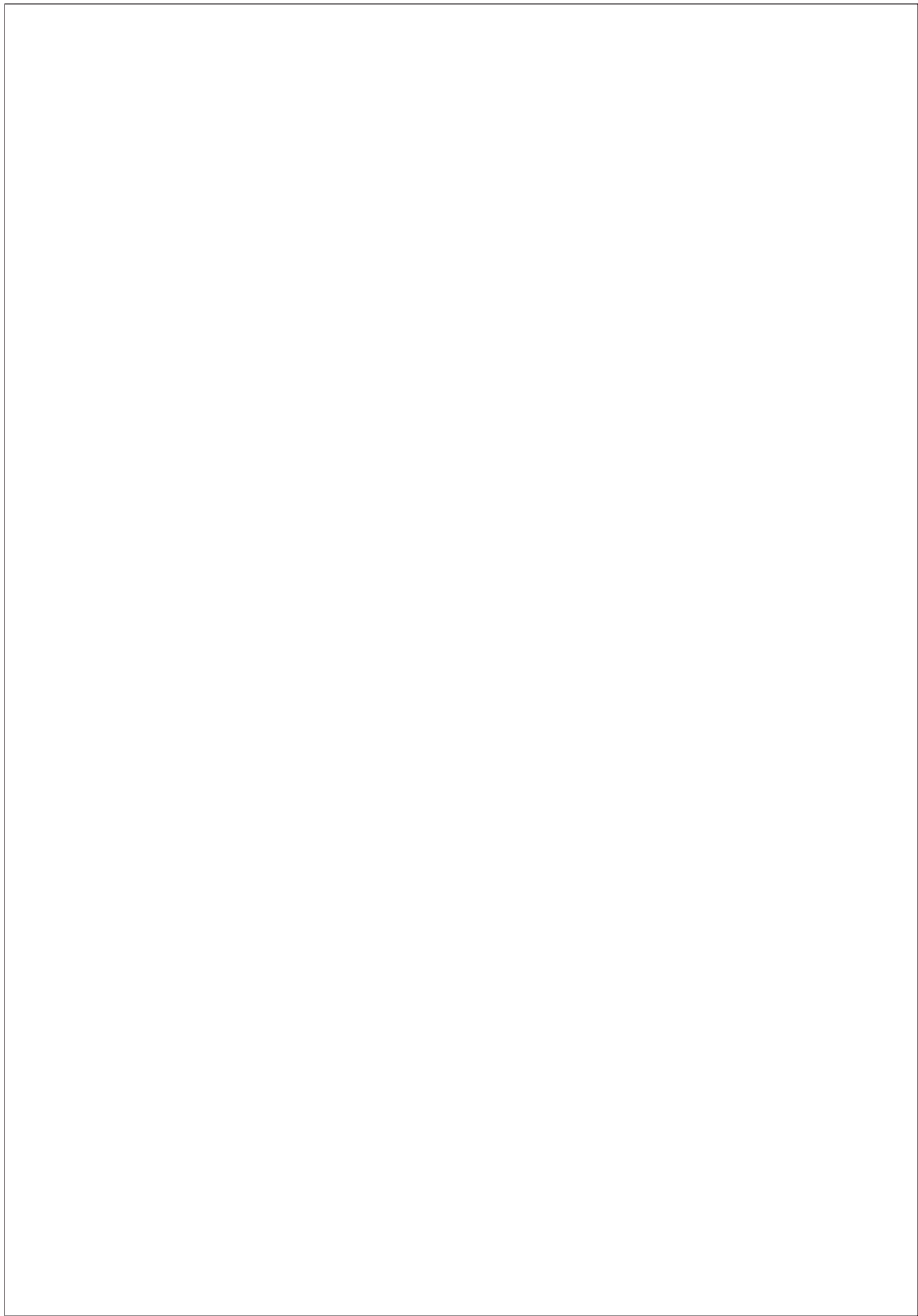
Future Research

No doubt that this research can be implemented on Stock Exchange to investigate the investors' perception of financial statements/financial knowledge but we can also investigate or link up the financial perception level of investors with the profitability of investors on annual basis which will show that either the perception level of investors towards financial statements is according to their annually profitability ratio or against the real picture of their annual earnings. In spite of the implementation of this research on the investors of Stock Exchange, this type of research can be implemented on mutual funds organizations by investigating the investors' perception of mutual funds and its impact on their profitability and other financial organizations as well.

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Intra Organizational Factors that Impact Employee's Loyalty

Aamir Saifullah* and Prof. Dr. Shahida Sajjad**

Abstract

This quantitative study explored the intra-organizational factors that affect employee's loyalty in advertising agencies situated in Karachi city. Two hundred employees from four local advertising agencies located in city Karachi were selected through random sampling to get their response by filling a structured questionnaire based on five point Likert scale. The results analyzed by SPSS showed that in advertising agencies, professional respect and employer-employee relation affect employee's loyalty. However when both coefficients were compared it was observed that employer-employee relation had a greater effect than professional respect. The study will be helpful to illustrate how owners/managers of multi-national and local agencies tend to exhibit highly personalized and mostly informal management styles, which affect employee's loyalty.

Key words: *Employee Appraisal, Advertising Agencies, Quantitative Research*

Introduction

Human resources are considered as a crucial part for any organization and in this era of highly competitive market, there is a need to have highly qualified human resources to achieve the goals of organization (Arthur, Bennett, & Stanush, 1998). At the same time, loyalty and commitment of human resources are also important as the (Brown, 1999) productivity is based on these factors (Eskildsen & Dahlgaard, 2000). Research studies (Cook & Wall, 1980) concluded various characteristics included in the job satisfaction of employees like; the working conditions, wages, relationship with colleagues and superiors, and the work of the organization (Shute & Gawlick , 1995). Research has shown that, employees' job performance is dependent upon their loyalty therefore all employers should take interest to improve their employees' loyalty in the interest of organization. The behavior of employers also effect employees' loyalty. This study explored the internal factors of an organization including professional respect, employer-employee relations, management style, and independence affecting employees' loyalty.

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Definitions of key terms

Professional respect: The state of being honored or esteemed in a professional respect setting or work place (Andersson & Forsgren, 2002).

Loyalty: It is the ability of people to look at what is best for the organization and sometimes put the company ahead of personal, family and other considerations.

Employer-employee relation: It is the employee's relation with their management or supervisors in a working environment.

Management style: Management styles are characteristic ways of making decisions and relating to subordinates (Bilimoria & Wheeler, 1995).

Independence: Independence is defined as a personal cultural orientation associated with acting independently, a strong self-concept, a sense of freedom, autonomy, and personal achievement.

Research Objectives

To investigate the impact of employee - employer relations has on employee's loyalty.
1. To find out the impact of management style on employee's loyalty
2. To explore the impact of independence on employee's loyalty
3. To investigate the impact of professional respect on employee's loyalty

Hypotheses

H_1: Employer-employee relations has an impact on employee's loyalty

H_2: Management style has an impact on employee's loyalty

H_3: Independence has an impact on employee's loyalty

H_4: Professional respect has an impact on employee's loyalty

Methodology

This study used a quantitative approach, as the variables used reduced the bias level by using SPSS analysis (George & Mallery, 2012). The research was a causal study tends to focus on the cause and effect relationship between variables (Wilks, 2011). It investigated the impact of professional respect, independence, employer-employee relations, and management style as intra organizational factors (Independent Variables) on loyalty of employees (Dependent Variable).

This research had utilized a 200 employees sample from four advertising agencies located in Karachi city selected through convenience sampling. The data collected through a five point Likert scale based questionnaire consisted of 18 items. Item number 1-4 represents employer - employee relations (independent

variable), item number 5-8 represents management style (independent variable), item number 9-12 represents independence (independent variable), item number 13-15 represents the professional respect (independent variable), and item number 16-18 represents loyalty (dependent variable). The Scales utilized in the questionnaire were adapted from various sources. The scale for employee - employer relations was derived from (Kaynak & Hartley, 2008) research. The scale for management style was derived from a study by (Lavie, Haunschild, & Khanna, 2012). The scale for employees' independence was derived from a study by (Sharma, 2010). The scale for professional respect was derived on a scale used in a study by (Liden & Maslyn, 1998). Employees' loyalty was tested through a scale used by (Dyne, Graham, & Dienesch, 1994)**.**

Cronbach's alpha, was used to calculate the reliability of the data. The statistical model applied to this research paper was MLR (Multiple Linear Regression) due to the framework developed for this research.

Findings

Data Reliability

Table 1
Data Reliability

Reliability Statistics	
Cronbach's Alpha	N of Items
.678	18

Table 1 showed the Cronbach's value as 0.678 that was higher than the estimated value 0.60 therefore the questionnaire was reliable.

Independent Variables: KMO & Bartlett's Test

Table 2
KMO & Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy.		0.552
Bartlett's Test of Sphericity	Approx. Chi-Square	855.411
	Df	36
	Sig.	0.000

Table 2 showed the results of the KMO & Bartlett's Test to indicate the suitability and validity of data at hand for detecting structure and creating constructs as per the response pertaining to the questionnaire. Usually the lowest cut-off for this statistic is 0.50 and the closer it is to 1.0, greater it proves that the factor analysis conducted is useful. The value reads at 0.552 indicate that the

data was useful for creating factors and constructs. The Bartlett's test of sphericity, which challenges the hypothesis that identity matrix, is similar or exactly a correlation matrix and this would indicate whether the variables used in this research are not suitable for structure detections or constructs cannot be developed. The sig value shown in the table was less than 0.05 indicating that the factor analysis executed was useful for the collected data.

Independent Variables: Component Matrix
Rotated Component Matrix^a

Table
Rotated Component Matrix

	Component			
	1	2	3	4
ER_Q2				.837
ER_Q4				.885
MS_Q6			.685	
MS_Q7			.808	
MS_Q8			.773	
IND_Q9	.961			
IND_Q11	.959			
PR_Q13		.886		
PR_Q14		.897		

The results in table 3 indicate the questions, which were suitable for the development of the related constructs based on the responses that have been collected. The constructs were developed based on the results that have been found due to the principal component analysis.

Dependent Variables: KMO Bartlett's Test

Table 4
Dependent Variables: KMO & Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin - Measure of Sampling Adequacy		.522
Bartlett's Test of Sphericity	Approx. Chi-Square	37.643
	Df	3
	Sig.	.000

Table 4 showed the results of the KMO & Bartlett's Test to indicate the suitability and validity of data at hand for detecting structure and creating constructs as per the response pertaining to the questionnaire. Usually the lowest cut-off for this statistic is 0.50 and the closer it is to 1.0, greater it proves that the factor analysis conducted is useful. The value reads at 0.522 indicate that the data was useful for creating factors and constructs.

The Bartlett's test of sphericity which is challenges the hypothesis that identity matrix is similar or exactly a correlation matrix and this would indicate whether the variables used in this research are not suitable for structure detections or constructs cannot be developed. The sig value shown in the table 4 was less than 0.05 indicating that the factor analysis executed is useful for the collected data.

Dependent Variables: Component Matrix
Component Matrix^a

Table 5
Dependent Variables: Component Matrix

	Component
	1
LOY_Q16	.817
LOY_Q17	.616
LOY_Q18	.647

The results in the table 5 indicate which questions were suitable for the development of the related constructs based on the responses that had been collected. The constructs was, then developed based on the results, which had been found due to the principal component analysis.

Construct Reliability
Employee - employer relations

Table 6
Employee - employer relations Construct Reliability

Reliability Statistics	
Cronbach's Alpha	N of Items
.768	2

The Cronbach's alpha in table 6 indicates that the value (0.768) is above the benchmark of 0.60 therefore, the construct was reliable for further statistical examination.

Management Style

Table 7
Management Style Construct Reliability

Reliability Statistics	
Cronbach's Alpha	N of Items
.642	3

The Cronbach's alpha in table 7 indicates that the value (0.642) is above the benchmark of 0.60 therefore, the construct was reliable for further statistical examination.

Independence

Table 8
Independence Construct Reliability

Reliability Statistics	
Cronbach's Alpha	Number of Items
.960	2

The Cronbach's alpha in table 8 indicates that the value (0.960) is above the benchmark of 0.60 therefore, the construct was reliable for further statistical examination.

Professional respect

Table 9
Professional respect: Construct Reliability

Reliability Statistics	
Cronbach's Alpha	N of Items
.813	2

The Cronbach's alpha in table 9 indicates that the value (0.813) is above the benchmark of 0.60 therefore, the construct was reliable for further statistical examination.

Loyalty

Table 10
Loyalty: Construct Reliability

Reliability Statistics	
Cronbach's Alpha	N of Items
.675	3

The Cronbach's alpha in table 10 indicates that the value (0.675) is above the benchmark of 0.60 therefore, the construct was reliable for further statistical examination.

Model Summary

Table 11

Model Summary Statistics

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.738[a]	.545	.536	.49145
2	.736[b]	.542	.535	.49211

a. Predictors: (Constant), professional respect, management style, employee-emplyer relation, independence

b. Predictors: (Constant), professional respect, employee-employer relation, independence

Table 11 represents the summary of the model, which is a part of the multiple linear regressions that have been executed in order to test the hypotheses between the constructs. As the backward method for regression was used during the model execution, insignificant variables were removed hence only the variables explaining loyalty are seen in Model 2. R Square represents the goodness of fit of the model (Rayner, Thas, & Best, 2009). Therefore we can have deduced that the variables, professional respect, independence and employee –employer relation exhibit 54.2 % change in loyalty.

Interpretation of ANOVA

Table 12

ANOVA

ANOVA[c]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	56.457	4	14.114	58.440	.000[a]
	Residual	47.096	195	.242		
	Total	103.553	199			
2	Regression	56.087	3	18.696	77.199	.000[b]
	Residual	47.466	196	.242		
	Total	103.553	199			

a. Predictors: (Constant), professional respect, management style, employee-employer relation, independence

b. Predictors: (Constant), professional respect, employee-employer relation, independence

c. dependent variable: loyalty

Table 12 showed the results of the analysis of variance that was also a measure for goodness of fit of models variables that have an insignificant effect on the dependent variable are removed due to the backward regression method.

In model 2 it is seen that the model was fit as the value for F is above the 4.0 benchmark at 77.199, indicating its goodness of fit, where as the null hypothesis can also be rejected that the model has no value or predictive value as the sig value is at 0.00

Summaries of Coefficients
Table 13
Coefficient Summary

Coefficients[a]						
Model		Non standardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.461	.138		3.340	.001
	Employee-Employer Relation	.410	.043	.485	9.579	.000
	Professional respect	.293	.036	.411	8.064	.000
	Independence	.049	.034	.076	1.470	.143
	Management Style	.054	.043	.062	1.238	.217
2	(Constant)	.555	.115		4.806	.000
	Employer-Employee Relation	.407	.043	.481	9.509	.000
	Professional respect	.300	.036	.420	8.338	.000
	Independence	.058	.033	.089	1.765	.079

a. Dependent Variable: Loyalty

Table 13 is the output table from the executed multiple linear regressions, via SPSS, which indicates that in model 2, the variable (management style) which was not affecting the dependent variable has been removed and only those variables (employer-employee relations, professional respect and independence) which were a significant part of the model had been included. This table showed that employee-employer relation and professional respect have an effect on loyalty as the values for T, are above the value 2.0 benchmark, where as their sig values are also below the 0.05 cut off.

However, independence is observed as the insignificant variable because the value is below 2.0 and the sig value is above 0.05, both points are an indicator that independence is an insignificant variable. In conclusion, hypotheses number two i.e. management style has an impact on employee's loyalty and hypotheses number three i.e. independence has an impact on employee's loyalty were rejected and hypothesis number one i.e. employer- employee relations has an impact on employee's loyalty and hypothesis number four i.e. professional respect has an impact on employee's loyalty are accepted.

Removal of Insignificant Variables: ANOVA & Coefficient Interpretation

Table 14

Anova Statistics after Removal of Insignificant Variable

ANOVA[b]					
Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	55.333	2	27.666	113.028	.000[a]
Residual	48.221	197	.245		
Total	103.553	199			

a. Predictors: (Constant), Professional respect, Employee-Employer Relation
b. Dependent Variable: Loyalty

After the removal of the insignificant variable "Independence", it is seen in table 14 that the F value for the model has increased, which indicates the model is now better compared to the previous execution.

Table 15

Coefficent Summary after removal of insignificant variable

Coefficients[a]					
	Non standardized Coefficients		Standardized Coefficients		
Model	B	Std. Error	Beta	T	Sig.
1 (Constant)	.628	.108		5.791	.000
Employee-Employer Relation	.422	.042	.499	10.018	.000
Professional respect	.312	.036	.436	8.762	.000

a. Dependent Variable: Loyalty

After the removal of the insignificant variable "Independence", in table 15 the T values for employee-employer relation & professional respect have also increased. Now we can say that in comparison, employee-employer relation effects loyalty more that professional respect, when the respective values under the column B are compared (0.422 >.312).

Discussion

The results indicate that employee-employer relations and giving employees professional respect will in return have a positive effect on the loyalty of their staff. The findings of this study are supported by other researches that also concluded that satisfactory conditions under which salesperson work can lead to customer satisfaction (Homburg & Stock, 2005) and it is necessary that work-related respect is maintained since this industry is client driven (Martocchio & Judge, 1997).

Advertising is an industry where pay scales are quite high, when compared to the employees with similar years of experience and education across other fields and disciplines (Alvesson, 2002) because this job requires longer hours of dedication, whereas the pace of the industry is ever growing. Therefore, when it comes to remuneration, employees have their financial priorities satisfied, and are now looking towards more moral support and appreciation. Turnover in advertising was observed when the employees were dissatisfied with their workplace, mainly due to the environment and culture in totality (Helgesen, 2004).This research has pointed out that employees being respected professionally and having healthy relations with their employers will affect their loyalty towards their organization. When it comes to comparing both of the significant variables, it was also reported that employee - employer relations had a greater affect than professional respect. Advertising agencies are usually built on a sole proprietorship model (West & Ford, 2001), and it is common practice in Pakistan, that owners are usually observing micro-management policies in their organizations. So the employees tend to prefer healthy relations with their employers as a significant predictor to their loyalty and this has been justified by the findings of this research.

Conclusion

It is definitely no secret that many aspects, which include human resource management and business development, are necessary for retaining employees (Dweck , 1986). Since the scenario in this decade has changed by an extensive margin, the staffs employed in advertising agencies are prone to the legacy that goes with them. The job nature and pressure in this industry is comparatively different from others and it can be concluded from this study that employer-employees relationship and professional respect are the intra-organization factors that affect employees' loyalty. Therefore, employers need to retain a good relationship with their employees and should give them professional respect to retain them and gain their loyalty.

Recommendations

Human Resource Policy should address issues related to employees' satisfaction as a top priority (Randel, Main, Seymour, & Morris, 1992). Companies should take the initiative to make their employees happy that will result a low turnover of staff enabling goal achievement (Loveman, 1998). From the foundation to the recruitment of new employees, companies must invest in trying to understand the distribution of all potential employees, and to understand what they expect from their workforce while matching it to the company's own

expectations (Niehoff, Moorman, Blakely, & Fuller, 2001).

There is a need of open communicate with the employees, so that there will be no gap between employees. Administrators can use questionnaires and surveys to understand what employees feel. This will ensure that there is contact between management and employees, not the blocked bridge concept that employees generally feel (Eskildsen & Nussler, 2000).

There should be regular program to ensure that employee effort is recognized and how they are praised by counterparts (Roehling, Roehling, & Moen, 2001). Recognition and awards for good performance of employees need to be included in policy as suggested by other researchers (Morrow, Jarrett, & Rupinski, 1997). The reward will be that the greater the motivation and desire to work, higher the changes to win the monthly advances (Silvestro, 2002) e.g. providing entertainment club memberships for employees (Bloemer & Odekerken-Schröder, 2006) and annual leave with some travel opportunity (Hart & Thompson, 2007).

Managers need to execute proper training plans and icebreaking exercises to strengthen the relationships between colleagues, a conscious effort to build a harmonious workspace (Fischer, 2004).

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Identifying The Factors Affecting The Customer's Buying Behavior: A Case Study of Men's Cosmetic Market in Karachi, Pakistan

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Abstract

The purpose of this study was to determine various factors such as age, occupation, income, models and celebrity influence, as well as the role of metrosexuals (independent variables), which have an effect on consumers in buying men's cosmetic products (dependent variable). Specific objectives were to study the impact of factors affecting customers buying behavior in the men's cosmetic market, to determine the impact of appearance on a person's success in their professional life, as well as to ascertain the age group which uses men's products the most. A study of the literature review suggested factors which affect the buying behavior of men purchasing male cosmetic products include age, occupation, income, celebrity influence and a rise in the metrosexual phenomenon, however, the research problem pertained to a lack of knowledge on how much of these factors individually affect consumer behavior with regards to purchases. As such, the study was significant and therefore needed to be carried out to examine the impact of various factors on the buying of men's cosmetic products. Methodology used in this study was quantitative in nature. The method of primary data collection was carried out through a close ended questionnaire administered to 50 participants. Collected data was tabulated, and the analysis was conducted with the help of SPSS. It was concluded that age, occupation, and role of metrosexuals has had a significant impact on the consumer's buying behavior in relation to the purchase of men's cosmetics especially in Karachi. It was found out that majority of the people believed that using men's cosmetics helps them in succeeding in their occupation, improves their appearance , spend a sum of money on buying men's cosmetics. This study will be helpful for new researchers to understand the

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> *impact of these various factors on consumers in buying men's cosmetic products in Karachi, and for manufacturers to align their promotion strategies for maximum effect.*

Keywords: *behavior, men's cosmetic market, age, income, metrosexuals, models influence*

Introduction

The cosmetics for women are successively in demand all over these years but now men are also becoming self-conscious and the cosmetic market for men is increasing rapidly. The increase in purchasing power has increased due to the people being more alert and aware of beauty and fitness. This has led to increasing demand of men's cosmetics in the market. Many cosmetic companies such as Nivea, L'Oréal etc have introduced their collection of men products in order to satisfy the needs of their customers, (Souiden, 2009).

Earlier there were just aftershaves, shaving creams but now cosmetic companies have increased their product line to adapt to the needs of the customers. The products now include day and night creams, facial foam, anti- aging creams etc.

There are many factors which affect the consumer buying behavior of buying men's cosmetic products, and we have selected the following major factors for investigation in the current study:

- Age affected the buying behavior of customers in the men's cosmetic market.
- Occupation affected the buying behavior of customers in the men's cosmetic market.
- Income affected the buying behavior of customers in the men's cosmetic market.
- The role of metrosexuals affects the buying behavior of customers in the men's cosmetic market.
- Models, celebrities and actors affected the buying behavior of customers in the men's cosmetic market.

Keeping in view the above facts we came to know that there was a gap in the knowledge related to customer buying behavior of men's cosmetic products and the factors which affect it. The present title has never been properly studied in this particular area.

Therefore the research question and problem statement are given as under:

Research Questions:

The main research questions were:

1. Does the factors affect customer's buying behavior in the men's cosmetic market?
2. Is there a link between the factors and the customer's buying behavior?
3. In a working environment in order to succeed in professional life, should men

take care of their appearance and use cosmetic products?

4. Does younger people tend to use more hair and body products than people as compare to older people?
5. Does celebrities have an influence on men when purchasing men's cosmetics?

Objectives of the study:

This study was carried out under the following specific objectives:

- To understand the factors affecting customers buying behavior in the men's cosmetic market.
- To explain whether there is a link between the factors and the customer's buying behavior.
- To investigate whether appearance is important in succeeding in professional life.
- To understand whether there is a relationship between age and the factors.
- To find out that whether younger people use more men cosmetic products than older people.

Hypotheses:

H_1= Age affects the buying behavior of customers in the men's cosmetic market.
H_2= Occupation affects the buying behavior of customers in the men's cosmetic market.
H_3: Income affects the buying behavior of customers in the men's cosmetic market.
H_4: The role of metrosexuals affects the buying behavior of customers in the men's cosmetic market.
H_5: Models, celebrities and actors that affects the buying behavior of customers in the men's cosmetic market.

Literature Review

Every individual is different and has different and unique needs and wants. What one desires may not be necessary liked by another person. Similarly, tastes and choices differ in different age groups. People of the same lifestyle, age, family background might use similar products. In a study conducted, (Askegaard, Ger, & Christensen, 1999) it was concluded that age is considered as a major factor that influences the buying patterns of an individual. Younger people tend to use more hair and body products as compare to older people. Similarly, another study (Larasati, 2013) carried out research on a similar topic. The questionnaires were distributed and it was found out that the people between the ages of 17-24 stating that the younger people take more effort and care of their physical self.

Tiainen, (2010) carried out a survey on 99 respondents. The majority of the individuals that purchased cosmetics were teenagers and youngsters mainly aged

under 25. They believed that in order to attract others appearance has an important part. As (Audrey, Cyrielle, & Levert Quentin, 2007) stated in their findings that younger people are more open minded and concerned about their appearance.

Antoinette, (2007) researched that individuals in the working environment believe that in order to succeed in their professional life, they should take care of their hygiene and appearance as a person's looks affects their promotion.

Income plays an important part in the buying decision of customers. This means that individuals having a high income will buy expensive and sophisticated grooming and skin care products where as individuals with income lesser than others will buy or purchase products that are less costly and that meets their requirements.

Celebrities' endorsements affect customers buying decision. It plays an important role in drawing customers towards buying men's cosmetics. Cheng, (2010) noted that famous celebrities such as David Beckham and Brad Pitt are well known for their appearances and looks that shows that they take care of themselves and are metrosexuals. This was further highlighted by (Tiainen, Pauliina, 2010) who stated that people buy those products that are represented by their favorite stars.

Metrosexual is a word that is used to label men in the urban and big cities which show immense importance on the physical part of themselves. They believe that appearance plays a major part in your personality. Janowska, (2008) believed that the rise of metrosexuals has led to other people to also try and use men's cosmetics and make themselves aware about hygiene and beauty.

Methodology

Quantitative research method was used in the research, since it is based on variables which are measured in numbers and then by statistics it will be analyzed. The quantitative data was collected with the help of questionnaires survey. This research studied various factors that have an influence on customers buying behavior in the men's cosmetic market.

The research dimension used was "Causal Research" to know how different factors affect the buying behavior of customers in the men's market. A causal research is one in which the research is carried out on the cause and effect relationships of different variables on the consumer buying behavior.

Time orientation used in the research was "cross-sectional" because in this research the respondent/participant responded at one point of time. Fifty respondents were selected for the research. Convenience sampling was used in conducting the research.

Primary data was used in the research with the help of close – ended questionnaires. The primary data consisted of questionnaires that contained questions about different factors which affect the purchasing decision of the customers in the men's cosmetic market. In order to check the reliability of responses of the questionnaires conducted on 50 participants, Cronbach Alpha was used.

The data collected for the research through questionnaires was analyzed via descriptive statistics that consists of bar charts, tables and pie charts. The data of the questionnaires was first computed via Microsoft Excel where the data was coded and then shifted to SPSS where it was labeled to derive the tables and pie charts. For better modification, the tables were copied to excel and then the graphs and charts were derived.

Data Analysis, Findings, And Discussion

Table 1

Correlation among variables

		Age average	income	Models	Occupation	metrosexuals
Age average	Pearson Correlation	1	-.027	.186	.377**	.419**
	Sig. (2-tailed)		.854	.201	.008	.003
	N	49	49	49	49	49
Income	Pearson Correlation	-.027	1	-.053	.055	.137
	Sig. (2-tailed)	.854		.715	.709	.347
	N	49	49	49	49	49
Models	Pearson Correlation	.186	-.053	1	.322*	.344*
	Sig. (2-tailed)	.201	.715		.024	.016
	N	49	49	49	49	49
Occupation	Pearson Correlation	.377**	.055	.322*	1	.288*
	Sig. (2-tailed)	.008	.709	.024		.045
	N	49	49	49	49	49
Metrosexuals	Pearson Correlation	.419**	.137	.344*	.288*	1
	Sig. (2-tailed)	.003	.347	.016	.045	
	N	49	49	49	49	49

**. *Correlation is significant at the 0.01 level (2-tailed).*
*. *Correlation is significant at the 0.05 level (2-tailed).*

Correlation is a statistical technique which is used to identify the relationship or association between 2 variables. It does so by identifying the direction and magnitude of the relationship. The above table shows the Pearson correlation between different variables like age, occupation, income, models and metrosexuals. The hypotheses are:

H_1: There is a significant correlation between age related questions and income.
H_2: There is a significant correlation between age related questions and occupation.
H_3: Age averages and models have a significant correlation.
H_4: Age averages and metrosexuals has a significant correlation.

There is a negative weak correlation of -0.027 between the age related questions and income, which meant that there was a 2.7% correlation between the two variables; age groups and income. This meant that people who grow old tend to spend less income on men's cosmetics and vice versa. Furthermore, the sig value of 0.854 which is more than 0.05 shows that it was not significant so there was no significant correlation between income and age averages. Therefore, the hypothesis H_1 was rejected. The correlation between age and models was 0.186, this showed that there was an 18.6% correlation between the two variables. The correlation was weak, which meant that the older the customers, the less likely customers are to buy men's cosmetics advertised by models and celebrities. The sig value was 0.201 which was more than the required sig value 0.05. So the H_3 hypothesis was rejected. Furthermore, the correlation between occupations was 0.377, which meant that there was a 37.7% weak correlation between age and occupation. The sig value was 0.008 which shows that it was less than 0.05, therefore we failed to reject the hypothesis as the correlation was not significant. The correlation between the age groups and metrosexuals was 0.419; this showed a moderate correlation between the two variables. The sig value was 0.008 which showed that it was less than the benchmark, which was 0.05. This showed that there was the correlation was statistically significant so the hypothesis was accepted. In short, the hypothesis H_1 and H_3 were rejected and the hypothesis H_2 and H_4 were accepted.

There was a negative weak correlation of -0.053 between models and income which meant that people who have more income tend to buy less men's cosmetics targeted by models and celebrities rather than people with lower income. Lower income people use men's cosmetics that are advertised by using models and celebrities which are used to attract customers. Further, the sig value was 0.715, which was more than 0.05, showed that it was not significant and there was no significant correlation between income and models, so the hypothesis was rejected.

Table 2
Anova

		Sig.
Models	Between Groups	.037
Income	Between Groups	.103
Metrosexuals	Between Groups	.161
Occupation	Between Groups	.211
Age_average	Between Groups	.141

Anova was used to understand the similarity and difference between the means of more than two populations. The hypotheses were:

H_1: there is a significant relationship between groups of models.

H_2: there is a significant relationship between groups of income.

H_3: there is a significant relationship between groups of metrosexuals.

H_4: there is a significant relationship between groups of occupation.

H_5: there is a significant relationship between groups of age.

The sig value is 0.037, which was less than 0.05 showed that there was a positive relationship between age groups and models. Sig value showed the level of confidence which was used to check the significance. Moreover, income had a sig value of 0.103 which showed that it was greater than 0.05. The Anova value for metrosexuals is 0.161 which was also more than 0.05. The Anova value for occupation and age were 0.211 and 0.141 respectively. This showed that there was a negative relationship between age groups, occupations, income and metrosexuals, meaning that if one variable increased, the other variable decreased. Therefore we failed to reject the H_1 hypothesis and rejected the hypotheses H_2, H_3, H_4 and H_5.

Reliability Analysis

Table 3
Case Processing Summary

Cases	N	%
Valid	50	100.0
Excluded[a]	0	.0
Total	50	100.0

a. List wise deletion based on all variables in the procedure.

Cronbach Alpha is a statistical technique that is used to analyze the reliability of questionnaires. It was used to check the response consistency. The requirement of Cronbach Alpha should be more than 6. If it's less than 6 it is not reliable. The table above shows that the total number of respondents are 50, out of which all 100% cases were valid and 0 cases were excluded.

Table 4
Reliability Statistics

Cronbach's Alpha	N of Items
.608	10

This table shows the reliability statistics for 10 items is 0.608 which is a good score. The recommended value was of 0.6, meaning that data was generalizable. The Cronbach Alpha's value shows that the responses were reliable and it was accepted. Furthermore, the data used was authentic and reliable since there was consistency in results.

Conclusion

The topic of the report was to find out the factors which affect the customers buying decision in the men's cosmetic market. The research was conducted and the survey questionnaires were filled by 50 males. The following conclusions can be drawn from the research that most of the men reported that they believe that the factors such as age, income, occupation, metrosexuals and models play an important part in the customer's buying decision. The data was collected and analyzed with the help of SPSS software in which correlation, Anova, reliability analysis were tested. The hypothesis for models was confirmed with the help of Anova which stated that models do have an influence on customers which increases their buying of men's cosmetics.

This Anova value of 0.037 meant that it was less than the requisite of 0.05. Furthermore, the research indicated that occupation and the influence of metrosexuals plays an important part in the purchasing decision of men. The correlation of metrosexuals and occupation with age averages shows that it is statistically significant and accepts the hypothesis.

The findings indicate that there is an emergence of men buying men's cosmetics. The idea that only women use cosmetics no longer exists. Many companies have launched products with a wide variety for men as there is a demand of men's cosmetics in the market. Also it was found that the younger the people the more men uses cosmetics and vice versa. People with higher income tend to use more expensive products as compare to people with low income.

It was also found that not all factors affect the customer's buying decision such as models and celebrities. The correlation between ages' related questions and models show a weak correlation. Moreover the sig value is also more than the standard that is 0.05 so it also means that the relationship between the two variables is statistically insignificant.

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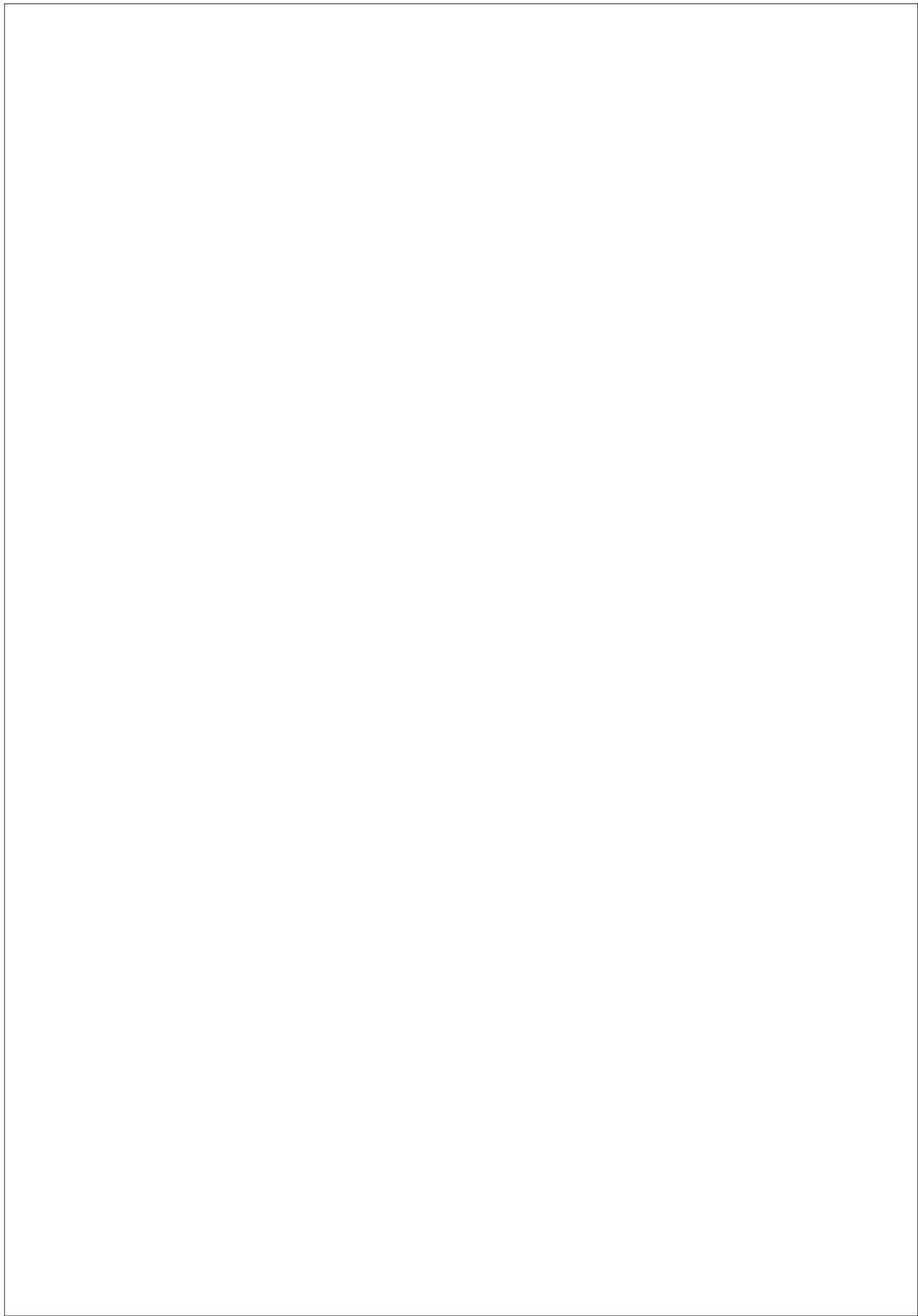
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