Abstract:

The study empirically examines the impact of family and non- family based structure on firm's performance while controlling the effect of other firm specific characteristics (firm size, leverage, and firm's growth in terms of sale). Twelve years data i.e. 2002 to 2013 of 140 non-financial firms, listed at Karachi Stock Exchange, has been collected through financial statements, websites of those companies and through the website of Karachi Stock Exchange and explored by using latest panel estimation techniques. Main objectives of this study are to examine the performance of family and non-family firms. The results show that family firms have significant but positive impact on performance of the firms while non-family firms have significant but negative impact on performance of the firms.

Key words:

Family and non-family firms, Performance, Textile Sector, Random Effect Model with Robust and GLS Model