

# HAILEY RESEARCH WEEK

November 14-16, 2023

Proceedings

ISSN: 2709-8923

3<sup>rd</sup> International Conference on Business & Commerce – ICBC 2023

2<sup>nd</sup> International Conference on Religion in Business – ICRB 2023



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### ACTIVITIES & LEARNING OPPORTUNITIES



#### 3<sup>rd</sup> International Conference on Business & Commerce (ICBC)

(Navigating the Future of Business: Opportunities and Challenges in a Rapidly Changing World)  
(November 14-15)



#### 2<sup>nd</sup> International Conference on Religion in Business (ICRB)

(Balancing Profit and Purpose: Intersection of Religion and Business Activities)  
(November 15-16)



#### 3MT (3 Minute Thesis Competition) One Slide, Three Minutes

#### Trainings Session

- SMART PLS 4.0
- Case Study Writing
- Data Analysis with R
- Generative AI
- NVivo
- Bibliometric Analysis

#### Seminars:

- Meet the Editor
- How to Search & Grab Research Funding
- Religious Values & Contemporary Business Practices

#### Partners:



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#### HAILEY COLLEGE OF COMMERCE

Quaid-e-Azam Campus, University of the Punjab,  
Lahore, Pakistan

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## WELCOME MESSAGE FROM THE CONFERENCE CHAIR

Honorable Vice-Chancellor, Fraternity from Academia; Partners from Industry, Presenters; Participants; Research Scholars and Students.

### Principal Message:

Dear esteemed faculty members, researchers, scholars, and participants, It is with great pleasure and enthusiasm that I extend my warmest welcome to all of you to the Hailey Research Week 2023 at Hailey College of Commerce, University of the Punjab, Lahore. This week-long event is a testament to our commitment to fostering a culture of research, innovation, and academic excellence. I am delighted to announce that this year's Hailey Research Week will feature several significant events, including the 3<sup>rd</sup> International Conference on Business and Commerce, the 2<sup>nd</sup> International Conference on Religion in Business, the 3MT Competition, and a seminar and training sessions aimed at enhancing knowledge and skills. The 3<sup>rd</sup> International Conference on Business and Commerce will bring together leading scholars, practitioners, and researchers from around the world to share their insights and contribute to the discourse on contemporary issues in the field. It is an excellent opportunity for networking and collaboration. The 2<sup>nd</sup> International Conference on Religion in Business is a unique platform where academics and practitioners will explore the intersection of religious values and business practices. This conference aims to promote a better understanding of how spirituality and ethics can play a role in shaping responsible and sustainable business practices. The 3MT Competition, known as the Three-Minute Thesis Competition, is an exciting event where our research students will showcase their research in a concise and engaging manner. This competition highlights the importance of effective communication in presenting complex ideas to a wider audience. Additionally, the seminar and training sessions will provide valuable insights and skills to both seasoned researchers and those new to the world of academia. It is an opportunity to learn from experts in the field and stay abreast of the latest developments. I encourage all participants to actively engage in the events, exchange ideas, and contribute to the intellectual vibrancy of our academic community. The success of Hailey Research Week is a collective effort, and your presence and participation are invaluable. I would like to express my gratitude to the organizing committee, sponsors, and everyone involved in making this event possible. Let us make Hailey Research Week 2023 a memorable and intellectually enriching experience. Thank you, and I look forward to a week filled with insightful discussions, collaborative partnerships, and groundbreaking research."



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## KEY NOTE SPEAKERS

Prof. Dr. Khalid Mehmood, Vice Chancellor [University of the Punjab](#).

Prof. Dr. Mubbsher Munawar Khan, Dean Faculty of Commerce, University of the Punjab.

Dr. Mohamed Moustafa Mahmoud, CEO and Founder of Madinah Institute of Leadership and Entrepreneurship (MILE) in Madinah, Saudi Arabia.

Mr. Kashif Anwar, President [Lahore Chamber of Commerce & Industry](#).

Prof. Dr. Hafiz Zafar Ahmad, Principal [Hailey College of Commerce](#).

Prof. Dr. Rabia Rauf, Dean Faculty of Management Sciences, [University Of Lahore](#)

Mr. Shakeel Gillani, Anchor PTV and [Radio Pakistan](#).

Prof. Dr. Zulfqar Ahmad, Former Dean & Principal HCC.

Dr. Ishfaq Ahmad Janjua, Director General [PUJC Official- University of the Punjab, Jhelum Campus](#).

Prof. Dr. Muhammad Abdullah, Director [Sheikh Zayed Islamic Centre](#).





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## ORGANIZING COMMITTEE

**Prof. Dr. Khalid Mahmood**

**Patron in Chief**

**Prof. Dr. Mubbsher Munawar Khan**

**Patron**

**Prof. Dr. Hafiz Zafar Ahmad**

**Conference Chair**

**Dr. Sheikh Usman Yousaf**

**Conference Secretary**

**Dr. Waqas Farooq**

**Conference Co-Secretary**

**Dr. Muhammad Zeeshan Shaukat**

**Conference Co-Secretary**

**Mr. Hafiz Fawad Ali**

**Conference Co-Secretary**

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## CONFERENCE VOLUNTEERS

### Correspondence Team

1. Ms. Shamikh Emaan

2. Ms. Arooba Sumair

### Volunteers

1. Ahmad Saeed
2. Isna Khan
3. Ali Muzaffar
4. Muhammad Rohan
5. Lubna Naz
6. Waleed Sarwar
7. Ayesha Rasheed
8. Mariam Rasheed
9. Yusra Matloob
10. Kinza Nadeem
11. Muhammad Hassan Shakir
12. Sakina Zahra
13. Wajeeha Mustafa
14. Nabeeha Faisal
15. Bilal Nasir
16. Warshia
17. Arshmah Ghauri
18. Muhammad Faraz
19. Naveed Javed
20. Taha Shahid
21. Muhammad Muzammil
22. Seerat Fatima
23. Talha Ramzan
24. Minahil Fatima
25. Muhammad ur Rehman
26. Mohammad Jahangir
27. Muhammad Junaid
28. Hafiz Alwaz Ahmad
29. Muhammad Zohaib
30. Muhammad Hamza Nawaz
31. Farhan Ashiq
32. Shoaib Pervez



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33. Waheed Zulfiqar
34. Muhammad Usman
35. Ahsan Riaz
36. Ashir Naveed
37. Ali Usman
38. Hassan Raza
39. Hafiz Muhammad Abdullah
40. Minahil Fayyaz
41. Noor-ul-Sahar
42. Sehrish Sikandar
43. Maham Imtiaz
44. Laiba Noor
45. Aiman Tayyab
46. Javeria Akram
47. Maryam Munawar
48. Maryam Raheem
49. Kaynat Khan
50. Rutaba Mateen
51. Abdul Muneeb Wajid
52. Yusra Fahim
53. Numan Salah ud Din
54. Muhammad Abdullah
55. Ibrahim
56. Saad Imran
57. Maimoona Liaqat
58. Ayesha Mubarak
59. Ahsan Saleem
60. Danish Naveed
61. Ali Hussain
62. Amna Bibi
63. Zainab Ramzan
64. Muhammad Awais Rao
65. Ofaz Yousaf
66. Ammar Haider
67. Saif Ali
68. Ali Laal
69. Ahtisham Shakeel
70. Abaidullah
71. Muhammad Arslan
72. Abdul Manan



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73. Muhammad Rohan Bashir

74. Faizan Hashmi

75. Abdullah Tariq

76. Zoha Farooq

77. Umme Hani

78. Huma Malik

79. Amna Sabir

80. Raina Rauf





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## CONFERENCE PROGRAM

### INAUGURATION CEREMONY

- |  |          |
|--|----------|
| 1. Guests to be Seated                           | 09:50 AM |
| 2. Arrival of Chief Guest                        | 09:55 AM |
| 3. Welcome Remarks                               | 10:00 AM |
| 4. National Anthem                               | 10:05 AM |
| 5. Recitation of Holy Quran                      | 10:10 AM |
| 6. Hymn in Praise of the Prophet Muhammad (PBUH) | 10:20 AM |



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# **Session I**

## **Day Tuesday**

## **Date 14 November**

## **2023**

## **Time 2:00 PM – 3:30**

## **PM**

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<b>Date, Day</b>	<b>14 Nov 23, Tuesday</b>
<b>Time</b>	<b>2:00pm - 3:30pm</b>
<b>Room #</b>	<b>Anis Block 105</b>
<b>Track</b>	<b>Finance</b>
<b>Session Chairs</b>	<b>Dr Muhamamd Akram</b>
<b>Presenter</b>	<b>Paper Title</b>
Saba Iqbal	Adoption Of Sustainable Development Goals And Financial Performance Of Bank
Zahid Bashir	Investor's priority towards the sustainable environment: Evidence from Pakistan.
Unbreen Arif	Volatility forecasting of Bitcoin Prices: A Machine Learning Approach
Muhammad	Effect of mental budgeting on financial well-being and financial behavior of individuals: moderating role of self –control
Ussama Majeed	Green Finance Initiatives and Their Potential to Drive Sustainable Development
Nouman Nasir	Effect of Biases on Investment Decisions of Real Estate Investors in Pakistan with moderating effect of Financial Literacy

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## ADOPTION OF SUSTAINABLE DEVELOPMENT GOALS AND FINANCIAL PERFORMANCE OF BANK

Saba Iqbal, Safia Nosheen  
University of Management and Technology

### ABSTRACT:

Banks cannot sustain for long term if the sustainability practices are not incorporated. The objective of this paper is to find out the impact of adoption of sustainable development goals (SDGs) on the financial performance of banks. The major hypothesis is that adoption of SDGs by banks increases their financial performance. For measuring the SDGs, this paper utilizes an ESE index which includes 21 indicators. Regression analysis and GMM technique has been used to analyze the impact of SDGs adoption on the performance of banks. A separate analysis of economic, social and environmental indicators has also been done. The results show that adoption of SDGs has positive and significant impact on the financial performance of banks. This analysis has following important contributions. First, it gives an insight to the banks that adoption of SDGs is important for increasing the profits in the long run. Second it signals that bank should concentrate on economic, social and environmental performance also. This study has novelty in designing the ESE index on the basis of 21 indicators of SDG's set by UN's statistical division.

**Keywords:** Sustainability, financial performance, bank.

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## INVESTOR'S PRIORITY TOWARDS THE SUSTAINABLE ENVIRONMENT: EVIDENCE FROM PAKISTAN.

Zahid Bashir, Dr. Sabeeh Iqbal, and Dr. Muhammad Aamir  
Hailey College of Commerce, University of Punjab, Lahore.

### ABSTRACT

The study aims to identify the preferred factors among the economic, social, and governance (ESG) that influences the Pakistani retail investor's decision. The researchers collected the required set of responses in the form of self-administrative comparison questionnaires from a sample of 512 individual investors of Pakistan stock exchange (PSX). For testing the hypothesis of the study, the researcher applied a fuzzy analytic hierarchy process (AHP). The findings indicated that the environmental criterion is the most important dimension that an individual investor in Pakistan considers for making an investment in a company. However, the investors prioritize governance on the second, and social on the third as per fuzzy AHP estimations. The findings of the study enhance the theory of responsible investment by including the ESG dimensions influencing the individual investor's decision in Pakistan. It has practical implications for individual investors, investment/financial advisors, companies, regulatory authorities, stock brokers, investment firms, and society. The study contributes towards the extension of a theory of socially responsible investment. Additionally, it fills a research gap in the domain of ESG dimensions as a priority for making investment decisions for individual investors from Pakistan. The findings of the study are applicable and generalizable to the financial equity market of Pakistan for individual investors only. Future research may consider the ESG priority by institutional investors.

**Keywords:** ESG, Sustainability, Investor's investment decision, socially responsible investment, Fuzzy AHP, PSX



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## **VOLATILITY FORECASTING OF BITCOIN PRICES: A MACHINE LEARNING APPROACH**

Dr. Unbreen Arif  
University of Education Lower Mall Campus, Lahore.

### **ABSTRACT**

In past few years the digital currencies have gained significant attention worldwide. To get optimal returns and to predict price volatility of bitcoin has captured attention of investors, analysts and financial experts due to its largest market capitalization in cryptocurrencies. The presence of extreme events, asymmetry of information and nonlinear properties of the time series data make it challenging task to analyze and predict behavior of cryptocurrencies. The current study is an attempt to empirically investigate the risk and return characteristics of Bitcoin with the use of machine learning approach LSTM. The closing price data from 2012 to June 2023 of bitcoin was utilized to forecast volatility using python library and to implement machine learning model LSTM. The performance of the ML model is evaluated with root mean squared error (RMSE), and Mean squared error (MSE). The findings of the study are useful for the investors, financial institutions and fund managers to establish volatility strategies to adopt new business models.

**Key Words:** Cryptocurrency, bitcoin, volatility forecasting, Machine learning algorithms, LSTM.

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## **EFFECT OF MENTAL BUDGETING ON FINANCIAL WELL-BEING AND FINANCIAL BEHAVIOR OF INDIVIDUALS: MODERATING ROLE OF SELF – CONTROL**

Muhammad Ussama Majeed  
National University of modern Languages (NUML)

### **ABSTRACT:**

Humans are not rational agents, contrary to what proponents of behavioural finance asserted. On this assumption, the current study is being conducted to evaluate the impact of mental budgeting on spending habits and financial well-being. The current study uses a large sample to examine the association between mental budgeting, financial health, and financial planning behaviour, with self-control functioning as a moderator. Mental budgeting is found to be strongly and positively connected to money management behaviour, as predicted. However, there is no evidence of a link between mental budgeting and financial well-being. The moderating influence of self-control in financial management behaviour and financial well-being is revealed by regression analysis to be substantial but negative. The study also suggests that individual decision-makers use more rigorous budgeting methods rather than simply keeping mental records of savings, investments, and expenditures.

**Keywords:** Mental Budgeting, Financial Well-Being, financial management behavior, Self-Control.

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## **GREEN FINANCE INITIATIVES AND THEIR POTENTIAL TO DRIVE SUSTAINABLE DEVELOPMENT**

Nouman Nasir  
Al-Qadir University Project Trust

### **ABSTRACT:**

This book chapter examines the role of green finance initiatives in driving sustainable development. It provides an overview of green finance principles, exploring its evolving nature and global recognition. The chapter explores the relationship between green finance initiatives and sustainable development, showcasing their contribution to economic growth while minimizing environmental impacts. It discusses various financial instruments such as green bonds, green loans, and impact investing, and their role in supporting sustainable projects across sectors like renewable energy, sustainable infrastructure, and circular economy practices. Furthermore, this chapter addresses challenges and opportunities associated with implementing green finance initiatives, including limited awareness, regulatory constraints, and capacity building. It provides potential solutions and strategies to overcome these challenges through stakeholder collaboration, policy reforms, and innovative financial mechanisms. Case studies and best practices from different regions and countries are presented to illustrate successful green finance initiatives, highlighting their transformative power in integrating environmental considerations into financial decision-making processes. The chapter argues for the importance of aligning financial systems with environmental goals and emphasizes the potential of green finance initiatives to drive sustainable development. It advocates for the mainstreaming of green finance practices globally to create a more sustainable and resilient future. This chapter serves as a valuable resource for researchers, policymakers, financial professionals, and other stakeholders interested in advancing sustainable finance practices and achieving a greener and more sustainable world.

**Keywords:** Green finance, Sustainable development, Financial instruments, and Green bonds.

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## **EFFECT OF BIASES ON INVESTMENT DECISIONS OF REAL ESTATE INVESTORS IN PAKISTAN WITH MODERATING EFFECT OF FINANCIAL LITERACY**

Muhammad Hussnain Miran, Saeed Ahmad Sabir, Shrafat Ali Sair, Muhammad Sabeeh Iqbal

Hailey College of Commerce, University of the Punjab

### **ABSTRACT**

Investors need to make rational investment decisions, which is the most important task. The way investors behave when investing is critical to how their investments perform. Usually, investors struggle to gather the right information, which can cause them to have biases and commit errors. This can lead to bad investment decisions and potentially cause their investments to fail. This research aims to examine the impact of heuristics biases and prospect biases on the real estate investment decision-making of local individual real estate investors in Pakistan. The study analyzes how these biases influence the investing choices from the local sole investing community in property area and aim to enhance the limited research towards Pakistan. Additionally, the literature explores moderating role of financial literacy on these biases. Convenient sampling was applied to collect the data. The questionnaire was used to collect the data from 277 respondents. SPSS and PLS (SEM) statistical software employed to measure analysis. The outcomes indicate that availability heuristic bias and emotional heuristic bias substantially affect real estate investment decision-making in Pakistan. Regret Aversion prospect bias also significantly affects decision-making, while mental accounting prospect bias does not. Furthermore, financial literacy plays a significant role in moderating the influence of these biases on investment decisions except regret aversion prospect bias. The research recommends that investors should be aware of these biases to improve their investment strategies. Moreover, Investors are supposed to enhance their Finance Literacy that highlights the importance of understanding in making rational decisions. The study contributes to the existing knowledge of real estate investment in Pakistan and enriches understanding of the impact of heuristic and prospect theory biases in property investment deliberation in an emerging economy.

**Keywords:** Real Estate Investment Decision Making, Heuristic Biases, Prospect Biases, Financial Literacy, Behavioral Biases.

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<b>Time</b>	<b>2:00pm - 3:30pm</b>
<b>Room #</b>	<b>Anis Block 106</b>
<b>Track</b>	<b>Organizational Behavior</b>
<b>Session Chairs</b>	<b>Dr Khurram Shahzad and Dr Faisal Qadeer</b>
<b>Presenter</b>	<b>Paper Title</b>
Hina Shahid	Steering Business In A Dynamic World: Unraveling Evil Of Dark Triad Personality And Knowledge Hiding.
Qirat Khalid	Inclusive Leadership, Servant Leadership and Project Success: The Role of Psychological Ownership and Innovative Work Behaviour
Muqaddas Naz	Examining the Impact of Paradoxical Leadership on Employee Creativity Through Mediating Role of Employee Adaptiveness and Knowledge Management
Mehwish Tariq	Pink Leave: Unveiling the Paradox of Menstrual Leave in Pakistan's Workplace Setting
Malja Amir	Fear of Missing Out: Investigating the Role of Person-Organization Fit in the Compulsory Citizenship Behavior, Work-Life Balance and Job Satisfaction for IT Professionals



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## STEERING BUSINESS IN A DYNAMIC WORLD: UNRAVELING EVIL OF DARK TRIAD PERSONALITY AND KNOWLEDGE HIDING.

Hina Shahid  
National University of Modern Languages (NUML)

### ABSTRACT

Effective knowledge management (KM) systems are essential for organizational success and competitiveness. They rely on employees actively sharing knowledge. However, when employees hide knowledge, organizations suffer losses as valuable information is withheld. The study's aims are two-fold. Firstly, the study investigates how dark personality traits (DT) influence knowledge hiding behavior (KHB) by explicitly examining the process mechanism of team-member exchange (TMX). Secondly, it examines the role of collectivist culture as a critical boundary condition between TMX and KH. 400 questionnaires were collected from the software houses in Pakistan. Through a self-administered questionnaire employing a cross-sectional time-lagged frame, data was collected from employees using convenience sampling. The study presents empirical findings regarding the three dark personality traits: Machiavellianism, narcissism, and psychopathy, which have a positive relation with KH. It also reveals that team member exchange (TMX) acts as a mediator, transforming this positive relationship into a negative one. Furthermore, the impact of TMX on KH is influenced by the level of collectivist culture, with a stronger negative relationship observed in highly collectivist contexts. This research brings originality by uncovering the hidden dynamics of how dark personality traits affect knowledge hiding through team-member exchange, offering practical insights for organizations to mitigate this behavior. Furthermore, its examination of collectivist culture as a boundary condition adds a valuable dimension to understanding cultural influences on knowledge sharing dynamics.

**Keywords:** Dark Triad Personality traits, Team member exchange, Knowledge hiding, Collectivist Culture, Social exchange theory.

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## **INCLUSIVE LEADERSHIP, SERVANT LEADERSHIP AND PROJECT SUCCESS: THE ROLE OF PSYCHOLOGICAL OWNERSHIP AND INNOVATIVE WORK BEHAVIOUR**

Qurat-ul-ain  
Air University

### **ABSTRACT**

The present study investigates the impact of servant and inclusive leadership on project success through the serial mediating link of psychological ownership and innovative work behavior in the project-based organization within the IT sector. Data was collected from 305 respondents who were working in the IT sector of Rawalpindi/Islamabad. The findings show that servant and inclusive leadership are positively associated with project success. Furthermore, it indicates that psychological ownership and innovative work behavior serially mediate the relationship between servant, inclusive leadership, and project success. The findings of this study may be applicable to the team members working in the IT sector of Rawalpindi/ Islamabad who indulge in innovative work behavior to produce effective results. Keeping in view social cognitive theory, the present study aims to investigate the relationship of servant and inclusive leadership correspondingly with project success through serial mediation of psychological ownership and innovative work behavior. Furthermore, this study suggested that between servant and inclusive leadership which leadership style is more suitable for the organization to increase the chances of the project being successful.

**Keywords:** Leadership, ownership, work behavior.

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## **EXAMINING THE IMPACT OF PARADOXICAL LEADERSHIP ON EMPLOYEE CREATIVITY THROUGH MEDIATING ROLE OF EMPLOYEE ADAPTIVENESS AND KNOWLEDGE MANAGEMENT**

Muqaddas Naz, Dr. Fouzia Hadi Ali  
Hailey College of Commerce, University of the Punjab

### **ABSTRACT:**

The present study aims to explore the mediating roles played by employee adaptability and knowledge management in the relationship between paradoxical leadership and employee creativity in the banking sector of Pakistan. To analyze the relationship between constructs, a survey was conducted with 610 employees working in the Banking sector of Pakistan. Survey questionnaires were adopted and confirmatory factor analysis was performed. Parallel mediation analysis was performed with the help of the Structural Equational Modelling technique through AMOS. The present study found that paradoxical leadership is significantly associated with employee creativity, employee adaptiveness, and knowledge management. It also found that employee adaptability and employee knowledge management mediate the relationship between paradoxical leadership and employee creativity in the banking sector of Pakistan. The present study was conducted in the banking sector of Pakistan and data was collected from the top five commercial sector banks. Future researchers should include all categories of banks such as Islamic, conventional, public sector, microfinance, and specialized banks to generalizability of findings. Data was collected through a cross-sectional technique and it is recommended to collect data longitudinal to improve the findings. The present study is highly beneficial for top management of the banking sector to formulate strategies for the effective enhancement of leader-subordinate relationships that can foster employee creativity. The present study offers unique insights into the dynamics of knowledge management and employee adaptability between paradoxical leadership and employee creativity by providing valuable recommendations.

**Keywords:** Paradoxical leadership, Knowledge management, Employee adaptiveness, Employee Creativity.

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## **PINK LEAVE: UNVEILING THE PARADOX OF MENSTRUAL LEAVE IN PAKISTAN'S WORKPLACE SETTING**

Mehwish Tariq  
Institute of Administrative Sciences, University of the Punjab

### **ABSTARCT**

This research explored the perceptions and beliefs, benefits and barriers, and recommendations on menstrual leave policies in Pakistan's workplace settings. The data was obtained through 15 semi-structured interviews from interviewing IT professionals and teachers working in colleges and universities. Thematic analysis was employed to analyze the data. The findings indicated a clear difference of opinions of men and women workers on menstrual leave, likely due to differences in personal experiences as women go through menstruation but men don't. Some participants were unaware of the concept of menstrual leave altogether, often confusing it with illness, and generally regarded it as a problem rather than a natural process. Introducing the menstrual leave policy in the Pakistani workplace setting showed different challenges, most prominently stemming from expected modesty and secrecy surrounding the topic in alignment with societal norms. While some interviewees believed opting for menstrual leave should be a personal choice, others saw it as beneficial for women's health and productivity in a progressive workplace culture. Overall, raising awareness and education from the grassroots level were the key essentials for a successful implementation of the menstrual leave policy in the Pakistani workplace.

**Keywords:** menstrual leave, menstrual leave policy, Pakistan.



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## **FEAR OF MISSING OUT: INVESTIGATING THE ROLE OF PERSON-ORGANIZATION FIT IN THE COMPULSORY CITIZENSHIP BEHAVIOR, WORK-LIFE BALANCE AND JOB SATISFACTION FOR IT PROFESSIONALS**

Malja Amir, Mehwish Tariq, Shanzay Tahir  
Institute of Administrative Sciences, University of the Punjab

### **ABSTRACT**

This mixed-method study aimed to explore the performance management system among IT professionals in Pakistan. Employing exploratory sequential design, the study used qualitative and quantitative data collection and analysis method. The study used surveys and interviews to gather data from 136 IT professionals. The study employed thematic analysis to construct a theory and identify variables, including Compulsory Citizenship Behavior (CCB), Person-Organization Fit (POF), Job Satisfaction (JS), and Work-Life Balance (WLB). The quantitative aspect of this study encompassed regression and correlation analysis on the collected data. The results demonstrated a significant positive correlation between Person-Organization Fit (POF) and both Job Satisfaction (JS) and Work-Life Balance (WLB). Moreover, the study identified Compulsory Citizenship Behavior (CCB) and POF as influential predictors of Work-Life Balance (WLB), while Job Satisfaction (JS) did not exhibit significant predictive power. In conclusion, organizations should focus on providing a work environment that promotes POF, as it is a significant predictor of both JS and WLB among IT professionals in Pakistan. Moreover, CCB is also a significant predictor of WLB, highlighting the importance of citizenship behavior in the workplace.

**Keywords:** Citizenship behavior, work-life balance, job satisfaction, IT.

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<b>Date, Day</b>	<b>14 Nov 23, Tuesday</b>
<b>Time</b>	<b>2:00pm - 3:30pm</b>
<b>Room #</b>	<b>Anis Block 203</b>
<b>Track</b>	<b>Business Strategy</b>
<b>Session Chairs</b>	<b>Dr Muhammad Athar Siddiqui and Dr Bushra Usman</b>
<b>Presenter</b>	<b>Paper Title</b>
Nabeela Arshad, Saqib Rehman and Adeel Nasir	The Moderated Impact of Religiosity on Sustainability Drivers: An Empirical Evidence to be Innovative in Green.
Asim Iftikhar	Tech Evolution: Unleashing Business Potential
Usman Amir	Uncovering Opportunities: Market Analysis for Business Development
Aribah Saleem	Students And Faculty Continuous Intention To Use Gamification In Pakistan: Using Technology Acceptance Model
Muhammad Gulraiz	Internal-CSR: An Enabler for Fostering Innovation and Competitive Success in a Dynamic Environment

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## **THE MODERATED IMPACT OF RELIGIOSITY ON SUSTAINABILITY DRIVERS: AN EMPIRICAL EVIDENCE TO BE INNOVATIVE IN GREEN**

Saqib Rehman, Adeel Nasir, Nabeela Arshad  
Lahore College for Women University, Pakistan

### **ABSTRACT**

People have a special affiliation and connection to their respective religions. If their religiosity adds to their regular mode of working then an individual ties with their organization with a stronger bond. Therefore, the purpose of this paper is to analyze the relationship between the drivers of sustainability and green innovation. Further, the proposed direct relations are tested under the moderating impact of religiosity. A self-administered questionnaire has been made and distributed via “Google Form” to manufacturing sectors of Pakistan. A convenient sampling technique has been adopted to compile the data set of 350 respondents. Sample size has been determined by the item response theory where 35 items of latent variables are multiplied by 10. ( $35 \times 10 = 350$ ) The partial least method is used to test the stated hypotheses. The findings of the study revealed that the drivers of sustainability lead firms to green innovation. The dimensions of sustainability i.e., environmental sustainability, social sustainability, institutional sustainability, and economic sustainability are found significantly positive and exert a direct impact on green innovation. Later, all the direct relations are tested under the moderating impact of religiosity. It is found that religiosity strengthens the direct relations between sustainability drivers and green innovation. Religion is the fundamental and general recognition of the people. In the last few decades, green innovation has getting most of the interest of researchers, academicians and practitioners. Priorly, a large number of studies are available that cater to environmental, social and institutional pressures on manufacturing firms and emphasize environment friendly operating activities. As per the authors’ best knowledge, no research has been conducted on such a type of conceptual amalgamation of green innovation. The current study is going to examine the role of religiosity in the execution of sustainable activities. Subsequently, firms may opt and follow practices of standards of green as Islamic teachings guided us. As per the findings of the study, green innovation is driven by environmental, social, institutional and economic pressures. Firms are making their efforts to attain sustainability in these dimensions. Religiosity adds a significant element to the study. Firms holding the apprehensive commitment of towards religiosity, are getting higher benefits from green innovation. Therefore, firms have to boost their work efficiency and enable themselves to achieve a higher standard of green innovation. The research furthers religiosity along with environmental, social, institutional and economic sustainability. Firms having the element of religiosity can best practice the standards of green and may reduce their per

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unit cost, make higher profits, or may grab more market share. Further, the teachings of Islam are universal, modern and available at all levels. Grabbing and practices of the teachings of Islam allow the firms to be innovative in green with its full letter and spirit. Further, the study grouped dimensions of sustainability that drive the firms to be innovative in green. These grouped dimensions can be considered as global sustainability measures while practicing the standards of green.

**Keywords:** Environment Sustainability, Social Sustainability, Institutional Sustainability, Economic, Religiosity, Green Innovation, Partial Least Square, Manufacturing Sector.



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## TECH EVOLUTION: UNLEASHING BUSINESS POTENTIAL

Asim Iftikhar, Khadija Ahmad, Mian Noor Ahmad Bhatti, Mian Abdur Rehman, Muhammad Abdul Rehman

Forman Christian College University (A Chartered University)

### ABSTRACT

This qualitative study investigates how technological innovation affects small- and medium-sized firms' strategic management decision-making (SME's). The study uses an interpretive phenomenological methodology and conducts in-depth interviews with a sample of SME owners and managers (Baking Arena, Cross Hair, MAA Group, Meezan Bank, Ogilvy, Rebrand, Sports Co., &Spot On) who have knowledge of technological innovation to gather data. According to the study's findings, technological innovation is now a key driver of corporate growth and competitiveness in SMEs. Technology has changed how these businesses compete and operate, opening up new opportunities and posing new difficulties for strategic management decision-making. The study emphasizes how critical it is to comprehend how technological innovation affects decision-making, particularly how it affects the identification and assessment of strategic choices, the distribution of resources, and the tracking and evaluation of performance. Based on the Tech novation theory, this study asserts empirical phenomenon. Both academics and practitioners in the field of technological innovation want to have a greater influence on innovation practice. The survey also highlights the main elements that help or hamper SMEs' adoption of new technology. These include the availability of resources and knowledge, company culture, risk tolerance, and outside variables including market dynamics and regulatory frameworks. The study's overall findings illustrate the intricate relationship between technological innovation and strategic management choices made by SME's. It offers knowledge on how SMEs may manage technological innovation efficiently to boost their competitiveness and achieve sustainable growth. This study also emphasizes the necessity for policymakers and assistance groups to create specialized strategies and programs that aid SMEs in harnessing technological innovation to guide their strategic management decision-making.

**Keywords:** Technology, innovation, decision making, strategic management, technological Innovation.



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## UNCOVERING OPPORTUNITIES: MARKET ANALYSIS FOR BUSINESS DEVELOPMENT

Muhammad Zeeshan Dar, Maneeha Qasim, Umer Elahi, Usman Amir, Ali Adil, Sameer Shahid, Sharoon Wishal

### ABSTRACT

In this modern era, drastically evolving trends and consumer preferences present a major obstacle for the businesses to compete and survive in the industry. Therefore, a close observation of the market's needs gives rise to the necessity of a set of strategies worthy of trust and success boosting potential. One of these tactics is, 'business development,' which involves identification of new opportunities for growth and expansion, entrance and extension into new markets, as well as establishment and maintenance of relationships with all the key stakeholders. This paper investigates the cause and effect relationship between market research, consumer preferences and the role of business development in yielding a substantial extent of long-term value for different kinds of organizations. This directly implies that tailored development approaches guarantee entrepreneurial success and growth. This paper also dives into the role of market research in the progress of micro, small and medium-sized enterprises (MSMEs). The pace of development drawn in by market research has caused a strong positive impact in terms of increased sales and business development in the industry. Consequently, entrepreneurial ventures have achieved enhanced competitiveness and remarkable market expansions, effectively reaching new customer bases and fostering enduring customer relationships and alliances. The findings of this paper have shown that the generation of consumer insights have improved the efficiency of business development strategies because they are better tailored to fit the needs of businesses. Additionally, the scope of this research has indicated that the use of market and consumer research in generating entrepreneurial ideas and strategies follows a cyclical flow. The crux of increased business profitability lies in a comprehensive understanding of market and consumer needs, which, when aligned with renewed business initiatives, paves the way for the success of business development strategies, ultimately furthering growth dynamics

**Key words:** Market research, consumer insights, business development, tailored approaches, profitability and competitiveness, long-term value.



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## STUDENTS AND FACULTY CONTINUOUS INTENTION TO USE GAMIFICATION IN PAKISTAN: USING TECHNOLOGY ACCEPTANCE MODEL

Aribah Saleem  
Iqra University Islamabad

### ABSTRACT

Although gamification is a known educational learning technique since a past decade, yet it became a better fitting strategy after COVID-19 in developing countries like Pakistan. The evolving higher educational requirements has converged the focus from traditional methods of learning to technology-enhanced learning such as gamification. The aim of this study is to examine the constructs that influence faculty and students' continuous intention to use gamification in Pakistan. A total of 763 valid responses were collected from different Pakistani Universities. Structural equation modeling (SEM) was employed to test the research hypotheses of the proposed theoretical framework. The research findings show that the task technology fit (TTF) exhibits no significant positive influence on students' perceived usefulness (PU) whereas task technology fit was observed to have a positive influence on students' perceived ease of use (PEU). Similarly, social influence (SI) exhibits positive influence on perceived usefulness however social influence is observed to have no positive influence on perceived ease of use. Consequently, social recognition (SR) illustrates positive relationship with students' perceived usefulness, perceived ease of use, and continuous intention (CI). Subsequently, students' perceived ease of use did not manifest any significant positive relationship with perceived usefulness. Whereas, both perceived ease of use and perceived usefulness positively influence students' attitude. Interestingly, the hedonic motivation (HM) and attitude were observed to have positive significant influence on students' continuous intention to use gamification in higher education. In summary, this research highlights the emerging use of gamification in Pakistani universities. The findings hold notable relevance for researchers, course designers, and academicians and will help them to construct a sustainable smart learning environment.

**Key words:** Gamification in Pakistan; higher education, technology acceptance model; hedonic motivation; task technology fit; social influence; social recognition.

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## **INTERNAL-CSR: AN ENABLER FOR FOSTERING INNOVATION AND COMPETITIVE SUCCESS IN A DYNAMIC ENVIRONMENT**

Muhammad Gulraiz , Dr. Rab Nawaz Lodhi  
Hailey College of Commerce, University of the Punjab

### **ABSTRACT**

Corporations are facing increasing pressure to conduct their activities in a way that is consistent with social responsibility. The significance of internal corporate social responsibility initiatives stems from its association with innovation and competitive success. Therefore, the aim of this research is to conduct an empirical examination of the impact of internal corporate social responsibility on promoting innovation and attaining competitive success in a dynamic corporate landscape. This study is quantitative in nature, with 265 IT companies executives/managers participating in the data collection process, and a simple random sampling technique being utilized. A questionnaire was used to obtain primary data. The results of structural equation modeling revealed that internal corporate social responsibility has positive impact on competitive success and innovation plays a partial mediating role between internal corporate social responsibility and competitive success. The study results also highlighted that environmental dynamism moderated the positive relationship between internal corporate social responsibility and innovation. This research emphasizes the strategic value of Internal-CSR in encouraging innovation and achieving competitive success for policy makers and practitioners. Corporations can benefit from incorporating Internal-CSR initiatives into their corporate strategy, supporting innovation as a means of remaining competitive in dynamic business landscapes. The findings scholarly contribute to the literature by shedding light on the effect of Internal-CSR on innovation and competitive success. It also highlights the significance of environmental dynamism as a moderating factor.

**Keywords:** Internal Corporate Social Responsibility, Innovation, Environmental Dynamism and Competitive Success.

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<b>Track</b>	<b>Economics</b>
<b>Session Chairs</b>	<b>Dr Sayyid Salman Rizavi and Dr. Mudassar Hussain</b>
<b>Presenter</b>	<b>Paper Title</b>
Zafar Iqbal	Sustainable Development Goals (Sdgs) Disclosure And Business Firms Performance
Nida Fatima	Strategic Responses to Pakistan Energy Crisis - Analyzing Product Quality and Operational Efficiency for Business Enhancement
Anshrah Sajid	Unveiling the Spatiotemporal Patterns of Climate Change in Punjab Pakistan, and Their Multifaceted Implications on Agriculture and Diverse Socioeconomic Spheres
Syeda Ayesha	Transforming Social Security in Pakistan: A Study on the Feasibility and Impacts of B2P Electronic Payroll and G2P Digital Welfare Initiatives
Muhammad Hasnain Ali	Impact Of Foreign Direct Investment On Pakistan Stock Exchange Through Moderation Of Dollar Exchange Rate
Misbah Khan	Market Interdependencies: Analysing the Ripple Effects of Exchange Rate and Oil Price Volatility on Stock Market

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## **SUSTAINABLE DEVELOPMENT GOALS (SDGS) DISCLOSURE AND BUSINESS FIRMS PERFORMANCE**

Zafar Iqbal, Dr. Muhammad Usman  
Hailey College of Commerce, University of the Punjab

### **ABSTRACT:**

This study examines the impact of sustainable development goals (SDGs) disclosure on financial performance (FP) and market value of Pakistani business firms. The population of this study is 498 business firms which are listed on Pakistan Stock Exchange (PSX) and sampling consists of 66 firms which disclose information on SDGs. By using the random effect regression analysis, the study finds a positive and significant impact of SDGs on Return on Assets (ROA), but it has no significant impact on Return on Equity (ROE) and Tobin's Q. The study also shows that age and size have no significant impact on business firm performance, while leverage has a significant negative relationship with ROA and a significant positive relationship with ROE. The study also highlights that only a small number of Pakistani business firms disclose information related to SDGs in their annual reports. Overall, the findings of this study have implications for various stakeholders such as shareholders, investors, managers, and policymakers (SECP), etc., as it provides valuable insights to them.

**Keywords:** Sustainable Development Goals, Financial Performance, Firm Market Value, Pakistani Firms, Corporate Social Responsibility, SDGs, ROA, ROE, Tobin's Q.

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## **STRATEGIC RESPONSES TO PAKISTAN’S ENERGY CRISIS - ANALYZING PRODUCT QUALITY AND OPERATIONAL EFFICIENCY FOR BUSINESS ENHANCEMENT**

Nida Fatima, Abubakar Khan, Muhammad Arham Imtiaz, Ahmed Rahim, Aleeza Islam  
Forman Christian College (A Chartered University)

### **ABSTRACT**

Pakistan faces a critical energy crisis characterized by persistent power shortages and a lack of resources to keep up with the country’s rising electricity consumption. In order to lessen the negative consequences of this crisis, this study explores strategic approaches within the business landscape with an emphasis on improving product quality and operational efficiency. The goal of the research is to pinpoint the practical approaches used by companies to overcome energy-related obstacles and continue operating while preserving product quality and maximizing operational effectiveness. By utilizing a qualitative research approach, this study conducts five in-depth interviews with key industry stakeholders in Pakistan, shedding light on the strategic responses adopted by various companies. The insights gained through these interviews provide valuable information for developing well-informed plans that enhance business growth during Pakistan’s energy crisis. Furthermore, the paper presents practical suggestions for both companies and governmental bodies to introduce proactive policies and long-term strategies crucial for driving business growth and enhancing the country’s overall economic stability. The findings show the significance of strategic measures and proactive planning in reducing the impacts of the energy crisis, fueling business resilience, and contributing to Pakistan’s sustainable economic development.

**Keywords:** Business Strategy, Sustainable Energy, Energy Solutions, Performance Enhancement, Cost Reduction Strategy.



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## UNVEILING THE SPATIOTEMPORAL PATTERNS OF CLIMATE CHANGE IN PUNJAB PAKISTAN, AND THEIR MULTIFACETED IMPLICATIONS ON AGRICULTURE AND DIVERSE SOCIOECONOMIC SPHERES

Anshara Sajid, Dr. Faiza Uzma, Dr. Mudassar Hussain Affiliation  
Kinnaird college for women, Nanjing University of Science and Technology

### ABSTRACT

Climate change has gained significant importance in recent decades due to its sudden and intense impacts on people, the environment, businesses and agriculture. The world is struggling with crucial issues like global warming, water shortage, droughts and frequent floods, all of which are worsening by rising temperatures and unpredictable weather patterns. Pakistan's historical agricultural data reveals a consistent decline in its agricultural potential, a trend with significant implications for the nation's economy. To investigate these trends, we collected monthly data on rainfall, minimum and maximum temperatures, and humidity from three key stations in Punjab, Pakistan, spanning from 1993 to 2022. The results highlighted the challenges faced by Rabi crops (November to April), such as wheat and barley, which experience extreme weather conditions in the form of excessive rainfall, rising humidity and increased temperatures during their winter growth stages, leading to reduced crop yields. Kharif crops (June to October), including rice, sugarcane, cotton and corn, facing increased humidity, excessive rainfall and increased temperatures during their growth stages, aligning with our theoretical framework. Notably, increased rainfall, humidity, and temperature were observed at major Punjab stations during the Kharif crop season. For instance, Multan saw a 6°C temperature increase and a 0.9 mm decrease in rainfall, while Lahore experienced a 0.25-1°C temperature decrease coupled with a 40 mm increase in rainfall. Faisalabad recorded a 2°C temperature increase along with an 11 mm increase in rainfall. In addition, Rabi crops saw a 3-31% increase in humidity. These findings underscore the significant weather pattern changes in Punjab, Pakistan, over the past three decades. Except agriculture, climate change has also brought various health issues, including increased rates of high blood pressure, heart diseases, smog causing eye infections, lung and respiratory disorders, particularly in Lahore compared to other Pakistani cities. The data generated through this research endeavor has the potential to provide valuable insights to guide and instruct key stakeholders, aiding in their preparedness and decision-making.

**Keywords:** Unveiling, climate, agriculture, socioeconomic.



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## **TRANSFORMING SOCIAL SECURITY IN PAKISTAN: A STUDY ON THE FEASIBILITY AND IMPACTS OF B2P ELECTRONIC PAYROLL AND G2P DIGITAL WELFARE INITIATIVES**

Syeda Ayesha, Shrafat Ali Sair  
Hailey College of Commerce, University of the Punjab

### **ABSTRACT**

This study proposal intends to examine the transformational potential of B2P Electronic Payroll and G2P Digital Welfare projects in Pakistan, with an emphasis on their effects on improving social security and reducing poverty. The study takes a positivist perspective and uses a quantitative research approach to gather and analyze data, drawing conclusions from pertinent literature. To gauge participants' impressions of digital efforts and their impact on social security, poverty, and financial inclusion, the major research method is a structured survey that includes closed-ended and Likert scale questions. The moderating impact of technology infrastructure and the mediating impact of financial literacy will also be investigated in this research. The study aims to provide useful evidence-based insights that might assist policymakers and stakeholders in developing comprehensive and inclusive digital welfare policies while acknowledging possible limitations such as sample bias and self-reported data. The ultimate goals of this research are to encourage financial inclusion, advance sustainable development, and enhance the well-being of Pakistani inhabitants.

**Keywords:** Social security, feasibility, payroll, digital, welfare.

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## IMPACT OF FOREIGN DIRECT INVESTMENT ON PAKISTAN STOCK EXCHANGE THROUGH MODERATION OF DOLLAR EXCHANGE RATE

Ayesha Ashraf, Dr. Ashfaq Ahmad, Muhammad Hasnain Ali  
University of Sahiwal, Hailey College of Commerce, University of the Punjab, Bahauddin  
Zakariya University

### ABSTRACT

One of the most significant aspects of the economy, is the stock exchange market, which gives investors a place to invest their money in the shares of various businesses. A sample of the Karachi Stock Exchange -100 index which is a part of Pakistan Stock Exchange is used in this study to assess the situational influence of the United States Dollar exchange rate and the effect of foreign direct investment on the Pakistan stock market. From July 2005 to March 2020, time-series data on a monthly basis was obtained from the Pakistan Stock Exchange and State Bank of Pakistan data portals. ADF unit root test is applied to check the stationarity level to perform the Johnson Cointegration test, which showed that cointegration exists in the selected model. The result of the Granger Causality test showed that foreign direct investment, inflation, interest rate, and balance of payment have a significant long-run relationship with the Karachi Stock Exchange -100 index, whereas the exchange rate is statistically insignificant, whereas foreign direct investment is insignificant in the short-run. When the moderation effect is added, the exchange rate is insignificant in the long-run but negative and has a short-run relationship with the Karachi Stock Exchange -100 index. Impulse response analysis showed that foreign direct investment, balance of payment, and dollar exchange rate have positive pulse responses to shock, whereas inflation and interest rates have negative impulse responses to shock. This study will be useful in helping policymakers develop their investment plans for higher stock market returns during market turbulence.

**Keywords:** KSE-100 Index, macro-economic variables, cointegration, granger causality, VECM, Moderation Effect, Pakistan.

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## MARKET INTERDEPENDENCIES: ANALYSING THE RIPPLE EFFECTS OF EXCHANGE RATE AND OIL PRICE VOLATILITY ON STOCK MARKET

Misbah Khan, Dr. Farah Naz  
Kinnaird College for Women

### ABSTRACT

The primary objective of this study is to investigate the impact of fluctuations in oil price and currency rate volatility on stock markets and their volatility, both directly and indirectly. This research employs the Tobit regression model to assess how oil and exchange rate volatility influence stock return volatility. Mediation effects are examined using the Baron and Kenny approach, while a Probit model regression is utilized to determine directional effects. The results reveal a statistically significant influence of both oil and exchange rate volatility on stock return volatility. However, there is no substantial impact observed on the dummy variable representing positive stock returns. This suggests that while oil and exchange rate volatility can affect overall stock return volatility, they may not necessarily sway the direction of stock market movements in terms of positive returns. One limitation of this research lies in its generalization of findings over a 10-year period. Additionally, as the study relies on high-frequency daily data, it does not delve into macroeconomic indicators and other pertinent factors. The results emphasize the importance for investors and policymakers to carefully consider the effects of oil and exchange rate volatility when assessing the risks and potential returns associated with stock market investments. These findings enrich the existing literature by providing additional evidence regarding the intricate relationship between oil volatility, exchange rate volatility, and stock return volatility.

**Keywords:** Volatility, Tobit regression, Probit regression, Oil price, Exchange rate.

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<b>Track</b>	<b>Entrepreneurship</b>
<b>Session Chairs</b>	<b>Dr Abdul Waheed and Dr Talha Zubair Khan</b>
<b>Presenter</b>	<b>Paper Title</b>
Mehreen Waheed	Agile Operant Resources in Family-Owned Businesses: Navigating Challenges and Ensuring Survival in Hostile Business Environment of Pakistan
Numan Aslam	Business Sustainability and family-owned Businesses
Shalinee Komal Azariah	Role Play of Artificial Intelligence, Social Norms and Behavioral Control for Entrepreneurial Intentions
Bushra Usman	Unleashing the Potential of Home-Based Women Entrepreneurs in Pakistan: A Comprehensive Examination of Challenges and Strategic Interventions

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## **AGILE OPERANT RESOURCES IN FAMILY-OWNED BUSINESSES: NAVIGATING CHALLENGES AND ENSURING SURVIVAL IN HOSTILE BUSINESS ENVIRONMENT OF PAKISTAN**

Mehreen Waheed, Nayab Nasir  
University of Management & Technology

### **ABSTRACT**

This study explores the pertinent role of agile operant resources (AORs) possessed by owners of family-owned businesses in Pakistan, aiming to understand how these resources contribute to firm survival during challenging circumstances. The study underscores the unique agile operant resources inherent in family firms and their role as survival skill sets passed down through generations and family connections. This research follows a relativistic and interpretivist approach and adopts the abductive reasoning method with purposive sampling to explore agile operant resources (AORs) among family-owned business (FOB) owners in Pakistan. Semi-structured interviews are conducted with 30 FOB owners from diverse industries. Data analysis employs the Gioia methodology, progressing from first-order concepts (informants' statements) to second-order concepts (researcher-informed grouping), then third-order themes (higher-level concepts), and finally, aggregating these themes into dimensions, ensuring rigor and coherence in qualitative analysis. The findings reveal two key dimensions of agile operant resources for family-owned business owners: "Spiritual Resources" and "Intrinsic Sources of Self-Determination." In the realm of "Spiritual Resources", transparency, fairness, belief systems, humility, honesty, loyalty and integrity emerge as critical values used to manage stress and challenges. "Intrinsic Sources of Self-Determination" encompass qualities like motivation, courage, and patience, which enable owners to navigate paradoxes and maintain sustained performance. These resources draw from personal values, religious beliefs, and family legacies supporting FOB owners; ability to endure and thrive amid adversities. The study contributes novel operant resource themes for family firms, aiding academics and practitioners. It offers a conceptual model for family firm survival in challenging contexts, benefiting owners and suggesting avenues for further research. However, limitations include the sample scope and geographic focus, calling for future cross-cultural and quantitative investigations.

**Keywords:** - Gioia Methodology, Socioemotional Wealth (SEW), Family-Owned Businesses (FOBs), Agile Operant Resources (AORs).



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## BUSINESS SUSTAINABILITY AND FAMILY-OWNED BUSINESSES

Dr. Ijaz Hussain Bokhari, Numan Aslam  
University of Management Technology, Putra Business School, UPM Malaysia

### ABSTRACT

SMEs from developed economies move across their borders because of their production efficiency, improvisation, innovations, and flexibility. SMEs from developing countries strive the survival and sustainability due to lack of orientation, traditional practices, and lack of innovation. Business sustainability is one of the biggest challenges for SMEs in developing countries. Approximately 3.8 million SMEs were registered in Pakistan, and 99 percent were owned and operated by families. The current study considered the triple bottom line to test the factors that influence business sustainability in Pakistan. The current study proposed that market orientation and strategic flexibility significantly influence business sustainability in a highly competitive market. Furthermore, the current study considered organizational improvisation as a moderating variable. The results have shown that market orientation, strategic flexibility, and organizational improvisation positively and significantly influence the business sustainability of family-owned SMEs operating in the surgical industry of Pakistan. Organizational improvisation positively and significantly moderates the relationship between market orientation, strategic flexibility, and business sustainability. The recent literature supports the present study's & findings in the light of the triple bottom line theory. The empirical findings of the present study are valuable to managers/owners of family-owned SMEs, policymakers, and regulatory authorities in designing the comprehensive framework for the business sustainability of SMEs. The studies need to consider the role of access to finance and succession planning towards the business sustainability of family-owned SMEs.

**Keywords:** Market orientation, strategic flexibility, organizational improvisation, business sustainability, intelligence generation, intelligence dissemination, responsiveness, and triple bottom line.



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## **ROLE PLAY OF ARTIFICIAL INTELLIGENCE, SOCIAL NORMS AND BEHAVIORAL CONTROL FOR ENTREPRENEURIAL INTENTIONS**

Shalinee Komal Azariah  
Forman Christian College (A Chartered University).

### **ABSTRACT**

This study explores the intricate relationship between entrepreneurial intentions and performance expectations for artificial intelligence (AI) solutions among university undergraduate students. Eight undergraduate business students from a prominent university in Punjab, Pakistan, participated in this qualitative research. This involved in-depth interviews to investigate their demographic traits, performance expectations regarding artificial intelligence, and entrepreneurial aspirations. The findings of this bring to light the interplay between entrepreneurial goal intention (EGI) and the anticipation of AI performance. Furthermore, it became apparent that social norms and perceived behavioral control also exert noteworthy influences on both entrepreneurial goal intentions and the performance expectations associated with artificial intelligence. These insights contribute to a deeper understanding of how artificial intelligence is perceived and leveraged within distinct cultural and contextual settings. The study has its implications of beyond the academic realm reaching even policy makers, educators, and university administrators, as they shed light on the factors influencing entrepreneurial intentions among university students. Leveraging this knowledge can aid in the development of strategies and initiatives to foster entrepreneurship and innovation on a national scale.

**Keywords:** Entrepreneurial goal intention, Artificial intelligence, Entrepreneurial intention, Social norms, Behavioral control.

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## UNLEASHING THE POTENTIAL OF HOME-BASED WOMEN ENTREPRENEURS IN PAKISTAN: A COMPREHENSIVE EXAMINATION OF CHALLENGES AND STRATEGIC INTERVENTIONS

Dr. Bushra Usman, Dr. Sheikh Usman Yousaf

Forman Christian College (A Chartered University), Hailey College of Commerce, University of the Punjab, University of British Columbia, Canada

### ABSTRACT:

This research delves into the intricate challenges confronted by women entrepreneurs operating from their homes in Pakistan. The study seeks to proffer actionable strategies aimed at amplifying their potential and eventual success. Employing a mixed-methods research design, it meticulously explores the multifaceted obstacles hindering the entrepreneurial endeavors of women within this specific context. These identified challenges encompass financial constraints, societal expectations, limited access to education, knowledge, and skills, impediments in accessing markets, regulatory complexities, technological barriers, and the delicate equilibrium required between entrepreneurial pursuits and familial responsibilities. To gather empirical evidence, the research design combines quantitative and qualitative methodologies. Structured surveys are employed to collect quantitative data from a diverse sample of home-based women entrepreneurs located across various regions in Pakistan. Additionally, qualitative insights are derived from in-depth interviews and focus group discussions with women entrepreneurs, policymakers, and representatives from pertinent organizations. In response to these multifaceted challenges, this study introduces a set of targeted interventions. It underscores the necessity for collaborative efforts among the government, non-governmental organizations, and the private sector throughout the research. The research findings and proposed solutions are intended to serve as a valuable resource for policymakers, advocacy groups, and stakeholders working towards cultivating an environment conducive to the advancement of women entrepreneurs. Through this comprehensive research design, the study endeavors to offer critical insights and recommendations for unlocking the untapped potential of home-based women entrepreneurs in Pakistan, thereby fostering economic empowerment and social progress within the region.

**Keywords:** Entrepreneurial Challenges, Entrepreneurial Competence, Socioeconomic Barriers, Education and Skills, Entrepreneurial Success, Gender Empowerment in Business.

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<b>Date, Day</b>	<b>14 Nov 23, Tuesday</b>
<b>Time</b>	<b>2:00pm - 3:30pm (Pakistan Standard Time is UTC+05:00 )</b>
<b>Mode</b>	<b>Online</b> <b>Video call link: <a href="https://meet.google.com/hvz-umtr-wvy">https://meet.google.com/hvz-umtr-wvy</a></b> <b>PIN:</b>
<b>Track</b>	<b>Strategy</b>
<b>Session Chairs</b>	<b>Dr Sadia Farooq and Dr Usman Sarwar</b>
<b>Presenter</b>	<b>Paper Title</b>
Akhtursunova Aigerim Orymbekovna	Exploring Digital Innovation as the Antidote for Tourism Business Problems in Kazakhstan
Qalander Buksh Ali	A Nexus between Intellectual Capital and Higher Education Performance of Pakistan: The mediating role of innovation
Babangida Abdullahi Sabiu	International Trade And Halal Certification: Barriers And Opportunities
Sajjad Hussain	Impact of ERP on organizational performance: Just in time context
Sofia Bano	Artificial Intelligence (AI) For Talent Acquisition (TA) In The Manufacturing Sector Of Pakistan

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## **EXPLORING DIGITAL INNOVATION AS THE ANTIDOTE FOR TOURISM BUSINESS PROBLEMS IN KAZAKHSTAN**

Akhtursunova Aigerim Orymbekovna, Rab Nawaz Lodhi  
Karaganda Economic University of Kazpotrebsoyuz, Kazakhstan, Hailey College of Commerce,  
University of the Punjab

### **ABSTRACT**

In our modern time, tourism is becoming one of the most rapidly developing fields of activity, and innovative technologies are playing an increasingly important role in its development process. More than ever before, companies are looking for new ways to rise to a new level in the tourism industry to meet the growing needs of customers and offer them an unforgettable experience. However, we cannot ignore the difficulties that may arise in the way of innovation in the tourism sector. This includes problems with security, competition, financial resources and regulation of relevant legislation. Separating our attention to solving these problems will help us develop innovative ways and methods in the tourism industry. The essence of one of the problems is that different companies and organizations apply different approaches to innovation in the tourism industry, which can lead to inconsistency and suboptimal use of these technologies. For example, one company may actively use new technologies to optimize the process of booking and organizing tours, while another company may remain backward in this regard. The lack of a single standard and quality level creates difficulties for tourists and the industry as a whole. Tourists may face inconsistencies in the quality of services and problems with the availability of information about new technological solutions. In addition, inconsistency in the development and use of innovations can make it difficult to introduce modern technologies into tourism processes and reduce their effectiveness. To solve this problem, it is necessary to develop uniform standards and recommendations in the field of innovation in tourism. It is also important to take into account the problems associated with the changing needs and preferences of tourists, as well as the environmental or social consequences of innovation. Thus, understanding and taking into account the challenges in innovation in the tourism industry become key factors for achieving the best results and sustainable development in this area.

**Keywords:** Digital, Innovation, Antidote, Tourism

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## **A NEXUS BETWEEN INTELLECTUAL CAPITAL AND HIGHER EDUCATION PERFORMANCE OF PAKISTAN: THE MEDIATING ROLE OF INNOVATION**

Qalander Buksh Ali, Dr. Saiful Azizi bin Ismail



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**UUM COLLEGE OF BUSINESS SCHOOL OF BUSINESS MANAGEMENT  
UNIVERSITY UTARA MALAYSIA**

## ABSTRACT

Universities are the hub of knowledge creation which totally based on their intellectual resources, currently the condition of Pakistan private sector universities are facing huge trouble. Universities are lacking from all their intangibles resource which can help them in successive performance, these resources normally based on the intellectual capital which is usually considered as an intangible capital of universities. Pakistan higher education is ranked at 150<sup>th</sup> spot out of 189 countries and also far behind in research productivity as compared to the neighbour countries. Therefore, current study will focus intellectual capital as a key determinant in the successive performance of private universities performance in Pakistan with mediating role of innovation in terms of speed and quality. The current study highlighted the important flaws in higher education institutions of Pakistan and provides possible solutions in the form of intellectual capital and innovation that can enhance the performance of HEI's. Positivist paradigm and deductive approach has been used in current study, primary data collection shall be conducted through questionnaire and the target population would be considered full time faculty members of private universities operating in Pakistan.

**Key words:** Intellectual Capital, Universities Performance, Innovation, Higher Education Institutions





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## INTERNATIONAL TRADE AND HALAL CERTIFICATION: BARRIERS AND OPPORTUNITIES

Babangida Abdullahi Sabiu  
Al-Farabi Kazakh National University, Kazakhstan

### ABSTRACT

Halal Certification is a widely recognized marker of compliance with Islamic product manufacturing guidelines in the global market. This paper investigates how this label affects the international trade dynamics. This study looks at the challenges of different regulatory environments and costs, and also the advantages of entering new markets, and meeting the demand of customers who want responsible products. To optimize the use and application of Halal Certifications in the global trade context and to ensure international standards, there is a need for harmonization of regulation across jurisdictions. This study proves the relevance of this element in today's world, a world connected with products where trustworthiness of products and ethics have become crucial.

1. What are the main obstacles firms face while pursuing Halal Certification for their products, and how do they affect international trade?
2. How does Halal Certification affect international consumer preferences and purchasing behavior, and how does it expand markets?
3. What policies and methods can reduce Halal Certification's obstacles and enhance its role in ethical and transparent international trade?

The research methodology will employ a mixed-methods approach, combining qualitative in-depth interviews with stakeholders and quantitative analysis of trade data. Qualitative data will undergo thematic analysis, while quantitative data will be statistically analyzed. Purposeful sampling and ethical considerations will guide the process. Findings from both methods will be integrated to draw conclusions and formulate recommendations. Acknowledgment of potential limitations and referencing relevant sources will also be included. This concise methodology aims to provide a comprehensive understanding of Halal Certification's impact on international trade. The findings of the study shed light on the complex relationship between Halal Certification and global trade. Business enterprises encounter a range of complex obstacles in their pursuit of certification, encompassing the need to navigate various standards across various countries, effectively manage the costs associated with compliance, and address potential trade barriers that arise from different regulatory demands. Nevertheless, these problems are complemented by noteworthy opportunities. The Halal Certification plays a crucial role as a strategic instrument for facilitating market penetration, enhancing the competitive advantage of products in countries with

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a Muslim majority, and appealing to globally aware consumers who prioritize ethical and dietary considerations. In addition, the certification system promotes confidence, transparency, and traceability in the context of global commerce, thereby facilitating cross-border transactions and strengthening the standards of product quality and safety. The findings highlight the significance of establishing uniform procedures and laws for Halal Certification at a global level, with the objective of achieving consistency in practices across different nations. The implementation of such standardization measures will effectively streamline international trade processes, resulting in cost reduction and enhanced worldwide market accessibility for recognized goods. In summary, this study underscores the significance of the obstacles associated with Halal Certification in the context of global commerce, while highlighting the substantial prospects it offers. Ensuring consistency in certification methods across international boundaries is of utmost importance in effectively leveraging these potential and facilitating the seamless integration of Halal Certification into the global commerce arena. The use of this technique is crucial in a contemporary society where the significance of reliable products and ethical decision-making is progressively amplified.

**Key words:** Halal Certification, International Trade, Challenges, Opportunities, Compliance.



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## **IMPACT OF ERP ON EMPLOYEES AND ORGANIZATIONAL PERFORMANCE JUST IN TIME SCM CONTEXT.**

Sajjad Hussain  
Lincoln university

### **ABSTRACT**

JIT approach in supply chain management is a procedure with the primary aim to reduce movement times within production system and responses time from suppliers and customers. Whereas ERP system is the integration of organizational business functions in a centralized data bases that make the processes standardized. The purpose of the study is to explore the significance of ERP in context of JIT perspective for employees and organizational performance. The study proposes a model containing ERP assistances to firm and employees' competences in context of JIT SCM. The study also hypothesizes that ERP has significant impact on firm and employees' competences. In order to identify the relationships between these constructs, SEM (Structural Equation Modelling) approach has been employed to observe the model fit and test hypotheses. Research methodology based on quantitative in nature and data collected from the employees and local organizations those are familiar with ERP system and JIT SCM through Likert scale 1 to 5 strongly disagree to strongly agree and data analyzed through the PLS SEM software. Our study findings are that ERP system is helpful for increase the output of the employees and organization as well in JIT SCM perspectives.

**Keywords:** ERP, Supply chain, Performance indicator, JIT.

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## ARTIFICIAL INTELLIGENCE (AI) FOR TALENT ACQUISITION (TA) IN THE MANUFACTURING SECTOR OF PAKISTAN

Dr. Sofia Bano, Asim Mubashir, Dr . Syeda Quratulain Kazmi  
Karachi Institute of Economics and Technology (KIET)

### ABSTRACT

The study examined the adoption of AI-enabled talent acquisition towards HR or talent acquisition manager satisfaction in the manufacturing sector of Pakistan based on D-TOE framework. 219 responses have been collected from the HR and talent acquisition managers of manufacturing firms in Karachi using a nonprobability purposive sampling technique and a five-point Likert scale questionnaire has been used for data collection. The study has employed PLS-SEM technique for data analysis using SmartPLS v4. The results showed that adoption of AI-enabled talent acquisition has a positive effect on HR/TA manager's satisfaction; in addition, cost-effectiveness, relative advantage, top management support, competitive pressure, and support from AI vendor have a positive effect on adoption of AI-enabled talent acquisition whereas orientation towards AI adoption has weak positive effect on adoption of AI-enabled talent acquisition. However, security and privacy concerns, HR readiness and task-technology fit have not effect on adoption of AI-enabled talent acquisition. Moreover, adoption of AI-enabled talent acquisition positively mediates between all exogenous constructs and HR/TA manager's satisfaction except security and privacy concerns, HR readiness and task-technology fit. HR managers must also take into account the AI technology's compatibility and suitability to carry out TA functions in accordance with the organization's requirements when acquiring AIT for TA.

**Keywords:** Artificial Intelligence (AI), Talent Acquisition (TA), D-TOE Framework, Pakistan, PLS-SEM.

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## **Session II**

### **Day Tuesday**

### **Date 14 November**

### **2023**

### **Time 4:00 PM – 5:30**

### **PM**

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<b>Time</b>	<b>4:00pm - 5:30pm</b>
<b>Room #</b>	<b>Anis Block 106</b>
<b>Track</b>	<b>Organizational Behavior</b>
<b>Session Chairs</b>	<b>Dr Sohail Younas and Dr Fouzia Ali</b>
<b>Presenter</b>	<b>Paper Title</b>
Amna Hanif	How mobile work leads to psychological withdrawal behavior via psychological detachment and emotional exhaustion?
Dabeera Mateen	Daily mobile work, relationship satisfaction and family-work conflict; The role of segmentation preference as a moderator
Khurram Shahzad	Cross-Level Indirect Effect of Environmentally-Specific Transformational Leadership on Employees' Green Behavioral Intention through Green Attitude
Waqar Ahmad	The impact of diversity experiences and innovative learning environments on the personal development of international students studying in China



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## HOW MOBILE WORK LEADS TO PSYCHOLOGICAL WITHDRAWAL BEHAVIOR VIA PSYCHOLOGICAL DETACHMENT AND EMOTIONAL EXHAUSTION?

Amna Hanif

Hailey College of Commerce, University of the Punjab.

### ABSTRACT

Mobile work is rapidly increasing and has been found to affect employees' work and family lives. This study aims to evaluate how daily mobile work leads to next day psychological withdrawal behavior via serial mediation links of psychological detachment and emotional exhaustion. It will be investigated either mobile work relates to emotional exhaustion via psychological detachment from work or not. Integrating with boundary theory, this study will examine the moderating role of segmentation boundary management preference between mobile work and psychological detachment from work. Samples will be comprised of 250+ employees for generalized findings. Those will be focused in this study, who will routinely use mobile devices (smartphones, tablet PCs, or laptops) after office hours, that is an integration in their work-life balance. Data is being collected through questionnaires and being tested on SPSS software. Through the blend of work home resource model and boundary theory on psychological detachment, expected findings are that focal employee's daily mobile work is to be positively related to emotional exhaustion through decreased psychological detachment and psychological withdrawal behavior would be higher with the increase in daily mobile work because of the moderator boundary segmentation management preference. Overall, the employee's daily mobile work will be positively and indirectly associated with next-day psychological withdrawal behavior via psychological detachment and emotional exhaustion and moderating role of boundary segmentation management preference between daily mobile work and psychological detachment from work.

**Keywords:** Boundary segmentation management preference, emotional exhaustion, mobile work, psychological detachment from work, psychological withdrawal behavior.

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## **“DAILY MOBILE WORK, RELATIONSHIP SATISFACTION AND FAMILY-WORK CONFLICT; THE ROLE OF SEGMENTATION PREFERENCE AS A MODERATOR”**

Dabeera Mateen  
Hailey College of Commerce, University of Punjab

### **ABSTRACT**

Mobile work (i.e. the use of mobile devices to perform work tasks during non-working hours) is rapidly increasing and has been found to affect employees’ work and family lives. This study will investigate that how daily mobile work may result into family-to-work conflict(FWC) serially mediated by spouse’s perception of employees’ psychological detachment and relationship satisfaction. In addition, there will be a test on moderation of segmentation boundary management preference on relation between mobile work and spouse’s perception of employees’ psychological detachment. In this study, data will be collected from couples (dyads) where one partner is doing mobile work (e.g., instant messages, emails, phone calls, and video conferences). Sample size will be at least 100+ spouse – employee dyads in order to obtain generalized outcomes. Based on work-home resource(W-HR) model, it is expected that there will be a relation between daily mobile work and family-to-work conflict where relationship satisfaction and spouse’s perception about employees’ psychological detachment will act as mediators. Integrating the work-home resource(W-HR) model with boundary theory, expected results will illustrate the moderating role of segmentation preference on relation between mobile work and spouse’s perception of employees’ psychological detachment.

**Keywords:** Daily mobile work, family-to-work conflict, relationship satisfaction, segmentation preference of boundary management, spouse’s perception of employee’s psychological detachment.

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## **CROSS-LEVEL INDIRECT EFFECT OF ENVIRONMENTALLY-SPECIFIC TRANSFORMATIONAL LEADERSHIP ON EMPLOYEES' GREEN BEHAVIORAL INTENTION THROUGH GREEN ATTITUDE**

Bilal Khalid, Khurram Shahzad, Muhammad Usman Anwar Baig  
Riphah International University, NUML

### **ABSTRACT**

Using the theory of planned environmental behavior, our study examines the indirect effect of group-level environmentally-specific transformational leadership and employees' individual-level green behavioral intention through the mechanism of individual-level green attitude. Using survey data of 1200 employees clustered in 120 hospitality teams, we performed multilevel structural equation modeling. Our findings show that group-level environmentally-specific transformational leadership is positively related to individual-level green attitude that in turn is positively related to the green behavioral intention of employees at individual-level. Our findings also provided support for the indirect effect of group-level environmentally-specific transformational leadership on employees' individual-level green behavioral intention through the mechanism of individual-level green attitude. Practical implications of these findings along with limitations and directions for future research have been discussed.

**Keywords:** Environmentally-specific transformational leadership, green attitude, green behavioral intention, multilevel.

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## **THE IMPACT OF DIVERSITY EXPERIENCES AND INNOVATIVE LEARNING ENVIRONMENTS ON THE PERSONAL DEVELOPMENT OF INTERNATIONAL STUDENTS STUDYING IN CHINA**

Waqar Ahmad, Muhammad Azram  
University of central Punjab, Xian Jiaotong University.

### **ABSTRACT**

The field of international education is actively engaged in examining the intricate interplay between diversity experiences, innovative learning environments, and student personal growth in China, with a particular focus on the mediating influence of cultural adoption. A comprehensive research technique was employed to involve a total of 304 international students from various nationalities studying at universities in Shaanxi, China. The participants in this study responded to a meticulously constructed survey regarding their encounters with diverse experiences, educational settings that foster innovation, cultural adoption, and personal growth. The present study used structural equation modeling as a methodological approach to examine the mediating influence of cultural adoption. This study aims to examine the relationship between students' diversity experiences and their engagement in innovative learning environments, with a focus on how these factors contribute to their personal growth. This study underscores the significance of cultural adoption. This demonstrates how the process of cultural adoption contributes to the development of diverse relationships and advanced educational settings, so facilitating the comprehensive growth of international students in China. This study highlights the significance of cultural adoption in the context of foreign education and its impact on personal growth. This study enhances scholarly dialogue by elucidating the correlation between diversity experiences, innovative learning environments, cultural adoption, and personal development. This research provides guidance to individuals and organizations involved in higher education on how to effectively promote cultural acceptance and enhance the development of global students.

**Keywords:** Diversity experiences; Innovative learning environments; Cultural adoption; Personal development.

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<b>Room #</b>	<b>Anis Block 203</b>
<b>Track</b>	<b>Human Resource Management</b>
<b>Session Chairs</b>	<b>Dr Rab Nawaz Lodhi</b>
<b>Presenter</b>	<b>Paper Title</b>
Muhammad Farrukh Shahzad	Investigating the Impact of Artificial Intelligence on HR Functions in the Health Sector of China: Do Technological Awareness, Social Media and Personal Innovativeness Matter?
Adan Nadeem	Service Provider's Makeup, politeness, and tipping behavior of customer
Rizwan Qaiser Danish	Effects of Talent Management on Workplace Adaptability: Moderating role of Perceived Organizational Support and mediating role of Organizational Learning
Anam Toqeer	Mapping the Linkages between Social Media Usage and Sustainable Performance in SME's through the Role of Digital Leadership and Absorptive Capacity: A Moderated Mediation Model



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## **INVESTIGATING THE IMPACT OF ARTIFICIAL INTELLIGENCE ON HR FUNCTIONS IN THE HEALTH SECTOR OF CHINA: DO TECHNOLOGICAL AWARENESS, SOCIAL MEDIA AND PERSONAL INNOVATIVENESS MATTER?**

Muhammad Farrukh Shahzad, Shuo Xu

College of Economics and Management, Beijing University of Technology, Beijing

### **ABSTRACT**

Artificial intelligence (AI) is rapidly transforming the way human resources (HR) functions are carried out in the health sector of China. This study aims to scrutinize the impact of AI on the HR functions operating in the healthcare sector, including recruitment, training and development, and performance management. This study is based on a comprehensive review of relevant literature from the health sector in China. The proposed study aims to examine the influence of artificial intelligence on HR functions through technological awareness, social media influence, and personal innovativeness. Additionally, it examines the moderating role of perceived risk between technological awareness and HR functions. An online questionnaire was administered to HR professionals in the health sector of China to gather data from 373 respondents. Partial least squares structural equation modeling (PLS-SEM), a statistical procedure, is implemented to investigate the hypothesis of the projected model of AI and HRF. The research findings reveal that artificial intelligence significantly influences HR functions through technological awareness, social media influence, and personal innovativeness. Furthermore, perceived risk significantly moderates the relationship between technological awareness and HR functions. The findings of this study have important implications for HR practitioners and policymakers in the health sectors of China, who can leverage artificial intelligence technologies to optimize HR functions and improve organizational performance. However, its adoption needs to be carefully planned and managed to reap the full benefits of this transformative technology.

**Keywords:** Artificial Intelligence, Social Media Influence, Technological Awareness, Personal Innovativeness, Perceived Risk, Human Resources Functions.



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## **EFFECTS OF TALENT MANAGEMENT ON WORKPLACE ADAPTABILITY: MODERATING ROLE OF PERCEIVED ORGANIZATIONAL SUPPORT AND MEDIATING ROLE OF ORGANIZATIONAL LEARNING**

Sumbal Shahid, Dr. Majid Ali, Dr. Rizwan Qaiser Danish  
Hailey College of Commerce, University of the Punjab.

### **ABSTRACT:**

The purpose of this study is to see the relationship between talent management and workplace adaptability, although organizational learning and perceived organizational support will mediate and moderate the relationship respectively of an independent and dependent variable. Talent management aims to enhance performance. Talent management is important for employee performance. Talent management is the best way of attaching employee's possible and enhancing performance. A research was conducted to understand the process of "building organizational learning". It concludes that in the era of development in information and computer technology, firms and managers can't manage people in traditional ways. Employees in any organization are valuable resources through which the organization can gain a competitive advantage. The company's key aim concerning human capital is its preservation in the company. For retention and commitment of employees; perceived organizational support is most important. Workplace adaptability is that the potential of an employee to be flexible and hospitable dynamic work conditions. An adaptable employee can work well independently or within a team. In my study, I decided to target the banking sector. The reason behind selecting the banking sector is I wanted to target those people who are dealing with challenges related to our variables. My sampling criteria are based on the education level of respondents. I targeted people who are graduates at a minimal level. Questionnaire technique will be used to collect employee data. Data will be analyzed through SPSS software.

**Keywords:** Talent management; Workplace adaptability; Organizational learning; Perceived organization support.

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## **MAPPING THE LINKAGES BETWEEN SOCIAL MEDIA USAGE AND SUSTAINABLE PERFORMANCE IN SME'S THROUGH THE ROLE OF DIGITAL LEADERSHIP ABSORPTIVE CAPACITY: A MODERATED MEDIATION MODEL**

Anam Toqeer, Anas Kamran, Muhammad Ali Gul Khan  
Hailey College of Commerce, University of the Punjab, CUI Lahore.

### **ABSTRACT**

Social Media has been considered since a long time for employee performance. The main objective of the research was to evaluate the impact of Social Media Usage factors on Sustainable Performance in IT sector firms. Another objective of the study was to check if the Digital Leadership moderates the relationship between Social Media Usage factors and sustainable performance through the mediation of Absorptive Capacity. Data was collected from 383 respondents working in IT sector firms. Data was collected using questionnaire. Results showed that Social Media Usage factors put a significant impact on Sustainable Performance. Results also showed that Absorptive Capacity play a moderating role between Social Media Usage factors and Sustainable Performance. As there is limited research on Social Media Usage factors in Pakistan in SMEs, so, this study will provide reliable information to the leaders of IT sector firms. This study will also contribute to the body of knowledge by studying the role of Digital Leadership factors which are being considered by employees for their effective performance.

**Keywords:** Social Media Usage, Digital Leadership, Sustainable Performance, Absorptive Capacity.

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<b>Room #</b>	<b>Anis Block 204</b>
<b>Track</b>	<b>Economics</b>
<b>Session Chairs</b>	<b>Dr Nisar Ahmed and Dr. Humaira Asad</b>
<b>Presenter</b>	<b>Paper Title</b>
Shrafat Ali Sair	The Study to Investigate the Influence of Social Media on Shaping Public Option And How It Effect Economic Decision
Ayesha Farooqui	Cultural Values in Digital Transformation of High-Tech Companies
Asim Iqbal	Determinants of FDI, Using Fully Modified Ordinary Least Square (FMOLS), An Empirical Analysis from Pakistan:
Maira Muneer	Impact of Digital Financial Inclusion on Economic Growth: An Empirical Analysis of Ten Emerging Economies
Muhammad Amin Hasan	The Impact of Trade-Openness and Foreign Capital Inflows on Productive Capacity in South Asia: Moderating role of Political Stability
Noor Ul Ain Khan	Political Connections, Debt and Family Firms: A Case of Pakistan

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## THE STUDY TO INVESTIGATE THE INFLUENCE OF SOCIAL MEDIA ON SHAPING PUBLIC OPTION AND HOW IT EFFECT ECONOMIC DECISION

Sayyed Muhammad Bilal, Dr. Rauza, Madeeha Rauf, Shrafat Ali Sair.  
National University of Modern Languages, National College of Business Administration & Economics, Hailey College of Commerce, University of the Punjab

### ABSTRACT

Social media is become a necessary component of daily living in modern civilization. Given the quick Social media platforms and the advancement of information and communication technology have altered how individuals communicate, exchange information, and express their opinions. The aim of this research is to examine how social media shapes public opinion and how that effect affects economic choices. The approach used in this study is qualitative. A study of the literature and an analysis of social media material were used to gather data, with an emphasis on opinion trends and their impact. Through triangulation and the involvement of participants from secondary sources in the analytic process, reliability and validity were emphasized. The study's findings indicate that social media plays a major role in influencing public opinion and economic decision-making in the digital era, which is defined by social media's fundamental role. Social media allows people to communicate with one other, exchange information, and take part in conversations that help to create opinions on a range of topics.

**Keywords:** Social media, Economic decision, shaping.

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## CULTURAL VALUES IN DIGITAL TRANSFORMATION OF HIGH-TECH COMPANIES

Ayesha Farooqui  
Hailey College of Commerce, University of the Punjab.

### ABSTRACT

The purpose of this research is to explore the cultural values in the digital transformation of high-tech IT companies in Pakistan. For the transformation of the businesses, it is vital to build a successful culture in organizations. This study is qualitative and exploratory in nature, the researcher conducted five interviews of director and HR managers of high-tech software houses dealing with digital transformation. The online interviews were conducted through Zoom. The grounded theory approach has been used for the data analysis and NVivo was used for it. The results revealed that there are five major cultural values in digital transformation that is continuous improvement, cooperation, transparency, privacy concerns, and customer centricity. Moreover, explored cultural values are agility, responsiveness, ownership, leadership, continuous learning, innovation, encouragement of innovative ideas, openness towards change, communication, collaboration, trust, tolerance towards mistakes, risk management, integrity, information sharing, and empathy. In future, researchers can explore the other aspects of digital transformation, quantify this research, and target the whole high-tech industry.

**Keywords:** digital transformation, cultural values, continuous improvement, transparency, collaboration.

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## **DETERMINANTS OF FDI, USING FULLY MODIFIED ORDINARY LEAST SQUARE (FMOLS), AN EMPIRICAL ANALYSIS FROM PAKISTAN:**

Asim Iqbal, Muhammad Uzair, Hina Naz.

Karachi Institute of Institute of Economics and Technology (KIET), Hamdard University,  
Kuehne + Nagel.

### **ABSTRACT**

Foreign Direct Investment is one of the major factor that can affect any country's growth. FDI plays a vital role to grabbing the sources of income for any country. Pakistan is criticized for a longer period of time to take loans on high interest rates due to which it has become very difficult for Pakistan to grow its economy constantly. This is the reason of going for this research; my research has found the factors GDP, Balance of Payment, Inflation Rate, Interest Rate and Exchange Rate which are causing FDI. This study referring a sample of Secondary data extracted from World Bank from 2009 to 2018 of Pakistan. The data comprised of 10 years and nature of data is time series, the implied software was E-views. Unit Root test and regression analysis were applied on data for extracting results. Finding revealed that there is a significant negative impact of in interest rate on FDI, there is a significant negative impact of In inflation on FDI, there is an in-significant positive impact of GDP on FDI, there is an insignificant positive impact of BOT on FDI Interest rate, inflation, and Balance of Trade found the major factors which can causality the FDI of Pakistan. If Pakistan works on these all the variables specially Interest rate, inflation so it can increase the outflow of FDI.

**Keywords:** Foreign Direct Investment, Inflation Rate, Interest Rate Balance of Trade, Gross Domestic Product.



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## IMPACT OF DIGITAL FINANCIAL INCLUSION ON ECONOMIC GROWTH: AN EMPIRICAL ANALYSIS OF TEN EMERGING ECONOMIES

Dr. Farah Naz, Maira Muneer  
Kinnaird College for Women

### ABSTRACT

Digital financial inclusion has become a powerful engine of economic growth in the modern world, especially in emerging nations. In 10 diverse rising economies, this study examines the complex link between economic development and digital financial inclusion. We use Principal Component Analysis (PCA) to create a Digital Financial Inclusion Index in order to evaluate digital financial inclusion in its entirety. The Endogenous Growth Theory, the Technology Acceptance Model (TAM), and Joseph Schumpeter's theory of economic growth serve as the theoretical foundation for this study. Our analysis reveals a captivating story by evaluating large data panels covering a long length of time in each of these economies. The Digital Financial Inclusion Index provides a comprehensive overview of national efforts to promote digital financial inclusion by combining many indicators such as internet access, mobile money usage, mobile banking penetration, and government policies that support financial inclusion. The results of empirical research demonstrate a robust and affirmative correlation between economic development and digital financial inclusion. In addition to direct contributions to economic growth, digital financial inclusion fosters human capital development, knowledge diffusion, and technology spillovers, thereby nurturing sustained economic growth. For financial institutions, governments, and technology suppliers in emerging economies, these results have important implications. Thorough initiatives to increase access to digital financial services can result in increased economic growth, improved financial stability, and improved socio-economic development, all of which will benefit these countries; people and economies as they attempt to harness the transformative power of digital financial inclusion.

**Keywords:** Digital Financial Inclusion, Economic Growth, Fintech, Digital Finance.

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## **THE IMPACT OF TRADE-OPENNESS AND FOREIGN CAPITAL INFLOWS ON PRODUCTIVE CAPACITY IN SOUTH ASIAN: MODERATING ROLE OF POLITICAL STABILITY**

Muhammad Amin Hasan, Abid Mehmood, Ali Sajid  
Karachi Institute of Economics and Technology (KIET)

### **ABSTRACT**

International trade and foreign capital inflows are considered significant determinants of economic growth. However, despite being among the largest recipients of these inflows, economies in South Asia often fail to achieve comparable economic development. This divergence can be attributed to rapid shifts in macroeconomic dynamics and political uncertainty. This paper examines the impact of critical macroeconomic factors- namely international trade, foreign direct investment, international remittances, exchange rate volatility, capital stock, and urbanization- on the productive capacity of South Asian countries. Furthermore, the study estimates the moderating effects of political stability on the relationship between these macroeconomic factors and productive capacity in the sample countries. The study used a balanced panel dataset of four South Asian countries: Bangladesh, India, Pakistan, and Sri Lanka spanning the period from 2000 to 2022. The findings indicate a significant positive impact of international trade and international remittances on productive capacity. However, there is no evidence suggesting that foreign direct investment affects productive capacity. Interestingly, political stability appears to negatively moderate the relationship between international remittances and productive capacity. Moreover, the results do not show any moderating effect of political stability on international trade and productive capacity or between international remittances and productive capacity. The findings suggest that the international trade and remittances play pivotal role in determining productive capacity, especially given the significance of the political landscape in these economies. The conclusions of this study are beneficial for investors, financial analysts, and policymakers when making investment decision, managing portfolios, or formulating public policies aimed at achieving sustainable economic growth.

**Keywords:** trade, foreign direct investment, remittances, productive capacity, political stability, South Asia.

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## **POLITICAL CONNECTIONS, DEBT AND FAMILY FIRMS: A CASE OF PAKISTAN**

Dr Noor Ul Ain Khan, Dr. Hafiz Zafar Ahmed, Dr Snober Javid  
University of Chakwal, Hailey College of Commerce,  
University of the Punjab, University of central Punjab

### **ABSTRACT**

Corporate and political connections are global (Qian & Chen, 2021). Although these connections prevail in developed and developing countries, more depth prevails in developing countries (Shoukat, 2020). Broadly, promoting political relationships has encouraged personal initiative and private entrepreneurship at each layer of industrialization (Harymawan et al., 2017). Individual and Family enterprises gain benefits from such connections. Family-centered firms are regarded as the economic backbone (Harris, 2020) due to their value addition to the GDP. Such firms play a crucial contribution to the development of both advanced and emerging countries. Notably, this phenomenon is necessitated to be understood in Pakistan, where corporations political connections are deeply rooted and are mostly family controlled businesses. Thus, this study employs 402 non-financial companies on the Pakistan stock exchange and collects secondary data from their annual reports from 2010 to 2019. This data has been analyzed with the generalized method of movements technique (GMM) and regression and descriptive statistics. The findings provided that political linkages significantly moderate the relationship between ownership structure and Debt Decisions. The generational aspect of family owned businesses was also examined and it also make an impact on the way business is operated and decisions are made. The results reported that political linkages moderate the positive relationship between family ownership and debt policy. This study provided empirical support for the agency theory, social emotional wealth theory and resource-based view (RBV).

**Keywords:** Political connections, Family firms, Resource-based view, Debt decision

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<b>Date, Day</b>	<b>14 Nov 23, Tuesday</b>
<b>Time</b>	<b>4:00pm - 5:30pm</b>
<b>Room #</b>	<b>Anis Block 205</b>
<b>Track</b>	<b>Marketing</b>
<b>Session Chairs</b>	<b>Dr Samar Rahi and Dr Ijaz Hussain</b>
<b>Presenter</b>	<b>Paper Title</b>
Qalb e Abbas	Diversity Management and Service Quality of Hospitality Sector Employees: Testing the Mediating Role of Organizational Flexibility
Sabira Jamil	My Brand is Better Than Yours: Investigating Antecedents and Mechanisms of Oppositional Brand Loyalty
Kinza Zahid	A Comprehensive Analysis of Artificial Intelligence in Marketing
Imsaal Arif	Promotional campaign and customer behavior: A cross-industry analysis in Pakistan
Ibrahim Kamran	Social Media and Brand Loyalty: How Online Interactions Shape Consumer Behavior.

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## **DIVERSITY MANAGEMENT AND SERVICE QUALITY OF HOSPITALITY SECTOR EMPLOYEES: TESTING THE MEDIATING ROLE OF ORGANIZATIONAL FLEXIBILITY**

Dr. Muhammad Nadim, Qalb e Abbas, Zahid Bashir  
University of the Punjab, Jhelum Campus, University of Gujrat, Pakistan.

### **ABSTRACT**

This study examined the relationship between diversity management and service quality by incorporating organizational flexibility as a mediator in the hospitality sector of Pakistan. Data were collected from 141 managerial level employees and the customers of the corresponding hotels offering their services in five major cities of Punjab, Pakistan. The study employs SPSS for data analysis collected through survey questionnaire. Results of the study indicate that proper diversity management results in high service quality of hospitality sector and this relationship is mediated by organizational flexibility. Limitations and future research direction are also highlighted.

**Keywords:** Diversity management, Service quality, organizational flexibility, Hospitality sector, Pakistan.

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## MY BRAND IS BETTER THAN YOURS: INVESTIGATING ANTECEDENTS AND MECHANISMS OF OPPOSITIONAL BRAND LOYALTY

Sabira Jamil  
Air University School of Management

### ABSTRACT

This study aimed to investigate pseudo-ownership appeal as a predictor of psychological ownership and oppositional brand loyalty with the moderating role of Narcissism. Two experiments were recruiting students as participants in this study to check the usefulness of “my” and “your” possessive pronouns in advertisements creating pseudo-ownership appeal. Study 1 assessed the impact of pseudo-ownership appeal using the “my” pronoun on psychological ownership and oppositional brand loyalty. Study 2 was executed to investigate psychological ownership as an antecedent of oppositional brand loyalty using the “Your” pronoun and examine psychological ownership as a mediator between pseudo-ownership appeal and oppositional brand loyalty. Pseudo-ownership appeal was a significant predictor of psychological ownership and oppositional brand loyalty. The results also exposed that psychological ownership mediates the relationship between pseudo-ownership appeal and oppositional brand loyalty. However, the moderation of Narcissism was found to be insignificant. Possessive pronouns in pseudo-ownership appeal can enhance oppositional brand loyalty in consumers. The study provides the theoretical underpinning to understand and imply the concepts of oppositional brand loyalty and psychological ownership for better brand-building strategies.

**Keywords:** Pseudo-ownership Appeal, Psychological Ownership, Narcissism, Oppositional Brand Loyalty.



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## **PROMOTIONAL CAMPAIGN AND CUSTOMER BEHAVIOR: A CROSS-INDUSTRY ANALYSIS IN PAKISTAN**

Imsaal Arif, Minahil Amir, Abdullah Shaffi, Khawar Mateen, Maliha Mohsin  
Forman Christian College, University

### **ABSTRACT:**

The present study investigates the intricate interplay of pricing methods, encompassing discounts, price bundling, and value-added pricing, and their influence on customer behavior in the context of promotional campaigns across several industries inside Pakistan. The research also examines the extent to which these techniques are consistent with consumer expectations and affordability, considering variables such as income, socioeconomic position, and regional inequalities. The primary research objectives center around the investigation of the relationship between pricing tactics and affordability within the Pakistani consumer market. Additionally, the study aims to explore the impact of discount pricing techniques on customer attention, purchase intent, and brand loyalty. Furthermore, the research seeks to understand the influence of demographic variables, such as age, gender, and location, on pricing tactics and consumer behavior. The research hypothesis posits that pricing methods have a major impact on customer behavior during promotional campaigns, with the nature of this impact differing depending on the income levels of consumers. Discounts are anticipated to appeal to a wider range of customers and enhance attention, intention to purchase, and loyalty to the brand, but this may vary depending on the industry. Furthermore, it is expected that pricing methods will evoke varying responses from different age cohorts in Pakistan, with younger consumers exhibiting greater receptiveness towards modern measures. This study highlights the changing price sensitivity and discerning behavior exhibited by customers in Pakistan. This statement underscores the significance of tangible incentives, such as discounts and loyalty programs, in promotional endeavors, as well as the impact of familial and peer perspectives on consumer choices. The study reveals that promotional efforts have the potential to enhance brand recognition, shape consumer purchasing behavior, and cultivate brand allegiance, hence providing valuable knowledge for enterprises operating within the context of Pakistan. The primary emphasis of this study is the high business retail sector in Lahore. However, it is suggested that future research should broaden its scope to include other locations and industries. This expansion will facilitate a more thorough knowledge of the influence of pricing strategies on customer behavior in Pakistan. The results indicate that businesses have the potential to optimize sales by strategically aligning their promotional strategies with customer preferences, with discounts and coupons exerting a notably substantial impact. This study makes

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a valuable contribution to the discipline of marketing by providing insights into the intricate relationship between pricing tactics and consumer behavior within the specific setting of Pakistan.

**Keywords:** Promotion, campaign, customer behavior.



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## **SOCIAL MEDIA AND BRAND LOYALTY: HOW ONLINE INTERACTIONS SHAPE CONSUMER BEHAVIOR.**

Bisma Naveed Butt, Khadija Irfan, Areeba Bhatti, Ibrahim Kamran, Ahmad Khawaja, Saif Ullah Malhi  
Forman Christian College, University

### **ABSTRACT:**

Brands are increasingly using social media to engage with their customers, build online communities, and influence their purchasing decisions. However, not all social media interactions are equally helpful in terms of fostering brand loyalty. This article investigates how many components of social media, such as interaction, involvement, engagement, reviews, and platforms, influence customer behavior and brand loyalty. It also offers some practical implications and suggestions for brands to use social media to improve consumer interactions and loyalty.

**Keywords:** Brand loyalty, consumer behavior, social media.

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<b>Time</b>	<b>4:00pm - 5:30pm (Pakistan Standard Time is UTC+05:00 )</b>
<b>Mode</b>	<b>Online</b> <b>Video call link: <a href="https://meet.google.com/jaj-cqcm-nze">https://meet.google.com/jaj-cqcm-nze</a></b> <b>PIN:</b>
<b>Track</b>	<b>Organizational Behavior and Human Resource Management</b>
<b>Session Chairs</b>	<b>Dr Riwan Qaisar Danish and Dr Shrafat Ali Sair</b>
<b>Presenter</b>	<b>Paper Title</b>
Shaheera Amin	Analyzing the role of Enterprise social media and Employee performance in presence of Workplace isolation: A Social Exchange Perspective
Huma Ali	Moderating effect of psychological defense appliance on the relationship between employee attitude and organizational commitment
Zara Imran	Impact of formal and informal factors on women's empowerment and innovative work behavior by using institutional theory
Remissa Musaddiq	Exploring the Nexus of Green HRM on Pro-environment Behavior- Mediating Role of Environmental Commitment
Muhammad Usman	Effects of Green Human Resource Management on Environmental Performance with the Mediating Role of Green Human Capital: Moderating Role of Managerial Environmental Concern
Muhammad Hasnain Ali	Examining the Relationship between Green Human Resource Management Practices and Job Performance: The Mediating Role of Job Satisfaction, A study from Pakistani Islamic banks

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## **ANALYZING THE ROLE OF ENTERPRISE SOCIAL MEDIA AND EMPLOYEE PERFORMANCE IN PRESENCE OF WORKPLACE ISOLATION: A SOCIAL EXCHANGE PERSPECTIVE**

Dr Shaheera Amin, Dr. Ashfaq Ahmad, Muhammad Hasnain Ali  
University of Sahiwal, Hailey College of Commerce, University of the Punjab, Bahauddin Zakariya University

### **ABSTRACT**

The objective of this research study is to instigate the mediating influence of workplace isolation on Enterprise social media (ESM) and Employee performance (EP). Also, it explores the role of workplace integration as a moderator between ESM and workplace isolation. Based on quantitative approach, a cross-sectional survey technique was followed and the primary data was collected from public and private firms operating in telecommunication sector. Initially a total of 375 respondents were considered for the data collection based on convenience sampling. The final analysis was executed on 300 questionnaires. SPSS and PLS3.0 were performed conducted to test the association between the identified variables. The research study revealed the significant impact of ESM and employee performance among employees working in the telecommunication sector. It also provided great insights about the relationship between SCM, EP and WPI of employees and helped the top managers of telecommunication sector to devise policies and work methods to enhance productivity and employee efficiency. Based on social exchange theory, this research study showed some noticeable results for the managers and policy makers. Although ESM is considered important in boosting employee performance, this research study showed positive relationship between the SCM, EP and WPI of employees. The research analysis depicted very encouraging results and are of greater help to the managers working in the telecommunication sector. The results are equally fruitful for the managers and employees working in other sectors as employers and employees both went through the same emotional and social pressures.

**Keywords:** Enterprise social media, Employee Performance, Workplace isolation, Workplace integration

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## **MODERATING EFFECT OF PSYCHOLOGICAL DEFENSE APPLIANCE ON THE RELATIONSHIP BETWEEN EMPLOYEE ATTITUDE AND ORGANIZATIONAL COMMITMENT**

Dr. Huma Ali, Dr. Aamir Sohail, Muhammad Hasnain Ali  
Bahhaudin Zakariya University, Thal University Bhakkar

### **ABSTRACT**

This study aims to examine the influence of behavioral biases on investors investment decisions and explore the potential moderating role of financial literacy in the relationship between the observed variables. The research employed a quantitative methodology and obtained data through a survey questionnaire that was disseminated to a sample of 325 individual investors. The survey encompasses evaluations of behavioral biases such as overconfidence, disposition effect, risk-aversion bias, and herding behavior, along with measuring financial literacy. The findings indicate that behavioral biases have a significant impact on the investment decisions made by investors. According to the study, the respondents exhibit common biases such as overconfidence, disposition effect, risk-aversion bias, and herding behavior. Furthermore, the results suggest that financial literacy plays a moderating role in influencing the association between behavioral biases and investment decisions. Individuals with higher financial literacy tend to display a reduced inclination towards behavioral biases while making investment choices. Financial professionals, including financial advisors and educators, possess the expertise to develop impactful strategies that can improve the financial literacy of investors. This has the potential to enhance the quality of investment decision-making.

**Keywords:** Behavior finance, Behavior biases, Overconfidence, Herding behavior, Disposition effect, Risk-aversion bias, financial literacy, Investment decision.



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## **IMPACT OF FORMAL AND INFORMAL FACTORS ON WOMEN'S EMPOWERMENT AND INNOVATIVE WORK BEHAVIOR BY USING INSTITUTIONAL THEORY**

Dr. Huma Ali, Dr Aamir Sohail, Muhammad Hasnain Ali  
Bahhaudin Zakariya University, Thal University Bhakkar

### **ABSTRACT**

Women form a state considerable human resource. Instruments for economic growth and development for each and every state should be used. Women, on the other hand, are ready to adopt business and make participation to the nation's growth. Gender equality and the empowerment of women and girls is one of the 17 Sustainable Development Goals (SDG) set out in the UN 2030 Agenda for Sustainable Development. To enhanced and give appreciation to perform all these responsibilities according to their capacity could alter the relative impacts to the understanding of climate change on men and women and enhance community-level adaption. However, a comprehensive literature indicates innovation, technology and female entrepreneurs are studied in the same context but ignored and not much successful for boosting the innovative behavior and female entrepreneurship. Therefore a conceptual framework that will affect the women's innovative behavior and pro-innovative climate development is proposed. Hypothesis has been developed. Data has been collected from different Punjab divisions. Partial least square approach has been applied to analyze the data. The findings provide that different formal and informal factors affect the women empowerment skills for performing the innovative behavior in an efficient way.

**Keywords:** Women's empowerment, Innovative work behavior, Institutional theory

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## **EXPLORING THE NEXUS OF GREEN HRM ON PRO-ENVIRONMENT BEHAVIOR- MEDIATING ROLE OF ENVIRONMENTAL COMMITMENT**

Remissa Musaddiq, Dr. Sami Ullah, Shrafat Ali Sair  
University of Sialkot, Hailey College of Commerce, University of the Punjab

### **ABSTRACT**

Sustainability efforts are crucial for ensuring a promising future for our planet and forthcoming generations. This research delves into the interplay between green human resource management and pro-environmental behavior, with a focus on the mediating influence of environmental commitment. Data was gathered through a structured questionnaire distributed among 600 employees from various universities in Pakistan, employing a convenience sampling technique. Smart PLS-SEM analysis was utilized to investigate the relationships. Results indicated a significant association between green human resource management, green and pro-environmental behavior, contingent upon the presence of environmental commitment. The study employed bootstrapping techniques to validate the mediating role of environmental commitment. Findings from this research contribute to both theoretical and practical aspects within the context of sustainable development. Convenience sampling might have introduced a bias in the data, limiting the generalizability of the findings beyond the specific sample of employees. Future researchers might Supplement the quantitative findings with qualitative studies to gain a deeper insight into the underlying mechanisms and to capture the nuances and complexities of individuals' experiences and perceptions related to green human resource management and pro-environment behavior.

**Keywords:** Pro-Environmental Behavior, Environmental Commitment, Green Human Resource Management.

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## **EFFECTS OF GREEN HUMAN RESOURCE MANAGEMENT ON ENVIRONMENTAL PERFORMANCE WITH THE MEDIATING ROLE OF GREEN HUMAN CAPITAL: MODERATING ROLE OF MANAGERIAL ENVIRONMENTAL CONCERN**

Muhammad Usman, Dr. Sami Ullah, Muhammad Ashfaq  
University of Sialkot

### **ABSTRACT**

Although the relationship between green human resource management (GHRM) and improving the environmental performance of the education sector is important, it is rarely examined or empirically tested in the literature. The paper explores a conceptual model that takes into account the effects of green human capital and management environment concerns, drawing on the theory of human capital. Using an online survey created in Google Forms and a self-administered questionnaire, 387 employees in the Division Gujranwala education sector provided the data. The SEM model was utilized to evaluate the hypothesis for the examination of direct and indirect associations between variables, and the analysis was carried out using Smart PLS-4. Cronbach alpha and composite reliability were also examined for validity. The hypothesis was evaluated using a bootstrapping test and regression analysis. According to our research, there is a positive relationship between GHRM and environmental performance, and this relationship is mediated by green human capital. Additionally, the influence of GHRM on green human capital is moderated by management environment concerns. The findings also show that, for the education sector with a management environment concern, the indirect impact of GHRM on environmental performance through green human capital is noteworthy. The results broaden the focus of GHRM research even further, and they offer both theoretical and practical applications of GHRM to improve environmental sustainability.

**Keywords:** Green HRM, Green human capital, Managerial environmental concern, environmental performance.

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## **EXAMINING THE RELATIONSHIP BETWEEN GREEN HUMAN RESOURCE MANAGEMENT PRACTICES AND JOB PERFORMANCE: THE MEDIATING ROLE OF JOB SATISFACTION, A STUDY FROM PAKISTANI ISLAMIC BANKS**

Dr Shaheera Amin, Muhammad Raza Zafar, Muhammad Hasnain Ali  
University of Sahiwal, Bahauddin Zakariya University

### **ABSTRACT**

The primary objective of this research was to examine the relationship between Green Human Resource Management (GHRM) Practices, Job satisfaction, and job performance in the banking industry of the United Kingdom. The study used a quantitative research approach, which included a substantial sample of human resource managers within the banking industry. These participants were engaged in a structured questionnaire survey. The data were subjected to analysis using SPSS 21 and Smart PLS SEM software. The study's results indicate a significant relationship between Green HRM practices and job performance. Moreover, it was shown that job satisfaction serves as a mediator in the association between Green HRM practices and job performance. The findings of this study suggest that the implementation of environmentally responsible human resource management (HRM) practices may lead to improvements in both employee satisfaction and job performance within firms operating in the banking industry. The technique used in this research enabled a methodical examination of the aforementioned associations, while the utilization of software tools assured the reliability and validity of the data analysis.

**Keywords:** Green HRM, Job Satisfaction, Job Performance, Banking Industry.

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## **Session III**

### **Day Wednesday**

### **Date 15 November**

### **2023**

### **Time 2:00 PM – 3:30**

### **PM**

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## Session at Lahore Chamber of Commerce and Industry (LCCI)

<b>Date, Day</b>	<b>15 Nov 23, Wednesday</b>
<b>Time</b>	<b>2:00pm - 5:00pm</b>
<b>Location</b>	<b>LCCI</b>

1. **Welcome Address:** Mr. Kashif Anwar President LCCI

2. **Panel Discussion:** Opportunities and Challenges in a Rapidly Changing World in Context to Pakistan.

- Dr. Mohamed Moustafa Mahmoud, Strategy Development & Execution Expert, and CEO of Madinah Endowment for Empowering Charitable Organizations
- Dr. Sayyid Salman Rizavi, Professor, Hailey College of Commerce, University of the Punjab.
- Dr. Qais Aslam, Professor, Business School, University of Central Punjab.
- Mr. Abid Amin, Senior Manager Supply Chain Operations, PepsiCo
- Mr. Fahad Afaq, Deputy Director Marketing, Punjab Central Business District Development Authority, Government of Punjab

3. **Presentation of Research Papers**

<b>Session Chair</b>	<b>Dr Ashfaq Ahmad</b>
<b>Presenter</b>	<b>Paper Title</b>
Muhammad Arzam Hussain	An Exploratory Study of Contemporary Issues Being Faced by The Small and Medium-Sized Textile Industry of Lahore
Muhammad Faraz	Green Banking Awareness: Engaging Customers in Sustainable Practices
Nasira Perveen	A study of Tax Compliance and Procedural Justice among Individual Taxpayers



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## **AN EXPLORATORY STUDY OF CONTEMPORARY ISSUES BEING FACED BY THE SMALL AND MEDIUM-SIZED TEXTILE INDUSTRY OF LAHORE.**

Muhammad Arzam Hussain  
Hailey College of Commerce, University of the Punjab

### **ABSTRACT**

Pakistan's textile industry contributes to GDP, employment, and exports, making it vital to the country's economy. Its importance and growth challenges are highlighted by the fact that it encounters challenges like cost increases, tax changes, and modernization gaps, and that SMEs must deal with global competition and resource shortages. The importance and problems of the textile industry and SMEs are emphasized in the existing literature. However, the textile industry's SME sector, which is crucial to the growth and development of the nation, has been ignored. As a result, the current study makes an effort to investigate the current problems that Lahore's small- and medium-sized textile industry is facing. The views of respondents were understood, examined, analyzed, and interpreted using the Gioia qualitative research approach. The interviewing method used was semi-structured. The respondents were urged to share their unique perspectives, ideas, and knowledge of the issues. Interviews were conducted with a sample of six knowledgeable respondents who are proprietors of small and medium-sized textile businesses in Lahore, Pakistan. The findings show that some of the major problems facing textile SMEs are political instability, the energy crisis, employee retention, currency depreciation, business financing, and growth hindrances. In order to ensure the long-term sustainability and growth of the industry, the current study emphasizes the need for small and medium-sized textile businesses in Lahore to address issues with HR management, financial liquidity, and workforce through internal initiatives, specialized HR consultants, shared workforce models, and investment pools.

**Keywords:** Textile, SME, energy crisis, human resource, employee retention, growth, currency devaluation, branding, political instability, challenges

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## GREEN BANKING AWARENESS: ENGAGING CUSTOMERS IN SUSTAINABLE PRACTICES

Muhammad Faraz  
Dr. Ashfaq Ahmad

### ABSTRACT

Green banking is a comparatively recent trends that is gaining momentum throughout the world. Green finance involves the promotion of goods that are environmentally friendly. Green banking is a new concept in the Pakistani economy. In Pakistan, the idea of green banking is becoming more popular. It has been noticed that green banking is booming in industrialized nations. However, underdeveloped nations like Pakistan have less progress in such eco-friendly activities. The purpose of this study is to assess the advancements in green banking practices within the banking sector. It aims to investigate how people perceive and react to the environmentally friendly initiatives used by banks. The study is exploratory and tried to find the relationship between green banking awareness and customers. Data has been collected through questionnaire from banking sector, academics and public which included student using convince sampling techniques. Due to the time limit, 250 responds were received in total. Data has been analyzed through Structural Equation Model (SEM-PLS). The study's findings indicate that people in Pakistan are aware of the environmentally friendly methods used by banks. The bank's green program has attracted the attention of its customers, who are eager to embrace it. According to the findings, individuals are eager to adapt and alter their attitudes since they are aware of how traditional banking methods have an adverse impact on the environment. The outcomes of this study may help the relevant stakeholders better understand the advantages and potential difficulties of using green banking in the future. Training and development programs as well as the decrease of information asymmetry will be essential to making the subject of green banking more accessible.

**Keywords:** Green Banking, Customers Awareness, Sustainable Practices.

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## A STUDY OF TAX COMPLIANCE AND PROCEDURAL JUSTICE AMONG INDIVIDUAL TAXPAYERS

Nasira Perveen , Prof. Dr. Ashfaq Ahmed  
University of Okara, Pakistan  
Hailey College of Commerce, University of the Punjab, Lahore, Pakistan

### ABSTRACT

Taxation is the fundamental source of state revenue to finance economic progression and prosperity. However, taxation compliance is the major policy issue faced by states especially that of developing countries. Similarly, Pakistan is facing a major obstacle to compliance in terms of trust deficit in terms of fairness perception of citizens about state and tax authorities. Thus this study has focused the factors which contribute to develop perceived tax fairness (PTF) of individual taxpayers, to deal with the issue of trust deficit. The main focus of this study is procedural justice along perceived tax outcomes, aligned with fairness heuristic theory, which is explored for its dimensions and tested for their possible influence on tax compliance in Pakistan. This study has employed Exploratory Sequential Mixed Method design, initiating with the qualitative phase in order to explore and operationalize the variables named procedural justice (PJ) and perceived tax outcomes (PTO). Individual taxpayers are approached and interviewed, using snowball sampling technique. Interview data is thematically analyzed using Nvivo Software. In quantitative phase, primary data is collected through survey forms to be filled by Individual taxpayers, especially filers of income tax returns. Multi-phase sampling technique is used with the incorporation of cluster sampling and quota sampling. The analysis portion is consisted of factor analysis (EFA and CFA), to test reliability and validity of instrument, structural equation modeling and measurement model through SMART PLS. Qualitative phase ended up with the exploration and operationalization of three dimensions of PJ i.e. facilitation, interactional treatment, and consistency of tax procedures and laws, significantly influencing tax compliance (TC) directly and indirectly with the mediation of perceived tax fairness. Similarly, perceived tax outcomes (PTO) is proved to be a significant influential factor towards taxation compliance with full mediation of perceived tax fairness. Thus the findings of this study ends up with policy recommendation of incorporating trust and service paradigm instead of enforcement paradigm in policy formulation by practitioners and policy makers.

**Keywords:** Procedural Justice, Tax Outcomes, Perceived Tax Fairness, Individual Taxpayers.

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<b>Date, Day</b>	<b>15 Nov 23, Wednesday</b>
<b>Time</b>	<b>2:00pm - 3:30pm</b>
<b>Room #</b>	<b>Anis Block 105</b>
<b>Track</b>	<b>Finance</b>
<b>Session Chairs</b>	<b>Dr Kanwal Iqbal Khan and Dr Faisal Mahmood</b>
<b>Presenter</b>	<b>Paper Title</b>
Burhan Rasheed	Impact of Financial Distress on Earnings Management with the Moderating Role of Big-4 Audit Firm: Evidence from Pakistan
Muhammad Asif	Navigating financial planners cognitive biases: Artificial intelligence revolution
Usman Baig	Impact of Climate Change Events and Stock Market Performance: Evidence from V20 and G7 Countries
Muhammad Usama Asghar	Exploring Dividend Policy Determinants: How Accounting Conservatism, State Ownership, and Firm Size affects Dividend Policy?

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## **IMPACT OF FINANCIAL DISTRESS ON EARNINGS MANAGEMENT WITH THE MODERATING ROLE OF BIG-4 AUDIT FIRM: EVIDENCE FROM PAKISTAN**

Syed Taha Fraz Haider Kazmi, Dr. Burhan Rasheed, Zohair Farooq Malik, and Dr. Muhammad Gulzar

University of Management and Technology.

### **ABSTRACT**

The main objective of the financial statements is to provide a company's annual result of financial performance and position to stakeholders on time. Several accounting scandals led to the default of many large-scale corporations, and a lack of confidence occurred concerning the reliability of financial information and also put a question mark on the effectiveness of internal control mechanisms. The choice of accounting methods gives leverage to managers to misuse their powers and expropriate stakeholders. This research investigated the presence of Financial Distress (FD) and its effect on Earnings Management (EM) with the moderating role of Big-4 audit firms. This study uses the MJ model to find out the discretionary accruals which is the proxy for the EM. The population for this study is all listed companies on the Pakistan Stock Exchange. The systematic random sampling method is used to reach the final sample for this study. The target sector of this study is the non-financial sector, and 96 companies were selected after taking data from 2017 to 2022. The result and analysis finds that; FD and EM have a significant positive relationship which reveals that corporate managers of distressed companies do EM while Big-4 audit firm weaken this relationship.

**Keywords:** Financial Distress, Earnings Management, Big-4 Audit Firm, Pakistan Stock Exchange.



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## NAVIGATING FINANCIAL PLANNERS COGNITIVE BIASES: ARTIFICIAL INTELLIGENCE REVOLUTION

Muhammad Asif, Dr. Rabnawaz Lodhi  
Hailey College of Commerce, University of Punjab.

### ABSTRACT

This study will examine cognitive biases in future financial planners and how artificial intelligence (AI)-driven digital transformation can overcome them. Cognitive biases may negatively affect investors and financial services consumers, according to different studies. It's quite possible that financial planners are identifying these cognitive biases in their clients and trying to fix them while delivering financial planning services. Our study will use attribution theory to examine the research gap on cognitive biases in financial planners and propose a qualitative research agenda to fill it. Our study will include in-depth interviews through structured questionnaires with various financial planners in two phases. In the first phase, in-depth interviews with financial planners will be conducted to explore the psychological biases of financial planners and the role of AI in mitigating these biases or the challenges faced by financial planners in the adoption of artificial intelligence tools. Phase two will include hypothetical follow-up interviews with selected planners. We will interview up to 30 financial advisors about their cognitive biases and AI applications in financial planning services. Thematic analysis would be applied to these audio interviews through NVivo software. As financial planners provide help to the needy, literature shows that cognitive biases can create a considerable problem for the consumers of these services. However, our findings can suggest that digital transformation, enabled by artificial intelligence technologies, can eliminate these biases, which is not sufficient, but only by combining AI and human intelligence. According to the best of the researcher's knowledge, financial planners' cognitive biases and artificial intelligence have not been studied in Pakistan.

**Keywords:** Artificial intelligence, financial, navigation, cognitive, revolution.



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## IMPACT OF CLIMATE CHANGE EVENTS AND STOCK MARKET PERFORMANCE: EVIDENCE FROM V20 AND G7 COUNTRIES

Zamran Sadiq, Usman Baig, Dr. Sabeeh Iqbal,  
Dr. Sadia Farooq, Dr. Muhammad Aamir  
Hailey college of Commerce, University of the Punjab, Lahore.

### ABSTRACT

The effects of climate change are posing increasing problems to the world's financial system, which has raised interest in understanding its impact on stock markets. This study delves into the impact of climate change announcements on stock markets, with a specific focus on the Global Shield Financing Announcement and “Paris plan agreement”. It investigates how these announcements affected stock market performance in various countries, including Pakistan, Bangladesh, the Philippines, Costa Rica, Ghana, and Senegal. The study employs an event study approach to analyze these market reactions. The findings reveal mixed outcomes, with some countries experiencing positive market reactions while others exhibit underperformance. The Global Shield Financing Announcement had both short-term market reactions and uncertainty. Despite the fluctuations, the cumulative abnormal returns remained positive, suggesting a positive overall impact on the stock markets. Timely and accurate climate change disclosures are underscored as crucial for investors and policymakers. The research also explores the influence of the “Paris Agreement” on stock markets. It evaluates how this international climate accord affected stock market behavior in various countries, including Denmark, Ireland, and Canada. The study examines the reactions of stock exchanges to the commitments made under the “Pari Plan. Results also show mixed effects on stock market performance. Some days witness underperformance, while others show positive performance. However, the cumulative abnormal returns maintain positivity, indicating a favorable overall impact on stock markets. This research contributes valuable insights for policymakers, investors, and stakeholders.

**Keywords:** Climate, stock market, evidence, stakeholders.

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## **EXPLORING DIVIDEND POLICY DETERMINANTS: HOW ACCOUNTING CONSERVATISM, STATE OWNERSHIP, AND FIRM SIZE AFFECTS DIVIDEND POLICY?**

Muhammad Usama Asghar, Saeed Ahmad Sabir  
Hailey College of Commerce, University of the Punjab

### **ABSTRACT:**

This study explores the impact of accounting conservatism and state ownership on dividend policy with moderating role of firm size by using a sample of KSE 100 companies. The study employs a panel data approach which includes a sample composed of KSE 100 companies from 2018-2022. Most of the research uses a model of Basu (1997) to measure accounting conservatism. But this study uses accrual measures based upon the model of Givoly and Hayn (2000), and Ahmend et al., (2002), as they capture both the conditional and unconditional conservatism. Dividend policy is measured through the Dividend Payout Ratio (Lintner, 1956; Brittain, 1964) and Dividend Yield (Eckbo and Verma, 1994; Gul, 1999). Various statistical techniques, including regression analysis, multivariate analysis and robustness tests were used to assess these relationships. Conservatism may have a direct influence on a firm's dividend policy, as conservative financial reporting may lead to lowered reported profits, which may well affect the amount available for dividend payouts. Moreover, state-owned businesses may face exceptional challenges in implementing accounting conservatism due to political controls and varying incentives. The research findings contribute valuable insights into the sophisticated changing aspects of accounting conservatism, state ownership, and dividend policy, considering the moderating role of firm size. Understanding these relationships can notify incorporated strategies, specifically for state-owned companies, and guide investors and policymakers in forming advised decisions.

**Keywords:** Accounting, dividend, ownership

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<b>Room #</b>	<b>Anis Block 106</b>
<b>Track</b>	<b>Organizational Behavior</b>
<b>Session Chairs</b>	<b>Dr Muhammad Zeeshan Shaukat and Dr Sharjeel Saleem</b>
<b>Presenter</b>	<b>Paper Title</b>
Usama Farooq	Impact of Islamic Spirituality and Islamic Social Responsibility on Job Satisfaction and Organizational commitment with the effect of mediation and moderation.
Asbah Shujaat	Trickle Down Effects of Abusive Supervision Supervisors Knowledge Hiding on employees' Wellbeing: Role of Political Skill
Waqas Shakir	Perceived Insider Status and Thriving at Work: The Moderated Mediation Role of Employee Engagement
Rehab Khan	An Empirical investigation of Transformational Leadership (TL) and Innovative Work Behavior (IWB)
Sara Atif Syed	Barriers to Creativity Do Have Negative Impact on Employee Creativity? A Myth or Reality
Laibah Hassan	Impact of Employee Satisfaction Commitment ,Work Engagement On Organization With Mediating Role Of Attitude

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## **IMPACT OF ISLAMIC SPIRITUALITY AND ISLAMIC SOCIAL RESPONSIBILITY ON JOB SATISFACTION AND ORGANIZATIONAL COMMITMENT WITH THE EFFECT OF MEDIATION AND MODERATION.**

Usama Farooq, Dr. Sarfaraz Khan  
University of the Punjab, Gujranwala Campus

### **ABSTRACT**

Research into spirituality and its impact on the work environment has been an interesting topic. In an attempt to explore the role of Islamic spirituality in the workplace, this study will examine the influence of Islamic spirituality and Islamic social responsibility on job satisfaction and organizational commitment. It will scrutinize the mediating role of Perceived Organizational Justice and the moderating role of Work ethics. Data will be obtained by an online Likert-scale questionnaire survey based on Muslim employees from various economic sectors of Pakistan and I will analyze the data through structural equation modeling (SEM), Path analysis and Confirmatory Factor Analysis (CFA).

**Keywords:** spirituality, job satisfaction, mediation, moderation.

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## **TRICKLE DOWN EFFECTS OF ABUSIVE SUPERVISION & SUPERVISORS KNOWLEDGE HIDING ON EMPLOYEES' WELLBEING: ROLE OF POLITICAL SKILL**

Dr. Rizwan Qaiser Danish, Asbah Shujaat  
Institute of Business Administration, University of the Punjab, Lahore

### **ABSTRACT**

Emotions are an important aspect of organizational life. However emotional issues, particularly negative emotions, have usually been largely neglected in organizational life. Drawing on negative reciprocity and conservation of resource theory, purpose of this paper is to capture the impact of destructive leadership behaviors such as abusive supervision and supervisor knowledge hiding on employee wellbeing with the mediating effects of workplace ostracism and employee knowledge hiding. Data will be collected from the front line employees of hospitality industry through self-administered questionnaires. The present study will compare and assess the predictive value of two negative supervisor behaviors towards employee wellbeing and examine the role of employee political skill in alleviating their effects. Data will be collected from the front line employees of hospitality industry through self-administered questionnaires. The present study will compare and assess the predictive value of two negative supervisor behaviors towards workplace incivility and examine the role of employee political skill in alleviating their effects.

**Keywords:** Abusive Leadership, Leader Knowledge Hiding (LKH), Workplace Ostracism, Employee Knowledge Hiding (EKH), Evasive Hiding, Playing Dumb, Rationalized Hiding, Political Skill, Employee Wellbeing

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## **PERCEIVED INSIDER STATUS AND THRIVING AT WORK: THE MODERATED MEDIATION ROLE OF EMPLOYEE ENGAGEMENT**

Waqas Shakir, Rehab Khan, Dr. Rizwan Qaiser Danish  
Superior University, IBA, University of the Punjab

### **ABSTRACT:**

Individual works for the betterment of an organization only when considering him to be an insider and valuable part of the organization. The self-determination and affective event theories will be used to draw a model based on Perceived insider status (PIS), employee engagement (EE), and Perceived organizational support (POS). This study will investigate the direct impact by perceived insider status (PIS) upon thriving at work (TAW) & through the mediation of employee engagement (EE). Also, will study the moderating role by perceived organizational support (POS) on the relationship of Perceived insider status (PIS) and employee engagement (EE). Data will be collected from service and manufacturing sector employees by self-administrative questionnaire using a cross-sectional technique. Statistical software IBM SPSS, AMOS, and Hayes PROCESS will be used for the data analysis. This research is supposed to contribute to a more in-depth understanding of the constructs, Perceived insider status, and thriving at work.

**Keywords:** Insider Status, Thriving at Work, Moderated Mediation, Employee Engagement



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## **AN EMPIRICAL INVESTIGATION OF TRANSFORMATIONAL LEADERSHIP (TL) AND INNOVATIVE WORK BEHAVIOR (IWB)**

Rehab Khan, Waqas Shakir, Dr Rab Nawaz Lodhi, Dr. Rizwan Qaisar Danish

### **ABSTRACT**

The current research study mainly aimed to examine the impact of Transformational Leadership and Innovative Work Behavior in which the Moderating role is of the Work Uncertainty and Mediating role is of the Employee Ambidexterity and Organizational Support. The questionnaire for this study was mainly alienated into two categories (e.g., questions related to variables, and questions about demographic characteristics e.g. gender, age, location and designation. Items that have been validated and reliable in the literature were adjusted to fit this study's purposes, and utilized to measure additional factors. All items were evaluated on a 5-point Likert scale. The survey of this study was pretested in (50) SMEs. All the hypothesis of the study are positively and significantly supported except the mediating effect 3 with employee ambidexterity. The researcher used the Organizational Support as the Mediator. The other researches may choose other variables as Mediator instead of the Organizational Support and Employee Ambidexterity. On the other hand this research is going to be conducted on the SMEs, other enterprises may provide different results. Many studies have been done related to TL and IWB in advanced countries. Pakistan is the developing country, but no one conducted this theme in the Pakistan's context especially in the area of Punjab.

**Keywords:** Transformational Leadership (TL), Work Uncertainty (WU), Innovative Work Behavior (IWB), Employee Ambidexterity (EA), Organizational Support (OS), SMEs, Pakistan.

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## **BARRIERS TO CREATIVITY DO HAVE NEGATIVE IMPACT ON EMPLOYEE CREATIVITY? A MYTH OR REALITY**

Sara Atif Syed, Kanwal Iqbal Khan, Abdul Aziz Khan, Hira Tanweer Butt  
University of Engineering and Technology, Lahore, Pakistan

### **ABSTRACT**

The aim of the study is to investigate the impact of barriers faced by organizational employees to be creative and innovative. The study follows quantitative approach and its design is envisaged on a review of relevant literature, data collection through field survey and statistical analysis. Population under study consists of employees of service sector organizations. The uses non-probability base purposive sampling. The data are collected through a Likert scale based instrument of measurement. The method of analysis includes co-relation/multiple linear regression analysis including classical descriptive statistics. The analysis performed on classical version of SPSS software. The results of study show that barriers related to self-concept, conformity requirements, abstract ability, systematic ability, achievement of task and physical environment associated with employees' creativity have significant negative effect on creativity and innovation of employees. Innovation and creation in the contemporary world are the most desired traits for employees and these are high on in the field of research. Therefore, this study is unique and valuable attempt. Since this study is based on real time data collected in field setting that too analyzed on classical statistical methods therefore is a valuable study. It gives unique insights to the stakeholders. The findings of the study are beneficial for employees of organization, as the study depicts that barriers do have effect on employees' creativity. The removal or minimization of barriers will enhance the level of creativity in employees, which is crucial in today's rapidly evolving world.

**Keywords:** Barriers, Employee Creativity, Personality, Cognition, Creative Thinking Skill, Contextual Influence

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## IMPACT OF EMPLOYEE SATISFACTION, COMMITMENT, AND ENGAGEMENT ON FIRM PERFORMANCE: MEDIATING ROLE OF EMPLOYEE ATTITUDE

Laibah Hassan, Dr. Muhammad Gulzar, Zunaira Zaheer  
University of Management and Technology

### ABSTRACT

The current study finds out the intricate relationship between the impact of employee satisfaction, commitment, and engagement on firm performance particularly in the presence of employee attitude, which serves as a mediating role for the whole process. After analyzing the relevant literature as well as empirical data analysis the research portrays valuable insight into how employees’ emotional and psychological conditions stimulate their attitude towards their commitment and engagement and subsequently how it impacts the firm performance. The findings highlight the importance of a positive employee attitude as a mediator between satisfaction, commitment, engagement, and firm performance. The findings also reveal a positive correlation between the satisfaction level of the staff with their jobs and the organization’s efficiency. At the same time, job commitment and organizational performance are negatively correlated. The study highlighted that employee commitment does not affect the organization’s performance. The research concluded a negative correlation between the engagement of employees towards their tasks and the overall organizational performance. It is recommended, based on findings, that employees should be rewarded and advanced to enhance job commitment based on their skills and experience. Moreover, regular training and coaching should be provided by management to implant a performance culture.

**Keywords:** Employee satisfaction, commitment, engagement, firm performance, and employee attitude.

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<b>Track</b>	<b>Business Strategy</b>
<b>Session Chairs</b>	<b>Dr Tayyaba Yousaf and Dr Aqsa Shabbir</b>
<b>Presenter</b>	<b>Paper Title</b>
Sonia Kanwal	Influence of Artificial Intelligence on Contemporary Business Practices: A systematic literature
Vania Ahsan	Effects of Big Data Analytical Capabilities On Marketing & Operational Performance of Firms
Hira Tanweer	How we reached in Fool's Paradise? Formulating a Research Question
Alina Zulfiqar Ali	Impact of Green Innovation on Sustainable Performance: Mediating Role of Managerial Support
Muhammad Usama	The Transformative Impact of Data Analytics: A Vital Role in Enhancing Decision-Making and Driving Innovation within Business

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## INFLUENCE OF ARTIFICIAL INTELLIGENCE ON CONTEMPORARY BUSINESS PRACTICES: A SYSTEMATIC LITERATURE REVIEW

Ossama Fazal, Sonia kanwal

### ABSTRACT

AI has transformed contemporary business practices, ushering in a new age of creativity and efficiency. AI streamlines onboarding, optimizes workforce recruiting, and improves sales operations. AI offers numerous advantages, but it also has severe dangers and ethical issues to address. AI is redefining leadership and creativity in business practices, changing their structures and tactics. AI improves efficiency and production, but it also poses ethical issues that must be addressed. This research goes beyond observation to pinpoint the technical advances that support AI's acceptance and its possible economic effects, offering insight on the future. The study aims to preview future business trends and possibilities in an AI-driven environment. It discusses how artificial intelligence is affecting business, focusing on leadership. This study uses a systematic review to assure accuracy and applicability. This technique shows how AI has changed businesses by carefully finding, choosing, and merging current research. This paper combines theory and practice, making it valuable for corporations, governments, and academics navigating the ever-changing world of AI-driven business operations. Leaders must be adaptive, data-savvy, and ethical in the age of artificial intelligence, according to this paper.

**Keywords:** Artificial intelligence, contemporary, systematic, literature.

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## EFFECTS OF BIG DATA ANALYTICAL CAPABILITIES ON MARKETING & OPERATIONAL PERFORMANCE OF FIRMS

Vania Ahsan, Syeda Fizza Abbas, Naila Sadiq  
Kinnaird College for Women

### ABSTRACT

In the banking sector of Pakistan, the current research probes into the crucial role of Big Data Analytics Capabilities (BDAC), acknowledging the core goal of financial institutions to generate profits for long-term sustainability and expansion. Given the rapid advancement of information technology, BDAC appears as an integral component for banks seeking to maintain a competitive edge in an extremely dynamic market. Using the theoretical frameworks of the Resource-Based View (RBV) and the Contingent Resource-Based View (CRBV), which take into account both the market and operational elements of business, this study explores the relationship between BDAC and business performance incorporating both market and operational aspects of business. The approach used involves the use of Partial Least Squares Structural Equation Modelling (PLS-SEM) to examine data obtained from a sample of 415 Pakistan's senior managers. The findings conclude that the seven dimensions that form up BDAC play a pivotal role moreover, BDAC improves the marketing and operational outcomes in Pakistan's banking industry. These traits demonstrate the extent to which analytics may enhance a client's experience and decrease consumer dissonance about brand rivalry in financial services that promote customer loyalty. To deliver high-value analysis, financial services firms should combine data from both internal and external sources. By proving the significant influence of BDAC on banks' marketing and operational success and offering empirical evidence to back up those conclusions, this study contributes to the body of knowledge.

**Keywords:** Big Data Analytical Capabilities, Marketing performance, Operational Performance, Banking sector



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## HOW WE REACHED IN FOOL'S PARADISE? FORMULATING A RESEARCH QUESTION

Hira Tanweer Butt, Abdul Aziz Khan Niazi, Kanwal Iqbal Khan, Sara Atif Syed  
University of Engineering and Technology, Lahore, Pakistan

### ABSTRACT

With the advancements in world, education sector all around the world has been advancing. The aim of the study is to formulate a research question concerning the education system that has driven us to job orientation, but we are expecting, the entrepreneurs. The study has focused the education sector of Pakistan and the data is collected from the students and professors of the top 5 universities in the country. for the purpose of analysis, this research study has used thematic analysis as it follows the qualitative research method. The results of the study reveals that expecting entrepreneurs from job oriented education, tantamount to approve living in fool's paradise. If we analyse our books, documents, examples, case studies, teaching materials etc. All revolves around the company jobs. There is less concentration, content, teaching material or focus on real tie entrepreneurship. Expecting entrepreneurship from classroom setting projects, final year projects, internships, or university setting incubations is again a form of living in fool's paradise. Different research studies have been conducted to assess the issues in the education sector but unfortunately not many research studies have been discussed about the contradictory behavior of education system for entrepreneurship. This research study intends to fill this gap. This research study will be significant for education sector, as it discusses about the problems in education sector. It will also be of great importance for the government, as it provides insight not the issues of education.

**Keywords:** Education Sector, Government, Education System, Entrepreneurship, Job Oriented, Paradise.

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## **IMPACT OF GREEN INNOVATION ON SUSTAINABLE PERFORMANCE: MEDIATING ROLE OF MANAGERIAL SUPPORT**

Alina Zulfiqar Ali, Prof. Dr. Ashfaq Ahmad  
Hailey College of Commerce, University of the Punjab

### **ABSTRACT**

The aim of this study is to investigate the effect of green innovation on sustainable performance with mediator of managerial support under the lenses of Resource Based View. For this study, data collection methodology is a written survey questionnaire. Throughout Punjab, data is gathered for this research. Closed-ended questions with predetermined response options (five point likert scale) are part of this study's questionnaires. This study is based on the responses of 506 individuals working in service sector in Pakistani firms especially in the Punjab province. Ordinary least square structural equation modeling with SPSS version 22 is used to scrutinize the study framework and assumptions of this study. According to the study's results green innovation has positive and significant effects sustainable performance and managerial support mediates this relationship positively and significantly. The framework of this study is unique in nature as no previous study empirically tests these variables simultaneously. This study not only help us to comprehend how green innovation has affected Pakistani local industries' sustainable performance but also the importance of adoption of green innovation in developing countries like Pakistan. The valuable results of this research are helpful for managers, strategists, and policy-makers in better understanding the significance of their support for the adoption, implementation, and assessment of initiatives towards green innovation by quantifying the effects of green innovation on sustainable performance. Theoretically, this study is pioneer that analyzes the progress of green innovation of the local enterprises in Pakistan. This study is also a way forward for the sustainable performance of businesses with better utilization of resources.

**Keywords:** Green Innovation (GI), Managerial Support (MS), Sustainable Performance (SP), Resource-Based View (RBV)

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## **THE TRANSFORMATIVE IMPACT OF DATA ANALYTICS: A VITAL ROLE IN ENHANCING DECISION-MAKING AND DRIVING INNOVATION WITHIN BUSINESS**

Muhammad Usama, Hamid chaudry, Zakir Ullah, Ashir alvi  
Forman Christian college and chartered University

### **ABSTRACT**

The transformative impact of data analytics in Pakistan holds immense significance, as it plays a vital role in enhancing decision-making and driving innovation within businesses across the country. This abstract provides an overview of how data analytics is reshaping the business landscape in Pakistan. In recent years, Pakistan has witnessed a significant surge in the generation and collection of data, thanks to the proliferation of digital technologies, e-commerce, and the increasing online presence of businesses. This data deluge offers a wealth of opportunities for organizations to gain valuable insights into customer behavior, market trends, and operational efficiency. Data analytics, encompassing techniques such as data mining, machine learning, and predictive analytics, has become an indispensable tool for businesses operating in Pakistan. By harnessing the power of data analytics, organizations can make data-driven decisions that are more informed, precise, and aligned with their strategic objectives. This is particularly crucial in a competitive business environment, where the ability to quickly adapt to changing market dynamics is a key success factor. Moreover, data analytics empowers businesses in Pakistan to uncover hidden patterns, correlations, and trends within their data, which may not be apparent through conventional means. This capability aids in identifying new opportunities, mitigating risks, and optimizing processes for better performance and cost-effectiveness. It also enables businesses to develop more personalized and targeted marketing strategies, thereby enhancing customer engagement and satisfaction. The role of data analytics in driving innovation is equally noteworthy. By leveraging data analytics, Pakistani businesses can gain a deeper understanding of their customer base and market needs, leading to the development of innovative products and services. Furthermore, data-driven insights can facilitate the identification of gaps in the market, allowing companies to create unique solutions that cater to unmet demands. However, the effective implementation of data analytics in Pakistan does present challenges. These include issues related to data quality, privacy concerns, and the need for a skilled workforce proficient in data analytics tools and techniques. Overcoming these challenges will be essential for businesses to fully realize the transformative potential of data analytics.

**Keywords:** Data Analytics, Business Intelligence, Decision-Making, Data-driven Insights, Competitive Advantage, Data Visualization

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<b>Room #</b>	<b>Anis Block 204</b>
<b>Track</b>	<b>Islamic Finance</b>
<b>Session Chairs</b>	<b>Dr Sadia Gulzar and Dr Hafiz Usman Ahmad</b>
<b>Presenter</b>	<b>Paper Title</b>
Syeda Sidra Naqvi	Waqf Investment for Socio-economic Development: A Bibliometric and Scientometric Study
Saba Khanam	Zakat management system in hospitals
Zia Ur Rehman Dogar	Core Principles of Islamic Trading for the Economic Development of Pakistan
Benish Haseeb	Exploring the Potential of Halal Meat Production and Export in Pakistan: A Comprehensive Study
Nadeem Sadiq	Islamic financial technology ecosystem development in Pakistan: a text analytics study
Ghulam Shabbir	The Principles of the Collection of Revenue: A Study in Islamic Perspective

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## **Waqf Investment for Socio-Economic Development: A Bibliometric and Scientometric Study**

Adeel Nasir, Rabia Asif, Saqib Rehman, Sidra Naqvi

### **ABSTRACT**

Surrendering own property for the benefit of the general public refers to as Waqf. It has been regarded as one of the pillars of the Islamic economic system. Waqf has drawn researchers' attention due to its ability to aid socio-economic development. Waqf investment research motivation and findings are diverse in nature, which provide the reason to conduct the bibliometric analysis in this field. The study used Biblioshiny, a web-specific R package (bibliometric 4.1), and VOS-viewer to analyze Waqf investment research data from 57 documents extracted from the Scopus database for 27 years from 1995-2022. Various bibliometric indicators, such as publication output, citation count, co-authorship pattern, and journal impact factor, has been analyzed. Also, the study suggested the state of development, top trends, research themes, streams, and the most influential journals, papers, topics, authors as well as economies where the Waqf has been the most emerging theme for finance researchers. The results of the current exploration provide insightful commentary on Waqf literature and offer perspective analysis for Waqf's planned expansion and ongoing research. The study identified that research on Waqf was instigated in early 1914. Subsequently, the topic was advanced year by year, with publications progressively growing since 2010. The study's findings also indicate that fundamental themes of Waqf literature cover a wide range of essential topics that primarily deal with Waqf, cash waqf, Islamic finance, and endowment. Results further reveal the state of development, top trends, most influential journals, papers, topics, authors, and economies that have been involved in exploring the topic extensively. The study also emphasized the need for further research to explore social and cultural aspects of Waqf and its potential to advance social welfare and community development. This study may be helpful for active research to identify important research themes and influential authors to work with and collaborate with in the future. The analysis and graphical presentation will help academics and practitioners understand the situation of Waqf in the experiential and modern eras, which will be advantageous to both groups. This study originally contributes to priorities and practices in waqf literature and catalyzes to provide future directions.

**Keywords:** Waqf, Socio-Economic Development, Bibliometric Analysis, Islamic Finance, Science Mapping.



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## ZAKAT MANAGEMENT SYSTEM IN HOSPITALS

Saba khanam, Dr. sadia gulzar  
University of the Punjab

### ABSTRACT:

As one of the five pillars of Islam, zakat is a religious duty for all Muslims who meet the necessary criteria of wealth to help the needy people's. Zakat is an Islamic finance term referring to the obligation that an individual has to donate a criteria proportion of wealth each year to charitable causes. Allah Almighty mentioned the eight heads of zakat in the Quran. In our society, many people have less knowledge about deserving people. People think every beggar is deserving, but unfortunately, every beggar is not deserving. Begging is their job, and they are also destroying others' rights. So that some hospitals take this responsibility to do work for deserving patients. Hijaz Hospital is one of them. It has a welfare Sharia board, and most of the patients are treated through the zakat account. I will describe all about the zakat management system in detail.

**Key words:** zakat management system, heads of zakat, zakat in hospitals.



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## **“WHAT ARE THE CORE PRINCIPLES THAT SERVE AS AN ESSENCE IN ISLAMIC TRADING; HOW THEY CAN BE OPTED TO NURTURE THE ECONOMIC APPARATUS OF PAKISTAN”**

Mr. Zia Ur Rehman Dogar

The Institute of Islamic Studies, The University of Punjab Lahore Pakistan.

### **ABSTRACT:**

Trading is basically defined as an act of selling and buying financial instruments like shares, and forex indices without owning them directly so as to earn profit from changes in their price movement. Trade serves as a vital impetus in fostering the economic development of a Nation. Trade leads to faster productivity growth, and permits countries to expand their markets so that they can attain access to goods and items that otherwise may not be at disposal for use. Islam being a global and dynamic religion also authorizes trading but with certain rules and obligations. What are the different modes of trading in Islam will be discussed in this research paper. Furthermore, this research paper attempts to comprehensively highlight the various Islamic laws and guidelines that govern contracts of exchange involving the selling of goods and trading of debts. Muslim scholars and jurists have extensively researched, reasoned, and deliberated over centuries to compile a comprehensive framework of principles that govern this process of trading. This compilation is based on the rulings derived from the Quran and Sunnah and other secondary sources of Islamic law will also be elaborated on in this paper. Examples will be cited in the paper from the Sirah of our beloved Prophet Muhammad P.B.U.H whose life serves as a beacon in the domain of finance and trading for the entire humanity. Concluding the topic, the paper discusses the contemporary applications of these contracts and rules in the modern Islamic economic industry, so that the economic challenges Pakistan is confronting can be resolved to nurture its economic development. The Qualitative Archival method will be used for the collection of data. The Chicago Manual 2017 will be used for writing the paper and citation of references.

**Keywords:** Islamic Principles, Trading, Economic Development.

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## EXPLORING THE POTENTIAL OF HALAL MEAT PRODUCTION AND EXPORT IN PAKISTAN: A COMPREHENSIVE STUDY

Benish Haseeb, Mariam Tahseen

### ABSTRACT

The purpose of this paper is to explore halal meat production potential and export potential in Pakistan. Following this, the paper is to both stimulate the business and encourage research within this field. For this study, both primary and secondary data were used. Timeseries meat production and export data from 1994-1995 to 2015-2016 were collected from different secondary sources; where primary data were collected from distinguish livestock experts on the possibility of halal meat production in various provinces of the country. Results show that during 1994-1995 to 2015-2016, annual average growth rates of meat production and export were 3 and 32%, respectively. Based on these growth rates, it was estimated that Pakistan's total meat production and export is projected to be 6,078 thousand tons and \$17,477m by 2029/2030. Results regarding the expert opinion survey indicates that Balochistan province has comparative advantage to rare livestock for beef and mutton meat production over rest of the provinces; there is potency for producing chicken meat in Khyber Pakhtunkhwa (KPK) and Punjab provinces, while Sindh province has almost the same efficiency to produce beef and chicken meat. Experts were in opinion that high yielding livestock breeds should be introduced to farmers; and comprehensive training programs should be designed for all the stockholders involved in meat production, and processing to exports chains. Therefore, it is suggested that registered and corporate livestock farming can be only solution to fulfill required standards of raw and processed meat business in international markets. At current, halal meat export is considered as major activity of livestock sector of Pakistan: where, this is one of the pioneer studies exploring potential of halal meat production in various parts of the country, which can not only contribute in national income but support the balance of payments of the country.

**Keywords:** Pakistan, Export, Production, Forecast, Halal meat.

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## ISLAMIC FINANCIAL TECHNOLOGY ECOSYSTEM DEVELOPMENT IN PAKISTAN: A TEXT ANALYTICS STUDY

Muhammad Nadeem Sadiq, Dr. Ashfaq Ahmad  
Hailey College of Commerce, University of The Punjab, Lahore, Pakistan

### ABSTRACT.

The financial technology sector is transforming the global financial services market. Fintech companies are making it possible for traditional financial institutions to serve their consumers in unique ways, which subsequently enables these organizations to offer services of more excellent quality at cheaper costs. The purpose of this research is to look at the crucial parts of the Islamic FinTech ecosystem and give a road map for stakeholders to increase the number of people who have access to banking services in Islamic markets and analyze its development in Pakistan. This study will integrate the application of data analytics in text mining with the qualitative investigation of human intelligence through a two-step process. The initial step will involve knowledge discovery on the fundamental components of the Islamic fintech ecosystem by analyzing a selection of scholarly literature. In addition, the next stage involves utilizing the fundamental features discovered in the previous step to investigate the development of ecosystems in Pakistan.

**Keywords:** Data analytics, Fintech ecosystem, Pakistan, Islamic fintech, Text mining.

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## THE PRINCIPLES OF THE COLLECTION OF REVENUE: A STUDY IN ISLAMIC PERSPECTIVE

Dr. Sadia Gulzar, Ghulam Shabbir  
University of the Punjab, Lahore

### ABSTRACT

The sources of revenue for an Islamic state include Zakaat, Ushr, Khiraj, Jizya, Maal Fai, Khums, A'tiyat, Awqaf and tax. However, it is necessary that these should be collected according to the requirements. In Islam, unnecessary burdens on the public are strictly prohibited. Important sources of income for the Government are Zakaat and Ushr. Muslim citizens pay them as a matter of their religious obligation, and believe that by doing so, their wealth is purified here in the world, and in the hereafter they will deserve awards from Allah the Exalted. As per the Islamic teachings, business in haram articles is prohibited; therefore, no revenue can be collected therefrom. In the Islamic state, justice is maintained through the collection of revenue. It does not levy unnecessary tax on its citizens and collects only whatever is due, that too keeping in view their facility. Islam has laid much emphasis on integrity and trustworthiness, condemned bribery and breach of trust in stringent terms and enjoined people to keep from it. The purpose of this research paper is to highlight the importance of the principles of collecting revenue in Islamic perspective. The research paper follows descriptive and analytical methods.

**Keywords:** Islamic, analytical, revenue.

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<b>Time</b>	<b>2:00pm - 3:30pm</b>
<b>Room #</b>	<b>Anis Block 205</b>
<b>Track</b>	<b>Entrepreneurship and Marketing</b>
<b>Session Chairs</b>	<b>Dr Adnan Anwar and Dr Fizza Rizvi</b>
<b>Presenter</b>	<b>Paper Title</b>
Abaidullah	Do Digital Financial Inclusion, Economic Growth, and Human Capital Instigate Entrepreneurial Activities?
Muhammad Raza Zafar	Women entrepreneur success through women empowerment: An approach of motivational need theory
Mohammad Mohsen Liaqat	Compliance Pressure And Cognitive Inconsistencies In Social Entrepreneurs
Muhammad Irfan	The impact of corporate brand equity and brand credibility on customer satisfaction in Islamic banks
Muhammad Raza Zafar	A Study on Consumer Satisfaction using Islamic Fintech with the Moderation Effect of Attitude toward Behavior

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## DO DIGITAL FINANCIAL INCLUSION, ECONOMIC GROWTH, AND HUMAN CAPITAL INSTIGATE ENTREPRENEURIAL ACTIVITIES?

Abaidullah, Muhammad Farhan Bashir , Saeed Ahmad Sabir  
Lahore Business School, The University of Lahore, Pakistan, University of Veterinary and Animal Sciences Lahore, Pakistan, Hailey College of Commerce, University of the Punjab, Lahore, Pakistan

### ABSTRACT

The continuous development of digital financial inclusion and human capital to promote entrepreneurship during this dynamic era is a significant challenge. This study examines how digital financial inclusion, economic growth, and human capital influence entrepreneurial activities across nations from 2011 to 2019. OLS, fixed effects estimation, and GMM are applied to the annual unbalanced panel data from 139 countries. During the analysis, we identified two channel variables, the cost of the business startup procedures and the tax burden, and performed channel analysis to verify the underlying assumption. The overall analysis shows that entrepreneurs boost their entrepreneurial activities if there is less cost associated with business startup procedures and relief in tax burden by the government. The findings show that DFI and human capital positively and significantly impact entrepreneurial activities. Economic growth also yielded the same result. The study suggests governments and policymakers enhance digital financial inclusion, economic growth, and human capital to help entrepreneurs succeed.

**Keywords:** Digital Financial Inclusion, Economic Growth, Human Capital, Entrepreneurial Activities, Cost of Business Startup Procedures, Tax Burden



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## **WOMEN ENTREPRENEUR SUCCESS THROUGH WOMEN EMPOWERMENT: AN APPROACH OF MOTIVATIONAL NEED THEORY**

Muhammad Raza Zafar, Safeena Sahar  
IBF BZU Multan,

### **ABSTRACT**

The aim of this study is to analyze the key factors contributing to women's entrepreneurial success in Pakistan. Based on motivational need theory this study has three independent variables, family and social support, need for achievement, and creativity & innovation; while women's entrepreneurial success is the dependent variable of the study. Women empowerment has a critical role in women's professional life. Therefore, women's empowerment is taken as the moderator in this study. The sample of the study is based on 193 businesswomen in Pakistan. The data is gathered through a Questionnaire, which is analyzed on SPSS and PLS SEM. The results of regression analysis show that all the hypotheses are accepted. However, family & social support has a high influence among all the independent variables upon the women's entrepreneurial success. This study strengthens current literature regarding women's entrepreneurship, as well as gives beneficial insights into the society of Pakistan to enhance women's entrepreneurial success. Further study should explore other determinants of women's entrepreneurial success, and also used large sample to get more generalized results to examine the issues from new dimensions.

**Keyword:** Women Entrepreneur, Motivational Need Theory, Creativity & Innovation.

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## COMPLIANCE PRESSURE AND COGNITIVE INCONSISTENCIES IN SOCIAL ENTREPRENEURS

Mohammad Mohsen Liaqat,  
Istanbul Health and Technology University, Istanbul, Turkey,

### ABSTRACT

A wide range of definitions makes social entrepreneurship a large tent (Martin & Osberg, 2007) that offers shelter to many perspectives. The diverse geo-political and culture coupled with unique social problems determine the nature of social entrepreneurs, creating disagreements among scholars and practitioners. The definition is a fundamental concern because it drives the theory and practices. However, despite the challenges of competing explanations, theoretical frameworks, contexts, and limited empirical insights, social entrepreneurship is an innovative activity with a social mission (Austin et al., 2006). Similarly, Zahra et al. (2009) and Dacin et al. (2010) reviewed more than 50 definitions and concluded that it is an entrepreneurial activity aimed at a social mission. Moreover, Dees (1998) stated that it "combines the passion of a social mission with an image of business-like discipline..." (p.1). Further, Dr Muhammad Yunus recommends that "social business is a cause-driven business" (Yunus Center, 2023). Therefore, a simultaneous pursuit of a social mission with a business model is called social entrepreneurship. Social enterprises (social mission and business purpose) have embedded cognitive inconsistency, from planning a startup to launching and turning into a sustainable enterprise. Although the correlation between social mission and business objective is mutually helpful and constitutive, in the presence of specific conditions, social entrepreneurs can exhibit behavior inconsistent with their underlying convictions. The mutually interdependent and constitutive social mission and business purpose reinforce each other. However, social entrepreneurs can show inconsistency among their fundamental beliefs under specific conditions. The simultaneous activity of both logics can create cognitive and behavioral conflicts. Pursuing conflicting logic can pose significant hazards to social entrepreneurs (Zahra et al., 2009). For instance, social entrepreneurs have a high commitment to both social mission and business purpose—and they need to remain committed to a consistent attitude because they are publicly identified with their actions. Despite the limited availability of specific legal structures for social entrepreneurs, they need to meet the prevalent compliance obligations in the legal framework of a particular geography. The theory of forced compliance examines situations where individuals act in opposition to their own beliefs or publicly express views that contradict their convictions. Forced compliance generally asks, "What happens to a person's private opinion if he is forced to do or say something contrary to that opinion"? (Festinger, 1957). For instance, venture capitalist companies provide capital to social enterprises to seek financial returns and scale up social missions—thus, social entrepreneurs must comply with the institutional compliance framework of the particular financial company and their local

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environmental regulations and community expectations. For example, Western Seed Company was established in 1986 to address the problem of dismal yields of maize farmers in Kenya. The company has been developing and distributing new technologies in hybrid seed varieties. The company got patient capital from Acumen in 2010 to scale up the market-based approach and the social impact. However, later, the company exit or write off the investment. Interestingly, the company later worked as a profit-seeker and expanded its operations to Uganda and Tanzania. Why does a social enterprise become a for-profit company after getting the investment? Maybe the forced compliance to achieve the social mission and business created cognitive inconsistencies that led them to opt for business purposes only. Moreover, the partnership of impact investors directly influences the social enterprise's vision, mission, and strategies. It is noted that social entrepreneurs are passionate about creating a positive change with a social mission—so acting (or complying) according to investors can cause cognitive inconsistencies, especially when compliance is forced. Likewise, the non-compliance threatens the social entrepreneur with punishment. Under such circumstances, social entrepreneurs find innovative ways to comply with the requirements. Therefore, if the threat of punishment is stronger than the resistance, the social entrepreneur will change their behavior. Contrary to the example of Western Seed Company, Digital Divide Data (DDD) finds innovative solutions to sustain hybridity through consistent adaptability. Smith and Besharov (2017) identified "two stable features—paradoxical frames, involving leaders' cognitive understandings of the two sides of a hybrid as both contradictory and interdependent, and guardrails, consisting of formal structures, leadership expertise, and stakeholder relationships associated with each side—that together facilitate ongoing adaptation in the meanings and practices of dual elements, sustaining both elements over time" (p. 1). Therefore, a lack of solid self-belief of social entrepreneurs puts them in a crisis of dual compliance. A significant discrepancy emerges between what the social entrepreneurs want and the impact investor and community demands. It poses a natural inconsistency in the beliefs combined with forced compliance, leading to psychological pain and tensions. The cognitive inconsistency shakes the personal opinions of a social entrepreneur and results in failure, converting to a for-profit or a non-profit. I assume that social entrepreneurs demand the relevant rules, regulations, and legal systems and act according to their rational self-interest. The question is why it is difficult for a social entrepreneur to rationalize compliance pressure and subsequent cognitive inconsistencies. Moreover, how does the pursuit of cognitive consistency fail?

**Keywords:** Compliance Pressure, Cognitive Dissonance, Social Entrepreneurs

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## THE IMPACT OF CORPORATE BRAND EQUITY AND BRAND CREDIBILITY ON CUSTOMER SATISFACTION IN ISLAMIC BANKS

Dr Muhammad Irfan, Shrafat Ali Sair,

Bahauddin Zakariya University Multan Pakistan, Hailey College of Commerce, University of the Punjab, Lahore

### ABSTRACT:

With the liberalization of the economic sector of Pakistan and introduction of Islamic banking system, the industry becomes more competitive as the consumer has more choices and thus their preference changed toward banking and religious obligations. In this increasingly high competitive industry, Bankers are more focused on customer satisfaction and service quality to gain competitive advantages. The purpose of this study is to investigate the relationship between brand credibility, brand equity and customer satisfaction in the banking sector of Pakistan. This study also examines service quality as a moderating variable between brand credibility, brand equity and customer satisfaction. This study was descriptive in nature and used convenient sampling using quantitative research methods. The researcher targeted 10 enlisted Islamic banks in Southern Punjab in Pakistan. A total of 327 questionnaires were returned and used for analysis using SPSS statistical software. The findings have revealed that there is a significant relationship between corporate brand credibility, brand equity and customer satisfaction. Moreover, it was also found that service quality moderates between corporate brand credibility, brand equity and customer satisfaction. This might be due to the banking sector in Pakistan getting complex and molding their services according to Islamic banking customers and now Islamic banking customers have concern over return on investments and distribution of profits and losses. The customer is also becoming sensitive over transparent Islamic banking financial mechanisms. Therefore, this paper addresses Islamic banking brands which meet the customer expectation leading to their satisfaction and do not breach Islamic financial principles. This paper further recommended having more similar or mixed method studies with bigger samples. The paper also suggested critically investigating other unexplored attributes encompassing Islamic banking services and mechanisms such as one introduced and practiced in Bangladesh and other Islamic developing countries.

**Keywords:** brand equity, brand credibility, customer satisfaction, Islamic banks

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## **A STUDY ON CONSUMER SATISFACTION USING ISLAMIC FINTECH WITH THE MODERATION EFFECT OF ATTITUDE TOWARD BEHAVIOR**

Muhammad Raza Zafar, Muhammad Hasnain Ali, Shrafat Ali Sair, Dr. Nisar Ahmed  
Bahauddin Zakariya University, Hailey College of Commerce, University of the Punjab, Lahore

### **ABSTRACT**

This study sought to examine how perceptions of usefulness, privacy security, and perceived ease of use impact customer satisfaction with perceptions of Islamic FinTech in Pakistan serving as a moderating factor. For this study's analysis, PLS\_SEM was employed on a sample size of 450 that was obtained by convenience sampling. Perceived usefulness had a positive and substantial effect on consumer satisfaction, according to the study. The Perceived ease of use also had a substantial impact on customer satisfaction. Also, it was discovered that consumer satisfaction was significantly positively impacted by perceived privacy security. The results also demonstrated that attitudes towards Islamic FinTech had a positive influence on the relationship between perceived ease of use and customer satisfaction. To make a stronger connection between perceived usefulness, perceived ease of use, privacy security, and customer satisfaction. The study further underlines the moderating influence of attitudes toward Islamic FinTech. The development and promotion of Islamic FinTech services in Pakistan will be greatly impacted by these findings. There is also a need to understand the role of Regtech (regulatory technology) along with Fintech in this new era of digitalization and VUCA(volatility, uncertainty, complexity, and ambiguity) state.

**Keywords:** Consumer Satisfaction, Attitude toward Behavior, Islamic Fintech



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<b>Time</b>	<b>2:00pm - 3:30pm</b>
<b>Room #</b>	<b>Anis Block Computer Lab 2</b>
<b>Track</b>	<b>Human Resource Management</b>
<b>Session Chairs</b>	<b>Dr Sami Ullah and Dr. Muhammad Farhan Basheer</b>
<b>Presenter</b>	<b>Paper Title</b>
Muhammad Usama Nabeel	Measuring the Impact of Entrepreneurship Education on Entrepreneurial Behavior mediating the role of Entrepreneurial Intention and moderating role of university type, Study major and Gender
Rizwan Ahmad	Green HRM's Effect on Sustainability performance, Employee commitment and organizational citizenship behavior as mediators
Rida Zainab	Effects of De-motivational Managerial Practices on Job Satisfaction and Job Performance
Amna ilyas	Hierarchal model of social entrepreneurial behavior and intentions with emotional intelligence
Javeria Anwar	The Effect of Intensity of industry competition on Business Performance: the mediating role of innovation Strategy



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## **MEASURING THE IMPACT OF ENTREPRENEURSHIP EDUCATION ON ENTREPRENEURIAL BEHAVIOR MEDIATING THE ROLE OF ENTREPRENEURIAL INTENTION AND MODERATING ROLE OF UNIVERSITY TYPE, STUDY MAJOR AND GENDER**

Muhammad Usama Nabeel  
University of the Punjab Gujranwala

### **ABSTRACT**

Entrepreneurship education plays an important role in social and economic development of a society through providing self-employment and opportunity to others. The purpose of this study entrepreneurship education can catalase entrepreneurial mindset through developing entrepreneurial intention of graduates. Entrepreneurial intentions mediate the effect of entrepreneurship education on subsequent behavior associated with the creation of new business venture and also investigate the effect of university type, study major and gender on the relationship between entrepreneurship education and entrepreneurial intention. This research design will be a quantative. A survey method will be demonstrated to collect the data from university students of Pakistan through questionnaire that consist of three sections regarding the constructs of study. We will be using structural equational modelling (SEM) to test the proposed model and also using the path analysis to check the mediation and moderation between them. The uniqueness of this study is University students participating in entrepreneurship education show an increase in attitude.

**Keywords:** Entrepreneurship, Entrepreneurship education (EE), entrepreneurial intention (EI), entrepreneurial behavior (EB).

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## **GREEN HRM'S EFFECT ON SUSTAINABILITY PERFORMANCE, EMPLOYEE COMMITMENT AND ORGANIZATIONAL CITIZENSHIP BEHAVIOR AS MEDIATORS**

Dr. Sarfraz Khan, Rizwan Ahmad  
University of the Punjab (Gujranwala Campus)

### **ABSTRACT**

The primary goal of the research is to examine how organizational citizenship behavior and employee commitment in Pakistan's banking sector mediate the relationship between Green Human Resource Management and Sustainability Performance. We have randomly collected data from 212 employees of different banking sector of Pakistan as a sample by applying online questionnaire. The research hypothesis relationships and queries were verified using the partial least squares structural equation modeling PLS-SEM approach. There is a partial mediation model and to prove mediation and to check the effect of organizational citizenship behavior and employee commitment in the relationship between green human resource management and their impact on sustainability performance we run the path analysis.

**Keywords:** Green human resource management, organizational citizenship behavior, employee commitment, sustainability performance

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## EFFECTS OF DE-MOTIVATIONAL MANAGERIAL PRACTICES ON JOB SATISFACTION AND JOB PERFORMANCE

Rida Zainab  
University of Punjab Gujranwala Campus

### ABSTRACT:

The study will examine how de-motivational managerial practices in the construction industry are linked to job satisfaction and performance. Job satisfaction has emerged as the key focus that needs to be addressed in order to maintain a competitive workforce in the construction industry. This is mainly because highly satisfied employees will find to be high performers. Hence, this study will also addresses job satisfaction's mediating role in the relationship between de-motivational managerial practices and job performance. The objective of this study will be to unfold the attributes of de-motivational managerial practices in the construction industry and how they are linked to job satisfaction and performance? First, the Kaiser-Meyer Olkin (KMO) of sampling adequacy and Bartlett's Test of Sphericity measures will use to examine the appropriateness of EFA for the attributes of de motivational managerial practice, second CFA for de-motivational managerial practices, job satisfaction, and job performance. This study will apply a quantitative method in collecting the data. Data will collect from a questionnaire survey of 200 non managerial construction professionals from construction industry.

**Keywords:** Motivation, Managerial Practices, Job Satisfaction, Job Performance

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## HIERARCHAL MODEL OF SOCIAL ENTREPRENEURIAL BEHAVIOR AND INTENTIONS WITH EMOTIONAL INTELLIGENCE

Amna ilyas  
University of the Punjab, Gujranwala Campus

### ABSTRACT

The aim of this paper was to study the relationship between social entrepreneurship, personality traits, investment risk-taking and emotional intelligence in a hierarchal approach in Pakistani universities. The study is based on data collected from university undergraduates through personally administered questionnaires and analyzed on SPSS and AMOS. The findings indicate that Social-entrepreneurship is positively associated with personality traits, cognitive variables, and emotional intelligence (EI), and all these factors combined do influence SE risk-taking. There is also a considerable role of gender in defining different variables and differently influencing the SEI formation process in male and female groups. The study has both theoretical and practical novelty. The study extended the literature by providing a new concept of emotions in the existing hierarchal model of the SEI formation process. This study will provide insight for the pioneers of a good stable startup as well as practitioners to use this concept in making their enterprise able to reach a sustainable position.

**Keywords:** Social entrepreneurship, emotional intelligence, SE risk-taking, personality trait, Theory of planned behavior (TBH).

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## **THE EFFECT OF INTENSITY OF INDUSTRY COMPETITION ON BUSINESS PERFORMANCE: THE MEDIATING ROLE OF INNOVATION STRATEGY**

Javeria Anwar

### **ABSTRACT**

The main objective of this study is explain the role of innovation strategy as mediating the effect of Intensity of industry competition on business performance, which is viewed in terms of both financial and non-financial performance. The proposed study is descriptive in nature. In this research primary data will be collected, data will be collected through questionnaire. The target population of the study will be comprised on Small Medium Enterprises in Pakistan. The sample size of this will be used 210 SMEs. Data will be analyzed through Structural equation modeling and path analysis. SEM will be used to assess the variation between dependent variable (Business Performance) and independent variable (Intensity of industry competition) and path analysis will be used to assess the mediating effect of mediator variable (innovation strategy).

**Keywords:** Intensity of industry competition, Innovation Strategy, Business performance, Financial Performance, Non- Financial performance

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<b>Mode</b>	<b>Online</b> <b>Video call link: <a href="https://meet.google.com/ikv-bdmm-fyn">https://meet.google.com/ikv-bdmm-fyn</a></b> <b>PIN:</b>
<b>Track</b>	<b>Economics and Finance</b>
<b>Session Chairs</b>	<b>Dr Muhammad Usman and Dr Sajjad Nawaz</b>
<b>Presenter</b>	<b>Paper Title</b>
Ali Sajjad	Impact of anti-money laundering on socio-economic growth and entrepreneurial activities in Pakistan
Gulshan Bella	Why Coopetition is Important for Non-profit Fund Development?
Adeel Akhtar	Impact of Triple-A Capabilities and GSCM Practices on Environmental Performance: Mediating Role of Financial Performance
Hamood ur Rehman	The Capital Structure, Corporate Governance, And Macroeconomic Factors – Financial Distress Nexus Of Shariah-Compliant And Non-Shariah-Compliant Companies In Pakistan
Mubasher Nazir	Use of Solar Panels and Life Satisfaction Evidence from Rural Areas of Pakistan



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## IMPACT OF ANTI-MONEY LAUNDERING ON SOCIO-ECONOMIC GROWTH AND ENTREPRENEURIAL ACTIVITIES IN PAKISTAN

Ali Sajjad  
University of Utara Malaysia

### ABSTRACT

A money laundering operation is one in which illegally obtained money is converted or “laundered” into money that appears to have been obtained legally. Internationally, money laundering is being used to conceal criminal activity including drug and arms trafficking, terrorism, and extortion. Simply put, this is the process of converting black money into white money. As the Researcher had intended to limit the paper to national contexts, this was not possible since any instance of money laundering would involve transferring the money through multiple countries in order to obscure the source of the money. Moreover, any instance of money laundering would have a hint of international flavor since money laundering typically involves transferring it through several countries. The paper is divided into three parts by the researcher. The first part of the article explains the history of money laundering, its three steps, and the consequences. The second part is devoted to establishing international development and control mechanisms to address this problem and analyzing India’s position in relation to money laundering. The researcher concludes his third part by offering a few suggestions for the implementation of anti-money laundering laws that would be more effective.

**Keywords:** Money Laundering, growth, entrepreneurial activities.

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## WHY COOPETITION IS IMPORTANT FOR NON-PROFIT FUND DEVELOPMENT?

Dr. Gulshan Bella

Altınbaş Üniversitesi İstanbul, Turkey

### ABSTRACT

Coopetition has been emerging as an effective strategy for generating resources. The evolution of nonprofit organizations (NPOs), donors' preferences, and philanthropic motives has transformed the fundraising activity of mere collection of funds into a long-term strategic plan. The coopetition strategy is a process to create and enhance relationships with nonprofit partners, potential donors, government institutions, and businesses seeking voluntary financial contributions. Fundraising is crucial for NPOs; therefore, I emphasize why a coopetition strategy is vital for nonprofit fund development. I suggest fund development is a strategic process and a long-term plan to generate synergy. It incorporates appropriate governance structures that create synergy by combining assets, knowledge, and the capabilities of organizations to achieve performance. Coopetition enhances the operationalization of grants and donations from governments and national and international development agencies. The formal coopetition better commits and mobilizes resources based on a shared belief and becomes significant for the donor community. The strategic learning in the coopetition improves the network capacity, financial and human capability, and improved infrastructure. For instance, the legalization of the Free and Fair Election Network (FAFEN) in Pakistan considerably improved power, credibility, and well-grounded implementation structures that enhance multiple donor partnerships. Therefore, nonprofit cooperative relationships ensure sustainable fund development. This paper contributes to the literature by establishing that coopetition strategy is a boundary condition for successful fund development efforts. It also invites further application of coopetition strategy solely for the financial needs of nonprofits.

**Keywords:** Coopetition, Fund Development, Nonprofits

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## **IMPACT OF TRIPLE-A CAPABILITIES AND GSCM PRACTICES ON ENVIRONMENTAL PERFORMANCE: MEDIATING ROLE OF FINANCIAL PERFORMANCE**

Adeel Akhtar, Raemah Abdullah Hashim, Rosli Mahmood  
Bahauddin Zakariya University, Universiti Pura Malaysia, City University Malaysia, Petaling Jaya, Selangor, Malaysia

### **ABSTRACT:**

Pakistan is mainly an agricultural country that uses a huge number of pesticide chemicals and is confronting environmental challenges. Firms need to understand the integration of Triple-A capabilities (agility, adaptability, and alignment) and GSCM practices in their supply chains. The current study intends to analyze the mediation effect of Financial Performance in the relationship between Triple-A capabilities, GSCM practices and Environmental Performance. It is a quantitative study using correlation and regression to determine the effects of independent variables on the dependent variable. Data will be collected through a survey questionnaire from senior level managers of the pesticide sector firms of Pakistan. SPSS version 22 and SmartPLS 3.0 will be used for data analysis. Purposive Sampling will be applied for the selection of target respondents. Google Form Survey will be utilized for data collection. It is expected that results of the study will indicate a strong relationship among Triple-A Capabilities, GSCM Practices, Environmental Performance, and Financial Performance. It is likely to conclude that Financial Performance mediates the relationship between Triple-A capabilities, GSCM Practices, and Environmental Performance. This study will be an important contribution to theory and practice. The study will be unique and will have significant contributions, because it is likely to prove the mediation effect of financial performance in the relationship between Triple-A capabilities, GSCM Practices, and Environmental Performance, which would be helpful for the managers of pesticide firms as well as for the government to understand the importance of Triple-A capabilities, GSCM Practices, and Financial performance for improving the environmental and financial performance of pesticide firms in Pakistan, as well as worldwide, especially in developing countries.

**Keywords:** Triple-A Capabilities, GSCM Practices, Environmental Performance, Financial Performance, Pesticide Firms, Pakistan.

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## **THE CAPITAL STRUCTURE, CORPORATE GOVERNANCE, AND MACROECONOMIC FACTORS – FINANCIAL DISTRESS NEXUS OF SHARIAH-COMPLIANT AND NON-SHARIAH-COMPLIANT COMPANIES IN PAKISTAN**

Hamood ur Rehman, Dr. Resul Sapar, Dr. Muzaffar Shah  
Putra Business School, University Putra Malaysia, Selangor, Malaysia

### **ABSTRACT**

The current dissertation proposal investigates the effects of capital structure, corporate governance, and macroeconomic variables on firm financial distress using sample data from 367 non-financial enterprises listed on the Pakistan Stock Exchange from 2011 to 2020. The study also analyzes the role of macroeconomic uncertainty in the relationship between capital structure, corporate governance, macroeconomic factors, and the financial distress of firms. The proposed framework will apply to Shariah-compliant and conventional companies in the non-financial sector. The generalized method of moment (GMM) will use to investigate the relationship between variables. Based on prior literature, it is assumed that the three selected categories under the present study, capital structure decision, corporate governance practices, and macroeconomic variables, influence on firm's financial distress. The study will likely find a significant correlation between capital structure choice and the probability of default in non-Shariah-compliant firms. In contrast, an inverse relationship may be assumed between capital structure choice and the financial distress of Shariah-compliant companies. Based on prior studies, a significant interaction between corporate governance and firm financial distress may be observed. The findings may show that board independence and CEO duality positively and significantly influence the likelihood of a firm's default in the sampled companies in Pakistan. Based on previous research, profitability, liquidity, leverage, and firm size may be significantly related to financial distress. Macroeconomic variables may also influence a positive interaction between a firm's financial distress. Also, Macroeconomic uncertainty is expected to moderate the interaction among capital structure, corporate governance, and macroeconomic factors on the financial distress of Shariah-compliant and conventional companies. The study is anticipated to bring critical implications for practitioners and academicians in Shariah-compliant and counterparts companies.

**Keywords:** Shariah-compliant, capital structure, corporate governance, macroeconomic uncertainty, financial distress, non-Shariah-compliant, and Pakistan Stock Exchange.

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## USE OF SOLAR PANELS AND LIFE SATISFACTION EVIDENCE FROM RURAL AREAS OF PAKISTAN

Mubasher Nazir  
Western Sydney University Australia

### ABSTRACT:

Life satisfaction is an important factor in people life as it is associated with many positive affects on national as well as individual level. Many factors contribute towards life satisfaction. Owing to the rising prices of energy (a financial stress) and increasing environmental concerns across the world, families started shifting towards indigenous and clean source of energy mostly solar panels. Many studies have taken into consideration the technical and pre-installation factors related to solar panels however there exists a gap in literature related to post installation factors related to solar panels and general perception is that installation of solar panels may lead to less financial burden in terms of cheap and continuous source of energy. This study aims to measure (post installation) the effect of finance related psychometric factors on the life satisfaction of the people living in rural areas of Pakistan. Financial stress theory and ABC-X Model of Family stress provide theoretical support for this study. The variable for this study are life satisfaction (IV), financial stress (DV), financial self-efficacy (DV), financial risk tolerance (DV), and Locus of Control (mediating variable). This study aims to fill this gap by identify whether the use of Solar Panels (Renewable Source of Energy) can bring satisfaction in the lives of the people by providing a financial relief in their routine unavoidable financial expenses. Method The data will be collected through survey methods from users and non-users of solar panels from rural areas of Pakistan. The users are further divided into 3 subcategories i.e. domestic, agricultural and industrial with further segregation on the basis of usage in years. Data collection will be performed twice as change in whether has differential effect on perceived financial benefit. The questionnaire is being structured and adapted and a pilot study will be conducted for the validity and reliability of the questionnaire. Multivariate analysis will be performed using SEM. Data collection and results are yet to be performed. The findings of this research are going to help the policy makers/governments in taking policy decisions. Possible reduction of taxes on solar panels and related electronic equipment. Tax benefit to businesses involved in installation and repair and maintenance of solar panels. Specialized economic/agricultural zones to promote solar energy consumption & production. Policy related to targeted subsidy instead of blanket subsidy to all users of solar panels. Long term policy to convince people from grid to non-grid-based source of electricity. Policy to promote investment in (Local & Foreign) renewable (solar Panels based) source of energy.

**Keywords:** Solar Panels, Life Satisfaction, Evidence.



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## **Session IV**

### **Day Wednesday**

### **Date 15 November**

### **2023**

### **Time 4:00 PM – 5:30**

### **PM**



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<b>Time</b>	<b>4:00pm - 5:30pm</b>
<b>Room #</b>	<b>Anis Block 105</b>
<b>Track</b>	<b>Finance</b>
<b>Session Chairs</b>	<b>Dr Abid Mehmood and Dr Saeed Ahmad Sabir</b>
<b>Presenter</b>	<b>Paper Title</b>
Nadia Kiran	Investment Performance Of Mutual Fund In Pakistan
Arooj Naz	Corporate Real Estate Investment and Firm Performance: The Moderating Role of Managerial Ability in the Context of Pakistan
Muhammad Naveed Javed	Examination of Pakistan Stock Exchange in a Politically Challenging Environment: A Case of KSE-100 Index
Zahid Bashir	Building Wealth, Building Lives: How financial socialization shapes individuals across Generations?"

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## INVESTMENT PERFORMANCE OF MUTUAL FUND IN PAKISTAN

Nadia Kiran, Dr. Omar Masood  
GCU, UOL, Lahore

### ABSTRACT

Gradually, Mutual Funds got significant value in global as well as domestic areas. In 21<sup>st</sup> century when our world is a global village by connecting internet. This thesis compares the performance of Islamic and conventional optimal portfolios, from the view point of Pakistani investors. The dataset consists of closing price from Mutual Fund Association of Pakistan (MUFAP) with 239 of all mutual funds out of which 122 are Islamic and 117 are conventional funds in merging country Pakistan from January 2005 to March 2018. Methodology is based on Generalize method of movements and risk adjusted ratios, Sharp Ratio, Treynor index, Modigliani-Modigliani measures, Jensen Alpha, Adjusted Sharp Ratios are calculated for standard measures. The results vary in Islamic and Conventional Mutual Funds but statistically significant with market index. Hence, investors will not be worse off by choosing Islamic indices rather than conventional ones. The study has policy recommendation for investors as well as fund manager. Investor should focus on risk and return of the portfolio when invest in Mutual Funds. Fund manager should advice the management to keep the management fee at an optimal level to attract the investors.

**Keywords:** Islamic mutual funds, conventional mutual funds, risk, return, fee, net asset Value. Gross Domestic Savings, Portfolio Equity Investment, Commercial Bank and Other lending, Economic Growth.

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## **CORPORATE REAL ESTATE INVESTMENT AND FIRM PERFORMANCE: THE MODERATING ROLE OF MANAGERIAL ABILITY IN THE CONTEXT OF PAKISTAN**

Arooj Naz, Dr. Aamir Inam Bhutta  
GCUF

### **ABSTRACT**

The purpose of this study is to examine the relationship between nonfinancial firm performance and corporate real estate (CRE) investment in the context of an underdeveloped market i.e., Pakistan. Grounded in resource-based theory, the authors further focus on how managerial ability plays an important moderating role in the relationship between CRE investment and firm performance. The research covers the years 2010-2020 and incorporates data from a sample of 307 nonfinancial firms that are listed on the Pakistan Stock Exchange (PSX). The research uses a number of different techniques and methodological frameworks. Time-invariant omitted variable bias, which cannot be controlled in a standard OLS estimate, is managed using the fixed effects approach. Simultaneity, dynamic endogeneity, heteroscedasticity, and autocorrelation are the biases that are corrected by using the two-step GMM, PSM, and Heckman analysis. The results of a multivariate regression show that CRE investment is inversely related to firm performance and managerial ability as moderating variable mitigates the negative effects of CRE investment on firm performance. Similarly, results have robustness with alternative definitions. Moreover, the subsample analysis shows the same results in the context of high/low growth opportunities, high/low market capitalization, and financial distress/ non-distressed and business safe/bankrupt firms. However, results differ in firms having higher complexity. This study adds to the robustness in existing CRE investment literature by using a new proxy for CRE that is focused on asset management and financial aspects. Moreover, examining the relationship between CRE investment and firm performance with the moderating role of managerial ability is the first attempt in literature in the context of a developing economy. This work suggests more directions for future research. The study's results suggest that investors, managers, and directors need caution while investing in corporate real estate (CRE) for firms.

**Key Words:** Corporate real estate investment, firm performance, managerial ability, Pakistan.

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## EXAMINATION OF PAKISTAN STOCK EXCHANGE IN A POLITICALLY CHALLENGING ENVIRONMENT: A CASE OF KSE-100 INDEX

Muhammad Naveed Javed, Prof. Dr. Ashfaq Ahmad  
Hailey College of Commerce, University of the Punjab

### ABSTRACT

A stock market is a trading platform where people engage in the buying and selling of financial instruments individually or collectively for the purpose of raising capital from investors and borrowers. Stock market is an integral part of any economy and the Pakistan stock exchange (PSX) play a crucial role in the financial systems of Pakistan. It could influence any economy due to various factors that may be economic and non-economic factors either emerging, developing or developed economies. This, study explores the impact of some certain factors/events on the performance of the Pakistan stock exchange especially KSE100 index during the time span of 2000 to 2022. Basically, this study tries to fill the gap in the previous studies by examining the results of sudden or uncertain events that arise in the selected time span and especially associated these events with political chaos. Secondary data are collected in this research through various resources newspapers, news channels and websites of the Pakistan stock exchange etc. Different analyses are applied on the KSE100 index and spss statistical analysis tools are used in this study to examine the association and effect on the performance of the stock markets of the Pakistan specifically KSE100 stock index. According to the results some events reveal the significant positive impact before occurrence of the events and some events indicate the adverse impact on the performance of the stock exchange after occurrence of the events. This study could be fruitful for various stakeholders theoretically and practically. It could be helpful for the Government, policy makers, students, financial, non-financial institutions, and various investors etc.

**Keywords:** Political chaos, Natural disasters, Pakistan stock exchange and KSE100 index.

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## **BUILDING WEALTH, BUILDING LIVES: HOW FINANCIAL SOCIALIZATION SHAPES INDIVIDUALS ACROSS GENERATIONS?"**

Zahid Bashir, Dr. Ashfaq Ahmed  
Hailey College of Commerce, University of Punjab

### **ABSTRACT**

This study seeks to examine how financial socialization influences the saving and investment choices of individuals in Pakistan and their subsequent financial well-being. In addition, the study investigates how various generations moderate the connection between financial socialization, saving and investment decisions, and financial well-being. The study uses self-administrative research survey for data collection. For testing the hypotheses, the researcher analyzed the collected data using covariance based structural equation modelling method. The study finds the impact of financial socialization (family, peers & news, and financial literacy on financial behavior (saving & investment decision) of Pakistani individuals. Additionally, the study finds the relationship between financial behavior and financial wellbeing of target population. Moreover, a significance difference based on generations is also examined in the study. Financial socialization and its effects on Pakistanis' financial well-being, saving, and investing decisions are important for academic research and practical applications. The research adds to the limited knowledge of financial outcomes in Pakistan's unique cultural and economic setting by investigating how financial socialization affects financial well-being and how it affects saving/investment choices. The study also investigates Pakistani generational dynamics. The findings will help policymakers, financial institutions, and educators design targeted interventions and methods to improve financial literacy, well-being, and decision-making, boosting the nation's economy.

**Keywords:** Financial Socialization, Financial Behavior, Financial Wellbeing, Survey Research, CB-SEM

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<b>Room #</b>	<b>Anis Block 106</b>
<b>Track</b>	<b>Organizational Behavior</b>
<b>Session Chairs</b>	<b>Dr Sheikh Usman Yousaf and Dr Anum Tariq</b>
<b>Presenter</b>	<b>Paper Title</b>
Wassaf Latif	Transformational Leadership and Work Engagement: Exploring the mediating role of structural empowerment and moderating effect of psychological contract
Iram Batool	Does Digital Empowerment, Structural Empowerment And Psychological Empowerment Enhance Individual Innovation Behaviour? Exploring The Role Of Creative Work Environment: Employee Creativity As A Mediation Study
Aamir Sohail	Dividend Payout Determinants in Small and Medium-Sized Manufacturing Firms: An Empirical Analysis
Nosheen Pervaiz awan	Role of Competencies, Career Success, Career Support by Senior Management Islamic Work Ethics in the Employability and Career Satisfaction of Employees: Evidence from Private Sectors of Pakistan
Muhammad Arsalan	Intellectual Capital and Firm Performance: An empirical study of oil and gas sector of Pakistan



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## **TRANSFORMATIONAL LEADERSHIP AND WORK ENGAGEMENT: EXPLORING THE MEDIATING ROLE OF STRUCTURAL EMPOWERMENT AND MODERATING EFFECT OF PSYCHOLOGICAL CONTRACT**

Wassaf Latif, Sameer Mujahid Butt  
Hailey College of Commerce, University of Punjab

### **ABSTRACT**

Previous studies indicated that transformational leadership and work engagement has a significant relationship and transformational leaders nurture the work engagement by providing them access to necessary information, fruitful opportunities, support and resources. The purpose of this study is to investigate the mediating role of structural empowerment between Transformational leadership and Work Engagement, as well as the moderating effect of psychological contract in the positive relationship between Transformational Leadership and Work Engagement. For this purpose 210 responses were collected from two public sector banks. The results infer that transformational leaders promotes the engagement by providing the empowered conditions for employees including opportunities to learn and develop along with adequate resources. Furthermore our findings indicates that Psychological Contract has a moderating effect on the positive relationship between Structural Empowerment and Work Engagement. A number of contributions and practical implications are discussed.

**Keywords:** Transformational leadership (TL), Structural empowerment (SE), Work engagement (WE), Psychological contract (PC).

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## **DOES DIGITAL EMPOWERMENT, STRUCTURAL EMPOWERMENT AND PSYCHOLOGICAL EMPOWERMENT ENHANCE INDIVIDUAL INNOVATION BEHAVIOUR? EXPLORING THE ROLE OF CREATIVE WORK ENVIRONMENT: EMPLOYEE CREATIVITY AS A MEDIATION STUDY**

Iram Batool  
National University of Modern Languages Lahore

### **ABSTRACT**

Research investigates the authority of Digital empowerment; structural empowerment & psychological empowerment enhances individual innovation behavior practices towards the role of creative work environment of Telecom employees in Pakistan. Similarly, it examines the intermediating outcome of Operative creativity. The aim of populace entailed of personnel of Telecommunication companies in Pakistan. Statistics composed consuming a review survey from 200 workers was exposed to Smart PLS analysis. The results discovered digital empowerment, structural empowerment and psychological empowerment enhances individual innovative behavior that remain substantial interpreters for creative work environment additional completely input to employee creativity. Results correspondingly showed that an employee plays an important part to develop the individual innovative behavior. Moreover, it is shown that Digital, structural and psychological practices indirectly contribute to creative work environment through Employee creativity and individual innovation behavior. This research is one of the rare efforts to take part the Digital, structural and psychological Empowerment practices with creative work environment and individual innovation behavior in the field of employee creativity. It clearly subsidizes to a novel link of study to know the vital part of Digital, structural and psychological empowerment practices to improve the individual innovation behavior of Telecommunication companies. The research results take suggested Empowerment (Structural, Digital besides Psychological) as a substantial workout to form individual innovative behavior and employee creativity. It can support the administrators in their determination to create the creative work environment that enables to create individual innovative behavior and employee creativity. In order to handle through the expanding ecological fears of the telecommunication business, the current research proposes that officials must sustain structural and Digital empowerment for employees for betterment and employee creativity.

**Keywords:** Creativity, Empowerment, Innovative Behavior, self-efficacy, Transformational Leadership, Transactional Leadership.

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## **DIVIDEND PAYOUT DETERMINANTS IN SMALL AND MEDIUM-SIZED MANUFACTURING FIRMS: AN EMPIRICAL ANALYSIS**

Dr Aamir Sohail, Safina Sahar, Muhammad Hasnain Ali  
Thal university Bhakkar, Bahauddin Zakariya University, Multan

### **ABSTRACT**

This study presents a thorough analysis of dividend payout among the small and medium-sized firms (SMEs) operating in the manufacturing sector. The investigation primarily focuses on the cash flow and earnings methodologies. The present research aims to examine and assess the factors that impact dividend payout by using the Ordinary Least Squares (OLS) Regression methodology. The data used in this research has been obtained from the audited financial statements of 50 manufacturing firms that are publicly listed on the Pakistan Stock Exchange. The dataset has a duration of five years, namely spanning from 2018 to 2022. Based on the results of this study, it can be inferred that there exists a significant correlation between free cash flow and profits per share, and the dividend amounts of Pakistani firms listed on the Pakistan Stock Exchange. Additionally, the findings of the research indicate that there is a positive relationship between earnings per share and dividend per share, but this relationship is not statistically significant. Moreover, the research acknowledges the importance of cash flow and ownership structure in exerting an impact on dividend policy. Hence, this research contributes to the advancement of knowledge about the interplay of cash flow, earnings, and dividend payouts, and enriches the theoretical underpinnings of dividend policy within the domain of publicly listed manufacturing enterprises.

**Keywords:** Dividend payout decisions, Profitability, Earning per share, Pakistan Stock Exchange, Pakistani Context, Free Cash Flow.

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## **ROLE OF COMPETENCIES, CAREER SUCCESS, CAREER SUPPORT BY SENIOR MANAGEMENT ISLAMIC WORK ETHICS IN THE EMPLOYABILITY AND CAREER SATISFACTION OF EMPLOYEES: EVIDENCE FROM PRIVATE SECTORS OF PAKISTAN**

Nosheen Pervaiz Awan

### **ABSTRACT**

Drawing upon the career construction theory, this study aims to extend the scant literature on the role of career elements (Career Competencies, Career Success, Career Support by Senior Management in Employability and the Perceived work ability (PWA) of employees by investigating the role of Islamic work ethics as moderators. In this study, researchers will use contextual and Career construction resources to investigate their role in the employability of employees and also use Islamic work ethics as a moderator between these relationships. The researcher will use the Conservation of resources theory and career construction theory to analyze the role of Career Components and how they help in the employability of employees in the private organization. In this study, the researcher will use the convenient sampling technique and a self-administrated questionnaire, and the sample size will be calculated by using the Item Response Theory. This study will provide practical insight into how Islamic business ethics plays a significant role in fostering career satisfaction and employability and increasing the perceived work ability of private sector employees. To the best of the authors' knowledge, this is the first study that examined the moderating role of IWE between career components and the employability of private sector employees. This study has also filled the gap of scant literature about the role of career components and employability and Perceived work ability.

**Keywords:** Islamic work ethics, career components, employability, perceived work ability, Career Competencies, Career Success, Career Support by Senior Management.

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## INTELLECTUAL CAPITAL AND FIRM PERFORMANCE: AN EMPIRICAL STUDY OF OIL AND GAS SECTOR OF PAKISTAN

Muhammad Arsalan, Muhammad Amin Hasan, Abid Mehmood  
Karachi Institute of Economics and Technology (KIET)

### ABSTRACT

The aim of this study is to examine the impact of intellectual capital on the firm performance of firms within the oil and gas industry of Pakistan. The study utilizes a balanced panel dataset comprising 11 companies, including 3 oil and gas exploration firms and 8 oil and gas marketing companies, over the period from 2013 to 2022. Firm performance was measured using two commonly employed measures: return on assets (ROA) and return on equity (ROE). In addition, intellectual capital was measured using the Value-Added Intellectual Coefficient (VAIC) approach, which includes three major components: Human Capital Efficiency (HCE), Structural Capital Efficiency (SCE), and Capital Employed Efficiency (CEE). The findings reveal that both HCE and SCE have a significant and negative relationship with firm performance. Conversely, the results indicate a significant and positive impact of CEE on the firm performance of oil and gas sector of Pakistan. The implications of this study's findings are primarily limited to oil and gas sector of Pakistan; however future studies could extend this research to other sectors. Lastly, the findings of this study offer valuable insights for stakeholders and policymakers in the oil and gas industry of Pakistan.

**Keywords:** intellectual capital, human capital, structural capital, capital employed, ROA, ROE



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<b>Room #</b>	<b>Anis Block 203</b>
<b>Track</b>	<b>Islamic Banking and Trade</b>
<b>Session Chairs</b>	<b>Dr Saeed Ahmad Saeedi and Dr Haleema Tariq</b>
<b>Presenter</b>	<b>Paper Title</b>
Waqas Shakir	Green Banking Development in Pakistan: A way forward
Sadia Gulzar and Maryam Asif	Drop Shipping and its Shariah Compliance
Muhammad Nizami	Islamic Principles of Trade
Muhammad Saleem Ashraf	Impact of Trust on Customer Loyalty in Takaful industry, The Role of Corporate Image and Service Quality
Muhammad Ahmad Bilal and Umer Yousaf	بلا سود معیشت اور معاشی ترقی: منتخب معیشتوں کا تجزیاتی مطالعہ



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## GREEN BANKING DEVELOPMENT IN PAKISTAN: A WAY FORWARD

Waqas Shakir, Rehab Khan, Dr. Rizwan Qaiser Danish  
Superior University, Lahore, IBA, University of the Punjab

### ABSTRACT:

In 21<sup>st</sup> century, the climate change has become an important issue for businesses as well as stakeholders. Consequently, to reduce carbon emission financial institutions offer green financing to businesses to mitigate this issue. However, the availability of green loan remains the important case. Therefore, this research aims to know how this financing gap can be minimized. A panel design dataset was collected which consists of green financing data for the period 2009 to 2015 from 24 banks operating in Pakistan. We applied Two-stage Least Square Regression Analysis for data analysis. The results revealed that green loans are a less risky investments. Further, the findings also provide useful information to managers who look for grow their business loan and minimize default risk. This study contributes to the existing literature in green financing by filling the gap, particularly for developing countries through empirical evidence. The finding suggests that banks must invest more in green projects.

**Keywords:** green banking, green financing, green loans, investments, Pakistan

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## **DROP SHIPPING AND ITS SHARIAH COMPLIANCE**

Maryam Asif, Dr. Sadia Gulzar, Mudassar Rasheed  
Islamic Studies Govt. Degree College (w) Chawinda, University of the Punjab, Punjab College

### **ABSTRACT**

The research paper discusses the introduction of drop shipping (an online mechanism), its advantages and disadvantages. Drop shipping is a form of retail business. A seller takes the customer's orders without keeping stock on hand. It has various benefits such as it's easy to practice, affordable and scalable. It supports drop shipper to create a successful e-commerce store without the risk of carrying inventory or making Large investments. However, there are a few disadvantages of drop shipping such as the opportunity for low profitability. problems of controlling inventory, less control over order fulfillment and shipping complications. This study also analysis drop shipping in the light of Shari'ah compliance. There are some non-Sharia aspects in drop shipping, for example, the drop shipper sells the item to the customer without taking possession of it, while in Shari'ah it is forbidden to sell anything without taking possession of it. According to the opinion of the jurists, there is an aspect of libs and Gharar in it. The purpose of this research is to analyze drop shipping in the light of Shari'ah compliance. The research will be useful for the consumers of e- commerce. The research follows descriptive and analytical methods.

**Keywords:** Drop Shipping, E-commerce Business, Products. Shariah Compliance

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## ISLAMIC PRINCIPLES OF TRADE

Muhammad Nizami

MPhil Scholar, Institute of Islamic Studies, University of the Punjab

### ABSTRACT:

There has been a close relationship between Islam and trade since day one. Every prophet sent by Allah has given guidance regarding man's economic activity, but Islam is closely related to these matters. Just as Islam emphasizes worship and duties, this religion has also given halal occupation and livelihood importance. Islam has given very good and comprehensive principles regarding transactions and commercial relations. Nowadays, new forms of trade and problems related to them are emerging, for which different solutions are being brought forward, but this possible solution is under the influence of the capitalist system, whose aim is to maximize profit. Despite the efforts, the problems are increasing day by day. A prominent feature of the religion of Islam is that it neither gives free rein to the capitalist system nor binds it in iron chains like the cooperative or socialist systems, but its attitude is based on moderation, by following which any transaction can be done. Current concerns about the trading system focus on both areas where multilateral trade rules exist but fair international competition is hampered by high barriers and state cooperation. And areas where trade regulation has not kept pace with changes in the global economy. Modern trade is usually a chain store such as hypermarkets, supermarkets, and mini markets whose operations (inventory, logistics, and merchandising) are more organized than general trade. Online trade is a topic of modern economic problems, in which there are ancient and modern methods of trade, so there is a need to consider Islamic principles in this matter. Modern rules and regulations should be set for this type of Trade. Since modern economic problems are not fixed, the question arises as to how the commercial transactions based on these modern resources and inventions are conducted according to Islamic principles. What are the specific principles regarding transactions and commercial relations in Islam? How does Islam's attitude towards the capitalist and cooperative systems differ? How can modern trade and online trade be conducted according to Islamic principles?

**Keywords:** Islam and trade, Moderation, Modern trade, Islamic principles

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## IMPACT OF TRUST ON CUSTOMER LOYALTY IN TAKAFUL INDUSTRY, THE ROLE OF CORPORATE IMAGE AND SERVICE QUALITY

Muhammad Saleem Ashraf, Dr. Muhammad Kashif Khan, Ambreen Gull, Jawad Ali  
University of Lahore, Minhaj University, Ibadat International University Islamabad

### ABSTRACT

The prime objective of this study is to examine the impact of corporate image and service quality of the takaful service provider upon the loyalty of the customers. This study also examines the mediating effect of a customer trust upon the takaful provider for producing the customer loyalty. The data were obtained through the purposive sampling method by distributing questionnaires among the customers of Takaful service providers. A total of 500 questionnaires were surveyed from five takaful service providers in Pakistan using variance-based structural equation modelling (PLS) to test the hypothesis. The results of the study reflected that corporate image has a significant impact on customer loyalty. The different dimensions of the service quality including empathy and reliability have positive and significant impact on the customer loyalty. Additionally, the trust also mediates the relationship between quality of service and customer loyalty. From a managerial perspective, the study finding exhibits the significant effect directly, service quality and corporate image to create loyal customer whereas the factor of trust mediate the relationship between quality of service and customer loyalty as the empathy of service quality is concerned. Hence, persuading the client that the takaful service provider are providing the quality services alongwith they have succeeded to produce good corporate image and customer have their loyalty upon the takaful service provider because they trust the service quality. This study is unique in its nature because it revealed the factors that lead to customer loyalty for the takaful providers through trust. The study found that trust and service quality are the sources to create the customer loyalty and empathy of service quality enhance the trust among the customer of takaful provider.

**Keywords:** Takaful, trust, customer loyalty, service quality, corporate image.

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بلا سود معیشت اور معاشی ترقی: منتخب معیشتوں کا تجزیاتی مطالعہ

عمر یوسف

محمد احمد بلال

سکالر ادارہ علوم اسلامیہ پنجاب یونیورسٹی لاہور

## ABSTRACT:

An interest-free economy, also known as a non-interest-based or Islamic economy, is a system that prohibits charging or paying interest on financial transactions. It is based on the principles of Islamic finance, which emphasize fair, ethical conduct, and the promotion of socio-economic justice. The purpose of this analysis is to explore the concept of an interest-free economy and examine selected economies that have developed without interest, highlighting the potential benefits and challenges associated with this model. The concept of an interest-free economy has gained significant attention in recent years as an alternative approach to the traditional financial system. An interest-free economy, also known as a non-interest-bearing economy or Islamic banking system, is a financial system that prohibits charging or paying interest on loans and investments. Instead, it emphasizes profit sharing, risk sharing, and ethical considerations in economic transactions. The purpose of this paper is to conduct an analytical study of selected economies to explore the potential benefits and challenges associated with implementing an interest-free economic model. The analytical study will focus on selected economies that have adopted the principles of an interest-free economy to varying degrees. These economies include countries such as Japan, Switzerland and Scandinavia that have established zero percent interest systems, and others that have integrated interest-free financial institutions with traditional banking systems. By examining these issues, this paper aims to provide insight into the practical aspects, achievements and challenges of implementing an interest-free economy and its impact on economic growth.

**Keywords:** Interest free, economy, economy Growth, economy Development, selected economies of the World.

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<b>Date, Day</b>	<b>15 Nov 23, Wednesday</b>
<b>Time</b>	<b>4:00pm - 5:30pm</b>
<b>Room #</b>	<b>Anis Block 204</b>
<b>Track</b>	<b>Accounting</b>
<b>Session Chairs</b>	<b>Dr Roa Zia Ur Rehman and Dr Hafiz Abdur Rashid</b>
<b>Presenter</b>	<b>Paper Title</b>
Irsa Pahat	Impact of Human Resource Accounting (HRA) on Corporate Performance (CP)
Shahzaib	Challenges and prospects of Human Resource Accounting (HRA)
Muhammad	The Relationship of Free Cash Flow and Asset Utilization : Moderating
Shahzad Gul	Role of Gender Diversity and Independence of Directors in Board
Hafiz Ahmed	Investigating Electronic Tax Filing Behavior of Individuals in the
Ullah	Contemporary World: A Case of Pakistan
Ali Sajid	How Audit Quality and Audit Independence Affect Earning Management



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## **IMPACT OF HUMAN RESOURCE ACCOUNTING (HRA) ON CORPORATE PERFORMANCE (CP)**

Irsa Pahat  
University of the Punjab, Gujranwala Campus

### **ABSTRACT**

The accounting component of human capital has not yet been fully adopted and implemented in corporate financial reporting of corporate organizations. Determining the impact of human resource accounting on turnover, earnings per share, and capital employed of corporate performance of the listed businesses in the Pakistan stock exchange is the goal of the current study. The results of the study demonstrate that (I) human resource accounting significantly influences business turnover, (ii) human resource accounting significantly influences earnings per share, and (iii) human resource accounting significantly influences return on capital employed. In conclusion, the financial reports would be more useful for making decisions if human resources were included as an asset rather than reported in the traditional manner. Therefore, the study suggests that the listed firms adopt a culture of valuing and disclosing education, training, and ongoing retraining of their human resources to enhance performance.

**Keywords:** Human resource, corporate performance, accounting.

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## **CHALLENGES AND PROSPECTS OF HUMAN RESOURCE ACCOUNTING (HRA)**

Shahzaib

University of the Punjab, Gujranwala Campus

### **ABSTRACT**

The idea of Human Resource Accounting (HRA) has been a debatable issue by academicians, accountants and standards setters universally. This study critically assesses the concept of Human Resource Accounting in order to unveil its prospects and challenges. It is generally accepted that human capital are important resource of the firm. The achievement and development of any firm depends on its human assets. Without human capital, the other assets cannot be functionally successful. Unless an organization has correct man, human assets, to manage its happenings sometimes it may badly fail even though it possessed with plentiful physical assets. Thus, the significance of human assets cannot be neglected. Sadly, till today universally accepted accounting principles of this important asset, viz., the human assets has not been adapted. Therefore, at this moment, it becomes crucial to give due attention on the proper development of such a significant resource of a firm. The study recommended that a universal model/approach for reporting human capital measurement should be agreed upon, while campaigns and similar publicity given to International Financial Reporting Standard (IFRS) should also be given to the application of HRA in the valuation of human capital in different organizations.

**Keywords:** Human resource, accounting, challenges.

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## **THE RELATIONSHIP OF FREE CASH FLOW AND ASSET UTILIZATION: MODERATING ROLE OF GENDER DIVERSITY AND INDEPENDENCE OF DIRECTORS IN BOARD**

Muhammad Shahzad Gul

### **ABSTRACT**

This study helps to examine the relationship of free cash flow and asset utilization with the moderating role of woman in board and role of Independent directors in boards. The data has been obtained from the listed companies of the PSX-100 index for 2004-2019. A random effect model was used to use a pooled OLS regression to find that gender diversity reduces the correlation between asset utilization and FCF. The results also demonstrate that firms that are more gender inclusive in term of free cash flow have a positive effect on their asset utilization. The independence of directors has much less effectiveness for tracking the diverse tries of administrative possession insignificant. As loose coins float increases, excessive independence of directors lets in managers toward much less green asset utilization

**Keywords:** Independence of directors, Free Cash, Asset and Gender diversity

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## INVESTIGATING ELECTRONIC TAX FILING BEHAVIOR OF INDIVIDUALS IN THE CONTEMPORARY WORLD: A CASE OF PAKISTAN

Dr. Hafiz Ahmed Ullah, Dr. Ashfaq Ahmad, Dr. Rizwan Qaiser Danish  
Hailey College of Commerce, University of the Punjab, Institute of Business Administration,  
University of the Punjab

### ABSTRACT

The goal of this research is to determine the acceptability of the e-filing tax system by individual taxpayers in Pakistan. The study focused on individual taxpayers who use the e-filing tax system to file their taxes and reside in Lahore. Data was collected from 250 responders using a questionnaire. Smart PLS was utilized as an analytical tool, while the Unified Theory of Acceptance and Use of Technology was employed as a study model. Performance Expectancy has a significant influence on the Behavior of individuals, however, Effort Expectancy does not affect individual taxpayer intention in Lahore to use E- filing taxes. Surprisingly, the Facilitating Condition has a favourable and substantial influence on the intention to utilize tax E-filing for personal tax returns, as well as a positive and significant effect on performance and effort anticipation. E-government, on its own, is best suited for minor challenges. Complex issues necessitate an information habit that integrates interpersonal and e-government sources. This research can help tax authorities enhance their electronic system by developing a workforce with the ability to increase citizens' trust in the electronic system. This work advances the UTAUT theory and provides empirical data to support the findings.

**Keywords:** Personal Income Tax Report, Tax E-filing, UTAUT

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## HOW AUDIT QUALITY AND AUDIT INDEPENDENCE AFFECT EARNING MANAGEMENT

Ali Sajid, Abid Mehmood, Muhammad Amin Hasan

### ABSTRACT

The big four auditors such as, KPMG, Deloitte, EY, and PWC hold a high degree of integrity and unbiased opinions while conducting an external audit. However, the judgement may be compromised if aforesaid companies provide non-audit services such as tax consultancy, transaction services, and other legal services to their audit clients. This study explores the effects of external audit engagement on earning management if non-audit services are also provided by external auditor. The study employs a sample of 18 car-manufacturing firms listed on Pakistan Stock Exchange (PSX) for the period from 2017 to 2022. The findings of this study indicate that audit quality and audit independence do not have a significant impact on earning management in the automobile industry of Pakistan. However, these findings are unique and contradictory to previous empirical literature. The study is useful for external auditors as offering non-audit services does not comprise audit independence. Hence, auditors can offer a variety of services without risking their integrity towards shareholders.

**Keywords:** Audit, management, quality, independence.

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<b>Room #</b>	<b>Anis Block 205</b>
<b>Track</b>	<b>Marketing</b>
<b>Session Chairs</b>	<b>Dr Majid Ali and Dr Imad ud Din Akbar</b>
<b>Presenter</b>	<b>Paper Title</b>
M Abdullah Arshad	Effect of green marketing, greenwashing and green confusion on green brand equity a moderating role of environmental knowledge.
Muhammad Shehzad	From Friends to Feedback: The Impact of Social Influence on Mobile Shopping in the Post-COVID Era
Muhammad Zunair	Impact of Social Media Marketing on Purchase Intention: Moderating Role of Para-Social Relationship and Mediating Role of Brand Identity
Siddiqa Nasir	Impact of Green venturing activities on the sale of luxury brands in Pakistan
Mohsin Raza	Netnography Study Exploring Hotel Food Experience: In Context of Pakistan



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## **EFFECT OF GREEN MARKETING, GREENWASHING AND GREEN CONFUSION ON GREEN BRAND EQUITY A MODERATING ROLE OF ENVIRONMENTAL KNOWLEDGE.**

Dr.Sarfraz Khalil, M Abdullah Arshad  
Department of Commerce, PUGC

### **ABSTRACT**

This study aims to examine the effects of excessive product packaging (EPP), greenwashing and green confusion on green brand equity (GBE). Furthermore, the moderating role of environmental knowledge effects of green marketing was investigated. Data will be collected from different companies by using questionnaire and structural Equational Modeling will be used to validate data and examine the hypothesized relationships. Path analysis will be run to determine the moderation and mediation between variables. As my conceptual framework is never tested so my research will contribute in the literature theoretically the context will be Pakistan so it will be a contextual contribution as well.

**Keywords:** Green marketing, Greenwashing, Excessive product packaging, Green confusion, environmental knowledge.

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## **FROM FRIENDS TO FEEDBACK: THE IMPACT OF SOCIAL INFLUENCE ON MOBILE SHOPPING IN THE POST-COVID ERA**

Syed Nabeel Haider, Dr. Aitzaz Khurshid, Dr. Muhammad Shehzad Hanif  
University of Central Punjab

### **ABSTRACT:**

Although mobile shopping is a new norm after the pandemic, its proliferation is immature in developing nations. Drawing on the Unified Theory of Acceptance and Use of Technology (UTAUT) model, this research employs SEM techniques to examine the effect of mobile shopping frequency and repurchase intent among the 188 young mobile shopping consumers in Pakistan. Results reveal that mobile shopping frequency and effort expectancy positively affects repurchase intention through direct and indirect mediation mechanism. Social influence strongly moderates the relation between shopping frequency and repurchase intention leading to several insightful implications for marketers engaged with mobile shopping platforms.

**Keywords:** Social Influence, Mobile Shopping, marketing, technology.

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## **IMPACT OF SOCIAL MEDIA MARKETING ON PURCHASE INTENTION: MODERATING ROLE OF PARA-SOCIAL RELATIONSHIP AND MEDIATING ROLE OF BRAND IDENTITY**

Dr. Muqqadas Rehman, Dr. Rizwan Qaiser Danish, Muhammad Zunair  
Institute of Business Administration, University of the Punjab

### **ABSTRACT:**

This study is elaborated by the Uses and Gratifications Theory (UGT) and focuses on the non-traditional mean of marketing i.e., social media marketing to analyze the effect of consumer's purchase intention. More specifically, this study explores the mediation role of a brand image between social media marketing and purchase intentions. This research further examines the moderation of the para-social relationship between social media marketing and consumer purchase intention. Survey data was gathered from 221 respondents by using google forms. All the respondents are social media users. Structural equation modeling (SEM) was applied to examine the survey data. This research found that social media marketing of Pakistani women's clothing brands positively influences brand identity and brand identity correlates with consumers' purchase intention. By using the moderated-mediation model, the paper analyzed that the para- social relationship weakens the relationship between social media marketing and consumer purchase intention. The study utilized a cross-sectional approach to conveniently gather data from social media users using Google Forms. The research recognizes the significance of non-traditional marketing strategies and brand identity as tools for brands to capture customers. To the best of the authors' knowledge and based on past literature, by using UGT this is the first research that studies the Pakistani women's clothing brands' social media marketing effects on the purchase intentions of Pakistani consumers with brand identity as mediator and para-social relationship as moderator.

**Keywords:** Social Media Marketing, Purchase Intention, Para-Social Relationship, Brand Identity.

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## RELATIONAL COORDINATION AMONG SERVICE PROVIDERS: IMPACT OF HPWS ON FUNCTIONAL AND UNIT-LEVEL BANKING PERFORMANCE

Muhammad Siddique  
Liverpool Hope University

### ABSTRACT

This paper seeks to identify a potential mechanism over which HPWS influences performance. Using relational coordination theory, this paper assesses communication and relational ties of relational coordination as a potential link over which HPWS can affect unit-level performance in banks which are characterized as highly uncertain, interdependent, as well as time-bound. Primary data were collected from bank officers about the strength of HPWS and relational coordination among employees. Results indicate that HPWS was significantly associated with bank performance outcomes, including branch levels of deposits, loans, and net profit. Results also indicate that RC significantly mediated the linkages between HPWS and unit-level performance outcomes. These results suggest new insights for top management and HR leaders in the banking industry regarding the design of HPWS.

**Keywords:** service providers, banking, functions, linkages.

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## NETNOGRAPHY STUDY EXPLORING HOTEL FOOD EXPERIENCE: IN CONTEXT OF PAKISTAN

Mohsin Raza  
Hailey College of Commerce

### ABSTRACT:

This netnography study delves into the hotel food experience within the context of Pakistan, a country rich in cultural diversity and culinary heritage. The research focuses on the top five hotels in Pakistan, selected based on star-rating criteria, to understand the perceptions and preferences of customers. By attaching the power of online communities and user-generated content, the study aims to explore food quality, customer satisfaction, and the factors that influence the hotel food experience in Pakistan. Food quality is a pivotal aspect of the dining experience, with elements such as presentation, flavor, and freshness playing a significant role. Customer satisfaction is closely linked to high-quality food and services, impacting repeat visits. Through the netnography method, researchers analyze google reviews applying contents analysis by using NVivo software to gain valuable insights. The study contributes to a comprehensive understanding of the Pakistani hotel food experience, offering insights for the hospitality industry's service enhancement and innovation.

**Keywords:** Customer satisfaction, culinary, diversity.

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<b>Room #</b>	<b>Anis Block Computer Lab 2</b>
<b>Track</b>	<b>Finance</b>
<b>Session Chairs</b>	<b>Dr Muhammad Amir and Dr Muhammad Sarfraz Khan</b>
<b>Presenter</b>	<b>Paper Title</b>
Rukhshanda	Performance Expectancy of Cryptocurrency Influencing Intension to Use of Cryptocurrency Through the Moderating Role of Perceived Risk of Money Laundering
Ayesha Abdullah	How does the dividend policy effect the leverage?
Zahid Bashir	Exploring the Feasibility of Financial Robo-Advisors in Pakistan: A Qualitative Study on Individual Retail Investors
Saher Ali	The relationship between ESG and firm performance: Moderating role of CS in Pakistan.
Anam Latif	The environmental disclosure and financial performance by moderating role of gender diversity
Momna Asif	Energy Consumption, Carbon Emission and Economic Growth in an Emerging Economy: Pakistan



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## **PERFORMANCE EXPECTANCY OF CRYPTOCURRENCY INFLUENCING INTENSION TO USE OF CRYPTOCURRENCY THROUGH THE MODERATING ROLE OF PERCEIVED RISK OF MONEY LAUNDERING**

Rukhshanda, Dr Sarfraz Khalil, Dr Amir Shehzad

### **ABSTRACT**

Cryptocurrency started in 2010 and has evolved as the internet has evolved all over the world. Over 2,000 cryptocurrencies have so far traded on the marketplace, and a large number more are being introduced through initial coin offerings to be used as claims to liabilities or assets as a means of exchange inside a particular business environment. Cryptocurrencies are a new fintech that presents a lot of opportunities as well as major obstacles and constraints. This study examines, from the standpoint of customer behavior, the critical elements for a cryptocurrency's development to be successful. Intention to use cryptocurrency is used as a dependent variable with an independent variable performance expectancy of cryptocurrency and a moderating role of perceived risk of money laundering. A convenient sampling method will be used, and data will be gathered from different university students. Principal component exploratory factor analysis along with varimax rotation will be performed to examine the possible existence of dimensions in the scales. Reliability, convergent, and discriminant validity analyses of the scales will be performed to remove items from the scale and explanatory model for the intention to use cryptocurrencies, calculating R<sup>2</sup>, Q<sup>2</sup>, path coefficients, and their estimated degree of significance.

**Keywords:** Performance, Cryptocurrency, Moderating Role, Risk, Money Laundering.

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## HOW DOES THE DIVIDEND POLICY EFFECT THE LEVERAGE?

Ayesha Abdullah, Sarfraz Khan  
University of the Punjab, Gujranwala campus

### ABSTRACT

The Preferences of firms to finance their operations and investments with zero or lower level of leverage is a continual mystery. It's still a perplexing enigma that why firms choose to be zero levered, forgoing the tax shield benefits of debt. This study will examine the leverage choices of listed firms of Pakistan which prioritize the dividend payments for the period 2007-2021. For the data analysis logit regression and switching model will be used. The tentative findings are more likely to show that, in light of financial constraints confining firms' debt limit and firms' inclination towards financial flexibility, firm preference for dividend payments will more likely to have an impact on firm debt level. Moreover, the firms having growth opportunities will more likely to raise short term debt for making dividend payments.

**Keywords:** Zero leverage, dividend policy, capital structure.

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## **EXPLORING THE FEASIBILITY OF FINANCIAL ROBO-ADVISORS IN PAKISTAN: A QUALITATIVE STUDY ON INDIVIDUAL RETAIL INVESTORS**

Zahid Bashir, Dr. Rab Nawaz Lodhi  
Hailey College of Commerce, University of Punjab

### **ABSTRACT**

The primary objective of this proposed study is to determine whether individual investors in Pakistan are aware of robo-advisors and how they view the potential robo-advisory services that could be offered to them. It is a phenomenological type of qualitative research using focused group discussions (FGD) for collecting data from Pakistani individual investors who actively participate in the stock market, mutual funds, and other similar investment vehicles. A series of 5 FGDs involving 30+ participants is conducted between July 2023 and August 2023. The methods of estimation include word frequency, matrix coding, thematic analysis and project mapping using NVIVO software. The study finds to explore the extent of familiarity and understanding of robo-advisory concepts and features among retail investors in Pakistan. Additionally, the study helps to gain insight into the perception, attitude, and beliefs of Pakistani retail investors towards the potential adoption of robo-advisory services within the investment industry. Moreover, the study also explores the challenges that implementation of robo-advisory can face within the investment industry in Pakistan. Pakistani retail investors help grasp the country's robo-advisory landscape. The insights from the study are crucial for growing up financial and investment services in Pakistan. These findings also help retail investors in Pakistan use robo-advisors by integrating trust and data security.

**Keywords:** Financial Robo-Advisory, retail investors, investment industry, challenges, Pakistan.

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## THE RELATIONSHIP BETWEEN ESG AND FIRM PERFORMANCE: MODERATING ROLE OF CS IN PAKISTAN.

Saher Fayyaz, Sarfraz khan  
University of the Punjab Gujranwala campus

### ABSTRACT

This study will examine the moderating effect of capital structure (CS) on the relationship between ESG (environmental, social, governance) factors and firm performance. Using a sample of 100 listed firms under PSX, We will use the Random Effects estimation methodology and ensure robustness through alternative econometric techniques. Firm performance will be measured using indicators such as return on assets (ROA) and Tobin's Q, while CS will be assessed using the total debt to assets ratio and other firm-specific characteristics. Our tentative findings will more likely to indicate that ESG will have significantly positive impact on firm performance, and that this relationship will more likely to be influenced by CS. Our study will contribute to the existing literature by highlighting the potential impact of CS on the significant relationship between ESG and firm performance.

**Keywords:** Performance, debt, methodology, literature.

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## THE ENVIRONMENTAL DISCLOSURE AND FINANCIAL PERFORMANCE BY MODERATING ROLE OF GENDER DIVERSITY

Anam

University of the Punjab Gujranwala campus

### ABSTRACT

Our study focuses on heavy polluting enterprises in Pakistan from 2015-2019 to investigate the relationship between environmental disclosure and financial performance. We use regression model to examine the moderating effect of board diversity. Our findings may indicate a positive relationship between mandatory and voluntary environmental disclosure and financial performance board diversity may positively effect this relationship which may be helpful in improving financial performance over time.

**Keywords:** Environmental disclosure, financial performance and board diversity

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## ENERGY CONSUMPTION, CARBON EMISSION AND ECONOMIC GROWTH IN AN EMERGING ECONOMY: PAKISTAN

Momna Asif, Dr. Sarfaraz Khan  
University of the Punjab Gujranwala campus

### ABSTRACT

This paper will examine the impact of energy consumption on economic growth and Carbon Dioxide emission in Pakistan due to the increase in global warming as a result of the greenhouse effect after signing the Kyoto Protocol in 1997. The study will analyze the relationship between variables by using the Granger Causality Test applying the multivariate economic model of economic growth, energy consumption, and carbon emission. The Environmental Kuznets Curve hypothesis will be tested by utilizing the data from 2001-2022 through the World Development Indicator. The study will also examine whether a long-run relationship exists between variables.

**Keywords:** Economic growth, Greenhouse effect, Energy Consumption, Corbin Vision



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<b>Track</b>	<b>Online</b>
<b>Session Chairs</b>	<b>Video call link: <a href="https://meet.google.com/ebh-yrhz-twe">https://meet.google.com/ebh-yrhz-twe</a></b>
<b>Presenter</b>	<b>PIN:</b>
	<b>Organizational Behavior</b>
	<b>Dr Muhammad Ramzan and Dr Noor Ul Ain Khan</b>
	<b>Paper Title</b>
Asma Nawaz	Servant Leadership, Authentic Leadership, Transformational Leadership and Job Performance in Higher Education Sector of Pakistan: Mediating Role of Employee Motivation
Siti Najad Sahari	The Impact Of Compensation And Training And Development Practices Moderated By Years Of Experience Towards The Career Loyalty Of Private Islamic Religious School Teachers In Selangor
Shakaib Qadir	Impacts of Abusive Supervision and Workplace Ostracism on Knowledge Hiding Among Healthcare Professionals
Sarfraz Ahmad Khan	Impact of Despotic Leadership on Workplace Incivility Mediated and Moderated By Negative Affectivity and Neuroticism
Ibtisam Khalid	Impact of Virtual Leadership on Sustainable Employee Performance with the Mediating Effect of Perceived Team Dynamics
Vildan Esenyel	Crafting the 'Healing Leadership' Construct: Synergizing with Complementary Variables in the Digital Age

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## **SERVANT LEADERSHIP, AUTHENTIC LEADERSHIP, TRANSFORMATIONAL LEADERSHIP AND JOB PERFORMANCE IN HIGHER EDUCATION SECTOR OF PAKISTAN: MEDIATING ROLE OF EMPLOYEE MOTIVATION**

Asma Nawaz, Raemah Abdullah Hashim , Rosli Mahmood  
Universiti Pura Malaysia, City University Malaysia, Selangor, Malaysia

### **ABSTRACT:**

Pakistan has been facing a series of political, security, and economic crises that have affected all aspects of national life, including education. Effective leadership plays a crucial role in determining the success of an organization, including the job performance of its employees. Aim of this research is to examine the relationship between servant leadership, authentic leadership, transformational leadership and job performance with a mediating role of employees' motivation in higher education sector of Pakistan. This is quantitative research that employs regression analysis to investigate how independent variables impact the dependent variable. The study will gather data by administering a survey questionnaire to faculty members of the universities of southern Punjab, Pakistan. Data analysis will be conducted using SPSS version 22 and SmartPLS 3.0. Target respondents will be selected through self-selection sampling, and data will be collected using Google Form survey. Anticipated findings from the research are likely to reveal a robust correlation between servant leadership, authentic leadership, transformational leadership, and job performance, with the likelihood of employee motivation playing a mediating role. The study is expected to suggest that employee motivation acts as a mediator in the relationship between servant leadership, authentic leadership, transformational leadership, and job performance. This research is poised to make a noteworthy impact on both theoretical understanding and practical application. It will stand out as distinctive and carry substantial value due to its potential to establish the mediating influence of employee motivation on the relationships between servant leadership, authentic leadership, transformational leadership, and job performance. These findings are expected to be of great significance to academic leaders within universities and to the higher education commission of Pakistan, offering valuable insights for enhancing job performance and the international rankings of Pakistani universities.

**Keywords:** Servant Leadership, Authentic Leadership, Transformational Leadership, Job Performance, Employee Motivation, Higher Education, Pakistan.

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## **THE IMPACT OF COMPENSATION AND TRAINING AND DEVELOPMENT PRACTICES MODERATED BY YEARS OF EXPERIENCE TOWARDS THE CAREER LOYALTY OF PRIVATE ISLAMIC RELIGIOUS SCHOOL TEACHERS IN SELANGOR**

Siti Najad Sahari  
International Islamic University Malaysia

### **ABSTRACT**

This study was conducted to evaluate the impacts of compensation structure and training and development practices on the career loyalty of Islamic religious school teachers in Malaysia, specifically in Selangor where the most concentration of private Islamic schools are located. Both compensation and training and development were identified as significant domains in human capital corporate practices which can be embedded in the human capital management of private education institutions. Thus, doing the study, apart from looking at the Human Capital Management discipline, we also refer to Reinforcement and Expectancy Theory and the Equity Theory to study the respondents' views. Respondents of the study consist of mainly the teachers currently teaching at private Islamic schools in Selangor. The study used a questionnaire developed based on literature reviews on relevant constructs. The questionnaire distributed both online and by hand garnered 152 responses. The research data was processed using IBM SPSS version 25, data cleaning, and PLS-SEM. The reflective-measurement model was analysed in PLS-SEM using the first-order and second-order approach techniques. The structural model was examined for R square, effect size, predictive relevance, and collinearity issues. The results indicated compensation and training and development had significant positive effects on teacher loyalty, while competency was a partial mediator relationship. However, this study did not indicate significant influence of years of service to the loyalty of the teachers. The findings of this study can be applied by governing institutions both at state and national levels in developing guidelines and strategic plans for improving human capital management practices. Therefore, it is recommended that a formal human capital management framework is introduced to govern the private Islamic schools to further improve transparency, credibility and measure the performance of teachers which leads back to compensation structure and determining mode and content of training and development of the private Islamic school teachers. Future research to identify the motivation factors of why the teachers remain teaching in private schools with a qualitative approach may glean more insights into teachers' values in teaching in religious schools. With the introduction of the Malaysia Madani framework, where education is one of the target areas, it is

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apt to study further how the private education sector, especially private Islamic schools, is preparing itself to embrace and chart its human capital management practices.

**Keywords:** Framework, management, strategic, compensation.



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## IMPACTS OF ABUSIVE SUPERVISION AND WORKPLACE OSTRACISM ON KNOWLEDGE HIDING AMONG HEALTHCARE PROFESSIONALS

Shakaib Qadir, Shrafat Ali Sair

Lincoln University College, Malaysia, Hailey College of Commerce, University of the Punjab

### ABSTRACT:

In the realm of healthcare, the issue of knowledge hiding is of paramount concern due to its adverse consequences. This research delves into this challenge by examining the influence of abusive supervision and workplace ostracism on healthcare employees' tendency to withhold knowledge, with a particular focus on the moderating role of negative reciprocity beliefs. Employing a positivist research philosophy and a quantitative, deductive approach within a cross-sectional time frame, data collection involved the distribution of a survey via Google Forms. The study encompassed various roles, including administrative staff, clinicians, nurses, paramedics, and support staff, operating in public sector tertiary care hospitals in Peshawar, Khyber Pakhtunkhwa, Pakistan. Data analysis was conducted using SPSS version 25.5 and Smart PLS-SEM version 3.0, involving an initial frequency distribution analysis, followed by hypothesis testing through Structural Equation Modeling (SEM). The research yields several noteworthy findings: a) Abusive supervision emerged as a significant and positive predictor of knowledge hiding. b) Workplace ostracism was likewise identified as a substantial and positive predictor of knowledge hiding. c) The study revealed that negative reciprocity beliefs play a moderating role in the relationship between abusive supervision and knowledge hiding. d) However, the moderating effect of negative reciprocity beliefs on the relationship between workplace ostracism and knowledge hiding was found to be insignificant. This research accentuates the significance of addressing abusive supervision, not only as a means to prevent knowledge hiding but also as a catalyst for enhancing employee productivity through increased creativity. Additionally, it underscores the importance of testing and implementing preventative programs within service organizations, with the aim of fostering a more conducive and productive work environment for healthcare professionals.

**Keywords:** Workplace, relationship, professionals, abusive supervision.



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## **IMPACT OF DESPOTIC LEADERSHIP ON WORKPLACE INCIVILITY MEDIATED AND MODERATED BY NEGATIVE AFFECTIVITY AND NEUROTICISM"**

Sarfraz Ahmad Khan,  
Riphah International University, Islamabad (Pakistan).

### **ABSTRACT**

The study aims to investigate the impact of despotic leadership on workplace incivility with mediated and moderated by negative affectivity and neuroticism. The data was collected from the public/private organizations from job holders in different positions, different ages, different experiences, etc of Islamabad, Pakistan by using the convenience sampling technique from 204 respondents. The topic of leadership has been a very important domain of research for decades. However, in the recent past, the research module on the positive side of leadership has also been changed to the negative side of leadership and its impact on different segments of organizations. The despotic leadership is a negative or dark side of the leadership that needs more potential for further research. The purpose of this study is to investigate the negative impact of despotic leadership on workplace incivility followed by the mediation variable of negative affectivity and the moderating effect of neuroticism between the relationship between despotic leadership (IV) and negative affectivity (Med) either that relationship strengthen in positive manners or negative manners. The data was collected through convenience sampling from the different organizations (Public and Private) in Islamabad, Pakistan, by using a structured questionnaire, data were collected in dyads from the sample (N=204) comprised of 30 supervisors/ Managers and 208 employees. The data was collected by utilizing a time-lagged study design. The whole data was collected one time for all variables through questionnaires. Moreover, this study is associated with the basis of social exchange theory. The results were analysed through PLS-SEM. The findings of current research established that despotic leadership has a positive relationship with workplace incivility directly and through negative affectivity as a mediator, however, there is no moderation role of neuroticism in the relationship between despotic leadership and negative affectivity.

**Keywords:** Despotic Leadership, Negative affectivity, Neuroticism and Workplace Incivility.



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## **IMPACT OF VIRTUAL LEADERSHIP ON SUSTAINABLE EMPLOYEE PERFORMANCE WITH THE MEDIATING EFFECT OF PERCEIVED TEAM DYNAMICS**

Ibtisam Khalid, Dr. Sami Ullah, Sheraz Anjum  
University of Sialkot, Universiti Sultan Zainal Abidin, Malaysia.

### **ABSTRACT**

The purpose of the study is to investigate the interaction between virtual leadership and sustainable performance and how this relation is mediated by perceived team dynamics in software development companies. The current study is based on quantitative research and an empirical approach has been used, online surveys have been used to collect data from the employees of software development centers working in three main cities of Punjab province, Pakistan. Purposive sampling techniques have been used to get data from specific populations and SMART-PLS has been used for the analysis of data. The results showed a significant relationship exists between virtual leadership and employee sustainable performance. There exists a positive mediating effect of perceived team dynamics on the relation of virtual leadership and employee sustainable performance. This research has added to the literature on virtual leadership and used the mediating effect of perceived team dynamics specifically in software development companies for sustainable employee performance.

**Keywords:** Virtual Leadership (VL), Employee Sustainable Performance (ESUSP), Perceived Team Dynamics (PTD)

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## **CRAFTING THE ‘HEALING LEADERSHIP’ CONSTRUCT: SYNERGIZING WITH COMPLEMENTARY VARIABLES IN THE DIGITAL AGE**

Vildan Esenyel  
Bahçeşehir Cyprus University

### **ABSTRACT**

In an era where digital transformation is relentless, the construct of ‘Healing Leadership’ emerges as a pivotal response to the unique challenges it presents. This innovative leadership paradigm goes beyond traditional digital literacy, encapsulating the ability to foster organizational resilience and well-being in the face of rapid technological change. This scholarly work introduces Healing Leadership as a synthesis of digital acuity and human-centric virtues, such as empathy and mindfulness, to heal and unify teams disrupted by digital advances. This approach is academically significant, filling a void in current leadership models by integrating the need for technological competence with the imperative for emotional and psychological support within organizations. Healing Leadership is positioned as an essential, multidimensional framework that complements and enhances established leadership constructs like transformational leadership and emotional intelligence. This study proposes Healing Leadership as a distinct, standalone framework that emphasizes a leader’s role in facilitating their followers’ recovery and growth amidst digital disruptions. It suggests that this form of leadership is not just about managing change but about nurturing an environment where individuals can thrive through the healing process. In conclusion, Healing Leadership is presented as a transformative leadership style that is critically relevant in today’s digital workplace. It is an invitation for leaders to explore and integrate the restorative aspect of their role, potentially reshaping the landscape of leadership practices to better suit the evolving demands of the digital age. This construct offers a forward-thinking and inherently restorative approach to leadership that is both academically enriching and practically invaluable for leaders navigating the complexities of the digital era.

**Keywords:** Healing Leadership, Organizational Healing, Leadership Development, Digital Age, Construct Clarification.

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## **Session V**

### **Day Thursday**

### **Date 16 November**

### **2023**

### **Time 2:00 PM – 3:30**

### **PM**

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<b>Date, Day</b>	<b>16 Nov 23, Thursday</b>
<b>Time</b>	<b>2:00pm - 3:30pm</b>
<b>Room #</b>	<b>Anis Block 105</b>
<b>Track</b>	<b>Finance</b>
<b>Session Chairs</b>	<b>Dr Sajid Nazir and Dr Sabeeh Iqbal</b>
<b>Presenter</b>	<b>Paper Title</b>
Afshan Hanif	Impact of Financial Literacy on Fintech Adoption with mediation of Financial Inclusion, and moderation of Self-efficacy
Shrafat Ali Sair	Learning and revolutionary action from stakeholders in creating a platform for cooperation to deliver social services
Khalid Mahmood Bajwa	Financial Expert CEO's and Stock Price Crash Risk Finance
Muhammad Sabeeh Iqbal	The Impact of Institutional Herding on Idiosyncratic Volatility: The Role of Investment Horizon
Kiran Shafi	Threads of Prosperity: Unraveling the Influence of Intellectual Capital on Financial Performance across Life Stages in Pakistan's Textile Industry
Aiza khan	Bank Capital And Systemic Stability Among South Asian Countries

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## IMPACT OF FINANCIAL LITERACY ON FINTECH ADOPTION WITH MEDIATION OF FINANCIAL INCLUSION, AND MODERATION OF SELF-EFFICACY

Afshan Hanif, Dr. Ashfaq Ahmad  
Hailey College of Commerce, University of the Punjab

### ABSTRACT

In the present era of financial innovation, financial literacy empowering individuals through skills, attitude, and knowledge for efficiently management of financial resources. This not only leads to financial inclusion, but also increases fintech adoption. This study intended to investigate the Impact of financial literacy on fintech adoption with mediation of financial inclusion, and user innovativeness and moderation of self-efficacy. The primary objective of this research is to examine mediation of user innovativeness and financial inclusion in relationship of financial literacy and fintech adoption. It also investigated the moderating role of self-efficacy in this relationship, to examine whether confidence level of individuals affects fintech adoption behavior or not. Questionnaires are adopted and with few modified distributed among individuals. Through these questionnaires valuable data will be extracted and performed analysis using PLS-SEM. Result revealed that financial literacy have a significant effect on fintech adoption through mediation of user innovativeness and financial inclusion and this relationship partly moderated by self-efficacy as if individual is confident about how to manage finance and use different digital tools then it leads to fintech adoption, if individual lack in confidence then he will not trust online means such as digital platforms. This research contributes to exiting body of knowledge through investigation of financial literacy critical role in fintech adoption. Furthermore, moderating role of self-efficacy shed light on significance of individual confidence in Fintech adoption. This study contributes to literature and provides comprehensive understanding of all variables in the study. This research findings have implications for stakeholders, including academicians, practitioners, and policymakers that will provide insights on digital financial services landscape, regulatory adjustments, and strategic decisions that leads to economic growth.

**Keywords:** Fintech adoption, financial inclusion, financial literacy, innovativeness, self-efficacy.

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## LEARNING AND REVOLUTIONARY ACTION FROM STAKEHOLDERS IN CREATING A PLATFORM FOR COOPERATION TO DELIVER SOCIAL SERVICES

Sayyed Muhammad Bilal, Shrafat Ali Sair, Saeed Ahmad Sabir, Muhammad Sabeeh Iqbal,  
Madeeha Rauf

National University of Modern Languages, Hailey College of Commerce, University of the  
Punjab, National College of Business Administration Economics

### ABSTRACT

This paper examines the learning and transformative action of stakeholders in the process of creating a platform for collaboration between civil society and a Swedish regional authority organization (RAO). Organizations (CSOs) to develop fresh approaches to offering social services. The information is derived from seven general sessions that RAO officials and CSO representatives attended as well as 22 semi-structured interviews. Furthermore, notes were made during two workshops with interview subjects and important stakeholders, respectively. Using the TADS method, learning and transformative action were examined. The results show that a written contract requiring cooperation between the governmental and civil society sectors served as a second catalyst for shared transformational agency. Conflicts of interest emerged after the agreement was signed, making stakeholder learning difficult. Remarkably, the most serious large-scale learning obstacles were not conflicts of interest between the two sectors, but rather those inside each one, which also caused a delay in the creation of the cooperation platform that was supposed to offer welfare services. However, the disputes also helped them take modest, progressive, revolutionary actions in the direction of their goals.

**Keywords:** Learning, revolutionary, stakeholders, social services.



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## FINANCIAL EXPERT CEO'S AND STOCK PRICE CRASH RISK FINANCE

Khalid Mahmood Bajwa, Dr. Rizwan Ali, Dr. Ramiz ur Rehman  
The University of Lahore.

### ABSTRACT

This study examines CEO financial expertise and the likelihood of stock price crash risk. Additionally, discuss the selection of CEO and stock price crash risk considering emerging economy. Distinctly, employing the stock price crash measures on 1900 firms' year observations, results revealed a negative association with the mean of firm-specific returns, the standard deviation of firm-specific returns, CEO financial background, and internal/external CEOs significantly explain the stock price crash risk with few exceptions that confirms underpinning theoretical implications considering the emerging context. This study substantially contributes to the argument on the selection of CEO and offers implications for investors, shareholders, and regulators.

**Keywords:** CEO financial expertise, stock price crash risk, emerging markets.

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## THE IMPACT OF INSTITUTIONAL HERDING ON IDIOSYNCRATIC VOLATILITY: THE ROLE OF INVESTMENT HORIZON

Muhammad Sabeeh Iqbal, Saeed Ahmad Sabir, Shrafat Ali Sair  
Hailey College of Commerce, University of the Punjab

### ABSTRACT

Financial institutions are found to have a tendency to herd in their investment behavior. We hypothesize that this behavior could be stabilizing or destabilizing depending upon institutions' investment horizon. Thus, we analyze the impact of short-horizon institutions' herding and long-horizon institutions' herding on stock returns and idiosyncratic volatility. We document that long-horizon institutions' herding is positively related to idiosyncratic volatility and negatively related to returns, whereas short-horizon institutions' herding does not impact idiosyncratic volatility and returns. We find that when both types of institutions herd in the same direction, the impact of herding is stabilizing for stock prices. Only long-horizon institutions' herding destabilizes stock prices when they exhibit herding in opposite directions to each other.

**Keywords:** Idiosyncratic Volatility, Institutional Herding, Investment Horizon

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## **THREADS OF PROSPERITY: UNRAVELING THE INFLUENCE OF INTELLECTUAL CAPITAL ON FINANCIAL PERFORMANCE ACROSS LIFE STAGES IN PAKISTAN’S TEXTILE INDUSTRY**

Kiran Shafi, Dr. Tayyaba Yousaf  
Hailey College of Commerce, University of the Punjab

### **ABSTRACT**

Financial records often fail to adequately capture the multifaceted influence of intellectual capital, a crucial yet intangible asset for organizations. This study investigates the intricate relationship between the constituents of intellectual capital and the financial performance of business organizations at distinct phases of their life cycle: birth, growth, maturity, revival, and decline. The primary focus of this research is the textile industry in Pakistan, a sector of great significance to the nation’s economic well-being. This study also highlights the potential for policy actions to promote sustainable practices, encourage investments in training and education within the textile industry, and establish a concrete link between intellectual capital and economic expansion and innovation while mitigating inherent risks. To investigate these relationships, a comprehensive analysis of financial data will be conducted, drawn from the annual reports of publicly traded textile companies in Pakistan, covering a six-year period from 2017 to 2022. The research introduces the innovative MVAIC model for a quantitative assessment of intellectual capital within the unique context of the textile industry in Pakistan. Employing multiple regression modeling for hypothesis testing, this study is distinctive in its examination of the impact of intellectual capital on financial performance across various life cycle stages of the textile industry. Notably, the study expands the measurement of intellectual capital to include Relational Capital, providing a holistic approach to evaluation. The outcomes of this research are anticipated to offer substantial implications for external investors seeking informed investment decisions and company management aiming to optimize their intellectual capital, thereby enhancing financial performance and achieving a competitive advantage in this dynamic and vital industry.

**Keywords:** IC (Intellectual Capital), Financial Performance, Business life cycle stages, MVAIC, Textile Industry.

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## **BANK CAPITAL AND SYSTEMIC STABILITY AMONG SOUTH ASIAN COUNTRIES**

Aiza khan And Dr Raheel Mumtaz  
Lyallpur business school government college university

### **ABSTRACT**

This study aims to investigate the factors (specifically, size, liquidity ratio, leverage ratio, deposit ratio, asset growth, net interest income ratio, and return on asset ratio) that influence a bank's systemic risk. The data utilized in this study pertains to the listed commercial banks operating within South Asian countries, specifically Pakistan, Bangladesh, and India. The sample comprises 20 banks from Bangladesh, 20 banks from India, and 20 banks from Pakistan. The temporal scope of this study encompasses the years spanning from 2003 to 2021. The information is derived from publicly accessible annual reports issued by banks and stock exchanges in the corresponding country. Panel data analysis is conducted to estimate research models. The findings indicate that banks of larger size have a lower impact on the overall systemic risk within the banking sector. Furthermore, the presence of extremely liquid banks exacerbates the systemic risk inherent in the banking structure. Furthermore, banks that have a higher dependence on deposits, generate significant net interest income, and exhibit a strong return on assets are able to mitigate the contribution of systemic risk within the banking sector. This study offers a rationale for formulating banking policies, such as increasing the liquidity-to-assets ratio, emphasizing net interest income, and encouraging deposit-based financing, as measures to mitigate the systemic risk posed by the banking sector.

**Keywords:** Stability, bank capital, systematic risks, deposits.

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<b>Time</b>	<b>2:00pm - 3:30pm</b>
<b>Room #</b>	<b>Anis Block 106</b>
<b>Track</b>	<b>Organizational Behavior in Religious Perspective</b>
<b>Session Chairs</b>	<b>Dr Ishfaq Ahmed and Dr Amir Sohail</b>
<b>Presenter</b>	<b>Paper Title</b>
Akhtar Mahmood	Investment Of Psychological Resources For Debilitating The Destructive Effects Of Work Family Conflicts Over Wellbeing
Munib Siddiqui	Analyzing the Influence of Religious Values on Corporate Social Responsibility Initiatives in Corporate Workplaces
Sajjad Ahmed and Maryam Liaqat Ali	Exploring the Molecular Techniques for Halal Meat Identification
Mahnoor Feroz	The Influence Of Ebullient Supervision On Employees' Proactive Service Performance: Mediating Role Of Work Engagement And Moderating Role Of Psychological Capital
Amna Meer	Threads of Trust and Empowerment: Fostering Creativity in the Textile Sector

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## INVESTMENT OF PSYCHOLOGICAL RESOURCES FOR DEBILITATING THE DESTRUCTIVE EFFECTS OF WORK FAMILY CONFLICTS OVER WELLBEING

Akhtar Mahmood  
Imperial College of Business Studies

### ABSTRACT

Comprehensive wellbeing of the employees can bring up more productivity in the organizations. This phenomenon is much acknowledged by the employer now a days. Literature is indicating that employee's wellbeing is disrupting in the organizations due to work family conflicts and resultantly it is creating imbalance in the lives of employee. This study also lensed on the white spaces in multiple dimensions of wellbeing of the employees across different cultural and organizational context and capturing the attention of the researchers to come up with a solution to save the wellbeing of the employees. The present study is a little effort to empirically test the relationship among work family conflicts and eight dimensions of wellbeing to understand how work life balance can help to enhance wellbeing of the employees. It also examined the personal resources which can play positive role to promote the wellbeing in destructive stress working situations. Services industries of Pakistan was the population of this research and sample size was 395. Work life balance as mediating and psychological capital as moderating variable was used between work family conflict and employee's wellbeing. Preacher and Hayes technique was used to check mediation effect. Goodness of measures test was applied to ensure the reliability and validity.

**Keywords:** Work family conflicts, , Work Life Balance, Wellbeing, Psychological Capital.



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## **ANALYZING THE INFLUENCE OF RELIGIOUS VALUES ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES IN COPORATE WORKPLACES**

Munib Siddiqui  
Islamia University Bahawalpur

### **ABSTRACT:**

This research paper, titled "Analyzing the Influence of Religious Values on Corporate Social Responsibility Initiatives in Corporate Workplaces," offers a comprehensive exploration of the intricate relationship between religious values and corporate social responsibility (CSR) within the business landscape. With an ever-increasing emphasis on ethical and sustainable business practices, this study investigates how religious principles and values serve as drivers, influencers, and catalysts for CSR initiatives. By combining a thorough analysis of existing literature with case studies of organizations that have integrated religious values into their CSR efforts, this paper unveils the profound impact of religious ethics on CSR strategies. It examines how various religious traditions and their respective ethical foundations inform corporate decisions and actions related to philanthropy, sustainability, and community engagement. The findings of this research paper shed light on the role of religious values in shaping CSR objectives and practices, showcasing how they can align with a company's mission and resonate with its stakeholders. Additionally, the study underscores the challenges and opportunities that arise when incorporating religious values into CSR, emphasizing the importance of navigating these intersections with cultural sensitivity and inclusivity. By bridging the gap between religious ethics and corporate responsibility, this research contributes to a deeper understanding of the ethical dimensions of business operations, making it a valuable resource for business leaders, scholars, and policymakers striving to create more meaningful and socially responsible business practices in an increasingly diverse and interconnected world.

**Keywords:** Religious Values, CSR, Corporate Workplaces, Business, Ethical, Sustainable.

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## EXPLORING THE MOLECULAR TECHNIQUES FOR HALAL MEAT IDENTIFICATION

Sajjad Ahmed and Maryam liyaqat Ali  
Virtual University of Pakistan/ جامعه دار العلوم الاسلاميه

### ABSTRACT:

The authenticity of meat products in relation to Halal dietary requirements is of paramount importance to both consumers and regulatory bodies. Ensuring the Halal status of meat products is a complex challenge, particularly in the context of a globalized and diverse food industry. This research paper presents a comprehensive exploration of the application of molecular techniques in the identification and verification of Halal meat. Utilizing DNA-based methods, such as Polymerase Chain Reaction (PCR) and DNA sequencing, as well as protein analysis techniques, the study investigates the potential for accurate and reliable identification of the source and authenticity of meat products. Additionally, this research assesses the regulatory frameworks and challenges surrounding the Halal meat industry, shedding light on the necessity for robust identification methods. The results of this research showcase the promising potential of molecular techniques in detecting adulteration, mislabeling, and the presence of non-Halal components in meat products. By enhancing the transparency and traceability of Halal meat sources, these molecular methods can empower consumers with greater confidence in their dietary choices and support regulatory authorities in enforcing compliance with Halal standards. This paper contributes to the ongoing discourse on food authentication and Halal food compliance, offering valuable insights into the practical application of molecular techniques for Halal meat identification, which can ultimately serve to safeguard the integrity of Halal dietary practices.

**Keywords:** Meat, Halal, DNA-based, Protein, Molecular Techniques

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## THE INFLUENCE OF EBULLIENT SUPERVISION ON EMPLOYEES' PROACTIVE SERVICE PERFORMANCE: MEDIATING ROLE OF WORK ENGAGEMENT AND MODERATING ROLE OF PSYCHOLOGICAL CAPITAL

Mahnoor Feroz, Rizwan Qaiser Danish  
IBA, University of The Punjab, Lahore

### ABSTRACT

This study is conducted to find the influence of ebullient supervision on proactive service performance of employees. Moreover, this research also aims to study work engagement as mediating variable between ebullient supervision and proactive service performance of employees, and the moderating role of psychological capital between ebullient supervision and work engagement. The study for the proposed model is conducted through survey questionnaires to find out the relation of these variables. Data is collected through online platform and printed questionnaires. A total of 218 responses are gathered from people working in different service sectors of Pakistan. The results find out that ebullient supervision positively impacts work engagement and proactive service performance. Work engagement partially mediates the relation between ebullient supervision and proactive service performance. The role of psychological capital as a moderator is found insignificant in the study. The conducted study is quite novel as ebullient supervision is a relatively new construct and not much work has been done on this construct before. Studies on predictors of proactive service performance are also needed to be explored further. Previous studies on the proposed relationships of the study are quite limited.

**Keywords:** Ebullient supervision, Proactive service performance, Work engagement, Psychological capital, Affective events theory.

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## THREADS OF TRUST AND EMPOWERMENT: FOSTERING CREATIVITY IN THE TEXTILE SECTOR

Amna Meer, Maryam Ali, Khalid Hussain  
Government College University, Faisalabad

### ABSTRACT

This study undertakes an examination of the intricate relationship existing between empowering leadership and employee creativity, while also delving into the mediating role played by affect-based trust in leaders in this association. The empirical data for this investigation was gathered from a sample of non-managerial employees within the textile industry, employing a structured questionnaire as the primary data collection instrument. The analysis was conducted utilizing a two-stage structural equation modeling technique, encompassing responses from 432 employees, collected through in-person and online survey questionnaires. The empirical results derived from this study affirm that empowering leadership exerts a positive influence on employee creativity, thereby substantiating the significance of empowering leadership in nurturing creative potential among employees. Furthermore, the study reveals that affect-based trust in leaders serves as a partial mediator in the relationship between empowering leadership and employee creativity. From a practical standpoint, this research offers valuable insights for organizational leaders and practitioners seeking to cultivate a creative work environment. It underscores the pivotal role of empowering leadership in enhancing employee creativity and encourages the adoption of empowering leadership practices within dynamic corporate settings. Contextually, this study situates its investigation within the specific milieu of the Pakistani textile industry, contributing to a nuanced understanding of the link between empowering leadership and employee creativity in this unique industrial context. In doing so, it adds a distinctive dimension to the existing body of literature, shedding light on the cultural and operational factors that influence this relationship in the textile industry of Pakistan.

**Keywords:** Empowering leadership, employee creativity, Affect based trust in leader, Textile industry, Pakistan.

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<b>Room #</b>	<b>Anis Block 203</b>
<b>Track</b>	<b>Corporate Governance</b>
<b>Session Chairs</b>	<b>Dr Muhammad Usman Arshad</b>
<b>Presenter</b>	<b>Paper Title</b>
Swera	Political Connections And Corporate Capital Structure: Insight From Pakistan Stock Exchange
Swera	Role of Corporate Governance Practices in Firm Performance with Mediation of Capital Structure
Areeha Farooq	Female presence in corporate governance, firm performance, and the moderating role of family ownership
Amina Manzoor	The effect of corporate governance on financial performance: Evidence from a shareholder-oriented system
Sadaf Akhtar	Impact of Corporate Governance on Profitability
Muhammad Ishfaq	Corporate Governance and Dividend Policy: A Comparative Analysis of Shariah Compliant Firms and Non-Sharia Compliant Firms



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## **POLITICAL CONNECTIONS AND CORPORATE CAPITAL STRUCTURE: INSIGHT FROM PAKISTAN STOCK EXCHANGE**

Swera, Saeed Ahmad Sabir

Hailey College of Commerce, University of the Punjab, Lahore

### **ABSTRACT**

The purpose of this investigation is to assess the influence of political connections on the corporate capital structure. The capital structure decision is one of the crucial financial decisions of a firm. Developing nations like Pakistan's political system is known as democratic roots and government independence. Companies with political connections may easily get external finances (leverage) which results in a higher proportion of debt in the capital structure of the company. To address the issues this study analyzes the political connections, their presence on the board, and the winning impact. Corporate governance plays a significant role as it provides rules, regulations, and policies for companies' boards to ensure transparency and fairness. Therefore, this study also investigates the moderating role of board size, board independence, and board gender diversity. The data was manually collected from the annual reports, the State Bank of Pakistan (SBP) database, and the Election Commission of Pakistan (ECP) database for the period of 2018-2021. The sample comprises 311 firms (non-financial) listed on the Pakistan Stock Exchange (PSX) with a total of 1224 observations. The analysis was performed using the Panel least square method. The fixed effects and random effects models were also incorporated. The results indicate political connections significantly impact the capital structure and board size, board independence and board gender diversity also moderates the relationship. Thus, this study also helps the reader to understand the common ideas related to political connections and leverage in relation to the corporate governance dimensions in the Pakistani context. Furthermore, it is also beneficial for businesses, lenders and investors who have desire to set up business in Pakistan. The study will also assist the company managers in deciding the appropriate proportion of the capital structure which will help to maximize the shareholders benefit and postulate the suggestions for the improvement of governance structure.

**Keywords:** Capital Structure, Leverage, Political Connections, Corporate Governance, Board Characteristics



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## **ROLE OF CORPORATE GOVERNANCE PRACTICES IN FIRM PERFORMANCE WITH MEDIATION OF CAPITAL STRUCTURE**

Swera, DR. Ashfaq Ahmad  
Hailey College of Commerce, University of the Punjab, Lahore

### **ABSTRACT**

The aim of this paper is to empirically investigate the association between Corporate Governance practices (CG) and firm performance (FP) in Pakistan. Multiple regression analysis is conducted to check the impact of the independent variable on the dependent variable. In addition, Process by Hayes model 4 is used to test the mediation analysis for the study variables. The results of the study revealed that all the independent variables have a significant impact on FP. Moreover, findings report that there is a positive relationship between board independence, and board gender diversity with the FP and capital structure, whereas the capital structure does not mediate the relationship between CG practices and FP. This investigation provides empirical evidence on the mediating role of leverage between CG practices and the company's financing decisions, something that has not been investigated yet and neglected by the existing studies. Therefore, to understand this unprecedented and novel idea by bridging this research gap thoroughly, this study contributes to the literature on CG and capital structure theoretically and practically.

**Keywords:** Corporate governance, Board characteristics, Capital structure, Firm performance

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## **FEMALE PRESENCE IN CORPORATE GOVERNANCE, FIRM PERFORMANCE, AND THE MODERATING ROLE OF FAMILY OWNERSHIP**

Areeha Farooq  
The University of Punjab, Gujranwala Campus

### **ABSTRACT:**

This study aims to investigate the correlations between female presence on corporate boards and business financial success, also discuss moderating effect of role of family ownership. As a result, this study investigates the association between a female presence in corporate governance and business performance in an emerging country “Pakistan” using a sample of nonfinancial enterprises listed on the Pakistan Stock Exchange from 2008 to 2019. At the same time, the mentioned relationship is less declared when family ownership is a moderator. Additionally, the study findings partially confirm that a higher proportion of women on the board increases firm performance.

**Keywords:** corporate governance, firm performance, emerging country.

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## **THE EFFECT OF CORPORATE GOVERNANCE ON FINANCIAL PERFORMANCE: EVIDENCE FROM A SHAREHOLDER-ORIENTED SYSTEM**

Amina  
University of the Punjab Gujranwala Campus

### **ABSTRACT:**

The relationship between corporate governance and financial performance is an emotive topic in the field of corporate finance research, irrespective of the vast literature. The purpose of this research is to examine the effect of corporate governance (CG) on the performance of firms in non-financial sectors listed on the Pakistan Stock Exchange over the period 2010-2015. The firm performance is measured by ROA and ROE and corporate governance characteristics are measured by audit committee, board of directors and dual position held by CEO. I will use correlation matrix, unit root test, descriptive and regression analysis to map out the relationship between the variables.

**Keywords:** Corporate Governance, Audit Committee, Board of Directors, Financial Performance.

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## IMPACT OF CORPORATE GOVERNANCE ON PROFITABILITY

Sadaf Akhtar  
KIET University

### ABSTRACT

In this era of globalization, outstanding system of governance is required by the business world. These issues are the growing concerned of many large and listed companies. Practice of good corporate governance will increase the investment and improve the performance of the organization where as it reduces the risk of the investors. Therefore, it should be carefully considered that the factors may affect the relationship between corporate governance and profitability. The purpose of the thesis is to find out the impact of specific variables of corporate governance on profitability by taking 10years data (2010-2019) of 22 listed companies of Pakistan Stock Exchange. The results show a positive impact between board meetings, gender and board size with stock returns and Tobin's' Q where as a negative impact between leverage and board composition with Tobin's' Q and audit committee member with Stock return.

**Keywords:** corporate governance, profitability

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## **CORPORATE GOVERNANCE AND DIVIDEND POLICY: A COMPARATIVE ANALYSIS OF SHARIAH Compliant Firms and Non-Sharia Compliant Firms**

Dr Muhammad Ishfaq, Sidra Shafi, Dr Muhammad Usman Arshad,  
Minhaj University Lahore, University of Gujrat

### **ABSTRACT**

The purpose of this study is to analyze the influence of corporate Governance on Dividend Policy regarding conventional stocks and shariah stocks. GMM estimation technique is used in this study for efficient results, in Pakistani KSE 100-index firms. All data taken from audited annual reports of firms. This study used panel data which consists of non-financial firms of the sugar and allied industry, fertilizer, and automobile parts and accessories listed on Pakistan Stock Exchange from 2010-2019. The sample is taken for 10 years. Corporate Governance (board composition and ownership structure) was taken as independent variables, dividend policy as dependent variables. It is ascertained that the insider ownership, institutional ownership, leverage and firm size are significantly influenced on dividend policy in both perspectives. The findings of the study showed that companies with higher profits signaled the market to pay higher dividends to Pakistani companies and aimed to address agency difficulties.

**Keyword:** Corporate Governance, Dividend Policy, Stock Market

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<b>Time</b>	<b>2:00pm - 3:30pm</b>
<b>Room #</b>	<b>Anis Block 204</b>
<b>Track</b>	<b>Islamic Banking</b>
<b>Session Chairs</b>	<b>Dr Hafiz Hassan Madni and Dr Muhammad Afzal</b>
<b>Presenter</b>	<b>Paper Title</b>
Zahid Bashir	The Key to Unshakable Stability: Islamic Banks Thrive in Pakistan's Financial landscape:Market power as the guardian of realibility
Zahid Bashir	Unlocking the Financial Dilemma: Millennial Muslims and Islamic Financial Literacy
Muhammad Bilal Javed	Servicescapes: A Comprehensive Review of Evolving Research Frontier in Islamic Banking Industry of Pakistan
Quanita Rehman	Sustainability Assessment Of Pakistani Islamic Banking Industry And Its Impact On The Achievement Of Maqāsid-Al-Shari'Ah



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## **THE KEY TO UNSHAKABLE STABILITY: ISLAMIC BANKS THRIVE IN PAKISTAN’S FINANCIAL LANDSCAPE: MARKET POWER AS THE GUARDIAN OF RELIABILITY**

Zahid Bashir, Dr. Sabeeh Iqbal, Dr. Muhammad Aamir, Muhammad Asif  
Hailey College of Commerce, University of Punjab, Lahore

### **ABSTRACT**

The research aims to examine the determinants of financial stability of Islamic banks in Pakistan with the moderating role of Market Power. The researcher uses panel data framework to analyze the study by collecting financial data from the annual reports of Islamic banks available on their websites. The findings provides the possible determinants based on firm, market, and economy. It also unveils the moderating impact of market power for the Islamic banks in Pakistan. The findings of the study is important for the stakeholders including policymakers of Islamic banking system in Pakistan.

**Keywords:** Financial Stability, Islamic Banks, Market Power, Panel Data

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## UNLOCKING THE FINANCIAL DILEMMA: MILLENNIAL MUSLIMS AND ISLAMIC FINANCIAL LITERACY

Zahid Bashir, Dr. Sabeeh Iqbal, Dr. Muhammad Aamir  
Hailey College of Commerce, University of Punjab, Lahore

### ABSTRACT

This study experimentally examines Islamic elements affecting financial management behavioral intentions (FMBI). This study examines Islamic financial literacy (IFL), including Islamic Financial Knowledge (IFK), Financial Skills (FS), and self-efficacy (SE). This is done by expanding the theory of planned behavior (TPB) paradigm. The study included 387 Pakistani Muslim millennials who self-administered a questionnaire. The analytic dataset was created from these participants' responses. The study analyzed data using Structural Equation Modeling (SEM) and SmartPLS 4. FS significantly affect the subjective norm (SN), perceived behavioral control, and perceived moral obligation components of financial attitude (FA). IFK has a beneficial effect on FA. SE affects FA, and FS affects SN and perceived behavioral control (PBC). According to Islam, PBC and moral obligation (PMO) greatly determine FMBI. Incorporating dimensions of IFL, including IFK, FS, and SE, as predictors of FA, SNs, PBC, and PMO, expands the theoretical scope of the TPB model. In addition, this study offers novel insights into the perspectives of Muslim millennials regarding IFL and Islamic principles-based financial management.

**Keywords:** Islamic Financial Literacy, Islamic Financial Knowledge, Behavioral Intention in financial management, Millennials, Theory of Planned Behavior.

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## **SERVICESCAPES: A COMPREHENSIVE REVIEW OF EVOLVING RESEARCH FRONTIER IN ISLAMIC BANKING INDUSTRY OF PAKISTAN**

Muhammad Bilal Javed, Dr. Amir Riaz  
Lincoln University, Malaysia, Faculty of Business Management, CUI, Pakistan

### **ABSTRACT**

This paper discusses the concept of servicescapes within the context of Islamic banking, shedding light on its significant but underexplored role especially in the context of Pakistan. While extensive research has been carried out on various facets of Islamic banking, the influence of servicescapes, encompassing the physical and environmental aspects of service delivery has received limited attention. Existing literature has primarily focused on aspects such as Sharia compliance, corporate governance, interest prohibition and financial performance. With little consideration given to servicescape dynamics. This research gap is notably pronounced within the Pakistani context, investigating how Islamic servicescapes align with Sharia principles and their subsequent effects on customer satisfaction, trust and overall banking experiences presents an intriguing avenue for exploration. This paper emphasizes the potential benefits of addressing this gap in the Islamic banking landscape. By gaining a deeper understanding of how servicescapes influence customer interactions and perceptions, the industry can develop more customer-centric approaches. As Islamic banking continues its expansion and evolution, recognizing and bridging this research gap stands to enhance service quality and contribute to the long-term success and sustainability of Islamic banking institutions.

**Keywords:** Islamic Banking, Islamic Marketing, Servicescapes, Banking services

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## **SUSTAINABILITY ASSESSMENT OF PAKISTANI ISLAMIC BANKING INDUSTRY AND ITS IMPACT ON THE ACHIEVEMENT OF MAQĀSID-AL-SHARI’AH**

Quanita Rehman , Dr. Riaz Ahmed  
Bahria University, Karachi Campus

### **ABSTRACT**

The Islamic economic system is based on Islamic principles and places much emphasis on the achievement of social justice. The pursuit of social objectives and sustainable development is deeply ingrained in Islamic theology. This research endeavors to explore the nexus between sustainability and Maqāsid-al-Shari’ah. The sustainability movement and Maqāsid-al-Shari’ah share common premises and important attributes. Given the shared objectives of the Islamic economy and sustainable development, Islamic banking, a subset of Islamic finance, can actively contribute to these objectives. Islamic banking, as a mechanism, should not only provide Shari’ah h-compliant products but also promote a more holistic interpretation of Shari’ah . In the light of socioeconomic goals of Islamic finance and banking, this study examines the performance of Pakistani Islamic banks on the achievement of Maqāsid-Al-Shari’ah. It is found that incorporating sustainability can go a long way towards the achievement of Maqāsid-Al-Shari’ah.

**Keywords:** Sustainability, Islamic banking, shariah, Islamic finance.

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<b>Room #</b>	<b>Anis Block 205</b>
<b>Track</b>	<b>Entrepreneurship</b>
<b>Session Chairs</b>	<b>Dr Nadeem Iqbal</b>
<b>Presenter</b>	<b>Paper Title</b>
Asma Tariq	Unlocking Ambitions: The Power of The Entrepreneurial Ecosystem in Fueling Female Entrepreneurial Intentions in Underrepresented Economies
Sheikh Usman Yousaf	The Impact of Sustainability Orientation and Knowledge on Sustainable Entrepreneurial Attitudes and Intentions: A Quasi-Experimental Study
Maryam Ali	Unlocking Mobile Banking Adoption: Insights from UTAUT and TTF Integration
Rehab Khan	An Empirical Investigation of the Entrepreneurial Intention and Start-ups Through Moderating Role of Covid-19 and Family Support: Findings From Business Graduates.
Esha Nisar	Entrepreneurial intention of university students: Observing the role of Entrepreneurial Education among Female Students in Pakistan.

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## UNLOCKING AMBITIONS: THE POWER OF THE ENTREPRENEURIAL ECOSYSTEM IN FUELING FEMALE ENTREPRENEURIAL INTENTIONS IN UNDERREPRESENTED ECONOMIES

Asma Tariq, Dr. Arshia Hashmi  
University of Central Punjab

### ABSTRACT

This study investigates the pivotal role of the entrepreneurial ecosystem (EE) as a significant environmental factor influencing the entrepreneurial intentions of female employees (FEI). It places a specific emphasis on two key components within the EE: opportunity recognition and innovation. The study comprises 349 female employees, and data analysis involves the use of AMOS 24 software for mediated moderation analysis. While prior research has primarily concentrated on the examination of individual traits in relation to entrepreneurial intentions, this research endeavors to bridge the existing gap by exploring the intricate interplay between individual and contextual factors, particularly within the realm of female entrepreneurship, an area that has received relatively limited attention in entrepreneurial studies. The results of this study reveal a substantial and meaningful relationship among the variables under scrutiny, underscoring the entrepreneurial ecosystem's role as a significant predictor of the entrepreneurial intentions of female employees. Notably, the perceived level of cultural support emerges as a critical moderator within this relationship, signifying its influence, particularly in the context of developing nations. Additionally, the study highlights the mediating function of firms' attitudes toward risk in the relationship between EE and FEI. These findings carry substantial implications, especially for Pakistan, where women's participation in entrepreneurial endeavors remains limited. The study underscores the importance of fostering entrepreneurial organizations that can equip female employees with the requisite skills and motivation to embark on entrepreneurial journeys concurrently with their careers. While this study acknowledges certain limitations, such as the limited exploration of the comprehensive impact of cultural support on entrepreneurial intention, it nevertheless contributes by shedding light on how risk-taking mediates the relationship between the entrepreneurial ecosystem and entrepreneurial intentions within a specific cultural setting. This underscores the critical role of cultural norms and values in shaping individuals' risk attitudes and entrepreneurial aspirations, particularly in developing countries. In summary, this study underscores the significance of cultivating an entrepreneurial ecosystem that not only promotes risk-taking but also aligns with cultural values and beliefs to stimulate entrepreneurial activities.

**Keywords:** Unlocking Ambitions, Entrepreneurial Ecosystem, cultural.



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## **THE IMPACT OF SUSTAINABILITY ORIENTATION AND KNOWLEDGE ON SUSTAINABLE ENTREPRENEURIAL ATTITUDES AND INTENTIONS: A QUASI- EXPERIMENTAL STUDY**

Dr. Sheikh Usman Yousaf, Dr. Bushra Usman

Hailey College of Commerce, University of the Punjab, Forman Christian College (A Chartered University), University of British Columbia, Canada

### **ABSTRACT:**

In an age where our planet Earth serves as our only known habitat, the imperative for green and sustainable ventures is undeniable. These ventures not only stimulate economic activities but also bear the responsibility of safeguarding the environment, which sustains and nurtures us, providing resources that are extensive but not infinite. The success of this endeavor hinges on the willingness of entrepreneurs, both current and emerging, to embrace green venturing, a path often forged through entrepreneurship orientations offered within academic and training programs. Sustainability and green entrepreneurship are subjects of keen interest among researchers globally. This study seeks to elucidate the influence of sustainability orientation and knowledge on the development of sustainable entrepreneurial attitudes, the recognition of sustainable entrepreneurial opportunities, and the fostering of intentions for green ventures. The research employed a pretest-post-test quasi-experimental design, collecting data from students both before and after participating in entrepreneurial education and training interventions. This study contributes to the existing body of knowledge, particularly within the realm of the theory of planned behavior, while also offering insights with profound implications for sustainable development in entrepreneurial education programs. By doing so, it prepares responsible entrepreneurs who are dedicated to healing and preserving our planet Earth, moving beyond superficial “greenwashing” to safeguard the planet for future generations. The call of the era is for entrepreneurs who are not only well-prepared but also committed to greener and more sustainable ventures. These conscientious entrepreneurs will extend their influence beyond the boundaries of their enterprises, making positive contributions to social and ecological systems. Their goal is to identify opportunities that meet present needs without compromising the needs of future generations. This study possesses significant contextual, social, economic, educational, and environmental importance and relevance for all stakeholders involved.

**Keywords:** Sustainability Orientation, Sustainable Entrepreneurship, Green Venturing, Entrepreneurial Education, Environmental Impact, Sustainable Entrepreneurial Intentions.

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## UNLOCKING MOBILE BANKING ADOPTION: INSIGHTS FROM UTAUT AND TTF INTEGRATION

Maryam Ali, Khalid Hussain, Amna Meer  
Government College University, Faisalabad

### ABSTRACT

This research endeavors to elucidate the principal determinants affecting the continuity and behavioral intentions of banking customers concerning the adoption of new mobile banking features, drawing upon the Unified Theory of Acceptance and Use of Technology (UTAUT) and Task-Technology Fit (TTF) models. data were collected via a meticulously structured questionnaire from a sample of 397 university faculty members who employ mobile banking applications for their financial transactions. The analysis of the data was carried out employing structural equation modeling (SEM). the research findings underscore the significant impact of the integrated UTAUT and TTF models on users’ intentions to continue using and exploring novel functionalities in mobile banking. The results demonstrate that variables such as performance expectancy, effort expectancy, social influence, facilitating conditions, and task-technology fit exert positive influences on users’ intentions to continue using these mobile banking features. Furthermore, the intention to continue using the mobile banking platform significantly influences users’ behavioral intentions to explore new functionalities. Notably, the study reveals that the intention to continue using the mobile banking application serves as a full mediator in the relationship between performance expectancy, effort expectancy, social influence, facilitating conditions, task-technology fit, and users’ behavioral intentions to explore new mobile banking features. these research findings bear practical implications for the optimization of task-technology fit in mobile banking applications, which, in turn, can enhance user satisfaction and foster continuance intentions. In pursuit of augmenting users’ behavioral intentions, banks may consider the introduction of additional features within their mobile banking applications, aligning their strategies with the identified determinants. this research comprehensively examination the determinants influencing banking customers’ continuity and intentions to explore new mobile banking features, integrating the UTAUT and TTF models. Furthermore, the research’s novelty is exemplified by its focus on a specific and underrepresented sample of university faculty members who bears distinct demographic chrematistics which offers a unique perspective and enriches the existing literature, shedding light on the adoption of mobile banking technologies within an academic context.

**Keywords:** Performance Expectancy, Effort Expectancy, Social Influence, Facilitating Conditions, Task- Technology Fit, Continuance Intention, Behavioral Intention.

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## **AN EMPIRICAL INVESTIGATION OF TRANSFORMATIONAL LEADERSHIP (TL) AND INNOVATIVE WORK BEHAVIOR (IWB)**

Rehab Khan, Waqas Shakir, Dr Rab Nawaz Lodhi, Dr. Rizwan Qaisar Danish

### **ABSTRACT**

The current research study mainly aimed to examine the impact of Transformational Leadership and Innovative Work Behavior in which the Moderating role is of the Work Uncertainty and Mediating role is of the Employee Ambidexterity and Organizational Support. The questionnaire for this study was mainly alienated into two categories (e.g., questions related to variables, and questions about demographic characteristics e.g. gender, age, location and designation. Items that have been validated and reliable in the literature were adjusted to fit this study's purposes, and utilized to measure additional factors. All items were evaluated on a 5-point Likert scale. The survey of this study was pretested in (50) SMEs. All the hypothesis of the study are positively and significantly supported except the mediating effect 3 with employee ambidexterity. The researcher used the Organizational Support as the Mediator. The other researches may choose other variables as Mediator instead of the Organizational Support and Employee Ambidexterity. On the other hand this research is going to be conducted on the SMEs, other enterprises may provide different results. Many studies have been done related to TL and IWB in advanced countries. Pakistan is the developing country, but no one conducted this theme in the Pakistan's context especially in the area of Punjab.

**Keywords:** Transformational Leadership (TL), Work Uncertainty (WU), Innovative Work Behavior (IWB), Employee Ambidexterity (EA), Organizational Support (OS), SMEs, Pakistan.

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## ENTREPRENEURIAL INTENTION OF UNIVERSITY STUDENTS: OBSERVING THE ROLE OF ENTREPRENEURIAL EDUCATION AMONG FEMALE STUDENTS IN PAKISTAN.

Esha Nisar, Dr. Zohair Farooq Malik, Dr. Muhammad Hassan Danish  
University of Management Technology, Lahore

### ABSTRACT

The underlying objective of the present study is to evaluate the factors that influence students' entrepreneurial intentions. The present study also helps to understand the mediating role of ATE, SN, EF between the relationship of EE and EI. Data sample of 157 female students is collected, using convenience-sampling technique, from different universities of Pakistan through a questionnaire. For data analysis, the SEM technique is used. Results of hypotheses testing revealed that the TPB is affecting significantly on the EI of female students while an additional variable EF is also positively affecting EI. Through the results of this study, the educational institutions, regulatory bodies, and policy makers will comprehend the significance of entrepreneurial intention among female university students. The current paper will help the policy makers, educational institutions, and individuals to understand the importance and necessity of entrepreneurial intention (EI) through the role of entrepreneurial education among female university students of Pakistan by relying upon the theory of planned behavior (TPB) adding an additional variable named economic freedom (EF).

**Keywords:** Entrepreneurial Intention (EI), Entrepreneurial Education (EE), Attitude towards Entrepreneurship (ATE), Social Norms (SN), Economic Freedom (EF), and Theory of Planned Behavior (TPB).

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	<b>Online</b>
	<b>Video call link: <a href="https://meet.google.com/rta-ofxt-hqx">https://meet.google.com/rta-ofxt-hqx</a></b>
	<b>PIN:</b>
<b>Track</b>	<b>Entrepreneurship and Marketing</b>
<b>Session Chairs</b>	<b>Dr Waqas Farooq and Dr Sami Ullah</b>
<b>Presenter</b>	<b>Paper Title</b>
Salauatova Dinara	Tourism As A Factor Of Sustainable Development Of Ulytau Region Of Kazakhstan
Amanullah Phulpoto	Determining the Factors Influencing Green Purchase Intention: An Extension of Theory of Planned Behavior
Abubakar Suleiman	Evaluating the knowledge on customer rights and obligations among residential customers of Jos Electricity Distribution (JED) Plc in Bauchi Metropolis, Nigeria
Munawar Hameed Mangalwala	Business opportunities and challenges for young entrepreneurs of Pakistan- An understating of opportunities and challenges for the progress and prosperity of Pakistan by young generation of Pakistan.
Muhammad Ahsin Imtiaz	Investigating the Influence of Artificial Intelligence on Consumers' Online Purchase Intentions: A study of Pakistani Online Market Place
Farhan Qadir	Entrepreneurial Self-Efficacy And Its Outcomes: Fortifying The Theory Of Planned Behavior



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## **TOURISM AS A FACTOR OF SUSTAINABLE DEVELOPMENT OF ULYTAU REGION OF KAZAKHSTAN**

Salauatova Dinara

The driver of the country's development is its strong regions, which was announced by the President of the country in his message to the people of Kazakhstan "Constructive public dialogue is the basis for the stability and prosperity of Kazakhstan" dated September 2, 2019 [1]. As part of the eighth direction of the country's development "Improving the administrative-territorial structure of the country" of the Address of the Head of State Kassym-Jomart Tokayev to the people of Kazakhstan "New Kazakhstan: the path of renewal and modernization" dated March 16, 2022, the Ulytau region was formed [2]. The territory of the region is 188.9 thousand square meters, which is 7% of the territory of Kazakhstan. It included the cities of Zhezkazgan, Karazhal, Satpayev, the Zhanaarkinsky, Ulytausky districts, and 72 rural settlements. The population of the region is 221 thousand people (174.6 thousand people (79%) are urban residents, 46.4 thousand people (21%) are rural residents) [3]. The region's economy is determined by industry. The most important industry is the metallurgical complex with a share of more than 90%, the level of development of which is the main indicator of its socio-economic condition and stable social climate. The industrial potential of the region is determined by large, medium and small enterprises in the manufacturing and mining sectors of the economy. The main share is concentrated in the production of non-ferrous and rare earth metals. The region is home to the largest copper producer in Kazakhstan with a full production cycle: from ore mining to the production of finished products, where a third of the region's residents are employed. The spatial organization of the economy of the Ulytau region is characterized by monofunctionality, as a consequence of the predominant orientation towards the development of non-ferrous metallurgy. As evidenced by the events of the world arena in recent years, excessive dependence on commodity markets in the long term, one way or another, creates the threat of inhibition and deformation effects on the trajectory of the socio-economic development of the region. Industry occupies the main share in the structure of the gross regional product. A significant part of the employed population is concentrated in industry (28%) or trade (15.6%). Over the last year alone, the number of unemployed increased by 28.6% [3]. The center of the region, Zhezkazgan, is a single-industry town, the development of which is hampered by the lack of enterprises other than the mining and metallurgical plant. Single-industry towns are usually dependent on their enterprise and price fluctuations on the world market, which can lead to serious economic problems in the city and region. The further continuation of such trends poses a serious threat to the security of the country and its social sustainability, which in turn determines the need for timely forecasting of risks and identification of the resource potential of economic growth in the new conditions. The problem of changing the



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mechanisms for organizing and managing the economy of the country's regions requires systemic changes in accordance with long-term trends and strategic development goals of the Republic of Kazakhstan, which necessitates the development of theoretical and methodological approaches to developing a strategy for diversification and modernization of a single-industry economy. This condition determined the topic of this study, its theoretical and practical significance. Effective socio-economic development of regions is one of the most difficult strategic tasks of the country. The focus of the Head of State Kassym-Jomart Tokayev in his message to the people of Kazakhstan "Constructive public dialogue is the basis of stability and prosperity of Kazakhstan" dated September 02, 2019 on the need to form a diversified, technologically advanced economy that works to improve the well-being of the people, confirms the relevance of the problem today [1]. The need to diversify the economy of the Ulytau region in order to reduce excessive dependence on the mining industry is dictated by the instability and variability of world copper prices, minimizing the country's vulnerability to macroeconomic risks such as a drop in production, a drop in demand and prices, and depletion of reserves. Tourism, with the effective implementation of existing potential, can solve many socio-economic problems of the region. It is often compared to an economic engine that has significant potential for effective growth, being more than just an industry as it spans multiple sectors, thereby proving its suitability for economic diversification [3]. Theoretical review. Theoretical and methodological aspects of economic regional development of territories are presented in the scientific works of foreign scientists, such as: Avezova M.M., Mansurova M.G., Andreev A.V., Bukhvald E.M., Kolchugina A.V., Granberg A. .G., Kistanov V.V., Kopylov N.V., Glazyev S., Klotsvog F. Kundius V.A. Issues of strategic planning and management of regional development are studied in the works of domestic scientists Sabden O.S., Koshanov A.K., Nurlanova N.K., Brimbetova N.Zh., Alpysbaeva S.N., Alimbaeva A.A., Asylbaeva K. .B. Diversification of the economy through the development of tourism was considered by Kazakh scientists A. Shevyakova, E. Munsh, M. Arystan. However, theoretical and applied issues of diversifying the region's economy through the development of the tourism industry in accordance with modern geopolitical conditions have not been sufficiently studied. The relevance of the problems and the insufficient level of their elaboration predetermined the choice of the research topic. According to a number of scientists, diversification is the most viable alternative for sustainable and effective development of the country's economy [4]. Proponents of economic diversification note that it cannot be achieved using a template approach, therefore a strategic, individually selected combination of capacity building and economic development of the region is necessary [5, 6], which determines the need to develop a diversification strategy for the Ulytau region, taking into account the specifics of the region's resource potential and the level of its socio-economic development. Main part. The tourism potential of the Ulytau region is represented by historical sacred places, natural and cultural landscapes. Ulytau is a place for the development of pilgrimage, cultural, educational, ethnographic, environmental, medical, and

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space tourism. The Ulytau Mountains have always attracted the attention of steppe inhabitants. The top of the mountain oasis is Aulietau - a sacred mountain, a place of pilgrimage for tourists. According to the belief of the local population, the peak of Ulytau is closer to the sky, it is there that Heaven and Earth meet, therefore, since ancient times, the mountain was considered a sacred place, the abode of God and spirits, a place of constantly active sacred forces, ritual behavior, and the connection of man with nature. The history of the sacralization of Ulytau goes back to ancient times. This is confirmed by archaeological monuments around the mountain: numerous sites of the Stone and Bronze Ages, ritual structures of the era of early nomads - mounds, Turkic memorial fences, ritual stone towers, reserved khan territories and the graves of seven saints and historical figures [7]. Ulytau is the historical center of the Kazakh people, the center of the nomadic culture of the steppe civilization. This place is sacred to the Kazakhs. It was here that, many centuries ago, the proclaimed rulers were raised on a white felt, thousands of wax of the three Kaakh zhuzes flocked here. Here was the headquarters of Zhoshi Khan, the eldest son of the great Genghis Khan, from here Batu Khan began his campaign of conquest to the east. Great events of national history related to the formation of the Kazakh Khanate and statehood took place here. In Ulytau, mausoleums of some of the founders of the Turkic-speaking tribes Zhoshi Khan and Alash Khan were erected. Khan of the Golden Horde Tokhtamysh, the great commander of the Horde, Emir Edyge are also buried here, whose names are immortalized in the oral folk art of Altai, the Urals, Crimea, the North Caucasus and Uzbekistan. On the stone slab of Ulytau Mountain Altynshoky left a memory of his stay here in the spring of 1391, the great Tamerlane. The monuments of Ulytau date back to the Paleolithic and Neolithic eras. Numerous sites of primitive people and their tools were discovered here. On the banks of the Karakengir River, the largest Bronze Age workshop in Kazakhstan was found - settlements, necropolises, rich burials of ancient culture. 7 km north of the Zhoshi Kharu mausoleum is the Dombaul ritual structure, which dates back to the Oguz-Kipchak time (8th-9th centuries). Local rivers and springs are famous for their healing properties: Tasbulak, Kumisbulak, etc. The list of 100 sacred places in Kazakhstan includes Akmeshit Peak, located 2 km from the village of Ulytau. Akmeshit Peak is the highest point of the Ulytau mountain range - 1131 km. On Mount Akmeshit there is the Aulieungir cave, where, according to legend, Zarathushtra received a revelation. The history of this cave dates back to the Eneolithic period, and local legends are associated with the "miracle cave", which sheltered the Kazakh army from enemies. The Ulytau National Natural Park operates on the territory. The sacred geography of Kazakhstan includes petroglyphs in Ulytau, which date back to the Early Bronze Age and were found in Terekty near the Baikonyr River in the Tamdy and Zhylanshyk tracts, Zyngyrtas; Baikonur petroglyphs – located near the Baikonur and Bileuti rivers. There are more than a thousand walls of rock paintings. On the Terekty hills there are also caves, a well with inexhaustible water, and an altar of sacrifice. This is one of the places for pilgrims. Ulytau also has prospects for the development of space tourism. The Ulytau Akzhar Mountains have a Martian



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coloring and an extraordinary ecosystem on the landscape. The Martian route to Akzhar is harmoniously complemented by places of memory of the cosmic landscape of the Zhezkazgan-Ulytau region - the memory of monumental art on the theme of space, the “Hall of the History of Cosmonautics” of the Zhezkazgan Historical and Archaeological Museum, measuring points in Terekty, Baikonur, crash sites of spaceships, the Kyzylkia desert with multi-colored sands. On the territory of the region there is a museum of mining and smelting -Zhezdy, after the name of the village in which it is located. The history of the village of Zhezdy is connected with the mining of manganese ore. During World War II, the Nazis captured the city of Nikopol in Ukraine, the center of manganese mining in the USSR, which is one of the main components of armor. In July 1992, a manganese mine was opened near the Zhezdy River, where a settlement for workers and builders was formed. During the war years, the Zhezdinskoye deposit produced more than 70% of all manganese ores in the country. The Zhezdy Museum is the only museum of this profile in Kazakhstan and Central Asia, where visitors can get acquainted with the history of the formation and development of mining and metallurgy from ancient times to the present day. There are also open-air exhibits on display: mining equipment from different times. On July 12, 2018, in the village of Ulytau, as part of the tourism forum “Ulytau - the center of sacred tourism of Kazakhstan,” an infotour was held for tour operators in Kazakhstan. On June 14, 2019, an information tour was held along the northern coast of Lake Balkhash, with the organization of an international tourism forum in Balkhash. On August 24, 2019, the international tourism event “Ulytau-2019” took place with the participation of the head of state. The purpose of the forums was to discuss and develop measures to increase the number of tourist arrivals. One of the events to attract tourists to this region was the holding of the International Festival of Folklore Groups “Zhezkiik”, which brought together musical groups from 9 countries. The international festival was held within the framework of the State program “Rukhani Zhangyru”, with the implementation of the project “Spiritual Shrines of Kazakhstan” and the special program “Tugan Zher”. The goals of the Festival are the preservation of the intangible cultural heritage of Kazakhstan, the promotion and development of Kazakh folklore, the development of a tourist cluster, and the popularization of folk culture in all its diversity. Carrying out such events contributes to the growth in the number of visitors to the region and provides an opportunity for the local population to intensify business activities in the provision of excursion services, trade in national dishes, clothing and souvenirs For the development of the tourism sector until 2026, 1.5 billion tenge was allocated for the construction of hotel complexes in the city of Zhezkazgan and in the Zhanaarkinsky district, a tourist center for comprehensive services for tourists in the Ulytau region, a sanatorium-type holiday home “Ulytau” for 100 places, which will allow increase the number of visitors to 1 million people by 2026. Conclusion. Diversification provides many benefits for countries wishing to become more resilient and adaptive to change, because, firstly, it reduces economic vulnerability and provides a buffer against the impact of external

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factors such as the global economic crisis, climate change, political upheaval, etc. ensuring the full functioning of various sectors of the economy. Secondly, the benefits of expanding trade, growing GRP, increasing productivity, creating new jobs and reducing unemployment, increasing incomes and reducing poverty, and developing entrepreneurship in combination with the overall promotion of economic and social development are ensured. In addition, economic diversification helps to increase the competitiveness of the region within the national economy, which, in turn, contributes to its growth and overall socio-economic stability. The more diverse and ramified the structure of the economy, the more stages and interconnections characteristic of local economic activity, the higher its orientation towards innovation. This diversity encourages the application of technological solutions from some industries to other sectors of the economy. Another local development benefit associated with diversification relates to the concept of attractiveness and competitiveness. Tourism should be defined as a real option for sustainable development of the Ulytau region, which has significant tourism and recreational potential, because:- ensures significant socio-economic growth of the region, increasing the country's GDP, due to its diversified nature and the resulting multiplier effect; - creates jobs in various sectors: accommodation, food, transportation, entertainment, trade, etc.- promotes the conservation of natural areas, their biodiversity, paleontological / archaeological / historical monuments; - contributes to improving the infrastructure provision of regions and social benefits; - encourages the involvement and participation of local communities in tourism by increasing employment, educating the population, increasing public awareness and activity in resolving many issues; - contributes to the formation of a favorable image of the region and country in the world. Another economic benefit of tourism is the increase in foreign exchange earnings to provide investment needed to finance economic growth.

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## **DETERMINING THE FACTORS INFLUENCING GREEN PURCHASE INTENTION: AN EXTENSION OF THEORY OF PLANNED BEHAVIOR**

Amanullah Phulpoto, Summaya Phulpoto  
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University

### **ABSTRACT**

This study builds on the Theory of Planned Behavior (TPB) framework to explore what influences customers' green goods purchases. The 214-person study in metropolitan Pakistan examined the relationship between Green Purchase Intention and TPB variables Attitude, Subjective Norm, Perceived Behavioral Control, and Environmental Concern. The study found substantial positive connections between Green Purchase Intention and TPB features. The findings of the multiple regression analysis indicate a favourable relationship between Attitude, Subjective Norm, and Environmental Concern, and Green Purchase Intention. The most prominent factor is Environmental Concern, which indicates that consumers who are environmentally conscious exhibit greater responsibility and a long-term perspective while making green purchases. Nonetheless, it is important to note that Perceived Behavioral Control does not exert a statistically significant impact on purchase intentions. These results provide significant insights into the promotion of sustainable and environmentally friendly consumer choices, highlighting the importance of environmental concerns and the necessity for efficient marketing strategies.

**Keywords:** Green purchase intention, Theory of Planned Behavior, Green marketing  
Environmental concern, Sustainable consumption.



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## **EVALUATING THE KNOWLEDGE ON CUSTOMER RIGHTS AND OBLIGATIONS AMONG RESIDENTIAL CUSTOMERS OF JOS ELECTRICITY DISTRIBUTION (JED) PLC IN BAUCHI METROPOLIS, NIGERIA**

Abubakar Suleiman  
Abubakar Tafawa Balewa University, Bauchi.

### **ABSTRACT**

This study investigated the knowledge on electricity rights and obligations among Bauchi residents. A survey was conducted with 160 residential customers of JED Plc. Selected through proportionate sampling with replacement, and the results showed that only 2% of them had good knowledge on customer rights, but the proportion with good knowledge on obligations is pronounced 99.4%. This highlights a potential gap in consumer knowledge concerning their entitlements in the electricity supply process. The study found that there was a significant difference in the level of customer knowledge on rights based on average daily hours of electricity but insignificant based on demographic characteristics, such as metering status, frequency of complaints, and transformer location. In contrast to knowledge on obligations, only difference across frequency of complaints was statistically significant. Furthermore, a positive correlation was observed between knowledge on rights and knowledge on obligations, indicating that educating consumers about their rights may also contribute to improved compliance with their responsibilities. The regression analysis revealed that informed consumers regarding their obligations tend to file fewer complaints with JED Plc, suggesting that consumer education can lead to more proactive measures to address concerns before resorting to formal complaints. The study concludes that there is a need to increase awareness of electricity rights and obligations among residents in Bauchi. This can be done through targeted awareness campaigns and educational initiatives. By increasing awareness, consumers will be better equipped to protect their rights and ensure that they receive the quality of service that they are entitled to.

**Keywords:** Knowledge on customer rights, Knowledge on customer obligations, Electricity users, Customer complaints behavior.

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## **BUSINESS OPPORTUNITIES AND CHALLENGES FOR YOUNG ENTREPRENEURS OF PAKISTAN- AN UNDERSTANDING OF OPPORTUNITIES AND CHALLENGES FOR THE PROGRESS AND PROSPERITY OF PAKISTAN BY YOUNG GENERATION OF PAKISTAN.**

Munawar Hameed Mangalwala  
KIET University

### **ABSTRACT:**

In a rapidly changing world, business opportunities bring enormous challenges for young entrepreneurs. There is no doubt that educators associated with private and public universities trying their best to impart and transfer knowledge related to entrepreneurship activities through different academic activities not only in class rooms but also provide research opportunities to their students, as well as create possibilities for students to explore and to experience corporate, industry and professional tasks performed by experienced managers performing at operating, middle and strategic levels. However, a large number of students are unable to perform real time entrepreneurial performance due to certain challenges. This research is an investigation to the sustainable entrepreneurship and spells out related variables of entrepreneurship. Infect sustainability is the key element of all successful entrepreneurship activities. Sustainable entrepreneurship opportunities are related to new products (Goods and Services), production processes; applicable techniques, and enterprise's modes. These all elements bring an output, responsible to reduce social and environmental pressures, and enhance the quality of life along-with length and width of life. The young generation of Pakistan must be aware of the fact, that by implementing sustainable practices, they can always increase their revenue and reduce cost. Moreover, by sustainable entrepreneurship approach they can also build positive and esteemed reputation for their start-up and connect it closely the customer loyalty resulting financial freedom for their organizations and in result to earn good profits. The purpose of this research is to create a link between academic institutions and the industry of Pakistan for providing nice opportunities for young generation of Pakistan, so they can understand, address certain ownership challenges and to create value for the progress and prosperity of Pakistan.

**Keywords:** Entrepreneurs, Sustainability, reputation, performance.

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## INVESTIGATING THE INFLUENCE OF ARTIFICIAL INTELLIGENCE ON CONSUMERS' ONLINE PURCHASE INTENTIONS: A STUDY OF PAKISTANI ONLINE MARKET PLACE

Muhammad Ahsin Imtiaz, Shrafat Ali Sair,  
Hailey College of Commerce, University of the Punjab

### ABSTRACT:

Digitization has changed the scope of e-commerce in the past couple of decades. However, the advent of Artificial Intelligence (AI) as a part of this digitization has ushered in a new era in e-commerce, completely revolutionizing the way businesses were run as well as the manner customers interacted. In the last 3 to 4 years Artificial Intelligence has become an integral part of e-commerce. Academic research has also recently seen a boom in the area of artificial intelligence in the last 5 years. However, very less empirical studies have been done so far to explore the impact of AI based technologies on the consumer behavior. Considering this gap, this study dug into the complex relationship between AI induced consumer experience on the purchase intentions of the customers leading to the repurchase intentions, considering the mediating role of customer perception. The study also encompasses the moderating role of cognitive dissonance on the relationship of purchase and repurchase intentions of the customers. A rigorous empirical approach incorporating surveys was adopted, where 380 online purchasers responded. PLS-SEM was used as the data analysis tool. The research findings showed a significant impact of Artificial Intelligence induced customer experience on their perception which led to enhanced online purchase and repurchase intentions however a negative influence was found on the relationship of purchase and repurchase intentions of customers due to cognitive dissonance. This study contributes to the ever evolving discourse on the immense potential of AI in shaping the future of e-commerce navigating the path for online businesses to better understand the online consumer behavior while adding in the empirical aspect on the subject matter.

**Keywords:** artificial intelligence, online purchase intentions, cognitive dissonance

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## ENTREPRENEURIAL SELF-EFFICACY AND ITS OUTCOMES: FORTIFYING THE THEORY OF PLANNED BEHAVIOR

Mr. Farhan Qadir, Dr. Saira Ghulam Hassan, Dr. Muhammad Farhan Basheer, Dr. Shafaq Arif Chaudhry, Dr. Rab Nawaz Lodhi  
University of Lahore, University of Central Lancashire, United Kingdom, Hailey College of Commerce, University of Punjab

### ABSTRACT

This study aims to examine the relationship between the entrepreneurial self-efficacy (ESE) and its outcomes i.e. innovative work behavior (IWB) and entrepreneurial intention (EI), with emphasis on the mediating effect of the attitude towards entrepreneurship (ATE) with the help of the framework of theory of planned behavior (TPB). Data was collected from 307 business students of Pakistan. Mplus is used to test the research model. The results of the study revealed that entrepreneurial self-efficacy had a positive impact on employees' innovative work behavior and entrepreneurial intention. Furthermore, attitude towards entrepreneurship mediated the relationship between entrepreneurial self-efficacy and its outcome i.e., innovative work behavior and entrepreneurial intention. This study suggests that entrepreneurial self-efficacy can be an effective tool for inducing entrepreneurial intention and innovative work behavior. Hence, leaders and managers of business organizations, who intend to attain innovative behaviors of employees should exploit on the advantages of building entrepreneurial self-efficacy of employees. This research added to self-efficacy, innovation and entrepreneurial literatures and provided understandings into how the managers could enhance the entrepreneurial self-efficacy of employees to boost the innovative work behavior and entrepreneurial intention.

**Keywords:** Entrepreneurial self-efficacy, Innovative work behavior, Attitude towards entrepreneurship, Entrepreneurial intention.

## **Session VI**

### **Day Thursday**

### **Date 16 November**

### **2023**

### **Time 4:00 PM – 5:30**

### **PM**



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<b>Date, Day</b>	<b>16 Nov 23, Thursday</b>
<b>Time</b>	<b>4:00pm - 5:30pm (Pakistan Standard Time is UTC+05:00 )</b>
<b>Room #</b>	<b>Anis Block 105</b>
<b>Mode</b>	<b>Online</b> <b>Video call link: <a href="https://meet.google.com/ruw-yibq-xyt">https://meet.google.com/ruw-yibq-xyt</a></b> <b>PIN:</b>
<b>Track</b>	<b>Economics, Banking and Marketing</b>
<b>Session Chairs</b>	<b>Dr Sajjad Nawaz and Dr Mian Muhammad Atif</b>
<b>Presenter</b>	<b>Paper Title</b>
Resham Iftikar	Cultivating Sustainable Educational Development in Pakistan: Unveiling the Role of Financial Literacy as a Mediator in Financial Inclusion
Ahmed Bilal Siddiqui	Small And Medium Enterprises Contribution In Total Employment Of Developed Countries
Umbrin Akbar	Assessing The Determinants Of Environmental Sustainability In Asean-5 Economies: The Influence Of Shadow Economy And Political Stability
Arooj Usman Ali	Revolutionizing Sustainability: The Interplay of Fintech, Green Finance, and Employee Green Behavior in Shaping Environmental Excellence
Muhammad Ashfaq	Impact of Green Banking Practices and Green Leadership on Sustainable Performance of Banks through analysis of the mediating effects of Green Finance and the moderating effect of Organizational Support-An Empirical Study
Irsa Mehboob	Examining Risks factors in adoption of internet banking: An Empirical assessment of Pakistani Banking Sector
Zara Imran	The impact of service quality, customer engagement and customer satisfaction on customer loyalty with the moderating role of religiosity



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## **CULTIVATING SUSTAINABLE EDUCATIONAL DEVELOPMENT IN PAKISTAN: UNVEILING THE ROLE OF FINANCIAL LITERACY AS A MEDIATOR IN FINANCIAL INCLUSION**

Resham Iftikhar, Dr. Sami Ullah, Shrafat Ali Sair  
University of Sialkot, Pakistan, Hailey College of Commerce, University of the Punjab

### **ABSTRACT**

This study examines the mediating impact of financial literacy in the relationship between financial inclusion and sustainable development in Pakistan's educational sector. Employing a quantitative approach, this research gathers survey data from educators, students, and stakeholders to assess financial inclusion levels and measure financial literacy in the educational context. The study uncovers significant relationships between financial inclusion, financial literacy, and sustainable development. Financial literacy mediates the link between financial inclusion and sustainable development, enhancing our understanding of this dynamic. Limited to Pakistan's educational sector, this study suggests the need for broader cross-sectoral and cross-country investigations to generalize the findings. Qualitative insights could provide a deeper contextual understanding. Future research can explore longitudinal studies and investigate the causal mechanisms connecting financial inclusion and sustainable development. Comparative studies across different contexts would enhance generalizability. This research uniquely addresses the mediating role of financial literacy within the financial inclusion-sustainable development relationship in a specific context, offering insights for policymakers, educators, and financial institutions and filling a gap in the existing literature.

**Keywords:** Financial Inclusion, Sustainable Development, Financial Literacy, Mediation, Educational Sector

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## BUSINESS SUSTAINABILITY AND FAMILY-OWNED BUSINESSES

Dr. Ijaz Hussain Bokhari, Numan Aslam, Dr. Sazali Abd Wahab  
University of Management Technology, UPM Malaysia

### ABSTRACT

SMEs from developed economies move across their borders because of their production efficiency, improvisation, innovations, and flexibility. SMEs from developing countries strive the survival and sustainability due to lack of orientation, traditional practices, and lack of innovation. Business sustainability is one of the biggest challenges for SMEs in developing countries. Approximately 3.8 million SMEs were registered in Pakistan, and 99 percent were owned and operated by families. The current study considered the triple bottom line to test the factors that influence business sustainability in Pakistan. The current study proposed that market orientation and strategic flexibility significantly influence business sustainability in a highly competitive market. Furthermore, the current study considered organizational improvisation as a moderating variable. The results have shown that market orientation, strategic flexibility, and organizational improvisation positively and significantly influence the business sustainability of family-owned SMEs operating in the surgical industry of Pakistan. Organizational improvisation positively and significantly moderates the relationship between market orientation, strategic flexibility, and business sustainability. The recent literature supports the present study's findings in the light of the triple bottom line theory. The empirical findings of the present study are valuable to managers/owners of family-owned SMEs, policymakers, and regulatory authorities in designing the comprehensive framework for the business sustainability of SMEs. The studies need to consider the role of access to finance and succession planning towards the business sustainability of family-owned SMEs.

**Keywords:** Market orientation, strategic flexibility, organizational improvisation, business sustainability, intelligence generation, intelligence dissemination, responsiveness, and triple bottom line.

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## ASSESSING THE DETERMINANTS OF ENVIRONMENTAL SUSTAINABILITY IN ASEAN-5 ECONOMIES: THE INFLUENCE OF SHADOW ECONOMY AND POLITICAL STABILITY

Umbrin Akbar, Muddassar Bilal, Mudsir Ismail  
University of Sialkot

### ABSTRACT

Global economic growth ambitions have led to widespread environmental degradation, impacting Southeast Asian nations, including ASEAN. Economic growth remains a primary driver of environmental decline, alongside challenges like shadow economies, financial development, political stability, and population density in ASEAN economies. This study focuses on the impact of the shadow economy, GDP growth rates, financial development, political stability, and population density on environmental degradation in the ASEAN-5 countries. The analysis employs second-generation panel techniques and panel data. Unit root tests indicate the mixed order of integration, while Kao and Pedroni co-integration tests confirm long-run cointegration in the model. The panel autoregressive distributed lag (ARDL) approach is employed to estimate elasticities, and the presence of an inverted U-shaped Environmental Kuznets Curve (EKC) is observed in the selected region. Empirical findings have revealed that financial development has a positive and significant effect on environmental degradation, while political stability exhibits a significant negative effect. Causal relationships are identified through the VAR Granger Causality/Block Exogeneity Wald tests. The analysis reveals unidirectional causal relationships between the shadow economy and ecological footprints, political stability and financial development, GDP and ecological footprints, political stability and ecological footprints, as well as the shadow economy and political stability. Therefore, the ASEAN-5 region should adopt a policy mix that addresses financial development, the shadow economy, political stability, and GDP growth, aiming to robustly reduce environmental degradation and achieve the global challenge of sustainable development.

**Keywords:** Environmental Sustainability, Shadow Economy, Environmental Kuznet Curve

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## **REVOLUTIONIZING SUSTAINABILITY: THE INTERPLAY OF FINTECH, GREEN FINANCE, AND EMPLOYEE GREEN BEHAVIOR IN SHAPING ENVIRONMENTAL EXCELLENCE**

Arooj Usman Ali, Dr. Sami Ullah, Shrafat Ali Sair  
University of Sialkot, Hailey College of Commerce, University of the Punjab

### **ABSTRACT**

In light of growing environmental concerns, it has become imperative for all businesses and organizations to address their ecological footprint. This has now gained global significance, as it is enshrined within the sustainable development goals. The research paper delves into the combined impact of adopting green finance and fintech on organizations' environmental performance. It also explores the role played by employee green behavior and green innovation as mediators. While prior studies have examined various mediators, our research contributes by investigating the mediating influence of employee green behavior. We conducted a survey among employees in the banking sector of Pakistan to gauge their perceptions of green finance practices, fintech adoption, and the role of employee green behavior. The findings reveal a positive and significant correlation between green finance and environmental performance, as well as fintech adoption and environmental performance. Furthermore, we confirmed that employee green behavior mediates the primary relationship, reinforcing the role of green innovation as a mediator. This suggests that employees who exhibit a stronger commitment to environmentally friendly practices facilitate the translation of green finance and fintech adoption into environmental benefits for their organizations. Moreover, our research sheds light on how green finance and fintech adoption affect employee green behavior. Factors such as organizational culture, employee commitment, and awareness among employees emerge as potent drivers influencing employee behavior. This research holds significance for policymakers, business leaders, and organizations, offering valuable insights to assist them in formulating strategies that promote environmentally friendly practices.

**Keywords:** Financial Innovation, Green Initiatives, Fintech, Green Finance, Employee Engagement, Environmental Performance, Sustainability.

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## **IMPACT OF GREEN BANKING PRACTICES AND GREEN LEADERSHIP ON SUSTAINABLE PERFORMANCE OF BANKS THROUGH ANALYSIS OF THE MEDIATING EFFECTS OF GREEN FINANCE AND THE MODERATING EFFECT OF ORGANIZATIONAL SUPPORT-AN EMPIRICAL STUDY**

Muhammad Ashfaq, Dr. Sami Ullah, Muhammad Usman  
University of Sialkot

### **ABSTRACT**

This research paper explores the impact of green banking practices and green leadership on the sustainable performance of banks through analysis of the mediating effect of green financing and the moderating effect of organizational support. The research paper provides insights into the benefits of green banking practices for banks, their employees, and society. This research paper also provides empirical insights about green banking practices and their impact on the sustainable performance of banks. The data were collected from 300 employees of the banking sector through a self-administered questionnaire and an online questionnaire made in Google Forms. The analysis was conducted through Smart PLS-4, for validity Cronbach alpha and composite reliability were tested and the SEM model was used to assess the hypothesis for the test of direct and indirect relationships between variables. The study's findings showed that in contrast to bank customer-related green banking practices, which were not statistically significant; people, normal business operations, and policy-related green banking practices have significant positive effects on green financing. Banks' environmental performance was significantly and favorably affected by the financing of green initiatives. Also, it was found that in contrast to employee and customer-related green banking activities, banks' ordinary business operations and policy-related practices significantly affect their environmental performances. This study examines the green banking practices and sources of green financing and their impact on the sustainable performance of banks through the mediating effect of green financing and the moderating effect of organizational support. While previous research has explored the effect of green banking practices on banks' environmental performance and green financing, few studies have examined the impact of green banking practices and sources of green finance and their joint impact on the sustainable performance of the banks. This research paper aims to fill the gap by examining the impact of green banking practices and green leadership on the sustainable performance of banks through analysis of the mediating effects of green financing and the moderating effect of organizational support. Green banking practices can have a significant impact on the sustainable performance of the banks and sources of green financing. Green financing involves activities that benefit society, such as supporting local communities and engaging in sustainable business



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practices. Organizations can boost their standing with clients, investors, and other stakeholders by publicly displaying their dedication to these ideals.

**Keywords:** Green Banking Practices (GB Practices), Green Financing (GF), Banking Environmental Performance (GEP), Green Leadership (GL), Organizational Support (GS), SEM.



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## **EXAMINING RISKS FACTORS IN ADOPTION OF INTERNET BANKING: AN EMPIRICAL ASSESSMENT OF PAKISTANI BANKING SECTOR**

Dr. Aamir Sohail, Shrafat Ali Sair, Dr Irsa Mehboob

Thal University Bhakkar, Hailey College of Commerce, University of the Punjab, Institute of Business Administration (IBA), University of the Punjab

### **ABSTRACT:**

The purpose of this study was to investigate Pakistan's Internet Banking (IB) users' perceptions of the performance, privacy, time, and financial risks associated with using IB services. In order to collect data on the resistance that people have to IB adoption, a structured questionnaire was administered to a sample size of 500 clients of internet banking. In this particular research study, the method of structural equation modelling was used in order to study the relationship between exogenous and endogenous components. According to the reliability study, the values of Cronbach's alpha for all of the variables fell within a range that is considered to be acceptable. According to the results of the research, all of the variables seem to have a significant negative link with IB adoption. Further The studies also underlined the fact that end-users are reluctant to adopt IB because they fear that even little mistakes made while utilizing the new IB system might result in significant financial losses.

**Keywords:** Internet Banking, Adoption, Privacy risk, Social, Pakistan

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## THE IMPACT OF SERVICE QUALITY, CUSTOMER ENGAGEMENT AND CUSTOMER SATISFACTION ON CUSTOMER LOYALTY WITH THE MODERATING ROLE OF RELIGIOSITY

Shrafat Ali Sair, Dr. Aamir Sohail, Zara Imran

Hailey College of Commerce, University of the Punjab, Thal University Bhakkar, The  
University of Lahore

### ABSTRACT

This research aims to explore the influencing factors that influence client loyalty to Islamic banks, namely service quality, customer satisfaction, and customer engagement, as well as the moderating impact that religion has in these relationships. A total of 335 clients of Islamic banks in Pakistan participated in this survey for the purpose of this research. This study made use of purposive sampling, and structural equation modelling was used in order to carry out the data analysis. According to the findings of the most recent study, there is a considerable relationship between high levels of customer satisfaction, customer engagement, customer service, quality, and customer loyalty. In addition, the findings demonstrated that a customer's religion had a significant and positive influence on the relationship between service quality, customer engagement, customer satisfaction, and customer loyalty. This research takes a cross-sectional approach while also focusing on a case study of a specific nation. As a consequence, the findings may not be indicative of the situation in other nations. Research including the gathering of longitudinal data is carried out in a similar manner in other nations, making it beneficial to participate in such a study. Some of the characteristics that are important in determining customer loyalty were not taken into consideration in this research (for example, customer value co-creation and customer commitment); hence, a subsequent study may look at these aspects.

**Keywords:** Service quality, Customer engagement, Customer satisfaction, customer loyalty, religiosity.

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<b>Day</b>	<b>Date,</b>	<b>16 Nov 23, Thursday</b>
	<b>Time</b>	<b>4:00pm - 5:30pm</b>
	<b>Room #</b>	<b>Anis Block 106</b>
	<b>Track</b>	<b>Organizational Behavior in Religious Perspective</b>
	<b>Session</b>	<b>Dr Hafiz Basit Khan and Dr Syed Ahmed Ali</b>
<b>Chairs</b>	<b>Presenter</b>	<b>Paper Title</b>
Saeed Ahmad Saeedi		Balancing Profit and Purpose: Intersection of Religion & Business Activities
Mirha Mehmood		Effect of Personality Traits on Tax Evasion Attitude and Moderating Role of Religiosity: Evidence from Pakistan
Hafiza Qudsia		The Administrative System of Islam
Hajira Liaqat		A Serially Mediated Mechanism to Organizational Citizenship Behaviors
Muhammad Rouf Ul Hassan		Advertisement: A study in Islamic perspective

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## BALANCING PROFIT AND PURPOSE: INTERSECTION OF RELIGION & BUSINESS

Dr. Saeed Ahmad Saeedi, Ahsan Yonus  
Institute of Islamic Studies, University of the Punjab

### ABSTRACT

رہ ذی وعشر السنن اس ابت سے آگے ہر ایک اسسٹی رتی کے دور ج دی یم ابجس تہب یس د رگی الجیدات  
وبنیئ ، ونیہ  
اسسٹی رتی اک یہ ہی رکہمش ہر ایک اہکے ن ، ے نیپ ، ے نہپ اور د رگی امسجن المعتسل یک امشیر ایش  
عونصمیع ط وقین رپ ایتریک  
اجے ن یگل نیہ ، اس القتب یک ے جیتن یم ابجس السنن رضورت یک ان ایش عیم ریغ ومعیل الضہف وبا ، ونیہ  
ان ونصماعت  
کے ایمر روگن ، ذوقن اور وکائیٹل یم اسی ونع دیبا وبا یک السنن رضورت سے آگے ژبھرک السنن ذوق  
یک نیکست اک  
یہب اکیف دح کت اسامن رفامہ وہ ایگ ہر ۔ اس وصراحتل اک اصقنن دہ ولہپ ہی اسے نم آ ای یک رثکت کے  
اسہت ونصماعت  
یم رحام ازجائے رتیبیک یک الموت یک اجے ن یگل ، ہی الموت اے سی طے قی سے یک اجیت ہر یک  
ونصماعت یم رحام ازجا یک  
ولعمامت و آگہہ اکی اعم اصرف وت اجک ، الملے کے ے یل یہب اس یک اجپن لکشم وہ اجیت ہر ، ہی  
وصراحتل امتم المسمون  
کے ے یل دح درج رپاشین اور رکف دنمیاک ابثع وبن اچے یہ آج مہ المسمون وج المتجیع وطر رپ طح طح یک  
رپاشیون  
اک اکثر نیہ ، ابعادات اور داعوں کے ابوجود امہری نیتبیسماور رپ اشیاننمک نیہن وہ رنیہ ، اس اک اکی  
بس سے ژبا ببس  
یہی ہر یک رحام ایشء اور ونصماعت اس دقر المعتسل وبن یگل نیہ یک اشدی یہ وکی رھگ اس سے  
وفحمظ وہ ، اشدی اباقدہ  
اسزس کے تحت المسمون وک رحام الہکای اج راہ ہر اتہک ان اک اظنم اظرہ و ابنط ابثہ ایک اج کے کس ،  
اس ے یل تیتجیب المسمون  
امہری زدمار ی یتنب ہر یک مہ وعظامت و رشموابت اور ونصماعت یک ایتری یم المعتسل وبن وائل  
ازجائے رتیبیک  
کے ابرے لمکم ولعمامت احلص رکی اتہک الحل ایشاک المعتسل ، اور رحام ایشء سے ارتحاز ایکاج کے کس  
۔  
دیلکی الفلظ: اسسٹی رتی، دور جدی، امسجن المعتسل یک ایش ء، السنن ذوق یک نیکست، رحام ایشء اور  
ونصماعت،  
وعظامت و رشموابت اور ونصماعت یکایتری۔

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## **EFFECT OF PERSONALITY TRAITS ON TAX EVASION ATTITUDE AND MODERATING ROLE OF RELIGIOSITY: EVIDENCE FROM PAKISTAN**

Mirha Mehmood, Dr. Nisar Ahmed, Hasan Kamran  
Hailey College of Commerce, University of the Punjab

### **ABSTRACT**

This research investigates how the attitudes toward tax evasion and their connection to individual personality traits, influenced by religiosity. The investigation explores the correlations between the five major personality traits (Openness to experience, Conscientiousness, Extraversion, Agreeableness, and Neuroticism) and attitudes towards tax evasion. This research investigates the religiosity as a moderator—an area that has been notably overlooked in previous research. The research employed a survey methodology, and questionnaires were devised to gather responses for the investigation. This research obtains 443 responses from Salaried and Self-employed person which has income level between tax bracket range while sample size was 500. The selection of respondents was convenient sampling technique due to unknown sampling units in population. The gathered data from the structured questionnaires underwent analysis employing both descriptive and inferential statistical methods by using SPSS. Furthermore, two linear regression models were juxtaposed for comparison. The findings reveal a positive association between conscientiousness, openness and agreeableness and tax evasion attitudes arising from self-interest (SITE). Religiosity was observed to moderate the relationship between extraversion and SITE, as well as between conscientiousness and JSTE (Justice of system tax evasion). Based on the results, the following policy implications can be inferred: (i) Enhancing taxpayers' attitudes and strategically utilizing religiosity by tax authorities could suppress the tax evasion attitude (ii) The consistently positive influence underscores the significance of incorporating religious values in suppressing the tax evasion attitude. Policymakers should take these elements into consideration when formulating public policies addressing tax evasion and avoidance in developing countries. This study investigates individual tax evasion attitude by employing all dimensions of the five-factor model. This research addresses existing gaps by confirming the religious underpinnings of tax behavior. Furthermore, it validates the utility of the theory of planned behavior in exploring the moderating impact of religiosity on the link between personality traits and tax evasion attitude.

**Keywords:** Personality traits, Tax evasion attitude, Religiosity, Big Five model, Theory of Planned behavior.

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## THE ADMINISTRATIVE SYSTEM OF ISLAM

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Institute of Islamic Studies University of the Punjab

### ABSTRACT

Administration has an important position in pillars of state. Administration plays an important role in the implementation of laws. Discipline, legislation, Judiciary, financial authorities and relevant duties of foreign matters of country and their fulfillment are the responsibilities of administration in a country. The concept of administration in western system in sixteenth and seventeenth century has changed in the form of welfare state according to which the established system of social institutions lies to convey equal opportunities where distribution of wealth, basic necessities for better life to the people who are unable to achieve them. While the administration of Islam centers upon success of herein and hereafter. Its principles of progress according to Islamic sharia are revelation of God and sunah of Rasul. Islamic welfare state stresses upon materialistic progress as well as psychological activeness of the people and its practical example of residence for homeless people, education of orphans, scholarships, interior and foreign policy in the era of Holy Prophet in which all institutions are busy in the welfare of mankind. The methodology of this research paper is analytical and descriptive and the purpose of this research paper is to present the concept of welfare state in current era by explaining the administration of state. Moreover, it focuses to arrange administration matters of state according to rules and regulations keeping in view the ways of Prophet Hood era and the eras of Caliphs.

**Keywords:** Administrative system, regulations, opportunities.



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## **A SERIALY MEDIATED MECHANISM TO ORGANIZATIONAL CITIZENSHIP BEHAVIORS**

Hajira Liaqat, Sheikh Usman Yousaf, Ishfaq Ahmad  
Hailey College of Commerce, University of the Punjab, University of the Punjab Jhelum Campus

### **ABSTRACT**

The purpose of this study is to value the role of religious communication at work in predicting employees' organizational citizenship behavior through the mediation of self-reflection and self-reform. Data were collected through survey from 201 executive level employees in full fledged Islamic banks. Descriptive statistics and structure educational modeling was applied for data analysis. Findings revealed that the indirect effect of serial mediation of religious communication and organizational citizenship behaviors through self-reflection and self-reform is significant. This study offers novel explanatory mechanism in the relationship of religious communication and employee organizational citizenship behavior, where in past studies such mediation mechanism has not received due attention. The practical significance of this research is evident in its potential to guide organizations in designing and implementing religious communication-based strategies aimed at fostering organizational citizenship behaviors, thus contributing to the ethical and productive work environment.

**Keywords:** Religious Communication, Self-reflection, self-reform, Organizational citizenship behavior, Islamic banks.

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## ADVERTISEMENT: A STUDY IN ISLAMIC PERSPECTIVE

Muhammad Rouf Ul Hassan  
Institute of Islamic Studies, University of the Punjab

### ABSTRACT:

No country or nation in the world can imagine life without trade and economy because trade is one of the basic and essential factors. Financial administration and merchants have played a major role in the spread of Islam. Islam being a universal religion provides guidelines in every aspect of life including trade and business. In order to make Islamic trade and economy concrete and ideal, God has made it bound by certain moral values. Along with western innovation and the need of time many unethical things have been added to the business, one of which is advertising. Advertising is one of the main means of business development and without it financial and social stability in commercial matters is unconceivable. Thus manipulation of consumers through advertisements has become a norm. Today we see a conspiracy to spread immoral and uncivilized messages including nudity under the guise of publicity. Those items are also being advertised which are harmful to human life while some advertising is related to giving rise to feelings of inferiority. Advertising of goods and services itself is not prohibited in Islam as its purpose is to inform the public and provide such relevant information. The purpose of research paper is to highlight the responsibility of state to develop a moral and legal framework for advertising in the light of teachings of Islam so that moral values are not violated while promoting business. The research paper will follow descriptive method.

**Keywords:** Advertising, Islamic trade, trade and economy, moral values, cultural factors.

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<b>Date,</b>	<b>16 Nov 23, Thursday</b>
<b>Day</b>	
<b>Time</b>	<b>4:00pm - 5:30pm</b>
<b>Room #</b>	<b>Anis Block 203</b>
<b>Track</b>	<b>Human Resource Management</b>
<b>Session</b>	<b>Dr Ghulam Ali Arain and Dr Naveed Anwar</b>
<b>Chairs</b>	
<b>Presenter</b>	<b>Paper Title</b>
Noor Fatima	Developing effective HRM system: A Comparative analysis of Pharmaceutical Industry
Muhammad Bilal Afzal	Impact of Responsible Leadership on Organisational Commitment: Mediating the Effect of Trust on Leaders
Muhammad Suhaib Shahid	A Mix Method Study on Performance Management System and its Impact on Employee Engagement through Employee's Feeling of Justice and Wellbeing.
Khadija Parvaiz	The relationship between high-performance work systems and innovation performance (low-level employee's perception) with mediating role of dynamic capabilities and moderating role of hierarchal culture
Hafiz Mohsin Ali and Rimsha Mumtaz	Role of Ethical leadership to Promote Knowledge Sharing and Reduce Turnover Intentions among employees: Evidence from Pakistan

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## **DEVELOPING EFFECTIVE HRM SYSTEM: A COMPARATIVE ANALYSIS OF PHARMACEUTICAL INDUSTRY**

Noor fatima, Dr. Ramsha Naeem  
University of Central Punjab

### **ABSTRACT:**

The pharmaceutical industry of Pakistan is facing unquestionable challenges in effectively developing and managing their Human Resource (HR) departments, hindering the sector's ability to attract, retain, and develop top talent that can bring productive and powerful change in the medical industry with continuous improvement and development in the technological sector. With drastic changes and uncertain circumstances, there is dire need of a research study to identify the key issues and propose strategies for enhancing the HR department of pharmaceutical companies in Pakistan after comparison of HR systems of various companies in the Pharmaceutical sector, ultimately improving workforce productivity, employee satisfaction, and organizational success as well as acquisition of new talent.

**Keywords:** Pharmaceutical industry, strategy, human resource.

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## **IMPACT OF RESPONSIBLE LEADERSHIP ON ORGANISATIONAL COMMITMENT: MEDIATING THE EFFECT OF TRUST ON LEADERS**

Muhammad Bilal Afzal, Murtaza Ashiq, Dr. Naveed Iqbal Chaudhary, Dr. Saira Hanif Soroya,  
Dr. Abdul Aziz Khan Niazi

University of the Punjab, Southern Connecticut State University, New Haven, CT, United States,  
University of Engineering and Technology

### **ABSTRACT**

This study investigates responsible leadership (RL) using its four key dimensions' (stakeholder involvement, model of the leader's role, principles and ethical values, and aggregate of virtues) impact on organisational commitment through the mediating role of trust in the leader using social identity theory. The quantitative research method was used. The target population for the study was comprised of middle-level employees of grades 11 to 16 in one of the public sector universities of the Punjab. A questionnaire was circulated among the participants and collected data from three hundred (300) participants. Structural equation modelling was used, and the data was analysed using SPSS version 22 and ADANCO version 2.2. The results of the study revealed that stakeholder involvement, principles & ethical values have a direct positive and significant impact on organizational commitment, whereas the impact of the model of a leader's role and the aggregate of virtues have been found to be insignificant. Trust significantly mediates between stakeholder involvement, the model of a leader's role, the aggregate of virtues, and organizational commitment. However, the results show that the mediation of trust between principles & ethical values and organizational commitment is insignificant. The research shows that RL practices can increase the commitment of employees towards the organization. Such organizations, in which the leader's behaviour is responsible, are portrayed as good corporate citizens and have a good reputation in the society and stakeholders want to become members of such esteemed organizations. Importantly, based on this research, senior leaders should receive behavioural training so that they can identify and practice RL behaviour and ultimately, their behaviour will make employees more committed to the organization.

**Keywords:** Responsible Leadership, Organizational Commitment, Stakeholder Involvement, Model of Leader's Role, Principles & Ethical Values, Aggregate of Virtues, Trust on Leader.



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## **A MIX METHOD STUDY ON PERFORMANCE MANAGEMENT SYSTEM AND ITS IMPACT ON EMPLOYEE ENGAGEMENT THROUGH EMPLOYEE'S FEELING OF JUSTICE AND WELLBEING.**

Komal Aamir, Tayyaba Jan, Muhammad Suhaib

Institute of Administrative sciences, University of the Punjab

### **ABSTRACT**

Employee engagement is an important component in modern firms since it affects performance, retention, attitudes, behavior, financial performance, and other factors. This article investigates the link between the performance management system's (PMS) performance, employee well-being, the feeling of justice, and employee engagement. It utilizes a mixed-methods research strategy that includes both phenomenological and quantitative surveys. Data was obtained from HR managers and workers in IT firms in Lahore and Islamabad, Pakistan, throughout the qualitative phase to better understand the PMS and its influence on well-being, justice, and employee engagement. A semi structured interview with open ended questions was used as a tool to assess the PMS of the organizations. Organizations utilize a range of measures for performance evaluation and provide employee-centric advantages such as flexible working hours, psychological and physical assistance, and recreational activities, according to the findings. 240 workers from private IT and education institutes in Pakistan were polled during the quantitative phase. The findings show a link between the efficacy of the PMS, employee well-being, a sense of fairness, and employee engagement. The study employed a set of instruments, including the Performance Management Measure (PMM), Perceived Feeling of Justice (PFJ), Employee Engagement Scale, and Wellbeing Scale, to comprehensively investigate the link of PMS to different variables. Employee well-being moderates the association between PMS and employee engagement, whereas a sense of justice mediates this relationship. This study emphasizes the relevance of an efficient performance management system in increasing employee engagement, with an emphasis on employee well-being and the feeling of justice. It offers practical insights for firms looking to boost employee engagement and, as a result, overall performance and effectiveness.

**Keywords:** Performance, management, justice, investigation, employee, effectiveness.



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## **THE RELATIONSHIP BETWEEN HIGH-PERFORMANCE WORK SYSTEMS AND INNOVATION PERFORMANCE (LOW-LEVEL EMPLOYEE’S PERCEPTION) WITH MEDIATING ROLE OF DYNAMIC CAPABILITIES AND MODERATING ROLE OF HIERARCHAL CULTURE**

Muhammad Munir, Khadija Parvaiz, Abid Hussain  
University of Narowal, SED Punjab, Pakistan

### **ABSTRACT**

In this research, we examined theoretically how human resource practices such as high-performance work systems help build dynamic capabilities which enhance an organization’s innovation performance. We also theorized that firms within a hierarchical culture where employees follow a structured system would not have a strong influence in transforming dynamic capabilities into innovation. We analyzed and tested our hypothetical model by using cross-sectional studies from 50 pharmaceutical companies in Pakistan. Our findings demonstrate that dynamic capabilities (DCs) serve as a mediator in the relationship between high-performance work systems and innovation performance (IP). Moreover, the association of dynamic capabilities (DCs) and innovation performance is found to be significantly moderated by hierarchical culture (IP). We found that the relationship of high-performance work systems, innovation performance and dynamic capacities were not significantly influenced by hierarchical culture.

**Keywords:** High-performance work system, Employee’s perception, Hierarchal culture, Dynamic capabilities, Innovation performance

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## **ROLE OF ETHICAL LEADERSHIP TO PROMOTE KNOWLEDGE SHARING AND REDUCE TURNOVER INTENTIONS AMONG EMPLOYEES: EVIDENCE FROM PAKISTAN**

Rimsha Mumtaz, Hafiz Mohsin Ali  
Hailey college of commerce, University of the Punjab

Leaders are credited with helping their organizations in getting an edge in the marketplace by managing their finances and teaching ethical values to the employees (Koay and Lim, 2021; Yasin, 2021). Over the last decade, ethics in the workplace have received increased attention from researchers, who have long acknowledged the relevance of ethics in employee's character development (Van Gils et al., 2015). The need to investigate ethical leadership is that there is a failure of management demonstrating weak leadership skills (Arham et al., 2017; Jamali et al., 2017; Musa & Chinniah, 2016; Hassan et al., 2014). Many recent studies have revealed leadership as a factor that motivates employees to share knowledge which increase firm performance and decision making ability. Earlier research has shown a strong relationship between knowledge-sharing behaviors and several leadership styles, such as transformational leadership, servant leadership, and empowering leaders (Dong et al., 2017; Wu & Lee, 2017; Tuan, 2017). Even though information sharing conduct has moral implications, little prior research has examined how leaders' ethics impact employees' knowledge sharing behavior. This is despite the fact that the majority of earlier research has used the social capital paradigm to explore knowledge sharing. The present study shows, in addition to earlier studies (Sedighi et al., 2018; Xiao & Zhang, 2017), that knowledge sharing is a voluntary behavior that gives people the choice of whether and how to share knowledge. In light of this, we make an effort to connect ethical leadership with employee knowledge sharing. We use the social learning theory to illustrate how ethical leadership and knowledge sharing are directly related. According to social learning theory, individuals may attempt to imitate the behaviors of role models (such as supervisors) in their workplaces. Following ethical leaders as role models, followers explicitly view their ethical behaviors as normatively acceptable, which encourages people to engage in productive endeavors like knowledge sharing (Yan et al., 2016). Employees are more likely to demonstrate moral affiliation with the organization when the organization has a strong ethical foundation. As a result, normative commitment enables staff to share information with the organization in a manner that is normatively acceptable. Employees' commitment to a company that they feel ethically required to remain with is known as normative commitment. Social capital theory illustrates how NC and knowledge sharing are related. Employees who are morally committed feel compelled to share their knowledge (Marques et al. 2019). A very few studies like (Zamir, 2019) demonstrate that the knowledge sharing reduces intention to leave of the employees which is a crucial issue of the organizations and it is affected by ethical leadership too. The organizational expenses incurred

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as a result of workers quitting employment and the subsequent recruiting of replacement staff, new-hire training, and overall administrative expenses can be significant. Employee turnover is a significant danger to firms, thus it is necessary to fully understand how it affects them. The likelihood of leaving the company can be affected by a variety of factors, including organizational commitment, job stress, job happiness, self-esteem, and supervisor support (Siong et al., 2006). According to Firth et al. (2004), employee commitment and job satisfaction have the most impact on employees' intentions to quit their jobs. The authors claim that a leader's actions directly influence an employee's dedication and job happiness, which in turn affects the employee's tendency to leave their place of employment. One of the key leadership traits has to do with ethics. According to Trevino et al. (2003), a leader's influence on employees' behaviors makes the ethical aspect of leadership crucial. This study applies the social exchange theory (Blau, 1964) to show how ethical leadership affects employee withdrawal behavior. It also discusses how ethical leadership affects subordinate behaviors. Aim of our study is to investigate that how ethical leadership promote knowledge sharing behavior of employees and reduce their turnover intention with the mediating role of normative commitment. We will also check the relationship of knowledge sharing and intention to leave at which there is very limited work conducted at past. This study will help management of different business organizations to retain their employees and enhance their knowledge sharing behavior which ultimately increase firm performance by deploying ethical leadership style. Literature review and Hypothesis development Ethical leadership and knowledge sharing As per Ipe (2003), Making information available to others within a company is known as knowledge sharing. In an organization, sharing of knowledge does not occur on its own. It calls for the proper framework and the required assistance. Ethical leaders can have an enormous effect on information sharing (Srivastava et al., 2006). According to earlier research, ethical leadership encourages knowledge sharing within organizations and fosters good relationship between them. According to social exchange theory, a leader can increase followers' sense of reciprocity by giving them several incentives in exchange for their good deeds, Wang and Lee (2017). The behaviors of followers can be changed by ethical leaders by setting an example (Brown et al., 2005; Islam et al., 2019). By removing institutional barriers to knowledge sharing, encouraging trust, and facilitating equitable resource sharing (Le and Lei, 2018), Moral leaders inspire their subordinates to put forward their knowledge (Tang et al., 2015). The chances and inspiration necessary for knowledge sharing can be given to followers by ethical leaders. First, by putting in place morality-promoting policies and procedures (such as an ethics code, parameters for making moral decisions, an open channels of dialogue system, and a just reward system), ethical leaders contribute to lowering the actual obstacles that stop workers from exchanging resources among themselves. Secondly, ethical leaders personally embody the norms and values of their organizations (such as fairness, friendliness, caring for others' needs, and trust) by setting an example of normatively acceptable conduct. According to a number of research,



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ethical supervisors encourage their subordinates to engage in socially conscious behaviors including information exchanging and helping others learn (Gerpott et al., 2020; He et al., 2021) while lowering variance (Evans et al., 2021; Khan et al., 2022). We made the following hypotheses based on above theoretical justifications and empirical facts, H1: EL positively relate with KS. Ethical leadership and intention to leave EL encourage and reward their followers' moral behavior by being honest and transparent. We emphasis on leaders' openness, Engaging in open dialogue with followers and making expectations and duties clear help ensure that employees know what is needed of them. This is categorized as a clarification of the moral supervisor role (Brown et al., 2005). According to Mulki et al. (2007) The relationship between ethical leaders and their workforce is stronger, which fosters a positive work environment, increasing commitment and lowering turnover intentions. EL practices have an impact on how well workers perform in their jobs (Mehmood et al., 2021; Ruiz et al., 2011). According to Brown et al. (2005) ethical leadership is "The representation of normatively accomplished behavior by two-way personal acts as well as interpersonal relations." Such leaders build a strong ethical climate to encourage staff to show greater dedication to their corporations (Loi et al., 2015). According to Hassan et al., (2014) The ethical stance taken by a leader at workplace to encourages employees to raise ethical concerns so that the manager may address them to mitigate employee reluctance. According to Reina et al., (2018) When supervisors use coercive verbal abuse toward those beneath them, employees are more likely to abandon their organization. Leaders may assist in to address the problem by being ethical, engaging in actions as well as attitudes that are beneficial to others, and staying away from actions and behaviors that might be dangerous to others (Yukl et al., 2013). According to research supporting the social exchange theory, managers may control their workforce's behavioral responses by implementing a system of incentive signals and reciprocity (O'Keefe et al., 2019; Cropanzano et al., 2017; Cropanzano & Mitchell, 2005; Blau, 1964). Additionally, it has been recognized that there are few factors, particularly in developing nations like Malaysia, that contribute to bad outcomes like employee turnover intention. So our hypothesis will be, H2: EL is Negatively relate with intention to leave. knowledge sharing and Normative commitment According to three-component model of organizational commitment behavioral dedication creates internal drive and affect an individual's influencing organizational commitment, while socialization and organizational dedication create extraneous motivation and influence an individual's normative organizational commitment. Normative and affective organizational commitment consequently affects employee job behavior, especially KSB (Meyer and Allen's 1991). According to (Liu and Fang, 2010) Both intrinsic and extrinsic motives may exist simultaneously in an individual at different levels; so they are not distinct from one another. According to Mowday et al. (1979, p. 226), The term "organizational commitment" describes how much a person identifies with and corroborates in a certain organization. It fosters a supportive environment for information sharing



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among coworkers. When someone wants to keep working for an organization, it alludes to their or sense of duty or feelings. It might even happen when workers are dissatisfied and looking for better employment prospects. The normative commitment is "perceived obligation" which rooted in "internalization of norms through socialization" and "reciprocity of norms" which serves to build up the normative commitment, which in turn improves the KS behavior among employees (Meyer and Herscovitch 2001). As per (Lin 2007a) There are some studies to suggest that reciprocity of norms and socialization are examples of extrinsic motivational factors that affect information sharing behavior. According to (Tangaraja and colleagues, 2015) Workers who acquired information from other organizational Members will be obligated to contribute in return for the action. sharing information with others inside the company and fostering reciprocity norm produces the sense of duty and develops the normative commitment to the organization that results in knowledge Sharing practices. Additionally, when workers internalized the organizational norms through socialization, they will have assimilated increasingly interconnected, which benefits social networks and trust. the group's relationships strengthen and they grow more commitment to their organization in a normative manner that also leads to knowledge sharing behavior. So we hypothesize that, H3: NC is positively relate with knowledge sharing. Normative commitment and intention to leave As per (Carmeli & Weisberg, 2006) a person's purposeful wish to depart their company in the near future is referred to as having an intention to leave. According to (Griffeth, Hom, & Gaertner, 2000) It demonstrates a worker's willingness to look for job outside of their current company. it is significant to Understand that why workers desire to quit is crucial because this concept highly predicts actual turnover. We contend that poor normative commitment among employees to the company is one factor contributing to their desire to quit. According to Meyer and Herscovitch (2001), normative commitment is a reflection of employees' beliefs that they have a strong sense of moral obligation. As a result, they frequently think and act in ways that support company goals. According to (Wiener, 1982) Employees who are normatively committed are prone to view any behavior that could jeopardize organizational interests as immoral. These workers, in the most extreme example, don't hesitate to make sacrifices for their employer's benefit. According to (Hancock, Allen, Bosco, McDaniel, & Pierce, 2013) These type of employees typically have a great motivation to fulfill their duties to their employer. This moral perspective would lead normatively committed employees to believe that considering leaving their employer is wrong because it would be damaging to the organization's interests and reduce organizational performance. Additionally, prior research has demonstrated that workers with an advanced level of normative commitment tended to stay with their company (Meyer & Allen, 1991; Yao & Wang, 2006). According to Meyer and Allen (1991), normative commitment is the desire of an worker to retain with the company out of a loyalty, sense of duty, and ethical obligation. So we hypothesize that, H4: NC is negatively relate with intention to leave.

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Normative commitment and ethical leadership Normative commitment (NC), according to Meyer and Allen (1991), Aminizadeh et al., (2021), is a part of organizational dedication. It is either a ethical obligation or a feeling of obligation (Meyer & Parfyonova, 2010). as per Hansen et al. (2013) In addition to social learning, ethical leadership is examined in terms of social exchange, which suggests that when leaders treat their followers ethically, they will receive the same in return. Abuzaid (2018) and Sharma et al. (2019) both observe that ethical leadership serves as a model for developing followers' commitment. This kind of commitment is determined by the intrinsic drive of workers to stay with a company in return for its investments in their professional growth, not on needs, wants, or emotions. When they see their employer behaving ethically and demonstrating genuine a desire for their welfare, employees show NC (Frederick et al., Citation2010). Employees' intents to display NC are influenced by an ethically sound organizational structure. The application of these ideas to ethical leadership demonstrates the value of developing employees' NC for ethical leaders acting as role models. Employees' NC is founded on moral principles upheld by an ethical leader rather than rewards and benefits. Ethical leadership ensures that ethical value serves as a base for NC (Danish, et al. 2020). H5: NC is positively relate with EL. Mediating role of Normative commitment Social Exchange Theory claims that organizational commitment reduces turnover by fostering ethical leadership that enables employees to reciprocate with their best efforts. The person's organizational commitment is the outcome of moral leaders who inspire them to stay at work and increase productivity for the company. As a result, we have concluded that those who are mentored by ethical managers possibly to remain in their current positions(Blau,1964). According to Mowday (1979), organizational commitment serves as a bridge between conforming to and adherence to organizational standards as well as ideals. It exhibits a readiness to act outrageously, a desire for ownership over one's job, and an emotional attachment to the organization. It also reflects the mindset of the employee in thinking that he/she chooses to consume the remainder of his/her professional trajectory with the company (Allen, 1990).By adhering to organizational norms and values, people are more likely to feel motivated and experience fulfillment while carrying out their socially related and professional related responsibilities at workplace (Meyer, 2004).We contend that employees with high levels of dedication are motivated to stick with their current employers because they have internalized the norms and values of the company (Meyer, 2004). So we hypothesize that, H6: NC mediates the relation of EL and ITL. Mediating role of normative commitment The growth of a social group acting in the interests of all on the basis of Norms, rules, and cooperation is referred to as social capital theory (Nahapiet & Ghosal, 1998). According to the social capital theory, relationships (such as trust, conventions, and obligations) drive information-sharing activities. Employees' reciprocal behavior is therefore influenced by their sense of self and belonging to a company, moral standards, and interpersonal interactions with leaders. Previous studies reveals that ethical leaders enhances employees normative





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commitment. workers with NC create social bonding with various coworkers to exchange knowledge and talents, a civic excellence displayed by workers that promotes outstanding organizational performance. workers with Normative Commitment unintentionally circulate information with coworkers to get unusual treatment from their supervisors. Workers believe that sharing knowledge is morally required. (Ouakouak and Ouedraogo, 2019). Therefore, we hypothesize following: H7: NC mediates the relation of EL and KS. Proposed Methodology An empirical way will be used to test our hypothesis and quantitative research methodology will be adopted for our study. Primary data will be used where a survey research strategy will be applied to gather the data using a online google form questionnaire. This strategy is the most accepted practice in management research because it helps to gather a huge quantity of data from the significant population in a highly economical way by ensuring privacy to employees resulting in support from participating organizations. Data will be collected from the employees of three different industries in Pakistan which are Allied bank limited, and three smartphone companies OPPO, VIVO and Realme. Ethical leadership will be measured by 10 item scale of (Brown 2005). Six item scale of (Meyer et al 1993) will be used to measure normative commitment. (Van den Hooff and De Ridder's 2004) has established the 10 items measure of knowledge sharing which will be used in our study. Four items scale of intention to leave which is established by (Bluedorn 1982) will be used in our study. The collected data will be analyzed in three stages. At the first stage, after data cleaning, the data will be validated by assessing the reliability and validity of study constructs. At the second stage, confirmatory factor analysis (CFA) will be performed to assess model fitness. At stage three, causal relationships are tested assessing the direct, indirect and mediated relationships between the study variables. The hypotheses will be tested using multiple statistical techniques like regression to validate the results. Descriptive and correlation analyzes will be performed in statistical package for the social sciences (SPSS) and CFA is performed in analysis of a moment structures.

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<b>Day</b>	
<b>Time</b>	<b>4:00pm - 5:30pm</b>
<b>Room #</b>	<b>Anis Block 204</b>
<b>Track</b>	<b>Islamic Finance</b>
<b>Session</b>	
<b>Chairs</b>	<b>Dr. Asim Naeem and Dr Ammara Khan</b>
<b>Presenter</b>	<b>Paper Title</b>
Usama Arshad	A Jurisprudential Research regarding Investment in the business of Partnership in services and the ruling of losses in contemporary issues
Asim Naeem	The Act of Financial Corruption; its Impacts on Pakistani Society: An Analysis According to Quranic Teachings
Umbreen Arif	Adaptive Market Hypothesis and Predictability of Islamic Equity returns: Evidence from PSX
Zahid Bashir	Corporate Governance and Sustainable Development in Islamic Banks: Evidence from Pakistan
Sibghatullah Bangash	Islamic Finance in Afghanistan: The View of Experts

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## **A JURISPRUDENTIAL RESEARCH REGARDING INVESTMENT IN THE BUSINESS OF PARTNERSHIP IN SERVICES AND THE RULING OF LOSSES IN CONTEMPORARY ISSUES.**

Usama Arshad  
Environmental Sciences Punjab University Lahore.

### **ABSTRACT:**

Shirkat (Partnership in business) is a legal and permissible business in &quot;Islam. &quot;Jurists(Islamic Scholars)have discussed in detail the Partnership and its different types and each ruling related to it.The discussion here is specifically about two types of partnership; Shirkat ul Aqad( contract of partnership in business).Basically Shirkat ul Aqad is divided in three categories; Shirkat ul wujuh,Shirkat ul Amwal and Shirkat ul Aamal. The coming discussion is about the last two types(Shirkat ul Amwal and Shirkat ul Aamal),the combination of both by which a new kind of partnership formed. Shirkat ul Aamal(capital based partnership)the participation of which is based on capital investment by the partners. Verbal involvement in the business is not a condition. The second one is called Shirkat ul Amaal (Partnership in providing services),in this type of contract, partners agree to take responsibility for any type of services which they providing and the profit is shared amongst them according to an agreed ratio. The base of this partnership is the taking joint responsibility by the partners to provide services to their customers. e.g. The partners agree mutual participation by providing different types of services such as education, medical treatments etc. Investment is not a requirement in this type of partnership, however now a days( participation in the business of services) often requires the investment of some capital. If investment of capital takes place, it results in combining the two types of shirkat, Shirkat ul Amwal and Shirkat ul Amaal.Combining the two types results in a new form of partnership. The question now arises that is this type of partnership permissible in Shariah Law? What are the rulings related to it? If it is allowed then what are the rulings for them? It is a lengthy challenging discussion, therefore it is not possible to discuss here all the things. However we will discuss here the introduction and rules related to loss in this type of partnership. Which in itself is a great challenge.

**Keywords:** Parnership in services, Shirkat ul Aamal, Invesment in partnership of services. combination of Shirkat ul aamwal and amwal.

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## **THE ACT OF FINANCIAL CORRUPTION & ITS IMPACTS ON PAKISTANI SOCIETY: AN ANALYSIS ACCORDING TO**

### **Quranic Teachings**

Dr. Asim Naeem, Seerat Chair

Institute of Islamic Studies, University of the Punjab

Pakistan is facing serious financial and social problems at the moment. The whole society is in the mire of calamities. PAKISTAN'S state-owned enterprises (SOE) continue to make around Rs500 billion losses per year, caretaker Finance Minister Dr Shamshad Akhtar revealed at a press conference last week. State-owned enterprises' annual financial losses roughly equal a fifth of the central bank's foreign exchange reserves. The annual loss of Rs500bn that SOEs make also forms a significant percentage of the federal government's borrowings from commercial banks. In the last fiscal year, the federal government's borrowings from commercial banks (on a cash basis) totalled Rs3.63bn, according to a SBP report. The sum of Rs500bn is equal to about 13.78 per cent of this borrowing. Simply put, had our SOEs booked zero losses, the federal government's borrowings could have been reduced by Rs500bn or 13.78pc. 1 The current fiscal year that began on July 1 may turn out to be another year of low growth and high inflation due to political instability, uncertainty about elections and the growth-choking nature of the International Monetary Fund's (IMF) short-term financial support. 2 The financial and social situation in Pakistan is deteriorating rapidly at the moment. It seems that the whole society is drowning in calamities right now. Corruption has corrupted every aspect of the state, is the fundamental cause of all these economic and social diseases. The corruption has caused every institution to become a heavy burden and to collapse completely. Our society is plagued by corruption. Pakistan ranks 140th among 182 countries based on the corruption perceptions index 2022. All of these situations are illegitimate and harmful from a social, and economic perspective, as well as Shariah perspective. According to Muslim scholarship, Islamic law is reasonable, natural, and comprehensive and it is the only law that can work for every nation, country, and community and could be the much-wanted guarantee of peace. 3 The Holy Quran deems financial oppression and corruption to be haram. The holy Prophet has refuted all forms of corruption and regarded it as a sin that would not be forgiven until the oppressed is ready to forgive. The seriousness of financial crimes and corruption has been described at various places in the Holy Quran and the hadiths of the Messenger of Allah. In all the books of Islamic jurisprudence, laws related to financial crimes and bribery have been described. In this article, an attempt has been made to find research answers to the following questions: 1. What are the different forms of financial corruption and their consequences? 2. What are the injunctions of Islamic Shariah about its different aspects? 3. What measures can be taken to avoid false practices of corruption focusing on the Pakistani scenario at the moment? In this paper the theoretical foundation of the corruption phenomenon and their



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seriousness in Islamic injunctions has been discussed, followed by an analysis and a historical overview of the cases of Pakistani officials, allegedly involved in such conduct.



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## **ADAPTIVE MARKET HYPOTHESIS AND PREDICTABILITY OF ISLAMIC EQUITY RETURNS: EVIDENCE FROM PSX**

Dr. Unbreen Arif  
University of Education Lower Mall Campus

### **ABSTRACT**

The islamic capital markets has gained significant attention of investors worldwide it is reported that in 2023 the islamic finance assets has increased upto USD2.2. trillion. To understand the behavior of islamic capital market is of significant importance to investors and fund managers for optimal investment decisions. So far studies have assessed the informational efficiency of conventional capital markets with efficient market hypothesis (EMH) with reported limitations in emerging economies. The current study is an attempt to assess the informational efficiency of islamic capital markets and to predict returns of islamic equity with the extension of EMH i.e. adaptive market hypothesis in emerging economies. The adaptive market hypothesis served a new perspective that markets are not efficient but used to adapt over time. To empirically investigate the informational efficiency of islamic equity index of emerging economy like Pakistan the daily data from May-2016 to June-2023 were utilized of all share Islamic equity index listed in PSX. The linear and non-linear methods were used to empirically test the adaptive market hypothesis. The findings of the study revealed that cyclical dependence exists in case of linear models while the non-linearity of the returns in sample period were reported in PSX. The findings are useful for the investors and fund managers to create optimal portfolio while making investment decisions.

**Keywords:** Adaptive market hypothesis, Islamic equity index, Shariah Compliant Stocks, Predictability, Efficient Market Hypothesis



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## **CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT IN ISLAMIC BANKS EVIDENCE FROM PAKISTAN**

Zahid Bashir, Dr. Sabeeh Iqbal, Dr. Muhammad Aamir, Qalb-e-Abbas  
Hailey College of Commerce, University of Punjab

### **ABSTRACT**

The study aims to investigate the impact of corporate governance practices in Islamic banks of Pakistan and their impact on sustainable development goals (SDGs). The study uses book values accounting measures to study the relationships of this research. The researcher uses panel data framework to test the hypotheses of this study. The finding unveils the specific effects of corporate governance practices of Islamic banks in Pakistan and their impact on SDGs. This study examines how corporate governance procedures in Pakistani Islamic banks affect Sustainable Development Goals. Islamic banks are crucial to Pakistan's financial landscape, therefore knowing how their governance policies affect SDGs is crucial. The research is further strengthened by book values accounting metrics and a panel data methodology, offering a complete picture of this relationship. The study's findings should help policymakers, regulators, and banking stakeholders make informed decisions that promote financial stability and sustainable development in Pakistan's Islamic banking sector.

**Keywords:** Corporate Governance Practices, Sustainable Development Goals, Islamic Banks, Pakistan.

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## ISLAMIC FINANCE IN AFGHANISTAN: THE VIEW OF EXPERTS

Sibghatullah bangash, Dr. Rab Nawaz Lodhi  
Hailey College of Commerce, University of the Punjab, Lahore

### ABSTRACT

1. Purpose of study: This study examines the presence and growth of Islamic finance in Afghanistan. The study aims to provide vital information and recommendations to market participants, contributing to the development of Islamic finance industry in the country. 2. Methodology: We utilize a qualitative research methodology, specifically employing content analysis to analyze and interpret the interview data. The primary data is gathered by conducting in-depth interviews with eight senior Islamic finance professionals working in Islamic banks along with religious scholars in Afghanistan. 3. Findings: There is a demand for Islamic finance among Afghani businesses and publics (population). Murabaha is the most popular Islamic financial products. Secondly the government's policy towards Islamic finance receives mixed assessments from experts. Lastly, factors limiting the development of the Islamic finance market include a shortage of supply, lack of insurance or guarantee systems, insufficient economies of scale, inadequate services and marketing, lack of educational programs, and lack of awareness. 4. Implications: The study has practical implications for regulators, market players, and policymakers in the Islamic finance industry in Afghanistan and other countries having same factors and situation of this industry. The findings and recommendations can guide decision-making and contribute to the growth of Islamic finance.

**Keywords:** Decision, Islamic finance, policy makers.

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	<b>Room #</b>	<b>Anis Block 205</b>
	<b>Track</b>	<b>Marketing</b>
	<b>Session</b>	<b>Dr Muhammad Sheeraz and Dr Shoaib Nasir</b>
<b>Chairs</b>	<b>Presenter</b>	<b>Paper Title</b>
	Usman Ghani and Aban Abid Qazi	How to Build Trusting Intentions in developing Countries Towards DSEP? A Case of Pakistan
	Waqas Shakir	Consumer Participation With Brands And Loyalty: A Social Commerce Perspective
	Ibrar Mansoor	Factors Affecting Compulsive Buying Behavior Through Panic Behavior Disorder in the Pakistani Market
	Moazzam	Examining the Factors That Shape Green Purchase Behavior: The Role of Subjective Norms, Self-Efficacy, Attitude and Intention
	Munazza Saeed	Pakistan is the ultimate choice of religious tourism: analysis of international tourists
	Nosheen pervaiz Awan and Maria Pervaiz Awan	Effect of Halal Certificate, Brand Reputation, and Brand Loyalty on Customer Satisfaction: A Moderated Mediation Approach in the Restaurants of Abbottabad

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## HOW TO BUILD TRUSTING INTENTIONS IN DEVELOPING COUNTRIES TOWARDS DSEP? A CASE OF PAKISTAN

Usman Ghani, Aban Abid Qazi, Fouzia Hadi Ali  
Hailey College of Commerce, University of the Punjab

### ABSTRACT

Digital Sharing economy platforms strengthen Asian countries through efficient usage of energy resources and creating multiple employment opportunities. Asia-Pacific is included in the top five regions that captures major share of DSEPs. Asia Pacific countries are categories as developing nations and suffered due to multiple crisis including energy, health, poverty, clean water, transportation, environment, and many others. Evidence shows that the emergence of sharing economy increases the efficient utilization of energy resources enabling Asian countries to achieve 2030 sustainability goals. Pakistan is included in the Top Ten Asian countries capturing a significant market of sharing economy. Although, only major cities in Pakistan have access to advance information and communication technologies ICTs. The advance ICT refers to smartphones, internet, and mobile broadband facilities. The availability of sufficient ICTs are prerequisite for sharing economy and only major cities in Pakistan has access to those facilities. Researchers believe that creating trust on sharing economy platform and provider increase the DSEP Users in the context of developed nations where everyone has equal access to all resources. However, sharing economy is continue to grow in Pakistan with limited access to ICTs. The current study aimed to investigate the factor that develop trust among individual in Pakistan towards DSEP. Data will be collected from DSEP users in Pakistan through Snowball Sampling Technique. The findings of the study bring several implications for marketing managers, policy makers, and to achieve environment sustainability goals.

**Keywords:** Digital Sharing Economy Platform, Asia Pacific, and Trust.

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## CONSUMER PARTICIPATION WITH BRANDS AND LOYALTY: A SOCIAL COMMERCE PERSPECTIVE

Waqas Shakir, Rehab Khan, Dr. Rizwan Qaiser Danish  
Superior University, IBA, University of the Punjab

### ABSTRACT:

In the past researchers emphasized and drew attention towards the ways which can be adopted by the brands for making their customers loyal and participative. Social media is one of the most effective mediums for brands to communicate with customers to know their desires and needs. The brand communities with the level of Tradition aren't completely applied the easy way and it is not clear why consumer wishes play the role of contribution & loyalty for the brand establishing for the social media and microblogs. By innovative techniques, the organizations should implement innovative mediums of interaction that capture the intention of the users. The current research highlights that the customer's participation on social media and their loyalty to the brand considered as the most important elements to comprehend the reasons which influence the brand's online communication and social media communities. This research provides empirical proof for understanding predictors for participants and loyalty to the brand in social media and microblogs. Data were collected from the individual user of Facebook (social media site) from Lahore, Pakistan. Results indicated that the research study concluded finally that to get the maximum participation of user on social media and getting their loyalty for specific brand organizations needs to design their strategies in the way that attracts the user and leads their behavior in favor of the brand.

**Keywords:** customer loyalty, social media, e commerce, brands.

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## **FACTORS AFFECTING COMPULSIVE BUYING BEHAVIOR THROUGH PANIC BEHAVIOR DISORDER IN THE PAKISTANI MARKET**

Ibrar Mansoor  
University of Education

### **ABSTRACT**

A tremendous growth is being experienced in the contemporary times by beauty products and has become one of the leading industries in the world. The objective of this research thesis is to study Consumer Panic Behavior Disorder regarding cosmetic products. This research would be conducted in Lahore city and a survey method would be used to collect data from female student respondents. Cosmetic products are an integral part of the nation's economy with its huge potential. The present day's cosmetic industry covers a wide range of products and services. The theoretical aspects of consumer behavior and cosmetic products comprises of two segments, the first segment includes related to evolution of consumer behavior factors affecting the consumer behavior, types of consumer behavior and consumer decision making process. Cosmetic companies, marketing agencies and influencer marketing aims to determine significant factors affecting the Buying Behavior and recommendation of consumers in the beauty and cosmetics industry. The study would also examine the effect of influencer marketing and peer pressure on compulsive buying behavior through panic behavior disorder. This research would be helpful to contribute an extra idea and knowledge to cosmetic companies so that they get to know more about the buying behavior of consumers.

**Keywords:** Influencer Marketing, Peer Pressure, Panic Behavior Disorder, Compulsive Buying Behavior



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## EXAMINING THE FACTORS THAT SHAPE GREEN PURCHASE BEHAVIOR: THE ROLE OF SUBJECTIVE NORMS, SELF-EFFICACY, ATTITUDE AND INTENTION

Moazzam, Dr. Muhammad Ahmad  
University of Narowal, Pakistan.

### ABSTRACT

This study main objective is to analyze the emerging phenomenon of eco-friendly green environments in the domain of marketing. It is essential to increasing the market penetration of ecological products to get consumers to adopt a positive attitude toward green purchasing. Specifically, the study examined the role of green self-efficacy, subjective norms, and green purchase attitude in predicting the effect of intention in green purchase on the association among these factors and actual green purchase behavior. Data from 224 consumers with prior experience buying eco-friendly products is used. Results showed that subjective norms, green self-efficacy, and green purchase attitude important impact on intention to green purchase, which leads to predicted actual green purchase behavior. The mediation of intention toward green purchase was found to be partial. Therefore, this study suggests that interventions aimed at promoting green purchase behavior should focus on enhancing consumers’ green self-efficacy, subjective norms, and green purchase attitude, as well as strengthening the intention-behavior relationship.

**Keywords:** Green Self-Efficacy, Green Purchase Attitude, Subjective Norms, Green Purchase Intention, Green Purchase Behavior.

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## PAKISTAN IS THE ULTIMATE CHOICE OF RELIGIOUS TOURISM: ANALYSIS OF INTERNATIONAL TOURISTS

Munazza Saeed, Muhammad Usman

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### ABSTRACT

While, an extensive amount of literature providing the support on the influence of consumer perceived risk on visit and revisit intention, little is known about applying consumer perceived risk in religious tourism, creating a gap. Pakistan is rich with its religious tourism. All domestic and international tourists have strong liking to visit these places. Therefore, it is considered of vital importance to hypothesize the direct relationship of religious tourists perceived risk on visit and revisit intention. In addition, it is also imperative to examine and how and when religious tourists perceived risk affect the visit and revisit intention. The decision to select a destination depends on satisfaction before and after visiting a destination. Moreover, the tourism literature supported the role of contingent factors which might affect the nature and intensity of relationship. Thus, this study incorporated the role of social media influencers in selecting Pakistan as a religious tourism destination among international tourists. Data were collected from 15 international religious tourists through semi structured interviews using a non-probability purposive sampling. Atlas.ti is used for thematic analysis. The finding revealed that religious tourists perceived risk is largely impacting their satisfaction and intention to visit and revisit in selecting Pakistan. Moreover, the roles social media influencers are also influencing their visit and revisit intention as it transforms the consumers' intention by influencing the way consumers search, evaluate alternatives, decide, and execute the actual decision. This study offers a strategic implication for the struggling hospitality industry of Pakistan by providing an understanding of international tourists' intention regarding Pakistan as their final choice. Social media influencers have an undeniable power which can not only change the mind of tourist but also rebuild or reconstruct the image of the country. The finding of this study can help the travel guides, social media tourists' advisors, and especially the hospitality industry of Pakistan to use social media to rebuild the soft image of Pakistan in the mind of tourists. This will not only helpful to attract more tourists but to boost the hospitality business in Pakistan and business organizations can get the first mover advantage as well. This study contributing to the existing literature by exploring the role of social media in reviving the tourism in Pakistan.

**Keywords:** Pakistan, perceived risk, satisfaction, social media influencers, intention, tourist.

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## **EFFECT OF HALAL CERTIFICATE, BRAND REPUTATION AND BRAND LOYALTY ON CUSTOMER SATISFACTION: A MODERATED MEDIATION APPROACH IN THE RESTAURANTS OF ABBOTTABAD**

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### **ABSTRACT**

The basic aim or objective of the study determines the effect of brand reputation, and brand loyalty on customer satisfaction. A mediating Approach of Halal Certified Products in the food industry of Pakistan This study uses brand reputation, brand loyalty, and price sensitivity to investigate its role in customer satisfaction and also compare the responses of Muslim and non-Muslim customers towards Islamic Products in Pakistan who have Halal certificates. The researcher also used Keller's most famous model CBBE model to analyze the effect of brand reputation, brand loyalty, and price sensitivity and how they help in customer satisfaction. This study uses the stratified method and the sample size is calculated by using the Item Response Theory for collecting the data from the customers of Halal Certified products. After performing the missing value analysis only 235 respondents gave their responses out of 300. The analysis of the research suggests that brand reputation, brand loyalty, and price sensitivity of Islamic products positively increase satisfaction level of customers or their relationship is also important for increasing the sustainable performance of the Brand. Implication/Limitation/ future direction findings of this study also have some implications and limitations for further research, as the findings of this study show positive responses of consumers towards Islamic products in Pakistan it helps managers to use this strategy for organizational success. When the brand has certified products it also improves the reliability & loyalty and satisfaction of the brand which ultimately increases the organization's success. Nevertheless, this study is limited to one city in Pakistan country further studies can be conducted in other non-Muslim countries to analyze their responses towards Islamic products and Halal products. Significance/Value of the study- In this latest era of research, the effect of brand reputation, brand loyalty, and price sensitivity point toward customer satisfaction for the success of an organization, and they are also required to be considered in the Islamic context. The study fills this gap and has two main contributions: one is how the Halal Certifications of Islamic products play a role in Islamic branding perspectives and the second is how brand reputation, brand loyalty, and price sensitivity point towards customer satisfaction for the success of the organization.

**Keywords-** Brand Reputation, brand loyalty, brand equity, Halal Certificate, and Islamic products.

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<b>Time</b>	<b>16 Nov 23, Thursday</b>
<b>Mode</b>	<b>4:00pm - 5:30pm</b>
<b>Track</b>	<b>Online (Pakistan Standard Time is UTC+05:00 )</b>
<b>Session</b>	<b>Video call link: <a href="https://meet.google.com/smk-jjdc-pvw">https://meet.google.com/smk-jjdc-pvw</a></b>
<b>Chairs</b>	<b>PIN:</b>
<b>Presenter</b>	<b>Human Resource Management</b>
	<b>Dr Yasir Tanveer and Dr Ahmad Usman</b>
	<b>Paper Title</b>
Samra Tariq	Relationship Between Talent Management Strategies and Organisational Performance in the Banking Sector of Pakistan: The Role Employer Branding as a Mediator
Roshnie Doon	An Empirical Analysis of the Gender Pay Gap in the Finance and Insurance Industries: The Case of Trinidad and Tobago
Muhammad Siddique	Relational Coordination Among Service Providers: Impact of HPWS on Functional and Unit-Level Banking Performance
Asim Masood	Role of Direct and Indirect Compensation on Employee performance in Health Care Sector of Islamabad and Rawalpindi
Yufan Shang	Impact of Green HRM Practices on Environment Friendly Attitude and Behavior at Work

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## **RELATIONSHIP BETWEEN TALENT MANAGEMENT STRATEGIES AND ORGANISATIONAL PERFORMANCE IN THE BANKING SECTOR OF PAKISTAN: THE ROLE EMPLOYER BRANDING AS A MEDIATOR**

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### **ABSTRACT:**

**Background and Purpose:** The banking sector plays a pivotal role in the economic growth and development of any nation. However, the performance of the banking sector significantly influences its contribution to economic progress. This study is centred on the banking sector of Pakistan, which has faced challenges in achieving optimal performance. The primary objective is to investigate the relationships between talent management strategies (specifically, talent acquisition, talent development, and talent retention) and organizational performance within the Pakistani banking sector. Additionally, we explore the mediating role of employer branding in these relationships. Employing a cross-sectional and correlational research design, data were collected through a questionnaire survey from 300 human resource managers, directors, and professionals operating at the head offices of the ten largest banks in Pakistan. Data analysis involved Partial Least Squares (PLS) and the Statistical Package for the Social Sciences (SPSS). The study unveils robust and positive associations between talent acquisition, talent development, talent retention, and organizational performance within the Pakistani banking sector. Furthermore, the findings indicate that employer branding acts as a mediator in the relationships among talent acquisition, talent development, talent retention, and organizational performance. This research offers valuable insights into the dynamics between talent management strategies, employer branding, and organizational performance in Pakistan's banking sector. The results have practical implications for banks, helping them enhance their talent management practices and employer branding efforts. Moreover, the study contributes to the literature by examining these relationships in the context of developing countries like Pakistan. Overall, these findings can guide strategic decisions and practices aimed at optimizing organizational performance and fostering economic growth within Pakistan's banking industry. It's important to acknowledge that the study's findings are based on data from the largest banks' head offices and may not fully represent the entire banking sector in Pakistan. Additionally, further research could explore potential moderating factors that influence these relationships.

**Keywords:** Talent Management Strategies, Organisational Performance, Employer Branding.



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## AN EMPIRICAL ANALYSIS OF THE GENDER PAY GAP IN THE FINANCE AND INSURANCE INDUSTRIES: THE CASE OF TRINIDAD AND TOBAGO

Roshnie Doon  
Putra Business School Malaysia

### ABSTRACT

The finance and insurance industries are two of the most important players when it comes to safeguarding the financial stability of a country's economy. This is mainly because these industries consist of large and specialized investors who spend heavily in financial markets, and who have strong linkages with the banking sector and financial institutions worldwide. Although these industries have a significant female workforce, around the world in countries like the US and the UK, it accounts for the largest gender pay gap. Given the prominent standing of the finance and insurance industry in Trinidad and Tobago, the main objective of this paper was to explore the earnings capacity of finance and insurance workers, and the overall gender wage gap for the 1991-2015 period. To do this both the Mincerian Earnings Function and the Oaxaca-Blinder Decomposition techniques were implemented. In doing so, this paper found that the earnings of finance and insurance workers appear to have grown across the wage distribution, whereas workers with a first-degree benefitted from accelerated earnings across the wage distribution. When the gender of the worker is considered, it was found that the earnings of male finance workers appear to be diminishing across the wage distribution, while that of male insurance workers was improving. The reverse effect was observed for females. An overall gender wage gap of 10.6% for the finance industry and 30.5% for the insurance industry was noted. A gender wage gap of 6.8% (paraprofessional) and 10.9% (first degree) was found for finance workers. While an even higher gender wage gap of 24.2% (paraprofessional) and 25.2% (first-degree) was found for insurance workers. Finance and Insurance industries around the world are noted to have the worst gender wage gap, in Trinidad and Tobago the same is true, especially for those in the insurance sector. The findings from this study are important as it affects the ability of women to withstand economic downturn and achieve financial stability.

**Keywords:** Mincerian Earnings Function; Oaxaca-Blinder Decomposition; Gender Pay Gap; Finance and Insurance Industries; Trinidad and Tobago.



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## **RELATIONAL COORDINATION AMONG SERVICE PROVIDERS: IMPACT OF HPWS ON FUNCTIONAL AND UNIT-LEVEL BANKING PERFORMANCE**

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### **ABSTRACT**

This paper seeks to identify a potential mechanism over which HPWS influences performance. Using relational coordination theory, this paper assesses communication and relational ties of relational coordination as a potential link over which HPWS can affect unit-level performance in banks which are characterized as highly uncertain, interdependent, as well as time-bound. Primary data were collected from bank officers about the strength of HPWS and relational coordination among employees. Results indicate that HPWS was significantly associated with bank performance outcomes, including branch levels of deposits, loans, and net profit. Results also indicate that RC significantly mediated the linkages between HPWS and unit-level performance outcomes. These results suggest new insights for top management and HR leaders in the banking industry regarding the design of HPWS.

**Keywords:** Banking performance, service provider, banking industry

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## **ROLE OF DIRECT AND INDIRECT COMPENSATION ON EMPLOYEE PERFORMANCE IN HEALTH CARE SECTOR of Islamabad and Rawalpindi**

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### **ABSTRACT**

This research paper focusing on the influence of compensation on employee performance in the health sector of Islamabad and Rawalpindi. The impact of direct and indirect compensation on employee performance was investigated by the study. The dissatisfaction of healthcare workers and lack of compensation was identified as problems in the study. The research questions seek to understand the influence of compensation on employee performance. Around 200 survey form is distributed among the health sector employees in Islamabad and Rawalpindi out of 85 survey form are collected and later test is applied on SPSS. The paper based on primary data and a well-structured questionnaire developed to investigate the association between employee compensation and employee performance. Insights and recommendations for policymakers in the health sector were in the significance of the study.

**Keywords:** Employee compensation, Employee performance, Health Care, SPSS, Pakistan.

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## IMPACT OF GREEN HRM PRACTICES ON ENVIRONMENT FRIENDLY ATTITUDE AND BEHAVIOR AT WORK

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### ABSTRACT

The aim of this research is to examine the effect of Green Human Resource Management practices on Pro-environmental behavior of employees of Pharmaceutical industries all over the Punjab. Furthermore, this study also focuses on the mediating effect of green commitment and green environmental performance. Another focus of this study is to check how green self-efficacy moderates the relationship between green commitment and green environmental performance, and also the moderation effect between green environmental performance and pro-environmental behavior. The data will be gathered through a structured questionnaire from the employees of pharmaceutical industries of Punjab using a convenience sampling technique and the sample size will be 600. Later on, data will be analyzed on SPSS and mediation and moderation effects will be analyzed through Hayes Process Model.

**Keywords:** Green HRM Practices, Pro-Environmental Behavior, Green Commitment, Green Environmental Performance, Green Self-Efficacy.

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## FULL PAPERS



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## **Effect of Biases on Investment Decisions of Real Estate Investors in Pakistan with moderating effect of Financial Literacy**

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### **Abstract**

Investors need to make rational investment decisions, which is the most important task. The way investors behave when investing is critical to how their investments perform. Usually, investors struggle to gather the right information, which can cause them to have biases and commit errors. This can lead to bad investment decisions and potentially cause their investments to fail. This research aims to examine the impact of heuristics biases and prospect biases on the real estate investment decision-making of local individual real estate investors in Pakistan. The study analyzes how these biases influence the investing choices from the local sole investing community in property area and aim to enhance the limited research towards Pakistan. Additionally, the literature explores moderating role of financial literacy on these biases. Convenient sampling was applied to collect the data. The questionnaire was used to collect the data from 277 respondents. SPSS and PLS (SEM) statistical software employed to measure analysis. The outcomes indicate that availability heuristic bias and emotional heuristic bias substantially affect real estate investment decision-making in Pakistan. Regret Aversion prospect bias also significantly affects decision-making, while mental accounting prospect bias does not. Furthermore, financial literacy





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plays a significant role in moderating the influence of these biases on investment decisions except regret aversion prospect bias. The research recommends that investors should be aware of these biases to improve their investment strategies. Moreover, Investors are supposed to enhance their Finance Literacy that highlights the importance of understanding in making rational decisions. The study contributes to the existing knowledge of real estate investment in Pakistan and enriches understanding of the impact of heuristic and prospect theory biases in property investment deliberation in an emerging economy.

**Keywords:** Real Estate Investment Decision Making, Heuristic Biases, Prospect Biases, Financial Literacy, Behavioral Biases.

## INTRODUCTION

A group of economists has put forward a hypothesis that suggests that humans make rational investment decisions and consider all relevant factors (Stankevich, 2017). Behavioral finance posits that human deliberation is largely intuitive and influenced by various psychological factors, including biases and emotions, which can result in irrational Investment decision. In contrast to the conventional tenets of financial theory, which postulate that investors reliably exhibit rationality and act in accordance with their self-interest, the discipline of behavioral finance acknowledges the complicated nature of human behavior, which is open to a wide range of influences that go beyond just considering economic deliberations (Tesfom & Birch, 2013). Investors need to make sound investment decisions to achieve success. The behavior of investors significantly impacts the performance of investments. However, investors often struggle to collect essential information, leading to behavioral biases and cognitive errors. This could result in making poor investment decisions, which might ultimately result in failed investments. Furthermore, due to the theories' shortcomings, some factors that influence real estate price movements may not be sufficiently taken into account by conventional financial theories. As a result of urban migration and Pakistan's expanding population, the residential real estate market has been booming. Apartments, homes, and gated communities are just a few of the numerous types of real estate that are offered. The market offers a range of products, from high-end luxury residences to dwellings that are reasonably priced. The present research marks a groundbreaking effort in quantifying the impact of heuristics biases and prospect theory on the act of determining how to allocate financial resources with the aim of generating profitable returns, also known as the process of capital deployment appraisal behavior of indigenous individual real estate investors in Pakistan. It scrutinizes how these biases govern the real estate market investment choices of non-professional investors and endeavors to augment the meager research on the real estate sector in Pakistan. The

research urges investors to abstain from perpetuating these biases to ameliorate their investment strategies and elucidates that comprehending them may aid in making judicious decisions. The impact of these biases on investment deliberation is substantial, underscoring the need to address this gap in the research. Real estate investment is a critical industry that plays a significant role in the economy of Pakistan. However, existing research has shown that investment decisions within this sector are susceptible to various biases, which may result in suboptimal outcomes. Some of these biases that could have an impact on how Pakistani real estate investors choose which investments to make include overconfidence, anchoring bias, and confirmation bias. These biases could result in irrational investment decisions that have detrimental effects, such as financial losses. The financial knowledge of Pakistani investors varies greatly, and those with lower levels may be more vulnerable to these stereotypes. This may lead to poor investment decisions and exacerbate the difficulty of the decision-making process. Investigating how biases influence real estate investment decisions in Pakistan and how financial literacy could lessen these effects is crucial. Research has also demonstrated that financial literacy can operate as a buffer against unfavorable outcomes, reducing the impact of these biases on investment decision-making. (Kundu, 2019). This study examines how biases impact financial judgment and the moderating effect that financial literacy has in real estate investment decisions in Pakistan.

## LITERATURE REVIEW

The process of real estate investment is multifaceted and entails significant risk, with multiple factors influencing an investor's ultimate decision. Among these, one major factor is the presence of behavioral biases, which can lead to unsound investment judgments. Academic perspectives such as heuristics theory and prospect theory serve as valuable tools for analyzing the effects of biases on investment deliberations. To examine the current study on impacts of biases on the investment choices of real estate investors in Pakistan and to provide an academic foundation for these effects.

Investing in physical assets like real estate has grown in popularity among investors seeking security and stability in their portfolio (Slovic et al., 1998). Due to its physical character, real estate is a direct and tangibly observable asset that individuals can manage and control, giving the appearance of security. Real estate investments may also provide benefits including rental income, capital appreciation, and tax advantages to investors wishing to diversify and minimise risk in their investment portfolio (Feldman et al., 2018). However, a person's propensity for real estate investing may be influenced by a range of cognitive and mental biases.

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These biases can lead to poor judgement and erroneous assessment. As an illustration, the anchoring bias may cause people to base their evaluations too heavily on the information they originally hear. Due to the availability bias, people may draw their opinions based more on details that are readily recallable in their recollections than on comprehensive facts. Emotions can have a significant role in real estate investment decisions. The affect heuristic claims that people base their decisions more on their emotions than on rational reasoning. This could lead to decisions that are driven by elation or anxiety rather than a careful examination of the investing possibility. To lessen the impact of biases and heuristics, investors must conduct thorough due diligence, which includes researching the asset and the local real estate market (Tversky & Kahneman, 1974).

A professional's advice, such as that of a real estate agent or a financial advisor, can also provide insightful information and guidance to assist consumers in making decisions that are consistent with their investment goals and risk tolerance. Risk can be reduced by diversifying real estate investments. Real estate investing can have quantifiable long-term benefits, but investors must be aware of the various cognitive and psychological biases that could sway their decision-making. By being aware of these biases and putting strategies in place to limit their influence, investors can make well-informed decisions that are in accordance with their investing goals and risk tolerance.

The theoretical basis of behavioral finance theory postulates that investors' cognitive processes in the real estate market may not always adhere to the principles of rational thinking, and as a result, behavioral biases can exert a substantial influence on investment decisions (Barberis & Thaler, 2021; Odean & Barber, 2021). According to this theory, investors are influenced by their emotional and perceptual inclinations, as well as their cognitive limitations, which can lead to irrational deliberation. More particularly, the cognitive bias of overconfidence can create a spurious impression of heightened knowledge or proficiency in investors, which can subsequently induce them to make investment decisions that are not congruous with their optimal interests (Baker & Wurgler, 2007). Academic underpinnings of behavioral finance posit that financial deliberation is prone to various cognitive biases such as risk aversion, overconfidence, and adjustment and anchoring, among others (Barberis & Thaler, 2021). These biases might affect how people make financial decisions, possibly leading them to less-than-ideal choices. In academic research, heuristic theory is a sophisticated and subtle paradigm that seeks to explain the mental shortcuts people employ when deliberating or solving issues. Heuristics are cognitive processes that aid in the clarification of complex topics and enable speedy and efficient deliberation, notwithstanding their propensity for bias or inaccuracy (Gigerenzer & Gaissmaier, 2011). This theoretical foundation is predicated on the fundamental idea that people absorb information in order to make

decisions quickly and effectively. Another noteworthy academic framework is the dual-process theory (Evans, 2008), which asserts that people have two distinct methods of thinking: one is quick and intuitive, while the other is slow and analytical. It is believed that heuristics largely work by facilitating quick, instinctive responses to stimuli. The recognition heuristic, a distinct sub-thesis of the heuristic theory, contends that people frequently base their judgments and decisions on uncomplicated signals (Goldstein & Gigerenzer, 2002). These indicators include things like how familiar and recognizable an option is. Even though this heuristic may be helpful in some circumstances, it can also introduce biases and mistakes. The heuristic theory describes how humans make decisions or handle even the most challenging tasks by using mental shortcuts. The heuristic theory is a sophisticated and diverse paradigm that clarifies why people mentally wander while pondering or solving problems. It is predicated on the premise that people make quick, correct judgements while running the risk of bias because they analyze information through streamlined mental processes. This theoretical framework's central thesis is that human decision-making is based on spartan cognitive operations that are prone to prejudice or mistakes (Kahneman & Tversky, 1974).

## Methodology

The current investigation aims to scrutinize predispositions of investment choices of property investors operating within the regional context of Pakistan. The researcher intends to gather empirical data from the designated sample population. The primary objective of this study is to explore the impact of biases on the investment decisions made by real estate investors in Pakistan. In order to achieve this objective, a quantitative research design will be used. The research will entail administering a survey questionnaire as the primary data collection instrument to gather data from a sample of real estate investors in Pakistan.

## Sample Size

The number of questions in the questionnaire is calculated by considering the rule of thumb in the existing literature, that is how the sample size is determined. Items/elements of the research instruments help to decide the number of target audience/respondents to be approached for data collection in the study. 300 Questionnaires disseminated through means of postal mail or electronic mail, where number of respondents were 276 local Individual real estate investors in Pakistan.

## Data Collection Method

The sampling method for this study is a survey questionnaire. In this study, the survey questionnaire is distributed among the real estate investors who make investment decisions. The



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survey questionnaire is designed to measure the extent of different types of biases that may influence investment decisions. In accordance with the previous explanation, the method of data collection in this proposed research shall comprise a questionnaire. The researcher obtains a record of the names of individual real estate investors in Pakistan and contact those who participate in real estate trading activities through telephone or email, seeking their participation in the survey. Questionnaires disseminated through means of postal mail or electronic mail, with respondents being able to complete the questionnaire using the web-survey tool Google Forms.

## Sampling Technique

In this research, a convenience sampling method is employed which belongs to the category of non-probability sampling methods, as it selects participants based on their accessibility. This approach is straightforward, efficient, and affordable, resulting in a greater rate of participation in comparison to alternative methods. The sampling technique used in this study is convenience sampling. Convenience sampling is a non-probability sampling method in which participants are selected based on their availability and willingness to participate (Polit & Beck, 2021). The reason for using convenience sampling is that it is cost-effective and time-efficient since the researchers can access participants easily. However, convenience sampling may result in a biased sample, and the results may not be generalizable to the entire population.

## Analysis

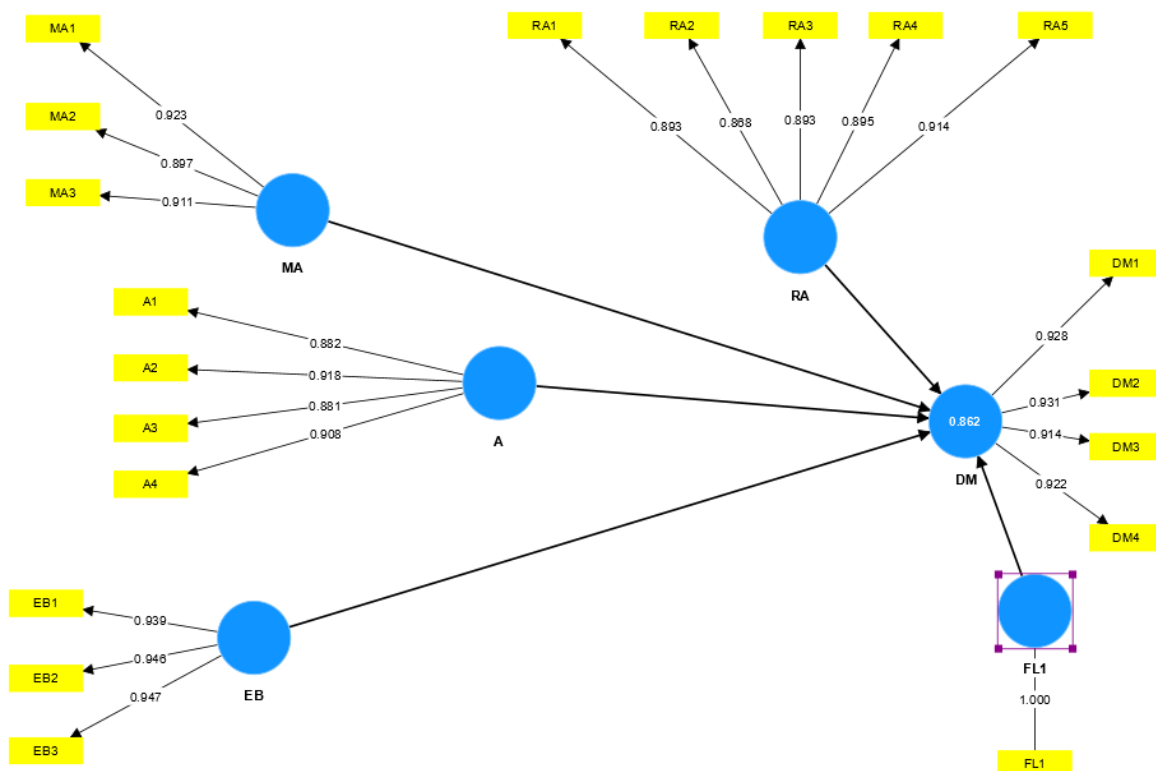
SPSS and PLS (SEM) statistical software employed to measure analysis. A two-stage methodology was employed in this inquiry to estimate and publish the PLS-SEM results, as recommended by Ringle et al. (2018). This approach was deemed to be superior than relying just on the goodness-of-fit (GoF) index, which has been criticism for failing to distinguish between accurate and inaccurate models (Hair et al., 2014; Henseler & Sarstedt, 2013). Two significant checkpoints in the two-stage process were the examination of the structural model and the evaluation of the measurement model. The two main methods employed in this work to evaluate the PLS-SEM model are the assessment of the measurement model and the assessment of the structural model. In the first stage, the validity and reliability of the constructs are assessed; in the second stage, relationships between independent and dependent constructs are estimated, and hypotheses are tested. The structural model is assessed using the PLS-SEM bootstrapping method, and a number of metrics are employed to guide the assessment, including the significance of the path coefficients, the effect size

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(f<sup>2</sup>), the coefficient of determination (R<sup>2</sup>), and the predictive relevance (Q<sup>2</sup>). Hair et al. (2014) recommend using these criteria to evaluate the model.

## Measurement Model Assessment

The PLS-SEM approach was used to assess the study's stated hypothesis. The evaluation model, which aimed to achieve an acceptable degree of validity and reliability, was built on top of the measurement model. In order to assess the measurement model and guarantee the validity and reliability of the data gathered, the Smart-PLS software was used (Ringle et al., 2018). In this work, the reliability of the variables in the assessment of the PLS route modeling was examined using the composite reliability (CR). The validity and internal consistency of the scale items were evaluated using the measurement approach (Hair et al., 2014). The internal consistency and reliability of the concept were assessed using the CR by calculating the individual reliability of the estimated model's indicators. In contrast to Cronbach's alpha, which evaluates the concept's composite reliability, the CR assumes that each item has a unique factor loading (Hair et al., 2014; Henseler et al., 2009).

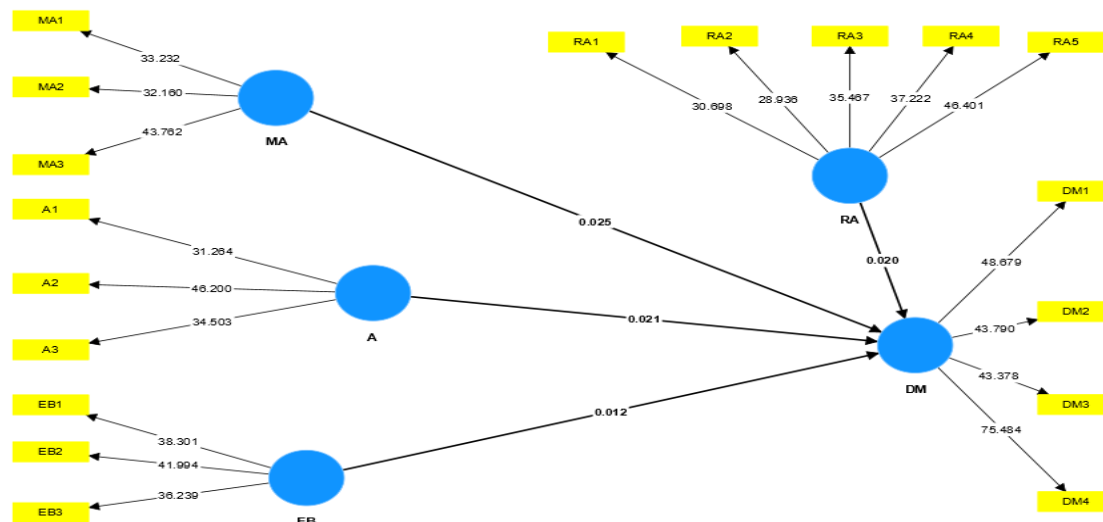




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## Assessment of Significance of the Structural Model (Direct Relationship)

Using the PLS-SEM algorithm and the bootstrapping technique, the structural model was evaluated to ascertain its applicability (Chin, 2010). The PLS bootstrapping approach used in this inquiry includes 500 bootstraps and 276 examples, following the recommendations from other studies (Hair et al., 2014; Henseler et al., 2009). The objective was to determine the statistical applicability of the structural model. The hypotheses were accepted or rejected at a threshold t-value of 1.96, and the direction of the connections was examined using the -value. Figure 4.3 depicts the link between the four independent components (Availability Heuristic Bias, Emotional Heuristic Biases, Mental Accounting Prospect Biases, and Regret Aversion Prospect Biases) and the dependent variable (Decision Making for Real Estate Investment).



## Structural Model Assessment (Direct relationship hypotheses results)

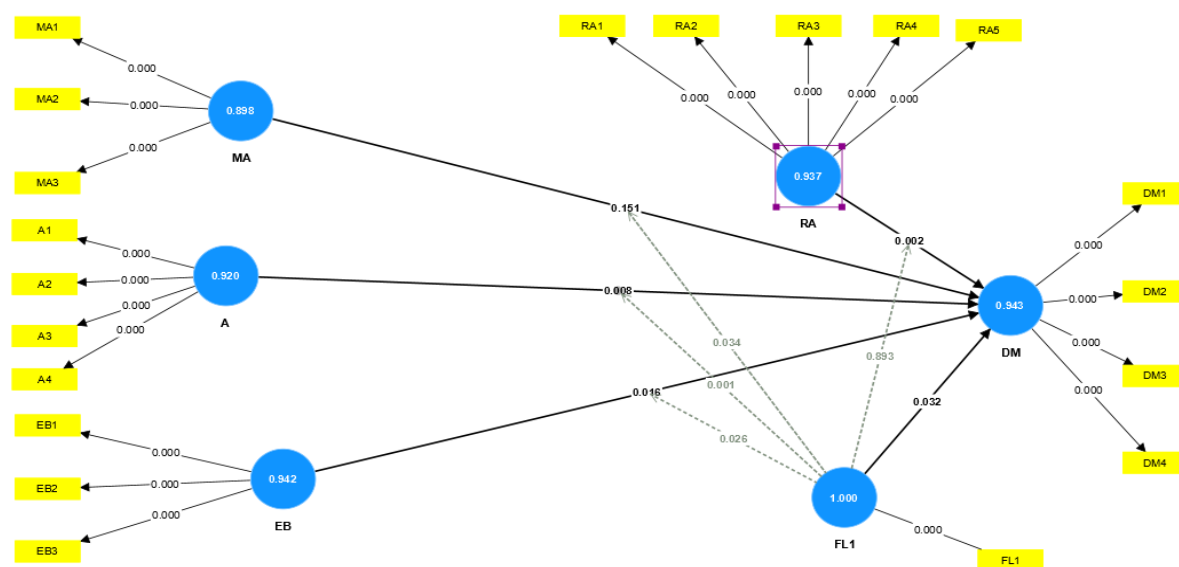
Hypotheses	Relationship	Path coefficients	Std. dv	t-value	P-value	Decision
H1:	A-> DM:	0.3480	0.1270	2.6740	0.0080	H1 Supported

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<b>H2:</b>	EB -> DM:	0.2630	0.1140	2.4080	0.0160	H2 Supported
<b>H3:</b>	RA-> DM:	0.2840	0.0940	3.0250	0.0020	H3 Supported
<b>H4:</b>	MA -> DM:	0.1110	0.0790	1.4380	0.1510	H4 Not Supported
<b>H5:</b>	FL1 -> DM:	0.0830	0.0390	2.1420	0.0320	H5 Supported

## Assessment of Significance of the Structural Model (Moderation Effect)

As illustrated in Figure, 500 bootstraps and 276 samples were utilized to assess the influence of Financial Literacy (FL). A t-value threshold of 1.96 was used to assess whether the moderation hypothesis was accepted or rejected. Comprehensive information on the interactions between FL and the independent variables, such as Availability, is also included in the results of the moderating effect in Table . Real estate investment decision making, emotional heuristic bias, prospective bias brought on by regret, prospective bias brought on by mental accounting, etc. are dependent elements. The relationship between the independent variables (Availability Heuristic Bias, Emotional Heuristic Bias, Regret Aversion Prospect Bias, and Mental Accounting Prospect Bias) and the dependent variable (Real Estate Investment Decision Making) is further explained in Figure.



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## Structural Model Assessment (Moderation results)

Hypotheses	Relationship	Path Coefficients	Std. DEV	t-Value	P-Value	Decision
H6	A*FL -> DM	0.274	0.083	3.436	0.001	Supported
H7	EB*FL -> DM	-0.154	0.072	2.232	0.026	Supported
H8	RA*FL -> DM	0.010	0.082	0.134	0.893	Not Supported
H9	MA*FL -> DM	-0.156	0.076	2.122	0.034	Supported

## Conclusion

The study on the impact of various heuristic biases, prospect biases, and financial literacy as a moderating variable on real estate investment decision-making in Pakistan produced some captivating findings. The results indicate that financial literacy, Availability Heuristic bias, Emotional Heuristic bias, and Regret Aversion Prospect bias all have a substantial impact on real estate investing decision-making. The influence of Mental Accounting Prospect Bias on Pakistani real estate investment decision-making, however, was not supported by the study. Remorse Aversion Prospect Bias does not help real estate investment decision-making in Pakistan with moderate financial knowledge. The findings demonstrated that the decision-making process for real estate investment in Pakistan is highly influenced by regret aversion and prospect bias. This bias shows itself when people try to avoid making choices that they might later regret, even though those choices might result in better results. This research emphasises how crucial it is to overcome this prejudice among Pakistani real estate investors in order to help them make logical investment choices. The study also discovered that the decision-making process for real estate investments in Pakistan is highly influenced by the availability heuristic bias and the emotional heuristic bias. Availability Heuristic bias is the propensity for people to make judgements based on information that is easily accessible rather than carefully weighing all of their possibilities. On the other side, emotional heuristic bias relates to how emotions might affect how people make decisions. According to the findings, financial literacy may be able to reduce the influence of the Availability Heuristic bias and the Emotional Heuristic bias on Pakistani real estate investing decisions.

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## **Learning and revolutionary action from stakeholders in creating a platform for cooperation to deliver social services**

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### **ABSTRACT**

This paper examines the learning and transformative action of stakeholders in the process of creating a platform for collaboration between civil society and a Swedish regional authority organization (RAO). Organizations (CSOs) to develop fresh approaches to offering social services. The information is derived from seven general sessions that RAO officials and CSO representatives attended as well as 22 semi-structured interviews. Furthermore, notes were made during two workshops with interview subjects and important stakeholders, respectively. Using the TADS method, learning and transformative action were examined. The results show that a written contract requiring cooperation between the governmental and civil society sectors served as a second catalyst for shared transformational agency. Conflicts of interest emerged after the agreement was signed, making stakeholder learning difficult. Remarkably, the most serious large-scale learning obstacles were not conflicts of interest between the two sectors, but rather those inside each one, which also caused a delay in the creation of the cooperation platform that was supposed to offer welfare services. However, the disputes also helped them take modest, progressive, revolutionary actions in the direction of their goals.

### **Introduction**

In response to a growing need to handle complex social developments, several kinds of collaboration have been established to deliver welfare services (Duru, Trenz, and Sejersen 2021). Some of these new collaborative forms need the active participation of two people. or all three sectors - private, public, and civil society (Tillmar 2012). In this article, we report on a



collaborative form between the public sector and civil society that has been framed as a local participatory initiative to develop a collaboration platform for the provision of welfare services by forming a coalition of stakeholders from a Swedish regional authority (RA) and approximately 40 civil society organizations (CSOs). Regional administrations in Sweden control and administer regional development and public transportation, as well as providing healthcare and other social services to their residents.

Civil society (CS) can be viewed as a supplement to the state sector's obligations to provide residents with welfare services. Nonetheless, the Swedish welfare system has its roots in civil society, and idea-driven organizations have continued to play an important role in social services in many nations. Civil society organizations frequently seek spaces for collaboration with the public sector in order to initiate joint initiatives, collaborate on funding, or assist in the development of welfare services. It is stated that despite - or because of - the inequalities between the sectors, collaboration may benefit all stakeholders in terms of economic and social gains (Weber et al. 2022). Different sector logics complicate this collaboration, implying that potential gains may be thwarted by conflicts and opposing forces entrenched in cross-sector relationships (Weber et al. 2022). The drastically opposing sector logics that govern the public and civil sectors might lead to conflict amongst the persons concerned (Tillmar 2012). According to Tillmar (2012), distinct logics and most typical disputes may be investigated in part by evaluating how collaboration between sectors is organized and the conditions inherent in cross-sector collaboration.

We employ the technique of transformational action via double stimulation (TADS) and the closely related notion of expanding learning (Engeström and Sannino 2021) to analyze cooperation between the investigated regional authority organization (RAO) and civil society organizations (CSOs). As we shall argue, there are multiple actions that may be taken to reform welfare services through the specified teamwork, and this will need extensive learning in many workplaces, across various departments and organizations. These workplaces are viewed as activity systems (Engeström 2001), with autonomous subjects, tools, norms, communities, and divisions of labor, but with an emerging shared object: establishing a collaborative platform for the provision of welfare services. Our reasoning is consistent with that of Engeström, Nuttall, and Hopwood (2020, 1), who suggest that learning difficulties arise when cooperating stakeholders encounter disagreements and must thus create artifacts to discover solutions—solutions that may not always be evident or 'right'.

In order to discover innovative approaches to delivering welfare services, the article's goal is to examine stakeholders' learning and transformative action throughout the development of a



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cooperation platform between a Swedish regional authority organization (RAO) and civil society organizations (CSOs). These are the research inquiries:

- (1) How is the cooperation between the RAO and the CSOs organized both inside and between them?
- (2) When creating the collaborative platform, what obstacles did the involved parties face in terms of learning and taking transformational action?

The following sections make up the article. The TADS method, which has been applied as an analytical lens, is described in the part that follows (Engeström and Sannino 2021). The research setting and methodology are then explained. The results are discussed and provided in the next section. Ultimately, the research inquiries are addressed.

## **Theoretical framework**

The TADS method, which has been utilized as a theoretical framework to analyze expansive learning (Engeström 2001) and transformational action (Engeström and Sannino 2021), is described in this section.

## **Motive conflicts can either impede or facilitate extensive learning**

Although conflicts of interest can impede learning and, consequently, transformative action, they can also serve as a catalyst for expansive learning and the development of novel, creative methods of operation, including in heterogeneous constellations (Engeström and Sannino 2021). According to Engeström and Sannino (2010), 2 expansive learning is defined as "learning something that is not yet there." Dochy et al. (2021, 218) defines the expansive learning process as "the construction of new forms of collaborative practice through the resolution of contradictions that the activity system faces." Accordingly, expansive learning is defined as learning from the frequently unexpected in which a group of individuals collaborate to discover something new when no one is certain what has to be taught (Engeström 2001). The procedure is frequently described as a loop of several action points: a learning cycle that begins with challenging the circumstances or style of operation and ends with an analysis and the modeling of a novel solution (Engeström 2001). Subsequently, the model undergoes testing, evaluation, and reflection prior to its implementation. Ultimately, the new solution is integrated with other methods of operation. The steps in the procedure alternate between each other. This implies that there are always going to be changes or enhancements made between testing a model and putting it into practice, and the reflection phase is frequently predicated on any opposition to the first implementation that existed before the model could be stabilized.

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It is challenging, if not impossible, to include members from every activity system engaged in the same envisaged expanding learning cycle in large heterogeneous coalitions like the one under study since these systems do not begin at the same time or grow concurrently. This suggests that unless the interdependent but parallel learning cycles are purposefully supported by conditions required for expanding learning and transformational action, some learning potential may be lost (Sannino 2015; 2020a; Sannino and Engeström 2018). Additionally, throughout the expanded learning cycles, conflicts of motives may arise. It has been proposed that these conflicts may be resolved by fostering transformational agency through twofold stimulation, which is both a theory and a method (Sannino 2015).

### **Double stimulation for transformative action in diverse alliances**

The idea of double stimulation helps explain how transformational agency may be strengthened in heterogeneous coalitions within society (Sannino 2015; Sannino and Engeström 2018; Engeström and Sannino 2021). The idea of twofold stimulation originated with Vygotsky's (1931 [1994]) studies, which demonstrated that an individual may use a second stimulus to escape a difficult circumstance in which competing internal motives surfaced. The second stimulus is a means of breaking out of a stagnant situation and is purposefully chosen beforehand. Decision-making is a process of learning, as demonstrated by Sannino and Laitinen's (2015) finding that before choosing a second stimulus, a person has a trail of ideas and internal competing impulses regarding various options to escape the circumstance.

Following the initial stimulus that initiated the collaboration, collaborating organizations may, like individuals, deactivate conflicts of motives when working toward a common goal; that is, if there is disagreement among collaborating partners regarding the course of action, they may create a second stimulus (Engeström and Sannino 2021). In order to do this, they find or create an artifact or tool that can serve as a second stimulus and offer a way out of a stale situation (Sannino 2020a). However, adoption of the artifacts by the learners is contingent upon their volitional action and agency (Sannino 2015). By taking charge of the circumstance and working together to defy the given, a shared transformational agency may be created. Creating and applying Collaborating partners may be inspired to master their frame of action and reinvent the circumstance by using common artifacts or tools. As a result, objects or instruments serve as a second stimulation. that can improve the capacity for learning and transformational action of the partners in collaboration (Sannino 2020a; Engeström and Sannino 2021). According to Morselli and Sannino (2021) the second stimulus may even serve as a (more) stable basis than the first one. Moreover, it is possible to see the discussions that occur throughout the creation of the artifact as a decision-making process (Sannino 2020a). Double stimulation (TADS) transforming action is shown in Figure 1.

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The twofold stimulation process is shown in Figure 1. It consists of two stages: the decision-making stage and the implementing-of-a-second-stimulus phase.

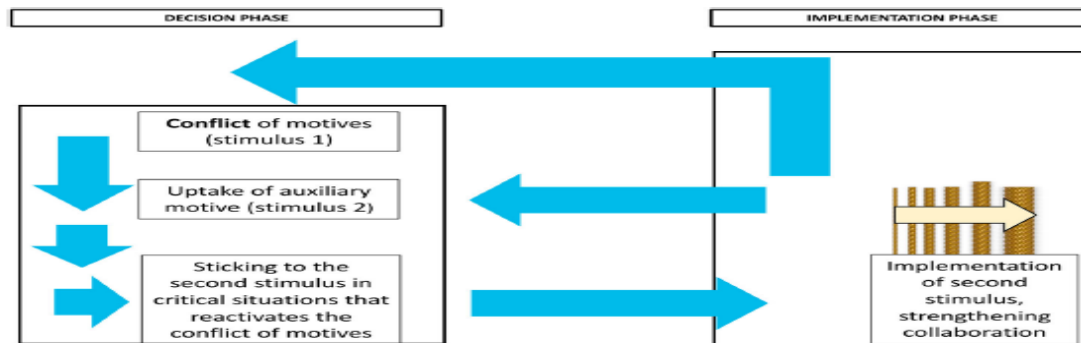


Figure 1. A process in which transformative action is developed through double stimulation (developed after Sannino's model 2020a, 169).

As seen in Figure 1, a conflict of interest could resurface and require a second stimulus in order to resolve. As demonstrated by the ropes getting thicker and stronger each time the cooperating partners apply a second stimulus, the transformational activity of the partners is enhanced each time they go through the process of choosing a second stimulus (Sannino 2020a). When guiding partners toward a shared goal, a strong rope performs better than a weak one. As a result, a second stimulus that coalition members accept offers a volitional route to action—one that is founded on their own free choice rather than being imposed upon them (Sannino 2015). This is critical because, as Sannino 2020b notes, the transformation process might get confused if a challenging circumstance with conflicts of motives arises. Consequently, twofold stimulation can assist in handling unforeseen circumstances and develop transformational agency and will throughout a broad learning process (Engeström 2001; Villemain and Lémonie 2022).

## Research context

The research setting is made up of a cooperative alliance between a Swedish regional civic society organizations (CSOs) and authority organizations (RAOs). An RAO is politically administered in Sweden, where elections are held every four years. Its primary obligations are public transit, healthcare, and regional development. RAOs are mostly autonomous of the federal and state governments and have their own taxing rights. Additionally, they are not influenced by municipalities, which are regional authorities. An "Agreement" was first signed by the RAO and 41 distinct CSOs to facilitate cooperation between Region XX and its civil society sector. Patient organizations, recreational groups, sports clubs, churches, study associations, senior citizens' societies, and assistance organizations were among the CSOs. The CSO had to meet two

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requirements in order to be eligible to sign: it had to operate on a regional scale and have at least two local subsidiaries. The Agreement has four goals and seven principles<sup>1</sup> for cooperation.

One of the goals of the Agreement, which was "to find solutions to societal challenges," is the subject of this research. This goal implied working together to develop novel approaches to delivering welfare services. Increasing communication between CSOs and the RAO, promoting cooperation that upholds democracy and boosts CSO involvement and inclusion, and gaining more information about the parties engaged in order to foster mutual trust were among the other goals.

## Method

An interactive research technique is used in this study (Aagaard Nielsen and Svensson 2006), in that the coalition's important members helped define the research's emphasis. The researchers who worked on this report tracked the coalition over data was gathered over a 21-month period through observations of seven meetings between the cooperating stakeholders from the RAO and the CSOs, as well as two sets of interviews with a total of 22 people. As a result, documents detailing the coalition's formation were also examined. Furthermore, following both sets of interviews, the researchers organized workshops to collaboratively analyze and deliberate on early study findings. That being said, the researchers had no part in setting up the group or spearheading any associated reform initiatives.

## Selection of participants

The three important players who had helped shape the research emphasis were also familiar with the several RAO departments and CSOs. They were requested to locate and recommend knowledgeable RAO legislators and officials as well as CSO representatives. The researchers (authors) established the criteria, which stated that both core and periphery coalition members—those who showed excitement and those who were more reserved—were to be recruited. Additionally, officials from departments overseeing various RAO activities were to be chosen, in addition to representation from both big and small CSOs. Following their final selection, the researchers selected 22 interview subjects, three of whom were the important personalities already stated.

## Data collection

Depending on the participants' preferences, eleven of the interviews were done over the phone and eleven took place in person. Two semi-structured interview guidelines that were somewhat comparable were employed in two different groups of interviews. An overview of the interview-based data collecting method and the themes of the interview guide are provided in Table 1.



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One of the writers attended seven general meetings that were held throughout the course of the study in tandem to the interviews. Every meeting was attended by about twenty to thirty people, most of whom were CSO representatives. Some of the CSO representatives were hired, while others held other responsibilities inside their respective organizations. Managers, project managers, chairpersons, and regular members of the CSO were a few examples of these responsibilities. Politicians with an emphasis on public health and regional development, as well as representatives from a regional development division, made up the RAO. Meetings were occasionally attended by representatives of the healthcare section. Unstructured notes detailing the meeting's topics and the participants' evolving conversations were collected. Three or four typed A4 pages, containing a combination of verbatim and summary notes, were produced for every meeting. The observations provided insight into the topics and substance of the general meetings, which was crucial for understanding the collaborative coalition's continuing activities as well as its content. Three other kinds of papers were also examined. The first contained both published and unpublished information that described the steps taken leading up to the Agreement's signature, including several years' worth of procedures. The RAO was outlined in the second, big CSOs or continuing coalitions amongst CSOs were described in the third. To have a comprehensive understanding of the two sectors, this was required.

Furthermore, two workshops' worth of notes were recorded and used as further data. The initial session was held in person with two of the important participants. This session was significant since the relevant personnel confirmed the researchers' preliminary findings, paving the way for the project's ongoing direction. Finally, we invited each interviewee to a digital workshop that we had organized. Eleven of them, including the principal stakeholder representatives, participated.

First in small groups without the researchers present, and then with them, the participants analyzed and deliberated over the preliminary findings that were given. Four typewritten A4 pages of notes describe the latter debate in detail. The participants mostly validated the researchers' initial analysis with a few small adjustments that enhanced some parts, which strengthened the researchers' analysis throughout the workshop.

Table 1. data gathering through two rounds of interviews, interview guide topics, and sample questions.

Interview set 1 (left side) and 2 (right side)	
<u>From the CSO:</u> Employed process leader (n = 1) Participants (n = 4) <u>From the RAO:</u> Strategic development leaders (n = 2)	<u>From the CSO:</u> Participants (n = 8) <u>From the RAO:</u> Officials (n = 5) Politicians (n = 2)



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Topics covered in the interview guide and brief sample questions	
<b>Background questions</b> (organisation and role in it? Previous experience of collaboration?)	<b>Background questions</b> (organisation and role in it? Previous experience of collaboration?)
<b>The process leading up to the agreement</b> (Who came up with the concept and why is there an agreement? What part do you play in relation to the contract? Was your role assigned to you, or did you assume it on your own? Is it a simple or challenging one?)	<b>The coalitions' organisation and its objectives</b> (Will you kindly provide further details on the parties' collaboration? How does your own department or organization benefit from the collaboration? What are the immediate and long-term objectives? Is this kind of cooperation simple or complex, and if so, why?)
<b>The work ahead</b> (What objectives exist? What prerequisites must be met in order for you to succeed? Who is in charge of the job and who makes choices? What are the benefits and drawbacks of having the Department of Regional Development in charge of it? What requirements need to be fulfilled for the CSOs and the RAO?)	<b>The partners' need for collaboration</b> What needs to be satisfied in the CSOs and the RAOs? What do you hope the partnership will result in, both for your company and yourself?)
<b>The content of collaborative activities</b> (What tasks do you believe are most crucial to boosting the partners' competencies?)	<b>Results and effects</b> (Now that the guidelines and a plan of action are in place, how has the partnership changed your company? Exists any recent, formal cooperation between your organization and another one?)
<b>Organisation of the collaborative platform</b> (How do you envision the future organization of work inside your own organization and between the two sectors?)	<b>Challenges collaborating in line with the shared Agreement</b> What are the motivating and limiting reasons for the cooperation between the RAO and CSOs? How does your organization participate in this partnership, and what role do you play? What is required of your organization in order to maintain interest in the collaboration?)
<b>Challenges in collaborating in line with the shared agreement?</b> (What will be the primary obstacles in the future and in the present?)	<b>Brokers' roles and ownership of the collaboration</b> <b>Process</b> (Who are the important participants in the collaboration? What role do they play, or what personal skills do they possess? Has

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	the cooperation mostly been at the strategic or operational level thus far? What guidance would you provide decision-makers in the RAO and CSOs on collaboration, and why?)
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## Data analysis

The data was continually processed and examined. The interview recordings were verbatim transcribed. Following the meeting, workshops, and document readings, notes were used as additional sources for the qualitative content analysis. All transcripts and summaries were read several times in the inductively driven analysis of the first set of interviews. All comments made regarding the arrangement of the collaboration or its difficulties were recorded, along with thoughts about the coalition's future work and the steps that led to the Agreement. The preliminary analysis included a synopsis of the Agreement and the proceedings leading up to its signature, together with a general synopsis of the partnership and its ongoing undertakings, and an explanation of the primary obstacles in the collaborative process.

At first, the second batch of interviews' analysis proceeded in a similar manner. Everything that was said regarding cooperation between the RAO and CSOs as well as within each sector was recorded. This included information about the platform for collaboration, its goal, and any difficulties that arose during the process. It also included any circumstances that were mentioned as facilitators of the cooperation. Notable were the stakeholders' perceptions of the collaboration's potential benefits, any first outcomes or impacts, and the individuals interviewed who were deemed significant stakeholder representatives.

The two sets of interview data were pooled, and comments from the final analysis step. There were two workshops present. The following excerpts from the workshop notes and interviews were categorized: (a) planning the cooperation within and between the two sectors (public sector and civil society), as well as (b) difficulties encountered when creating the platform for collaboration. This empirically based analysis gave us a flow of tasks, resources, occasions, and difficulties that explained what transpired during the many stages of development as the collaboration platform was being established. The TADS approach (Sannino 2015; Sannino and Engeström 2018; Engeström and Sannino 2021) also served as a guide for this portion of the analysis. It focused on identifying the first stimulus, which was a complex welfare services problem, and the second, which was the Agreement, expansive learning, and transformative actions.

## Findings and discussion



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The results show how RAO and CSOs collaborate, as well as the difficulties that arise when it comes to stakeholders' learning and transformative action from the platform's initial setup and planning to the first welfare services that are provided jointly.

### **The first stimulus and the subsequent decision-making phase**

The initial catalyst was the involvement of public and civil society sector stakeholders. realized that they were dealing with a similar difficult issue for which they lacked a clear solution at this time. The cooperating parties have to get some knowledge in order to arrive at a "solution." that was "not yet there" (Engeström and Sannino 2010), i.e., innovative approaches to delivering welfare services that were required because of shifting circumstances. Demographic shifts like immigration and an aging population were the main causes of the shared issue. There was typically a conflict of interest in the search for new welfare services at the level of society, which permeated to the local contexts where CSOs could access and potentially influence different welfare processes within the RAO, as well as where they could receive funding from the RAO to provide welfare services. There have been discussions concerning the RAO's current services, but up until now, stakeholder engagement has not been coordinated cooperatively and has not produced a collaborative learning effort to generate information about novel approaches to providing welfare services.

A political proposal was submitted to the regional assembly with the goal of encouraging the RAOs and CSOs to work together toward a shared purpose to try to solve the shared problem of welfare services. This effort resulted in the earmarking of financial resources. Two external process leaders were employed, and the division responsible for regional growth within the RAO had leadership. Virkkunen (2006) stated that their task was to initiate a procedure aimed at generating collective transformational agency. During a one-year initiative, one process leader was entrusted with recruiting as many CSOs as possible, and the other was commissioned to educate and garner support for the political will across the RAO, including the healthcare division. This resulted in a number of transformational activities, the first of which was to redefine the cooperation between the RAO and the CSO as well as between departments and entities (cf. Engeström 2001; Sannino 2015; 2020a). The decision to create an agreement together gave rise to the idea of creating a more formalized platform for collaboration, and the stakeholders' ongoing discussions can be seen as the start of a broad learning cycle (Engeström 2001) as they considered what steps they would take to alter the way welfare services are provided (Sannino and Laitinen 2015).

### **Developing the second stimulus ‘the agreement’**

The choice to create an agreement marked a sea change as it turned into an instrument that might trigger transformational learning by acting as a second stimulus for extensive learning amongst the

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stakeholders from the two sectors. a move. Workshops were arranged by the aforementioned process leaders to bring the CSOs together to democratically process what would eventually become the Agreement. According to one of the process leaders, this was a developing process:

We put everything on the table to discuss with the [civil society] organisations. (External process leader)

Following an informational meeting with over fifty CSOs, three all-day sessions were held. were completed in a span of two months. Participatory meetings were conducted in between the workshops to obtain input from the stakeholders and build the contract of agreement. The process leaders, important stakeholder representatives from the RAO's regional development division, and a few CSOs organized a work group to draft an agreement and submit it for revision to the other stakeholders. Different approaches were employed at the workshops to collect demands and experiences from the CSOs in order to democratically anchor the proposed agreement. The first session covered past instances of cooperation between organizations in the public sector and civil society. At the second workshop, fundamental principles were developed and decided upon. A draft of the agreement was presented, examined, and revised at the third. Working methods and responsibilities between the two sectors were discussed during the workshops, with a focus on new objectives and outdated tools (Engeström and Sannino 2010). These discussions were sparked by the differing understandings of the agreement's objectives, including what would be included in it. However, before being settled upon and signed by the stakeholders, the final text of the agreement—henceforth referred to as "the Agreement"—was sent out with a request for comments to all CSOs and divisions within the RAO.

CSO interviewees noted that the process moved quickly, and there were concerns that it had been too brief and had overlooked crucial choices, such how to plan and direct future collaboration. Excerpts demonstrate this.

We have a paper, but gaining complete backing and understanding its potential will take a very long time. We are not close in this. (Representative 11 of CSO)

However, all of the parties agreed that the document's creation and the process of working on it had reinforced their desire to work together to launch revolutionary initiatives. One delegate stated:

I firmly think that cooperation is the key to success. (Representative of CSO 8)

As a result, in the event that there are conflicts of interest amongst the stakeholders, the Agreement will be a useful artifact to consult (Engeström and Sannino 2021). Despite the belief that collaboration between the CSOs and the RAO was essential, there were concerns that the



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Agreement would be too ambiguous to have any impact. The regional development division of the RAO and the CSOs both felt this way. An authority stated:

The principles are outlined in the Agreement. Now is the time to start working on what we want to accomplish. [...] The next step is to consider what we can do as a team. (RAO, Official 2)

The RAO official thought that until the cooperation and cooperative learning process that led to the Agreement's development continued, the agreement—which had been approved by a majority of regional politicians—would have no bearing. At this moment, a RAO representative explained the value of the Agreement:

Before the Agreement, [RAO officials] were not quite in agreement with the acknowledgment of the civil society, so to speak. (RAO, Official 4)

To put it another way, it was believed that the Agreement would motivate RAO personnel to work more closely with civil society.

## **Challenges in the implementation phase following the second stimulus ‘the agreement’**

We will now discuss a few of the difficulties that resulted in conflicts of interest throughout the Agreement's implementation phase. The real stakeholder education on modifying the delivery of social services started at this point. The stakeholders set up a platform for cooperation so that they could all learn together, and as a result, the collaboration grew more transparent and organized. They had some difficulties in doing so and realized they needed to improve their cooperation.

### **First challenge: creating a framework for cooperation between the two industries**

As soon as it was signed, the Agreement (second stimulus) proved to be insufficient to serve as an artifact or instrument that would assist the stakeholders in resolving emergent conflicts of interest and working together to find solutions to actually generate welfare services (Sannino 2020a). Organizing the cooperation platform, choosing meeting topics, and determining whether the collaboration should be exclusively strategic, operational, or both was the first hurdle for the constellation between RAO and CSOs. By engaging in strategic cooperation, the platform would generate fresh concepts and showcase them to other RAO staff members and CSO members, who would then test and roll out welfare services. Operational partnership would entail the platform spearheading the development, testing, and rollout of new social services in addition to producing fresh concepts.



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The RAO's regional development section had two strategists who had taken up the torch a few months after the Agreement was signed, inviting all parties involved to a general meeting where concepts could be exchanged and data could be shared. At first, these The two-hour public meetings, which took place around six times a year, included a variety of information updates from the RAO, guest speakers, and open-space activities to keep attendees engaged. The stakeholders found these events to be very beneficial. Participants from the CSOs, who had been eager to begin working together to provide social services, reported minimal improvement after a few months. Some expressed dissatisfaction about having to listen to RAO information that they were not interested in for the majority of the general meeting. One instance was when the majority of the meeting was devoted to getting feedback on a new plan from the RAO's public transportation section. A displeased representative of the CSO stated:

There is a risk, and I am a little pessimistic now, that the process has been so long, and that the risk is that you lose contact with those who feel that nothing concrete is decided. Instead, there are these beautiful words, which may be taxing sometimes. I think that some of these meetings have been incredibly disorganised. (CSO representative 10)

The passage above demonstrates the increasing divergence of interests between the parties who viewed the platform as strategically important and others who had hoped for a more practical solution. Some participants, on the other hand, thought the platform could accomplish what it set out to do, including strategically influencing RAO leaders and bureaucrats and moving forward with additional social programs. As a result, the participants' divided will served as a learning obstacle that kept them from progressing farther in the transformation process. In order to improve the stakeholders' transformational agency, the Agreement document offered some, but insufficient, direction as a shared learning tool (cf. Engeström and Sannino 2021). After a fresh assessment by the stakeholders, the Agreement will be adhered to. It served as a roadmap for them during the ongoing change (see Sannino 2015). According to the Agreement text, if work in accordance with the Agreement is carried out, demand that the stakeholders plan and direct the work. The first step in the organization and coordination process was to designate a work group responsible for planning the general meetings. Subsequently, the work group was divided into smaller groups, each of which was given a separate set of responsibilities, such as organizing a joint event that would involve several stakeholder organizations and devising a communication strategy in between general meetings. The platform's official collaboration announcement came around this time. As a result, the relationships between the CSOs and the RAO were reinforced, and the first combined operating welfare service—a large initiative to encourage and carry out outdoor activities during the pandemic—was put into place. when a result, when methods of working that deepened the relationship between the stakeholders were developed, the collaboration platform—



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now a partnership—became increasingly operational (see Figure 1). However, there were unmistakable indications that not the entire RAO was on board, as seen by the small number of attendees at meetings—and occasionally the absence of participants—from the RAO's bigger healthcare division and the lack of enthusiasm displayed for the operational job. Furthermore, the alliance had minimal strategic impact on the healthcare segment, as the paragraph that follows demonstrates.

If strategic implies that the work related to the Agreement is to be distributed throughout the regional authority organization, then there is still some work to be done, but we are not quite there yet. (Representative of CSO 3)

Diverse conflicts of interest within each sector and between various hierarchical levels in big CSOs and the RAO made such dissemination challenging.

## **Challenge 2 – conflicts of motives within each sector**

Although setting up the platform took some time, resolving conflicts of interest that fell within the purview of general meetings and work groups was less difficult than resolving conflicts of interest inside specific industries. The horizontal complexity in both industries was a significant obstacle. The RAO was made up of several divisions and operations, and its horizontal complexity was increased by the incomplete implementation of a recent merger between the much bigger regional development division and the healthcare division. This showed up in a few different ways. One included the decoupling of the ongoing Agreement process, which was overseen by regional development strategists in the RAO's regional development division, and other forms of interactive discussions, which were coordinated by other RAO healthcare division activities. Some of the CSO representatives found this puzzling, as the excerpt below demonstrates.

The fact that there are so many active processes [in the RAO] at once is bewildering. Though others could also be there, we frequently run across the same folks in various settings. Even though the processes are linked together, they are not communicating. (Representative of CSO 4)

The CSO mentioned several political processes, but there were also other patient groups—disabled people, people with a particular ailment, like diabetes—and operations that engaged in participatory conversations. This passage illustrates the rationale behind this split:

In the context of regional development, the notion for the Agreement was motivated by politics, not the least of which was the regional development council. We had so arrived there, within their commission. I believe that closer ties between the process and the

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commission of the healthcare division are necessary if we are to proceed. (RAO, Official 4)

Together, the aforementioned passages highlight the Agreement's flaws and suggest that a second internal stimulus may be necessary to heal the splits.

The civil society sector faced a similar difficulty. This has to do with the designation of the industry spokesperson. There was a long-standing collaboration among some CSOs with comparable goals and target audiences. Some RAO officials viewed the civil society partnership as the voice of civil society as a whole. They had collaborated extensively on several initiatives with the previous regional development organization, thus there was a historical basis for this. Despite being asked to join the civil society partnership prior to signing the agreement, some CSOs did not really enjoy the cooperation since they perceived it as prioritizing. Political and pragmatic factors combined with the fact that certain CSOs had their own networks of cooperation with other civil organizations that were comparable to their own and with which they had collaborated more closely than the RAO's healthcare section, explained their refusal to join. A representative clarified:

Organizations in the civil society sector do not communicate with one another. That is not how they are set up. Both they and we lack the organization necessary to communicate with each other. On that issue, I believe both sectors have some work to do. (Rao, Official 2)

It may be viewed as an unsuccessful attempt to impose a second stimulus in the shape of tighter coordination within the civil society sector to propose that all CSOs should join a single civil society partnership.

### **Challenge 3 – conflicts of motives between hierarchical levels**

Additionally, there were difficulties in coordinating activities across various levels of hierarchy in huge organizations in both industries. Communication was possible between large regional CSOs and smaller organizations, some of which also had national offices. The real operational work would be carried out by the local organizations in conjunction with RAO operations. The individual quoted below is employed by a major CSO at the regional level.

Then, in order to prevent them from saying, "I see, you attend these meetings, but they have nothing to do with our organization," I need to make sure my seniors understand.

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No, but it may benefit everyone in that other organizations might be able to assist [us] in various ways. (Representative of CSO 7)

This individual went on to discuss the challenges of enlisting the support of the organization's local divisions.

Somehow, it always comes down to our [regional] meetings, but who do I speak for and how can we engage more people? (Representative of CSO 7)

A high-ranking RAO official disclosed the reasons why officers were not required to coordinate their work with the Agreement partnership, citing hierarchical challenges inside the organization.

With all due respect to the policymakers, however, the problem still has to be included in our operational activity plans, governance structures, and other places where it is driven by politics. Hence, my main task is to strike a balance with this political ambition [better sectoral coordination], which is not included in our operating plan. (Project 8, RAO).

According to the passage, politically run organizations in democracies are inherently bureaucratic. Plan-abiding officials receive resources and are assigned as such. Receiving fresh resources was challenging for two primary reasons by the time the one-year allotment of additional allocated resources for the work leading up to the Agreement process had completed. New legislators had been elected, and there had been widespread budget cuts. Gaining their support required starting afresh because many of them had not been part in the Agreement's decision-making process.

While acknowledging the Agreement, a different RAO official in charge of the healthcare division's CSO financing acknowledged that the cooperation was not mentioned in the division's operating plans.

I believe that it is still a little hazy in that regard. Now that this Agreement has been reached, what should we do? With it, what are we going to do? (RAO, Official 4)

The aforementioned example demonstrates how ambiguous mandates or delegation were given to RAO officials when the collaboration platform was not prioritized in strategic or operational plans. As a result, the officials were unable to prioritize partnership meetings or carry out their duties in accordance with the discussions that had taken place at those meetings. A variety of lawmakers oversaw the various divisions through committees that had the authority to make decisions without consulting the general assembly. When discussing the vertical complexity, the interviewer addressed a straight question to a different interviewee.



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Interviewer: What will the future require?

Questioner: Above all, RAO senior management is the driving force behind this, making sure that things get done. Then, accountability must come from every section as well.

(Representative 11 of CSO).

The aforementioned intricacies resulted in intrinsic conflicts of interest throughout hierarchical levels within each sector, which the Agreement did not address. In spite of this, the RAO and CSOs battled to uphold the transformative actions decided upon in order to show their commitment to the Agreement at the local level.

## Conclusion

This article has offered insights into the expansive learning and transformative action of stakeholders when creating a platform for collaboration between civil society organizations (CSOs) and a Swedish regional authority organization (RAO) to find new ways to provide welfare services, using a TADS approach. We specifically questioned the following:

- (1) How is the cooperation between the RAO and the CSOs organized both inside and between them?
- (2) When creating the collaborative platform, what obstacles did the involved parties face in terms of learning and taking transformational action?

To answer your first question, the RAO and CSOs organized their relationship via a democratic transformational process that was continuously adjusted to the organizations' shifting needs. This demonstrates the dynamic character of a transformational process that addresses social concerns like welfare service problems and how it is related to the stakeholders' current situation.

Regardless of the distinctions between the RAO and CSOs or the variations in procedures within each organization, the RAO and CSOs were not homogeneous organizations in this sense. Rather, according to Engeström (2001), they were complex activity systems consisting of both horizontal and hierarchical levels inside diverse organizations. The stakeholders functioned in separate sectors, in different divisions (with distinct operations and departments) inside the RAO, and in different local and national CSOs, which led to tensions within the layers as the partnership was organized. These conflicts of interest started out as a "complex welfare problem" at the society level and eventually made their way down to the RAO and CSO local settings. These competing interests caused the cooperation's organizing process to stall, but it appears that this helped pave the way for the creation of the collaboration platform. The political effort had provided a means of motivating the RAO and the CSOs to organize and strive toward a shared goal pertaining to social services. As a consequence of the political will being supported, the stakeholders came to



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appreciate the need for comprehensive solutions, which led to the decision to draft the Agreement, which established guidelines for cross-sector cooperation.

To answer question 2, stakeholders had to overcome a number of learning obstacles while working to reimagine the welfare services in order to create common knowledge and resources for creating the cooperation platform. Navigating exploratorily between various motivational conflicts that emerged in their home organization, home sector, or in the cooperation space between the sectors was a significant learning challenge for the stakeholders. Some conflicts of motivations encouraged the stakeholders to examine their differences in order to find a common solution to deliver welfare services, while other conflicts of motives created hurdles in the form of arguments between the RAO and the CSOs. Due to the disparities in the sectors' logics about the provision of welfare services, there were several conflicts of motivation throughout the implementation phase following the signing of the Agreement, which hindered the stakeholders' ability to learn. Surprisingly, the most serious expanding learning problems that caused a delay in the development of the social services collaboration platform were not conflicts of interest between the two sectors, but rather those inside each sector. The Agreement may have caused the delay because it first proved to be a poor instrument (second stimulus), but the stakeholders' commitment to abide by it enhanced their route to volitional action and allowed them to carry out the goals they had set out to achieve. Conflicts of interest persisted as the parties deliberated and determined issues that need to be addressed as part of their extensive learning process to build the platform for cooperation. Several of the issues raised were used as instruments for mediation by Virkkunen (2006) talks about creating shared transformational agency. Following through on the Agreement led to the cooperation platform's public announcement as a partnership, which may be viewed as the adoption of a second stimulus that helped the stakeholders gradually overcome the obstacles. This suggests that the stakeholders learned a great deal and had more opportunities to take transformative actions by completing the tasks that the collaboration platform had agreed upon in the Agreement, which involved democratically resolving underlying conflicts of motive. These small, incremental steps were necessary but were not immediately recognized as steps towards new ways to provide welfare services.

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## **The Study to Investigate the Influence of Social Media on Shaping Public Option And How It Effect Economic Decision**

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## **A B S T R A C T**

Social media is become a necessary component of daily living in modern civilization. Given the quick Social media platforms and the advancement of information and communication technology have altered how individuals communicate, exchange information, and express their opinions. The aim of this research is to examine how social media shapes public opinion and how that effect affects economic choices. The approach used in this study is qualitative. A study of the literature and an analysis of social media material were used to gather data, with an emphasis on opinion trends and their impact. Through triangulation and the involvement of participants from secondary sources in the analytic process, reliability and validity were emphasized. The study's findings indicate that social media plays a major role in influencing public opinion and economic decision-making in the digital era, which is defined by social media's fundamental role. Social media allows people to communicate with one other, exchange information, and take part in conversations that help to create opinions on a range of topics.

## **1. INTRODUCTION**

There is no doubting that social media has become an indispensable part of modern society's everyday routine in an era marked by significant advancements in information and communication technology (Wahyoedi et al., 2023). People's engagement patterns, information sharing habits, and modes of expressing their opinions have fundamentally changed as a result of the numerous social media platforms that have emerged, including

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Facebook, Instagram, TikTok, Twitter, and Twitter (Tarigan et al., 2023). Together, these changes have produced a new arena for social dynamics, which has fundamentally changed how public opinion is formed and altered the ways in which these influences can impact a range of spheres of life, including the making of economic decisions.

Social media has been essential in the rapidly changing digital era because it has given everyone access to a broad worldwide platform where they may freely voice their thoughts and ideas (Maitri et al., 2023). Social media users' quick and simple communication has made it possible for ideas and information to go far and fast across national and cultural borders. Due to this phenomena, conversations on complicated topics with social, political, and economic ramifications become more accessible to all societal levels and less restricted by geographicaltemporal limitations. Social media's inventive capacity allows it to provide a virtual forum where people from all over the world may come together to discuss, debate, and respond to a range of contemporary topics (Ausat et al., 2023). This offers a venue for the exchange of ideas as well as a chance for various points of view to interact and shape one another. As a result, under this kind of constellation, social media transcends its role as a tool for communication and takes on a more active role in influencing public opinion, which in turn has the power to shape and even alter larger social, political, and economic events.

Social media's impact on how people and groups make economic decisions is a startling trend that is becoming bigger. This change is starting to show more and more signs of emerging. Due to its increasingly complex platforms, social media expedites the dissemination of information about goods, brands, services, and investment possibilities (Ferine et al., 2023). Social media users' comments, evaluations, and suggestions may have a big influence on how customers evaluate and react to a certain product or service, which can change associated attitudes and perceptions. But still, Social media's impact on the economy extends beyond its ability to affect individual consumers. Promoting Purchase decisions are significantly influenced by social media campaigns that are created and promoted (Jamil et al., 2022). Businesses may leverage social media's creative and interactive elements to their advantage. Create advertisements that draw in the target audience's attention, arouse their feelings, and give them pertinent information (Dwivedi et al., 2021). Consequently, the likelihood of influencing individual or collective purchase decisions increases and gains importance. As a result, social media's impact on the economy is not only temporary but rather more important in determining how consumption and overall economic activity are shaped. In this regard, social media serves as a medium for communication as well as a deliberate arena where companies, consumers, and marketers engage, impact one another, and ultimately determine the patterns and course of the changing economic landscape.



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Recognizing that social media does not always have a favorable influence on economic decision-making is crucial. In this context, it is critical to acknowledge that not all information that is extensively shared on social media is reliable or accurate. Information that is inaccurate or even deceptive has the ability to spread swiftly and negatively impact consumers' perceptions of a good or service (Fârte & Obadă, 2021). Regarding the influence of social media on financial decisions, it is also necessary to consider the existence of a phenomena called the "filter bubble". This phenomena is a state in which people who utilize social media are more likely to encounter opinions and attitudes that support their preconceived notions or worldviews. As a result, there are gaps in knowledge and analysis since the diversity of opinions and information that ought to serve as the foundation for comprehensive decision-making is diminished. The consequence is that a lack of access to a wide range of information and opposing viewpoints might impede an efficient and well-informed decision-making process (Rijal, 2023; A. R. Sari, 2023). Consequently, it is important to note that social media has a darker side that might be harmful and obstruct the best decision-making processes when assessing its impact on economic decisions. In order to make sure that economic judgments are founded on accurate, comprehensive, and varied understandings, it is crucial to make an effort to critically analyze information gleaned from social media and to recognize the possibility of skewed perspectives as a result of the "filter bubble" effect.

Recognizing the importance of uncertainty is crucial when evaluating how social media influences financial decisions. A worldwide health crisis such as COVID-19 serves as an apt example of how information and opinions expressed on social media can significantly impact the degree of uncertainty in an economic setting. It's crucial to remember in this context that this degree of uncertainty is more than simply a faux phenomena, but a component that has the power to affect how economic decisions are made on a number of different levels. The COVID-19 pandemic has demonstrated how the dissemination of unverified or inaccurate information via social media may lead to changes in opinions and beliefs on the trajectory of the economy (Septianti et al., 2023). Economic actors—individuals and organizations alike—may so feel pressured to adopt more cautious policies or even postpone making purchases and investments. This extreme unpredictability can have a cascading effect on the economy, discouraging investment, altering consumer purchasing habits, and changing the general course of economic activity. Therefore, it's critical to acknowledge that one of the most significant components of the debate over social media's impact on economic decisions is ambiguity. Social media has the ability to hasten the development of feelings of uncertainty that might unsettle and impact individual and group opinions on the future of the economy through the quick and extensive transmission of information (Hagen et al., 2018). In order to lessen the detrimental impacts of

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this high level of uncertainty, economic decision-makers must, in light of these dynamics, adopt a careful, educated, and critical attitude to information obtained through social media.

Within the current discourse, it is imperative to acknowledge the crucial importance and potential influence of research on the influence of social media on public opinion formation and economic decision-making. In a time when social media has taken center stage as the primary platform for exchanging ideas, knowledge, and perspectives, it is critical to track and examine the ways in which these platforms affect public opinion, consumer behavior, and, ultimately, the making of economic decisions. Further research should be done on the impact of social media on consumer behavior, mentalities, and financial decision-making processes. In this regard, further thorough investigation will reveal the intricate and frequently indirect processes by which ideas, attitudes, and trends shared on social media progressively permeate people's perceptions and viewpoints, impacting their choices and behaviors. We may gain a better grasp of these mechanisms and how social media may influence economic dynamics and societal trends more broadly by getting a deeper comprehension of them. By doing this, it will be easier to adjust laws, corporate plans, and social programs to the new circumstances brought about by social media's increasing power. Consequently, doing comprehensive research in this field not only yields novel insights but also enables decision-makers to handle the influence of social media on wider economic and social dynamics with more proactivity and appropriateness.

## 2. THEORETICAL FRAMEWORK AND HYPOTHESES

### Social Media

In the digital sphere, social media refers to online communities and platforms where people may communicate, exchange information, and engage in other activities over the internet (Obar & Wildman, 2015). It enables users to produce, submit, and distribute text, photo, video, and audio material to a larger audience. The primary goals of social media platforms are to connect, facilitate social interaction, and enable information sharing among users (Yohanna, 2020). Users can follow, interact with, and reply to content posted by other users on social media networks. Compared to traditional media, this fosters a sharing dynamic that is more transparent and participatory. Furthermore, social media gives users the opportunity to create an online network of relationships with friends, family, coworkers, and even strangers (Appel et al., 2020). Numerous social media platforms have surfaced, each with unique attributes and purposes. Several instances of social media platforms are as follows:

1. Facebook: One of the most popular social networking sites where users may make personal profiles, exchange images, videos, status updates, and engage in commenting and like with their pals.

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2. Twitter: With this social media site, users may exchange brief messages known as "tweets" that are limited in character maximum. Users have the option to retweet or comment on tweets, as well as follow other accounts.
3. Instagram: Sharing images and videos is Instagram's primary function. Users may search and share material based on certain subjects by uploading visual content, using hashtags, and applying filters.
4. LinkedIn: This professional networking site lets users create business networks, exchange work experiences, and look for job openings.
5. TikTok: A platform for short films that lets users make and share original videos, frequently with music or unique challenges.
6. YouTube: Although it's mostly known as a site for sharing videos, it also features social features that let users engage with one other by leaving comments, following channels, and exchanging films.

Social media has altered how individuals engage with content, communicate, and make connections on the internet. It's crucial to keep in mind, though, that using social media has drawbacks as well, such the security of personal information, the propagation of false information, and the negative psychological effects of excessive online contact.

## Public Opinion

According to Moussaïd et al. (2013), public opinion is the collective viewpoints, attitudes, convictions, and assessments of a group of individuals on a specific problem, event, or topic that is significant to society. People in society engage with one another and exchange information, experiences, and points of view to produce public opinion (Mallinson & Hatemi, 2018). Public opinion may encompass a wide range of topics, such as social, political, cultural, and economic elements of life. In society, public opinion is crucial to the democratic process and decision-making. Public opinion is frequently taken into consideration by governments, public institutions, non-governmental organizations, and even businesses when creating policies, creating goods or services, and gauging how the public would react to certain efforts (Gadzali et al., 2023; Harahap, Kraugusteeliana, et al., 2023). Public opinion affects social movements, policy support, political decisions, and other social and political processes. The following are the variables that affect public opinion:

1. Information: People's knowledge and information have a significant impact on the public opinion formation. Information that is accurate, trustworthy, and thorough usually shapes opinions in a more positive light.
2. Media: Public opinion is greatly influenced by mass media, particularly news outlets and social media sites. The storylines employed, the manner the news is

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delivered, and the prominent coverage may all affect how the public views a certain topic.

3. Social Interaction: Conversations and interactions with loved ones, coworkers, and friends can have an impact on public opinion. People often take in and are influenced by the opinions of others in their immediate vicinity.
4. Education and Background: An individual's life experiences, cultural background, and degree of education all affect their opinions on many topics.
5. Personal Experience: An individual's opinions on a subject may also be influenced by their own experiences in a certain situation.
6. Social and Political Context: People's perspectives and reactions to issues can be influenced by the social and political context of the time, including elections, noteworthy occurrences, and policy changes.
7. Emotions and Values: People's emotions and values may also have an impact on how they formulate their opinions on certain topics. A person's reaction to knowledge might be influenced by emotions like joy, fear, or rage.

The public's perception is dynamic and changes with time. People's perceptions of their surroundings might shift and be influenced by the aforementioned aspects. For this reason, social, political, and economic analysis all depend on a grasp of public opinion.

## Economic Decisions

According to Harap, Sutrisno, et al. (2023), economic decisions are a collection of choices made by people, families, businesses, or governments that affect many facets of the economy. Economic decisions entail allocating scarce resources, including cash, labor, time, and other production elements, to achieve certain objectives and demands (Hosany & Hamilton, 2022). A wide range of topics can be covered by economic decisions, including investment, production, expenditure, economic policy, and the acquisition of products and services. The categories of economic decisions are as follows:

1. Consumer Decisions: These refer to decisions made by a person or family over how much money to spend on what merchandise and services. These choices pertain to what to purchase, when, where, and how much money will be spent.
2. Production choices: For businesses, production choices include figuring out how many things to make, how to make them, and how to use labor, raw materials, and equipment—the variables of production—as effectively as possible.
3. Investment Decisions: These have to do with a company's or an individual's decision to put money into a certain asset or project with the expectation of making a profit later on. Investing decisions might include buying stocks, bonds, real estate, or starting a new company.



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4. Financial Decisions: These deal with how a person or business manages their finances, including long-term investments, retirement planning, debt management, and savings.
5. Economic Policy judgments: In addition to implementing specific policies that impact the economy as a whole, governments also make economic judgments. These include of monetary and fiscal policies, such as interest rates and the amount of money in circulation, as well as taxation and government expenditure.
6. International Exchange Decisions: To maximize economic gains and satisfy domestic demands, nations must determine whether to import or export commodities and services. This is another aspect of economic decision-making.

Reasoned analysis and judgment, which take costs and rewards into account, provide the basis of economic decisions. Economic decisions are heavily influenced by a variety of factors, including information that is readily available, market circumstances, risks, and individual or organizational goals. Financial decisions may affect a person's, a company's, or even the nation's financial situation in the short- and long-term.

### 3. RESEARCH METHOD

In light of the significance that social media plays in influencing public opinion and economic decisions, this study examines how these two phenomena are influenced by social media using qualitative approaches. This approach allows for a thorough comprehension of how people react to information from social media on an individual and collective level and how that response affects financial choices. Reviewing the literature and analyzing social media information with an emphasis on opinion trends and influencers were part of the data gathering process. Triangulation and the involvement of secondary source actors in the analytic process emphasized reliability and validity. The ultimate objective was to have a thorough grasp of the intricate connection between social media, public opinion, and financial decisions.

### 4. DATA ANALYSIS AND DISCUSSION

In the midst of the digital age's relentless advancement, social media has emerged as a crucial component of modern society's everyday existence. Influential platforms like Facebook, Twitter, Instagram, and TikTok have effectively established a worldwide platform in an ever-expanding environment, enabling people and groups to communicate across boundaries, exchange information, and express their opinions. This phenomena has undoubtedly altered more than just our communication habits; it now plays a bigger and more important role in influencing public opinion and may even have a bigger influence



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on how economic decisions are made. In the middle of these dynamics, social media serves as a platform for cross-cultural and cross-geographical idea exchange in addition to being a medium of communication. In addition to these more intricate exchanges, social media has made a name for itself by bringing people from all over the world together and enabling them to freely express their unique identities, viewpoints, and goals. Looking at things more broadly, social media has changed more than just how people communicate and engage. Additionally, they have succeeded in creating new channels through which to influence public opinion, establish the course of trends, and alter consumer behavior. Deeper effects are evident in the business sector, as social media may shape customer preferences, influence certain brands or goods, and eventually propel significant business decisions. As a result, social media has developed into a force that is firmly established in contemporary society, opening up new channels for public engagement, communication, and total economic influence (D. K. Sari, 2022).

As a collective representation of the many opinions, attitudes, and judgments held by the Due to social media's growing importance, public opinion on a variety of topics has experienced a significant transformation in both form and development (Dwivedi et al., 2023). Social media has produced a vibrant virtual public by enabling people to freely and widely express their ideas, opinions, and thoughts a forum where discussion, debate, and the rapid distribution of knowledge are possible (Arisanty et al., 2020). The existence of these platforms has made it possible for multifaceted interactions to take place, allowing for the fast response to current events and topics, the sharing of viewpoints, and the growth and development of public opinion. According to this theory, social media transforms from a platform for communication into a place where public opinion changes dynamically. Disseminating information via these platforms may potentially reach millions or even thousands of individuals in a matter of seconds, setting off a chain reaction that speeds up the process of changing people's opinions. In light of this, social media has, in a way that has never been conceivable before, played a critical role in influencing the diversity and complexity of public opinion.

As a result, social media's influence on public opinion goes beyond just upending the conventional paradigm of communication to include fostering the development of fresh perspectives, original ideas, and a range of voices in public conversation. With the goal of significantly advancing democracy and citizen participation in public life, social media is shaping public opinion dynamics that are becoming more inclusive and enabling active participation from a variety of backgrounds by continuing to realize this potential (Mulyono et al., 2022).



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mulyono et al., 2022), One cannot undervalue the importance of public opinion in a country that upholds democratic values (Masferrer, 2023). The influence of public opinion grows in an environment where significant policy choices, political pivots, and social developments that impact a large number of people are frequently determined by the preferences of the majority (Burstein, 2003). In this context, social media has developed into a medium that is crucial for influencing, representing, and even keeping an eye on the dynamics of public opinion. Social media, because of its special qualities, allows people to express their personal opinions and goals while simultaneously providing a real-time platform for tracking the evolution of public opinion. Discussions in cyberspace allow us to observe a range of thoughts, attitudes, and perspectives that represent many facets of society. This phenomena is crucial for illuminating the complexity of social dynamics because it highlights other perspectives that may not have received as much attention in the past and, in the end, creates a more complicated and nuanced picture of public opinion. As a result, social media's influence over public opinion formation and reflection extends beyond the realm of contemporary communication. It is a contribution that creates a welcoming environment for debate among all points of view, which might improve public discourse and significantly advance the process of democratization. These days, social media has taken on the role of a medium that shapes and preserves the participatory underpinnings of decision-making and the trajectory of society as a whole, in addition to serving as a window into the complexity of public opinion (Steinmann et al., 2018).

But social media's influence extends beyond the process of influencing public opinion. These platforms are quite popular and have a big impact on how economic decisions are made. This effect includes the rapid, multichannel social media propagation of information about companies, products, services, and investment possibilities. According to Utz et al. (2012), social media platforms offer user evaluations, suggestions, and testimonials that possess the capacity to significantly influence customer perceptions and foster confidence in a product or service. The opinions and real-life experiences that other users provide may greatly affect how customers evaluate and decide how to respond to a market offering since they appear as a more personalized and authentic type of connection (Peña-García et al., 2020). .. However, it is important to consider the possibility of using social media for promotions and advertising campaigns when talking about how social media affects business decisions. Businesses may create campaigns that more successfully capture and engage consumers by utilizing the creativity and interactive power provided by these platforms. This in turn has a significant deal of power to mold customer preferences, impact purchasing decisions, and ultimately motivate consumers to try or buy a marketed good or service.

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It must be acknowledged, therefore, that social media does not always have a good influence on financial decisions. Upon closer inspection, we see that the widely disseminated material on social media is not always accurate or of high enough objective quality. Content that is problematic, inaccurate, or even purposefully misleading can readily produce deceptive impressions that mislead users and produce incomplete perspectives. Furthermore, the "filter bubble" phenomenon adds an intriguing perspective to the debate on how social media affects financial decisions. Users of social media occasionally have a propensity to only be exposed to opinions that support their own ideas. Because of this, it may be difficult to interpret information completely and objectively, and one may become stuck with opinions that don't accurately represent a more varied and expansive reality (Prastyaningtyas et al., 2023; Sutrisno et al., 2023). We already know that, despite social media's enormous contribution to the dissemination of information to audiences, accuracy and objectivity are not always guaranteed. Adverse effects like false information and the "filter bubble" effect can lead to skewed opinions and affect the purchasing decisions that customers make. Thus, we may guarantee that economic decisions are founded on precise, important, and basic knowledge by maintaining the criticality of information obtained via social media (Kapoor et al., 2018).

Opinions on economics can also be significantly impacted by topics and events that are popular on social media. For instance, public opinion generated by social media in the context of the COVID-19 pandemic has the potential to significantly influence and direct a wide range of economic decisions, including those pertaining to investments, the purchase of consumer goods, and even general spending patterns (Fitriah et al., 2023). This dynamic illustrates how the combination of individual and group activity with public opinion via social media may have a more profound and wide-ranging effect on several facets of the economy. .. Furthermore, the degree of ambiguity is a highly significant issue in a social media environment where there is an abundance of information. This cannot be disregarded. A climate of uncertainty is created by the quick and extensive dissemination of information on social media, and this uncertainty can influence opinions and behavior in the economic domain (Abbas et al., 2019). The general state of the economy and the financial markets are also affected by this. This phenomena shows how information on social media that isn't always reliable or impartial has the power to sway financial judgments and affect market swings. Therefore, one of the most important factors in determining how social media influences economic decisions is the intricacy of the relationship between the opinions expressed on social media and the potential economic consequence. This highlights how crucial it is to evaluate information from social media

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using evidence-based and critical thinking, particularly when determining how it could affect economic opinions and reacting to delicate market situations.

Higher levels of digital literacy are urgently needed by people, businesses, and governments in light of social media's growing and deeper influence over public opinion and economic decisions (Harini et al., 2023; Sudirjo et al., 2023). In this regard, expanding one's knowledge of the information sources that are accessible, carefully assessing the reliability of the information one finds, and being aware of the potential effects of social media interactions are all crucial activities to take. e. It should be emphasized that governments and businesses must play a crucial role in the fight to increase digital literacy in addition to individuals. Businesses have a big responsibility to teach staff members and customers how to use social media wisely, identify reliable sources of information, and comprehend how social media affects the economy (Rustiawan et al., 2023). Furthermore, it is the duty of governments to provide a legislative framework that promotes consumer protection and education about content that is shared on social media. Moreover, those in positions of decision-making at all levels have to be acutely aware of the possible impact social media may have on society and economic dynamics. This keeps individuals free from the influence of false information and enables them to keep making judgments based on reason and knowledge. Society as a whole may meet the problems of an increasingly complex information environment by supporting increased digital literacy and understanding of the possible effects of social media (Priwati & Helmi, 2021). We can make sure that social media's influence on public opinion and the way the economy responds to choices is controlled more skillfully and sensibly by working together.

Therefore, there has never been a more pressing need to carry out more thorough study into the ways in which social media shapes, modifies, and ultimately influences public opinion and economic decision-making. In this paradigm, a thorough and integrated research strategy that incorporates components from qualitative and quantitative approaches can offer a more thorough and in-depth understanding of the dynamics at play. Through the integration of comprehensive qualitative data analysis with a strong statistical framework, this research will be able to uncover and elucidate the most intricate details of the interplay of social media, public opinion, and economic decisions. It is also vital to comprehend the social and economic ramifications of this phenomena. We must take into account the wider and longer-lasting effects of these interactions on a social and economic level as we get a deeper understanding of how social media may shape and affect public opinion and economic decisions. Gaining a deeper comprehension of these effects will enable us to create more suitable and efficient strategies to tackle the obstacles of a changing digital



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era. These regulations can intelligently nudge the dynamics of public opinion and economic choices in the direction of greater productivity and sustainability by accounting for both the beneficial and negative elements of social media impact.

## 5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

It may be inferred that social media plays a major role in influencing public opinion and economic decision-making in the digital era, which is marked by the prominence of social media. Social media allows people to communicate with one other, share information, and take part in conversations that help to create society's opinions on many topics. The discussion and debate that occurs on these platforms shapes public opinion, and the data and material disseminated by social media may affect the opinions and financial choices of people, businesses, and even governments.

There are several significant ramifications from social media's significant effect on public opinion formation and economic decision-making. First and foremost, businesses and brands need to comprehend how social media shapes brand perception and influences customer buying behavior. Secondly, governments must take into account social media's impact when developing economic and social policies, in addition to enhancing individuals' digital literacy. Thirdly, in order to prevent the propagation of inaccurate and biased information, people must acquire key skills in information sorting on social media.

Some recommendations that may be made for this study are as follows: First, raising digital literacy: To identify and evaluate the content they come across on social media more critically, people need to be equipped with good digital literacy. Second, information openness and diversity: To avoid falling into the "filter bubble" trap, social media users should be receptive to other viewpoints and a wide range of information. Third, information verification: Make careful to confirm the information from trustworthy sources before relying on it to make financial decisions based on information from social media. Fourth, data protection policies: To ensure that personal information is not misused, governments and businesses should place a high priority on user data protection. Lastly, media literacy education: To provide the next generation the tools they need to handle information in the digital age, media literacy and digital literacy instruction should be included into the curriculum.

Furthermore, there are certain flaws in this research. Therefore, the research's shortcomings are as follows: First off, there is a lack of information accuracy: Social media posts frequently contain information that has not been fully checked, which might create



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erroneous or misleading impressions. Second, impact that is not representative: Social media decision-making and opinions aren't always indicative of society at large. Third, the impact of age and demographics: Social media's impact on public opinion and economic decisions might differ depending on factors such as age, background, and other demographic settings. Fourth, the study neglected to thoroughly examine other elements, such as individual experiences and outside influences, that might potentially have an impact on public opinion and economic decisions. Lastly, the quick evolution of social media: The social media ecosystem is still changing quickly, so if new platforms and user behavior trends emerge, the research findings might not be as applicable. People may use and evaluate information more wisely in an increasingly complicated digital environment by being aware of the implications and recommendations arising from studies on the role of social media in influencing public opinion and economic decisions.

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## THE IMPACT OF INSTITUTIONAL HERDING ON IDIOSYNCRATIC VOLATILITY: THE ROLE OF INVESTMENT HORIZON

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### Abstract

Financial institutions are found to have a tendency to herd in their investment behavior. We hypothesize that this behavior could be stabilizing or destabilizing depending upon institutions' investment horizon. Thus, we analyze the impact of short-horizon institutions' herding and long-horizon institutions' herding on stock returns and idiosyncratic volatility. We document that long-horizon institutions' herding is positively related to idiosyncratic volatility and negatively related to returns, whereas short-horizon institutions herding does not impact idiosyncratic volatility and returns. We find that when both types of institutions herd in the same direction, the impact of herding is stabilizing for stock prices. Only long-horizon institutions' herding destabilizes stock prices when they exhibit herding in opposite directions to each other.

**Keywords:** Idiosyncratic Volatility, Institutional Herding, Investment Horizon

**JEL Classification:** G12, G14, G20, G40

### Introduction

Researchers' efforts to explain stock returns using mere stock's fundamentals have been undermined by seminal work of Shiller (1981) which argues that stock returns are too volatile; therefore, they can not be explained by just information about fundamentals. Stock returns vary because of continuous information adjustment in prices. Investors' behaviour can move prices away from fundamental value and increase the volatility in returns. Volatility in stock prices caused by investors' over-reaction, herding and so on have been extensively studied in the literature. In this paper, we document that idiosyncratic volatility is also affected as a result of investor behaviour.

Friedman (1953) argues that irrational investors move prices away from fundamental value (price destabilization) by buying when prices rise in stock market and selling when prices hit the low ebb. The prices move towards fundamental value (price stabilization) when rational investors trade contrary to the trend in the market. The price stabilization effect of informed trades decreases



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the variation of prices around the one suggested by stock's fundamentals. Therefore, informed trading decreases price volatility. On the other hand, the price destabilization effect of uninformed trading increases the volatility of prices around fundamental value.

Lakonishok, Shleifer, and Vishny (1992) posit that institutional herding may or may not stabilize stock prices. They associate the price stabilization and destabilization effect of institutional herding to the reasons that cause institutions to follow each other. They argue that if the institutions are following each other due to their reaction to same fundamental information, then their herding impounds the information into prices swiftly. On the destabilizing role of herding, Lakonishok, Shleifer, and Vishny (1992) argue that agency problems encourage many money managers to pursue strategies which highlight their performance in the short run. As fundamental strategies take longer to benefit, they might resort to technical analysis or positive feedback strategies. Positive feedback trading strategies can be destabilizing when it leads institutions to buying overpriced stocks and selling underpriced stocks as in Friedman (1953). Literature provides both informational and behavioural reasons for herding. Institutions herd as they follow those ahead of them (Bikhchandani, Hirshleifer, and Welch 1992) or they herd because they have correlated private information. In both of these models, institutions herd due to informational reasons. On the other hand, there are behavioral reasons for herding such as reputational concerns of money managers (Scharfstein and Stein 1990) and preference of institutions for certain stock characteristics (Falkenstein 1996). Avramov, Chordia, and Goyal (2006) posit that informed trades decrease volatility and uninformed trades increases it. They find a positive relationship between herding (positive feedback trades) and daily volatility and a negative relationship between contrarian trades and daily volatility. They associate positive volatility effect to uninformed herding trades and negative volatility effect to informed contrarian trades.

Yan and Zhang (2009) argues that the short horizon institutions (SHI) are better informed than long horizon institutions (LHI). Yuksel (2015) exploits this idea and disentangles the effect of herding by all institutions into herding by SHI and herding by LHI. He documents a return reversals following herding by LHI and no significant returns reversals following herding by SHI. We confirm his findings.

In this study, given the findings of better informativeness (as in Yan and Zhang (2009)) and price stabilization effect of herding by SHI (as in Yuksel (2015)), we hypothesize that herding by SHI decreases the price volatility or does not significantly effect it. LHI, on the other hand, are less informed and their herding destabilizes prices, as found in studies mentioned before. Therefore, we hypothesize that herding by LHI increases idiosyncratic volatility.

We investigate the impact of herding on idiosyncratic volatility taking into account the classification of institutions into SHI and LHI. We use quarterly institutional data from the CDA/Spectrum database, accounting data from compustat and stock market data from CRSP for

the period from 1980 to 2014. We find that LHI herding is the main source of positive impact of herding on idiosyncratic volatility that is previously empirically attributed to all institutions.

We start with replicating the findings in Yuksel (2015) using the methodology of Dasgupta, Prat, and Verardo (2011). Our findings are similar to his. We extend his analysis further and investigate the case when both SHI and LHI herd in the same direction. We find that in sub-sample of stocks which exhibit herding in same direction (both are either sell herding or buy herding), LHI herding negatively impacts stock returns and SHI herding do not impact stock returns significantly. This finding strengthens the role of SHI as informed investors. Then, we move on to our main question whether herding by institutions classified by horizon impacts idiosyncratic volatility. We show that LHI herding has significant positive relationship with one quarter ahead idiosyncratic volatility and SHI herding fails to predict next quarter's idiosyncratic volatility. In methodological setting, we first segregate institutions into SHI and LHI using their portfolio turnover as in Yan and Zhang (2009) and then measure SHI herding and LHI herding following a methodology similar to Dasgupta, Prat, and Verardo (2011). Idiosyncratic volatility is estimated as sum of the squared residuals from regression of returns on different set of factors. Our results are robust to the use of various specifications to estimate idiosyncratic volatility such as market model, fama and french 3 factors (ff3), fama and french 5 factors (ff5) and also robust to various control variables known to affect stock returns volatility. We also check for those stocks which exhibit herding by SHI and by LHI in the same direction. We find that only LHI herding impacts idiosyncratic volatility. When we analyse stocks exhibiting buy herding by LHI and sell herding by SHI (or sell herding by LHI and buy herding by SHI), again only herding by LHI impacts the idiosyncratic volatility positively. This evidence supports the role of SHI as informed investors.

We next extend our analysis to institutional categories to see whether excessive volatility in response to herding survives if we shift our analysis from aggregate level to institutional categories i.e banks, investment companies (Inv. Co.), insurance companies (Ins. Co.), investment advisors (Inv. adv.) and others (pension and university endowment funds). We find that only herding by long horizon investment advisors is responsible for high next quarter idiosyncratic volatility. However, the insignificant impact on idiosyncratic volatility is observed for all other categories. Our results are robust to use of various ways to measure idiosyncratic volatility.

Our study has many important implications for traders, policy makers and researchers. Firstly, it highlights the role of LHI as behavioural trader in the stock market whereas SHI trading practices stabilize prices. Secondly, it provides a predictor for idiosyncratic volatility for the purpose of volatility forecasting. Lastly, our findings point towards a reconsideration of earlier findings in the literature which attribute price destabilization to all institutions irrespective of their horizon.

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## REVIEW OF LITERATURE ON HERDING

Herding literature supports multiple reasons for institutions to herd. These can broadly be categorized into behavioral and informational reasons. Bikhchandani, Hirshleifer, and Welch (1992) derive a model of informational cascades which explains not only the convergence towards uniform social behavior but also its fragility. Individuals herd as they follow those ahead of them. In their model, informational cascade starts when actions of individuals stop depending on their private information. Once a cascade starts, individuals actions do not contribute to public information pool resulting in an information blockage. Although, a little information at a later stage in a cascade can shatter it. In Froot, Scharfstein, and Stein (1992), institutions herd as they possess correlated private information. They show that when speculators have shorter horizons, it is their rational choice to herd on same information. This is profitable as trading by others on similar information impounds the information into prices. However, there are informational inefficiencies in the sense that speculators may avoid diverse sources of information and that they may study information which is independent of fundamentals. Bikhchandani, Hirshleifer, and Welch (1992) and Froot, Scharfstein, and Stein (1992) both provide models which explain the circumstances in which it is rational for investors to engage in herding. In both cases, the herding moves the price of security towards fundamental value and thereby stabilize price. Scharfstein and Stein (1990) explain that managers consider moving away from the herd detrimental to their reputation. They argue that managers follow the herd because of “sharing the blame” effect which implies that if the managers experience misfortune following others due to systematic unpredictable shock, it is not bad for their reputation. In other words, managers give up investments with positive expected values if the herd has done the same before them.

Falkenstein (1996) argues that institutions herd because they prefer specific characteristics in a stock such as liquidity and performance. Behavioral herding moves the price away from fundamental value and increases stock price volatility. Informational herding models, on the other hand, suggest the movement of price towards fundamental value. Therefore, a negative or insignificant relationship between informational herding and stock price volatility is suggested.

Friedman (1953) argues that the trading of irrational investors is in the direction of market trend i.e they buy when security's price is already high in the market or sell when price is low. This behaviour causes mispricing. He further argues that rational investors counter the mispricing by trading against the direction of market.

There are mixed empirical evidences in literature investigating impact of herding on returns. Lakonishok, Shleifer, and Vishny (1992) investigate herding behaviour in pension funds. They find herding behaviour in taxexempt funds. Their contribution also includes a herding measure which becomes famous in literature. Using the same measure, Wermers (1999) finds that stocks which exhibit a buy herd by mutual funds outperform stocks which exhibit a sell herd. In other words, his findings are suggesting a positive relationship between herding done by mutual



funds and next quarter stock returns. These results are consistent with his claim that herding by mutual funds is based on private information regarding fundamental value rather than behavioral concerns.

Sias (2004) comprehensively investigates herding phenomenon in institutions. Studies prior to his (i.e Wermers (1999)) only find weak evidences of herding. Herding measure proposed by Sias (2004) is based on cross-sectional correlation between demands of institutions for a security in adjacent quarters. Correlation between demands can point towards institutions following their lag trades and herding. Using his own herding measure, he finds that institutional herding does not drive the prices away from fundamental value. Furthermore, he finds that positive relationship exists between institutional demand and next year's returns and that herding differs across investors types.

Investigation of long term returns ascertains the stabilizing or destabilizing affect of herding. In an attempt to discover the impact of herding on long term returns Dasgupta, Prat, and Verardo (2011) devise a new measure which uses multiple quarters. The measure is used in this study and defined in details in later section. They find long term returns (2 years cumulative return) reversal in response to herding. Their findings suggest that herding pushes price of security away from the value suggested by its fundamentals. The stabilizing and destabilizing impact is also investigated in the literature dealing with volatility of stock returns. Avramov, Chordia, and Goyal (2006) provide a trading based explanation of asymmetric volatility effect (negative relationship between returns and volatility). They define herding trades as those selling activities which are followed by positive returns and contrarian trades as those selling activities which are followed by negative returns. They find that herding causes high volatility and anti-herding trades decreases volatility. They attributes contrary behaviour to superior information. In Dennis and Strickland (2002), evidence supports herding on days when stock market exhibits big moves in prices. They find that institutions herd on these days and their herding

activity moves the stocks prices away from those suggested by their fundamentals, and therefore contribute to the market volatility. Blasco, Corredor, and Ferreruela (2012) finds positive relationship between herding and volatility and Chang and Dong (2006) finds positive relationship between herding and idiosyncratic risk.

These studies do not take into account the classification of institutions based on their investment horizons. Short horizon institutions and Long horizon institutions are found to be heterogeneous in many aspects. Chichernea, Petkevich, and Zykaj (2015) investigate the effect of institutional ownership on idiosyncratic risk conditional on investment horizon of investors. They empirically find that there is enough heterogeneity across institutions (SHI and LHI) in terms of their preferences and effects of their trading. High SHI's ownership increases idiosyncratic risk and they prefer stocks with high idiosyncratic risk, whereas, high LHI's ownership decreases idiosyncratic risk and they prefer low idiosyncratic risk stocks. Yan and Zhang (2009) empirically



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investigate the informativeness of institutions classified by horizon. They find that SHI's have superior information and their trading significantly predicts future stock returns. The evidences in the study are inconsistent with better informativeness of LHI's.

Our claim, herding by institutions with different horizons have different pricing implications, stems from their informativeness. As SHI's are found to be better informed which implies that they are better at identifying mispriced stocks and thus herd towards stocks in right direction. This suggests price movement towards fundamental value, and thus a stabilizing effect of herding by short horizon institutions is the expected outcome. The opposite is expected to be true for institutions with longer horizons. Yuksel (2015) exploits the same idea and finds the relationship between herding classified by horizon and returns. Our study is the first to analyze the impact of herding classified into SHI herding and LHI herding on idiosyncratic risk. We expect that due to behavioural herding by LHI the idiosyncratic component of volatility should be affected. On the other hand, SHI herding is expected to affect idiosyncratic volatility negatively or insignificantly. The studies presented in this section do not cover the herding literature comprehensively. We provide only those studies which we consider relevant in discussing our idea. For detailed studies on herding literature, one can refer to Hirshleifer and Hong Teoh (2003).

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## DATA, VARIABLES AND DESCRIPTIVE STATISTICS

### DATA AND SAMPLE

Our sample includes all common stocks in US. Stock market, accounting and institutional holdings data are obtained from CRSP, compustat, Thompson 13f institutional holdings files, respectively. The institutional holdings data is available in quarterly frequency. All institutions managing more than \$100 million are required to fill 13f form in order to disclose their positions. Data from all these sources are combined for analysis.

#### Classification of Institutions

Institutional managers are first classified into short horizon institutions and long horizon institutions in each of the quarters from 1980 to 2014 using churn rate as defined in Yan and Zhang (2009). Specifically, we estimate churn rate as,

$$CR_{k,t} = \frac{\min(Buy_{k,t}, Sell_{k,t})}{\sum_{i=1}^{N_k} \frac{S_{k,i,t}P_{i,t} + S_{k,i,t-1}P_{i,t-1}}{2}} \quad (1)$$

where  $CR_{k,t}$  is the churn rate for institution  $k$  in quarter  $t$ . And, Buy and Sell are the aggregate buy and aggregate sell quantities in institution's portfolio. They are estimated as

$$Buy_{k,t} = \sum_{i=1, S_{k,i,t} > S_{k,i,t-1}}^{N_k} |S_{k,i,t}P_{i,t} - S_{k,i,t-1}P_{i,t-1} - S_{k,i,t-1}\delta P_{i,t}| \quad (2)$$

$$Sell_{k,t} = \sum_{i=1, S_{k,i,t} \leq S_{k,i,t-1}}^{N_k} |S_{k,i,t}P_{i,t} - S_{k,i,t-1}P_{i,t-1} - S_{k,i,t-1}\delta P_{i,t}| \quad (3)$$

where  $P_{i,t}$  is the closing share price for a given security  $i$  in quarter  $t$  and  $S_{k,i,t}$  is the number of shares, adjusted for stock splits by CRSP cumulative factor for shares CFACSHR, held by institutional investor  $k$  at the end of quarter  $t$ . Next, average churn rate is calculated as follows.

$$AVGCR_{k,t} = \frac{1}{4} \sum_{j=0}^3 CR_{k,t-j} \quad (4)$$

Each quarter, cross-sectional mean of average churn rate in the past four quarters is estimated. This is done to deal with idiosyncratic shock that could temporarily effect the institutions' chosen horizon. Stocks are then ranked into terciles. Institutions with  $AVGCR_{k,t}$  in top tercile are classified as short horizon institutions and those in the bottom tercile are classified as long horizon institutions.

Table 1 reports number (N), managers' mean equity holdings (Mean), value of holdings in aggregate institutional portfolio (Aggregate), and institutions' share of the market (Share) for all institutions, SHI and LHI in the last quarter of even years from 1980 to 2014. This table includes all institutions from 13f file for which the previous 5 quarters data to estimate average turnover is available. Furthermore, only shares with SHRCD 10 and 11 are considered to estimate churn rate. In Table 1, number of managers increase over the years for all institutions, SHI and LHI. Median

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value managed by institutions shows no specific patterns. However, one thing to observe here is the lowest median value of holdings in 2008 for all institutions, SHI, and LHI. Value of aggregate institutional portfolio increases over the years, although non-monotonic trend is observed in the later periods after 2002. Share of all institutions in the market (Share) shows an upward trend. Share of all institutions and LHI increases over years. LHI hold 24.3 percent of the value of all the stocks in CRSP against 57.1% of the share of all institutions in 2014. SHI share in the market has dropped to 7% in 2014. Due to the evidence of different level of informativeness in Yan and Zhang (2009) and increased presence of LHI relative to SHI in the market, it becomes important to study the role of their flocking together in price volatility.

Table 2 shows that number of investment advisors and other managers increased dramatically over the years. Share of institutions of various types over the years is presented in figure I. There is a mapping error in institutional holding data which caused many banks and investment advisors misclassified as "others". This affects the data from 1998 until now as explained by Thompson Financial Network (TFN). This error is visible in the descriptive statistics. Since 1998, Share of managers in others category exhibits a dramatic rise and investment advisors exhibit a decline. While conducting our analysis we will take into account this error in order to make valid inferences.

From 1982 to 1996, investment advisors show the biggest rise in number and share among all categories of institutions. Insurance and investment companies also grow in number and share till 1996. However, the number and share of banks and other institutions declined during this period. Our numbers are comparable to the numbers presented in Table 1 of Gompers and Metrick (2001). The discrepancy could be due to the removal of institutions for which the data is not available for the last 5 quarters. After 1996, where misclassification started, investment advisors and others categories show a rise in number and share. Whereas the number and share of banks, insurance companies and investment companies show a decline.

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Table 1. Descriptive Statistics: Institutions' Horizon

Year	All				SHI				LHI			
	N	Median (\$mill.)	Aggregate (\$bill.)	Share (%)	N	Median (\$mill.)	Aggregate (\$bill.)	Share (%)	N	Median (\$mill.)	Aggregate (\$bill.)	Share (%)
1982	508	341.65	502.65	36.57	173	306.67	123.22	8.96	163	381.54	157.50	11.46
1984	605	340.14	617.90	37.79	208	298.88	167.62	10.25	199	349.75	221.91	13.57
1986	694	433.20	945.78	41.54	237	354.27	205.39	9.02	224	526.58	405.57	17.81
1988	792	369.29	1066.57	43.36	263	317.94	239.49	9.74	264	436.87	483.80	19.67
1990	887	341.58	1213.31	44.94	299	280.33	267.25	9.90	288	416.43	523.64	19.40
1992	988	424.75	1987.76	49.08	335	411.66	473.84	11.70	317	488.39	880.63	21.74
1994	1050	384.85	2253.93	49.41	349	318.14	523.93	11.48	342	430.51	998.03	21.88
1996	1173	466.49	3943.28	51.92	388	502.19	865.50	11.39	386	420.30	1434.39	18.88
1998	1459	446.03	6709.40	55.20	493	420.86	1411.39	11.61	470	407.34	2495.39	20.53
2000	1634	414.28	7840.67	55.56	555	417.61	1304.98	9.25	528	381.41	2740.61	19.42
2002	1777	252.17	5780.30	59.22	602	230.20	736.78	7.55	573	243.29	2349.84	24.08
2004	1980	385.31	9025.52	64.07	673	392.22	968.11	6.87	642	347.28	3787.46	26.89
2006	2310	369.04	10985.55	67.90	770	377.70	1164.75	7.20	760	320.63	5439.68	33.62
2008	2630	162.82	6612.25	67.11	889	130.62	642.00	6.52	859	155.28	3117.88	31.65
2010	2601	273.29	9217.88	64.65	873	247.30	975.79	6.84	848	257.73	4338.80	30.43
2012	2698	270.11	10463.82	67.56	928	247.76	1131.45	7.31	854	258.78	4988.36	32.21
2014	3297	311.81	12565.42	57.12	1106	279.83	1547.69	7.04	1064	301.41	5345.50	24.30

This table reports number (N) of managers, median equity holdings (Median), value of holdings in aggregate institutional portfolio (Aggregate), and market share (Share), for all institutions and for each type, in the last quarter of every 2 years. Each quarter, institutions are ranked into terciles based on their average churn rate in the past four quarters. Short horizon institutions (Long horizon institutions) are those which fall in top (bottom) tercile, as in . Only managers with data available in last five quarters (including current quarter) are included. Median

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Table 1. Descriptive Statistics: Institutions' Horizon

Year	All	SHI	LHI
represents the median value of equity managed by institutions. Aggregate represents aggregate value of equity managed by institutions.			
Market share is calculated as $\frac{\text{Market value of institutional portfolio}}{\text{Market value of all stocks in CRSP}}$ .			



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Table 2. Descriptive Statistics: Institutions' Categories

Year	Banks				Insurance Co.				Investment Co.				Investment adv.				Others			
	N	Median	Aggregate	Share	N	Median	Aggregate	Share	N	Median	Aggregate	Share	N	Median	Aggregate	Share	N	Median	Aggregate	Share
1982	200	341.17	205.03	14.92	52	450.92	56.66	4.12	43	424.53	42.35	3.08	140	353.58	145.26	10.57	73	247.54	55.62	4.05
1984	205	355.41	231.77	14.18	60	363.47	60.42	3.70	47	269.34	48.39	2.96	217	339.27	209.35	12.80	76	321.55	69.01	4.22
1986	187	565.42	349.31	15.34	64	459.20	81.55	3.58	48	388.82	51.76	2.27	320	377.89	359.19	15.78	75	454.46	108.97	4.79
1988	192	440.84	350.76	14.26	60	503.96	90.19	3.67	55	356.15	62.49	2.54	400	302.38	428.78	17.43	85	390.20	135.10	5.49
1990	201	442.94	371.12	13.75	68	474.37	101.08	3.74	55	592.17	79.71	2.95	476	279.50	508.37	18.83	87	394.57	154.24	5.71
1992	197	523.34	538.55	13.30	70	676.37	150.50	3.72	59	946.75	218.71	5.40	581	330.56	850.95	21.01	81	545.47	234.65	5.79
1994	188	438.52	572.15	12.54	70	702.79	220.66	4.84	52	1353.82	300.99	6.60	673	294.20	953.29	20.90	67	747.01	207.75	4.55
1996	164	627.67	860.19	11.32	68	1038.77	369.72	4.87	87	2068.18	994.45	13.09	785	372.56	1450.95	19.10	69	727.25	297.86	3.92
1998	158	602.86	1280.68	10.54	72	1744.54	629.64	5.18	30	2374.90	289.72	2.38	1017	387.49	2365.94	19.47	182	1197.49	2277.24	18.74
2000	87	336.88	289.11	2.05	24	1548.39	354.61	2.51	14	556.17	182.95	1.30	128	321.43	810.95	5.75	1381	417.61	6210.12	44.01
2002	135	304.54	1070.40	10.97	19	659.02	247.09	2.53	11	284.88	121.27	1.24	131	178.19	507.92	5.20	1481	258.92	3835.56	39.30
2004	118	404.85	1429.24	10.15	21	501.65	271.39	1.93	10	1036.82	169.81	1.21	131	314.03	879.10	6.24	1700	387.19	6287.14	44.63
2006	101	451.89	1672.75	10.34	18	310.23	340.51	2.10	8	1090.49	193.85	1.20	278	335.01	1749.97	10.82	1905	368.70	7034.09	43.47
2008	95	255.80	843.16	8.56	20	148.42	215.14	2.18	9	372.84	112.22	1.14	504	151.04	1838.21	18.66	2002	162.05	3604.58	36.59
2010	93	366.09	1271.29	8.92	17	541.77	211.10	1.48	9	603.81	144.32	1.01	644	268.97	2164.65	15.18	1838	271.08	5427.13	38.06
2012	84	385.16	1518.75	9.81	14	331.40	172.04	1.11	8	1188.46	146.56	0.95	806	228.76	2650.34	17.11	1786	283.37	5977.45	38.59
2014	86	490.49	1342.11	6.10	16	241.98	256.25	1.16	9	2089.60	199.87	0.91	1178	222.33	3928.15	17.86	2008	367.29	6854.83	31.16

This table reports number (N) of managers, managers' median equity holdings (Median), value of holdings in aggregate institutional portfolio (Aggregate), and market share (Share) for each category of managers in the last quarter of every 2 years. Only managers with data available in last five quarters (including current quarter) are included. Median represents the median value of equity managed by institutions. Aggregate represents aggregate value of equity managed by institutions. Market share is calculated as  $\frac{\text{Market value of institutional portfolio}}{\text{Market value of all stocks in CRSP}}$ .



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Table 2. Descriptive Statistics: Institutions' Categories

Year	Banks	Insurance Co.	Investment Co.	Investment adv.	Others
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## Variables

Our dependent variable IVOL, at the end of quarter t, is the sum of squared residuals from the regression of daily excess returns on 5 factors of Fama and French (2015) including market (MKT-RF), small minus big (SMB), high minus low (HML), robust minus weak (RMW) and conservative minus aggressive (CMA). It is given as follows.

$$R_{i,s} - RF_s = \alpha_i + \beta_i^{MKT} MKT - RF_s + \beta_i^{SMB} SMB_s + \beta_i^{HML} HML_s + \beta_i^{RMW} RMW_s + \beta_i^{CMA} CMA_s + \epsilon_s \quad (5)$$

$$IVOL_{i,t} = \sum_{s=1}^{D_{i,t}} \epsilon_{i,s}^2 \quad (6)$$

Where  $R_{i,s}$  is the daily return of stock i on day s and RF is the risk free rate. The daily data for factors is obtained from website maintained by Kenneth R. French.<sup>1</sup> In order to estimate the regression (5) we require atleast 25 observations in last quarter. Chichernea, Petkevich, and Zykaj (2015) use the same approach to estimate idiosyncratic volatility except that they consider only 3 factors rather than 5 factors.

We obtain control variables from the literature. Small and young firms have high IVOL. Small firms can also have high IVOL due to large bid ask spread (Xu and Malkiel 2003). Lubos and Veronesi (2003) posit that younger firms have greater uncertainty about their future growth, and therefore have high risk. Xu and Malkiel (2003) conjectures that growing presence of institutional investors in the market has increased the IVOL. Low book to market stocks are growth stocks which involve high risk. Highly liquid stocks have high risk because they are prone to high volatility Kumari, Mahakud, and Hiremath (2017). Wei and Zhang (2006) show that ROE is part of return's conditional volatility. The author posits that ROE is negatively related to volatility in stock returns. Stocks which exhibit lottery like payoffs are likely to have high idiosyncratic risk (Bali, Cakici, and Whitelaw 2011). The explanatory variables are estimated as follows.

Short (Long) Horizon Institutional Trade Persistence ( $TP^{SHI}$  ( $TP^{LHI}$ )): we obtained institutional trade persistence for each type of institutions following (Dasgupta, Prat, and Verardo 2011). We define net trade by SHI (or LHI) for each security as the percentage change in the number of shares of stock i in the aggregate portfolio of SHI (or LHI) in quarter t. Net trade is calculated as  $d_{i,t,d} = (S_{i,t,d} - S_{i,t-1,d}) / S_{i,t-1,d}$ . Where  $d_{i,t,d}$  is the net trade in security i for quarter t by type d (SHI or LHI).  $S_{i,t,d}$  is the number of shares of stock i held by all SHI (or LHI) in quarter t. Stocks are then ranked on  $d_{i,t,d}$  and those with values of  $d_{i,t,d}$  above/below the cross-sectional median are referred as net buys/net sells. Net buys or net sells represent whether the shares are net bought or net sold by SHI or LHI in current quarter. We also defined net buys and net sells depending upon the sign of  $d_{i,t,d}$  i.e If  $d_{i,t,d}$  is positive the security is net bought by institutions.

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$TP^{SHI}$  is defined as the consecutive quarters in which a stock is bought (or sold) by SHI. For example, if a stock is a net buy (or net sell) in three consecutive months, its  $TP^{SHI}$  is 3 (or -3). Similar procedure is adopted to obtain  $TP^{LHI}$ .

The maximum trade persistence is calculated as 5 (or -5), if a stock is consistently bought (or sold) by institutions (SHI or LHI) for five quarters. Following this procedure, we have  $TP^{SHI}$  and  $TP^{LHI}$  for each security in each quarter.  $TP^{SHI}$  ( $TP^{LHI}$ ) will represent SHI herding (LHI herding) from now on.

**Institutional Ownership (IO):** Institutional ownership of stock  $i$  is obtained as number of shares held by all institutions in quarter  $t$  divided by total shares outstanding in that quarter. We also obtain short horizon institutional ownership ( $IO^{SHI}$ ) and long horizon institutional ownership ( $IO^{LHI}$ ) by aggregating the shares across SHI and LHI respectively.

**Size (CAP):** Natural log of total market capitalization of stock  $i$  in quarter  $t$ .

**Share Turnover (TURN):** Share turnover is the trading volume of a given security  $i$  divided by its number of shares outstanding. It is measured at the end of quarter  $t$ .

**Return on Equity (ROE):** ROE is measured as stock  $i$ 's income after tax in quarter  $t$  (compustat item  $niq$ ) divided by book value of equity in quarter  $t$ . Book value of equity is estimated as stock holders equity plus deferred taxes and investment tax credits minus preferred stock. Stock holders equity is obtained first as compustat item  $seqq$ . If  $seqq$  is missing then stock holders equity is obtained as common stock equity plus preferred stock. If both of the above mentioned measures are missing then Stock holders equity is obtained as total assets (compustat item  $at$ ) minus total liabilities (compustat item  $lt$ ). Preferred stock is obtained first as redeemable preferred stock (compustat item  $PSTKRQ$ ) and then missing values are filled with preferred stock (compustat item  $PSTKQ$ ). Income statement item net income after tax is obtained from the quarter which precedes our current quarter according to report date (compustat item  $rdq$ ). Balance sheet items are obtained from the previous quarter.

**B/M:** Book equity is measured as in Fama and French (1992). BM is constructed as the fiscal-year end book value of common equity divided by the calendar-year end market value of equity in the year  $T-1$  and employed from June of year  $T$  to May of year  $T+1$ .

**Age:** Age is calculated with reference to the first month the return of stock  $i$  appears in CRSP monthly stock returns file.

**Max:** Max in quarter  $t$  is obtained as stock  $i$ 's maximum daily return in last month of quarter  $t$ . There are some additional control variables that we used while replicating findings in the table 10 of (Yuksel 2015). These variables control for value effects, growth effects and return reversal effect on long term returns.

**Earnings to Price (E/P)** Earnings to price ratio is constructed as the fiscal-year end earnings per share divided by the calendar-year end price of equity in the year  $T-1$  and employed in year  $T$ .

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**Cash Flows to Price (CF/P)** CF/P is constructed as the fiscal-year end cash flows divided by the calendar- year end market value of equity in the year T-1 and employed in year T. CF is measured as earnings before extraordinary items plus deferred taxes plus equity's share of depreciation. Where equity's share is defined as market equity divided by total assets minus book equity plus market equity.

**Sales to Price (S/P)** S/P is constructed as the fiscal-year end revenues (compustat item sale) divided by the calendar-year end market value of equity in the year T-1 and employed in year T.

**Earnings Growth (EG)** EG is the annual change in earning before extraordinary items (EBI) in year T-1 divided by market equity in December of year T-1. It is employed in year T.

**Past Return ( $R_{i,t-15:t}$ )**  $R_{i,t-15:t}$  is the cumulative return from quarter t-15 to t. This is used to capture return reversal effect documented in Bondt and Thaler(1985).

A variation of it,  $R_{i,t-15:t-4}$ , is also documented in the literature. Short term continuation and long term reversals might offset each other. Skipping one year avoids this phenomenon.

Table 3. Summary Statistics: Aggregate

Variables	Mean	Std. Dev.	P.05	median	P.95	N
TP <sup>SHI</sup>	0.094	2.010	-3.00	0.00	4.00	425732
TP <sup>LHI</sup>	0.114	1.955	-3.00	0.00	4.00	442634
TP <sup>ALL</sup>	0.222	2.209	-4.00	0.00	4.00	458760
IVOL.ff3	0.054	0.183	0.00	0.03	0.17	457176
IVOL.ff5	0.052	0.176	0.00	0.03	0.16	457176
IVOL.mm	0.058	0.189	0.01	0.03	0.18	457176
IO <sup>ALL</sup>	0.410	0.273	0.03	0.38	0.88	459866
IO <sup>SHI</sup>	0.113	0.105	0.00	0.09	0.32	459866
IO <sup>LHI</sup>	0.284	0.221	0.01	0.24	0.70	459866
TURN	0.119	0.215	0.01	0.07	0.38	457572
B/M	0.689	0.639	0.11	0.55	1.67	332902
AGE	121.807	98.991	7.00	95.00	328.00	459866
ROE	0.002	5.320	-0.13	0.02	0.10	279707
E/P	0.031	0.258	-0.14	0.05	0.16	422200
CF/P	0.159	0.159	0.03	0.11	0.43	275541
Sale/P	1.772	3.327	0.09	0.95	5.74	386581
EG	0.001	0.357	-0.15	0.01	0.12	388121
Ret <sub>t-15,t-4</sub>	0.758	1.868	-0.55	0.39	3.06	326234



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Table 3. Summary Statistics: Aggregate

Variables	Mean	Std. Dev.	P.05	median	P.95	N
MAX	0.060	0.056	0.02	0.05	0.15	457530
CAP	5.698	1.877	2.96	5.52	9.09	459866

This table reports the descriptive statistics of the stock quarters. N represents the number of observations available for a given variable.  $TP^{SHI} TP^{LHI}/TP^{ALL}$  is measured as number of quarters in which a stock is bought persistently by SHI/LHI/all institutions. All, SHI and LHI represent all institutions, short horizon institutions and long horizon institutions, respectively. Each quarter, institutions are ranked into terciles based on their average churn rate in the past four quarters. Short horizon institutions (Long horizon institutions) are those which fall in top (bottom) tercile, as in . IVOL.ff3, IVOL.ff5 and IVOL.mm represent idiosyncratic volatility and estimated as sum of the squared residuals from regression of daily returns in quarter t on fama and fench 3 factors (ff3), fama and fench 5 factors (ff5) and excess returns on the market portfolio, respectively.  $IO^{ALL}$ ,  $IO^{SHI}$  and  $IO^{LHI}$  are estimated as the number of shares held by all institutions, SHI and LHI respectively, divided by number of outstanding shares. TURN is the trading volume divided by shares outstanding at the end of quarter t. B/M employed in year T is the fiscal end book value of common equity divided by the calender year end market capitalization. AGE is the age of the firm measured as number of months since the first return observation appears in CRSP file till quarter t. ROE is the profit after tax divided by book value. E/P is estimated in year T as the fiscal year end earnings per shares divided by the calender year end price per share in year T-1. Similarly, CF/P and Sale/P are estimated as fiscal year end cash flows and sales divided by calender year end market equity. EG is the earning growth in year T-1 scaled by market equity.  $Ret_{i,t-15:t-4}$  is the cumulative return from quarter t-15 to quarter t-4. MAX is the stock i's maximum return in last month. CAP is the natural logarithm of total market capitalization in quarter t. P.05 and P.95 represents the 5th and 95th percentiles.

## Summary Statistics

The summary statistics of variables are reported in Table 3. From here on, we will remove all stocks for which institutional ownership of all institutions exceeds 1 because this raises the concern of late reporting or erroneous reporting on the part of institutions. We did this in order to be consistent with Yuksel (2015). However, in an unreported analysis, results do not change if we keep these observations. Average trade persistence by all institutions is 0.222, by SHI 0.094 and by LHI 0.114. As these statistics are close to zero, most of the stock quarters (observations) do not exhibit herding. Only 5% of the stock quarters exhibit buy herding greater than

4. On sell side, 5% of the stock quarters exhibit herding more than 3. Average IVOL.ff5 is 0.052 and 5th and 95th percentiles are 0 and 0.16, respectively. This shows much variability in idiosyncratic volatility in our sample. Average institutional ownership by all institutions is 41%. Institutional ownership by SHI is low at the level of 11.3% compared to institutional ownership

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by LHI which is 28.4%. This suggests that a big proportion of total institutional ownership comes from LHI which raises the concern regarding the role of LHI as a driver of relationship between herding by all institutions and stock price volatility. Average Age of the stock is 122 months. Only 5% of the stocks are 328 months or older.

Table 4 reports the characteristics of portfolios based on trade persistence of SHI in Panel A and trade persistence of LHI in Panel B. The time series average of the median values of characteristics of stocks in the persistence portfolios are reported. Trade persistence of SHI in Panel A is close to zero suggesting that the stock persistently bought or sold by LHI are not herded by SHI. Similar case is observed in Panel B. Both types of institutions have different preferences for stock characteristics.

Idiosyncratic volatility decreases with sell side persistence and increases with buy side persistence for both types of institutions suggesting a preference to sell low idiosyncratic volatility stocks and buy high idiosyncratic volatility stocks.

LHI are persistently buying big past winners and persistently selling small past winners. This suggest that they overreact to recent information, and therefore magnify the effect of investors' overreaction on the buy side. They are offsetting market overreaction on the sell side by selling small winners. SHI on the other hand do the contrary and sell big past winners and buy small past winners suggesting role of SHI as contrarian traders and price stabilizers as in Friedman (1953) on sell side and on the buy side, they do contribute to market overreaction but they are attracted to stocks with less extreme past returns.

Stocks which are persistently sold by both SHI and LHI are larger than those which are bought by them. Both types of institutions tend to buy liquid stocks. There is not much variation in profitability of stocks in persistence portfolios. Both types of institutions tend to sell value stocks and buy growth stocks.

Table 4. Trade Persistence Portfolios: Summary

Panel A

TP <sup>LHI</sup>	-5	-4	-3	-2	0	2	3	4	5
TP <sup>SHI</sup>	-0.008	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-0.015
IVOL.ff3	0.025	0.026	0.027	0.029	0.030	0.034	0.038	0.039	0.043
IVOL.ff5	0.023	0.025	0.026	0.028	0.029	0.033	0.036	0.038	0.041
IVOL.mm	0.027	0.028	0.030	0.032	0.033	0.037	0.041	0.043	0.047
IO <sup>ALL</sup>	0.459	0.461	0.460	0.454	0.434	0.423	0.419	0.415	0.409
IO <sup>SHI</sup>	0.084	0.091	0.091	0.090	0.089	0.094	0.097	0.102	0.108
IO <sup>LHI</sup>	0.331	0.324	0.322	0.318	0.297	0.283	0.273	0.264	0.253
TURN	0.071	0.074	0.076	0.077	0.078	0.082	0.089	0.093	0.100

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B/M	0.685	0.644	0.620	0.596	0.573	0.559	0.525	0.493	0.419
AGE	170.504	157.034	146.947	136.679	121.905	108.504	96.683	85.344	69.813
ROE	0.023	0.024	0.024	0.024	0.024	0.024	0.024	0.023	0.022
E/P	0.062	0.060	0.060	0.059	0.057	0.055	0.052	0.048	0.042
CF/P	0.135	0.131	0.125	0.121	0.118	0.115	0.110	0.105	0.095
Sale/P	1.300	1.216	1.161	1.091	1.025	0.990	0.926	0.836	0.668
EG	0.003	0.004	0.005	0.007	0.007	0.007	0.008	0.009	0.009
Ret <sub>t-15,t-4</sub>	0.290	0.352	0.390	0.406	0.419	0.431	0.451	0.501	0.624
MAX	0.043	0.044	0.044	0.046	0.047	0.050	0.052	0.052	0.056
CAP	6.021	5.900	5.888	5.774	5.606	5.640	5.603	5.590	5.630
No. of Stocks	58	75	173	392	1866	433	204	95	84

## Panel B

TP <sup>SHI</sup>	-5	-4	-3	-2	0	2	3	4	5
TP <sup>LHI</sup>	0.000	0.008	0.000	0.000	0.000	0.000	0.000	0.000	0.015
IVOL.ff3	0.028	0.030	0.030	0.030	0.031	0.032	0.033	0.034	0.035
IVOL.ff5	0.027	0.028	0.028	0.029	0.029	0.030	0.031	0.033	0.033
IVOL.mm	0.030	0.032	0.032	0.033	0.033	0.034	0.036	0.037	0.038
IO <sup>ALL</sup>	0.473	0.472	0.469	0.464	0.443	0.446	0.455	0.462	0.464
IO <sup>SHI</sup>	0.063	0.073	0.079	0.087	0.093	0.109	0.125	0.140	0.163
IO <sup>LHI</sup>	0.373	0.362	0.348	0.331	0.303	0.290	0.281	0.270	0.250
TURN	0.075	0.079	0.080	0.081	0.082	0.085	0.088	0.093	0.095
B/M	0.575	0.547	0.537	0.543	0.565	0.581	0.587	0.591	0.559
AGE	138.561	134.508	131.927	128.412	120.725	119.439	118.542	118.053	116.168
ROE	0.023	0.023	0.024	0.024	0.024	0.024	0.024	0.025	0.026
E/P	0.062	0.059	0.058	0.057	0.057	0.056	0.054	0.051	0.049
CF/P	0.128	0.121	0.117	0.116	0.118	0.119	0.117	0.114	0.110
Sale/P	1.162	1.063	1.025	0.993	1.006	1.051	1.056	1.059	0.992
EG	0.006	0.008	0.008	0.008	0.007	0.006	0.006	0.006	0.008

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Ret <sub>t-15,t-4</sub>	0.574	0.597	0.524	0.476	0.423	0.388	0.352	0.296	0.325
MAX	0.044	0.046	0.046	0.047	0.048	0.048	0.049	0.050	0.051
CAP	5.871	5.864	5.839	5.785	5.676	5.710	5.724	5.744	5.752
No. of Stocks	60	82	180	393	1729	422	203	99	83

This table reports characteristics of portfolios based on TP<sup>LHI</sup> (Panel A) and TP<sup>SHI</sup> (Panel B). All, SHI and LHI represent all institutions, short horizon institutions and long horizon institutions, respectively. Each value represents the time-series average (quarterly) of median stock characteristic in a given portfolio. Each quarter, institutions are ranked into terciles based on their average churn rate in the past four quarters. Short horizon institutions (Long horizon institutions) are those which fall in top (bottom) tercile, as in . TP<sup>SHI</sup>/TP<sup>LHI</sup> is measured as number of quarters in which a stock is persistently bought by SHI/LHI. The maximum persistence is set to +5 or -5. IVOL.ff3, IVOL.ff5 and IVOL.mm represent idiosyncratic volatility and estimated as sum of the squared residuals from regression of daily returns in quarter t on fama and fench 3 factors (ff3), fama and fench 5 factors (ff5) and excess returns on the market portfolio, respectively. IO<sup>ALL</sup>, IO<sup>SHI</sup> and IO<sup>LHI</sup> are estimated as the number of shares held by all institutions, SHI and LHI respectively, divided by number of outstanding shares. TURN is the trading volume divided by shares outstanding at the end of quarter t. B/M employed in year T is the fiscal end book value of common equity divided by the calender year end market capitalization. AGE is the age of the firm measured as number of months since the first return observation appears in CRSP file till quarter t. ROE is the profit after tax divided by book value. E/P is estimated in year T as the fiscal year end earnings per shares divided by the calender year end price per share in year T-1. Similarly, CF/P and Sale/P are estimated as fiscal year end cash flows and sales divided by calender year end market equity. EG is the earning growth in year T-1 scaled by market equity. Ret<sub>t-15:t-4</sub> is the cumulative return from quarter t-15 to quarter t-4. MAX is the stock i's maximum return in last month. CAP is the natural logarithm of total market capitalization in quarter t.

Table 5. Institutional Trade Persistence and Idiosyncratic Volatility

*Dependent variable:  $\Delta IVOL.ff5$*

	(1)	(2)	(3)	(4)	(5)
(Intercept)	5.0099 0***	5.7639 0***	4.9078 0***	3.5789 0***	4.9787 0***
TP <sup>LHI</sup>		0.0562 0.0018***	0.0543 0.0029***	0.1104 0.004***	0.0451 0.0091***
TP <sup>SHI</sup>	0.0234 0.165		0.0215 0.2029	0.0052 0.9155	0.0172 0.3695
AGE	-0.0063	-0.0067	-0.0057	-0.0042	-0.0058

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	0***	0***	0***	0.004***	0***
B/M	-0.6244	-0.6246	-0.6131	-0.5478	-0.6146
	0***	0***	0***	0***	0***
IO <sup>LHI</sup>	-0.3352	-0.6624	-0.2995	-0.1449	-0.2904
	0.3523	0.1533	0.4101	0.7614	0.4305
CAP	-0.2008	-0.2278	-0.2049	-0.1903	-0.2114
	0***	0***	0***	0***	0***
MAX	-41.7472	-47.4766	-41.5382	-30.4372	-41.4952
	0***	0***	0***	0***	0***
ROE	-0.5191	-0.5523	-0.5824	-0.3736	0.0504
	0.118	0.0777*	0.1101	0.5297	0.9499
IO <sup>SHI</sup>	3.0252	2.9797	3.0182	3.0997	2.8818
	0***	0***	0***	0.0005***	0***
TURN	-4.3799	-4.546	-4.3572	-2.7079	-4.388
	0***	0***	0***	0***	0***
Observations	237865	243568	234164	26199	207965
R <sup>2</sup>	0.19	0.46	0.19	0.38	0.20

This table reports coefficients and P-values (below coefficients) following from regression of  $\Delta IVOL_{ff5}$  on  $TP^{SHI}$ ,  $TP^{LHI}$ , and other control variables. All, SHI and LHI represent all institutions, short horizon institutions and long horizon institutions, respectively. Each value represents the time-series average (quarterly) of median stock characteristic in a given portfolio. The standard errors are adjusted for Newey West correction before calculating t-statistics. Stocks are assigned into two sub-samples, one which exhibit herding by both types of institutions in same direction and the other which exhibit herding in opposite direction. Column 4 and Column 5 present regression estimates for same direction and opposite direction sub-samples, respectively.  $IVOL_{ff5}$  represent idiosyncratic volatility and estimated as sum of the squared residuals from regression of daily excess returns in quarter t on fama and french 5 factors. Each quarter, institutions are ranked into terciles based on their average churn rate in the past four quarters. Short horizon institutions (Long horizon institutions) are those which fall in top (bottom) tercile, as in  $TP^{SHI}/TP^{LHI}$  is measured as number of quarters in which a stock is persistently bought by SHI/LHI. The maximum persistence is set to +5 or -5.  $IO^{LHI}$  ( $IO^{SHI}$ ) is estimated as the number of shares held by LHI (SHI) divided by number of outstanding shares. TURN is the trading volume divided by shares outstanding at the end of quarter t. B/M employed in year T is the fiscal end book value of common equity divided by the calendar year end market capitalization. AGE is the age of the firm measured as number of months since the first return observation appears in CRSP file till quarter t. ROE is the profit after tax divided by book value. MAX is the stock i's maximum return in last month. CAP is the natural logarithm of total market capitalization in quarter t.

## Regression Analysis

In this section, we first analyse the impact of herding by institutions classified by horizon on idiosyncratic risk. Then, We replicate the findings reported in Yuksel (2015) and produce some



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additional implications of herding. Furthermore, we present some robustness checks that his study is silent about.

## Herding Impact on IVOL

We hypothesize that herding by long horizon institutions is uninformative and moves prices away from fundamental value which results in excess volatility. Whereas SHI are informed; therefore, their herding is due to informational reasons and does not impact the idiosyncratic risk. We investigate the price destabilizing impact of institutional herding on idiosyncratic risk. To test this we regress change in IVOL ( $IVOL_{i,t+1} - IVOL_{i,t}$ ) on SHI trade persistence and LHI trade persistence and other control variables.

$$\begin{aligned}\Delta IVOL_{i,t+1} = & \alpha + \beta_1 TP^{SHI}_{i,t} + \beta_2 TP^{LHI}_{i,t} + \beta_3 AGE_{i,t} + \beta_4 B/M_{i,t} + \beta_5 IO^{SHI}_{i,t} \\ & + \beta_7 CAP_{i,t} + \beta_6 IO^{LHI}_{i,t} + \beta_8 MAX_{i,t} + \beta_9 ROE_{i,t} \\ & + \beta_9 TURN_{i,t} + \epsilon_{i,t}\end{aligned}\quad (7)$$

We run quarterly cross sectional regressions to obtain coefficients estimates. Time series average of the coefficients are the final estimates. Newey-West correction is employed to calculate final standard errors. We use the standard rule of thumb to select lags and set it as  $T^{1/4}$ . In our regression analysis, we remove penny stocks (stock with price less than 5) in order to avoid penny stock phenomenon affecting our results. The results are reported in Table 5.

In column 1, we introduce SHI trade persistence alongside other control variables and in column 2, only LHI trade persistence is used. SHI trade persistence is insignificant and LHI trade persistence is a significant and positive predictor of change in IVOL. Column 3 presents our baseline regression model which suggest a positive relationship between LHI trade persistence and the  $\Delta IVOL$ . A one quarter more trade persistence of LHI predicts a 0.06% increase in IVOL. The same is not true for SHI trade persistence.

It is probable that they herd in the same direction or in opposite direction. In other words, SHI and LHI both involve in either sell herding or buy herding together. Specifically, we subset our sample into stocks, called same directions sub-sample, for which both SHI and LHI has persistence with the same sign (where  $\text{sign}(TP^{SHI}) = \text{sign}(TP^{LHI})$ ) i.e if one has persistence of -5 the other has -5 (also -3 or -2) and into stocks, called opposite directions sub-sample, for which both SHI and LHI has persistence with the opposite sign (where

$\text{sign}(TP^{SHI}) \neq \text{sign}(TP^{LHI})$ ) i.e if one has persistence of -5 the other has +5 (also +3 or +2). Zeroes are not re-garded as herding in our sample, therefore we assign stocks with "0" herding in the later sub-sample. Given our summary table, either of the classes of institutions is not following the other on average. Column 4 presents the regression for stocks which exhibit herding in the

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same direction by both types of institutions. We find that irrespective of which sub-sample we consider, only LHI trade persistence positively effects the change in IVOL. However, the number of observations suggest that there are small number of stock quarters when both SHI and LHI herd in the same direction. This reinforces our earlier findings in summary statistics of SHI and LHI not following each other. These results are supportive of the fact that SHI engage in spurious herding.

Institutional ownership by SHI positively impact  $\Delta IVOL$  and Institutional ownership by LHI has insignificant impact. These results confirm the earlier findings in Chichernea, Petkevich, and Zykaj (2015) that SHI ownership increases IVOL. They argue that this positive relationship is the result of high trading activity of these institutions. For LHI, they claim that due to their low trading activity their ownership of a particular stock decreases its volatility. LHI ownership negatively (insignificantly) predicts the change in IVOL in our analysis. The sign of the coefficient is similar with Chichernea, Petkevich, and Zykaj (2015) but the effect is not significant. Large stocks have low change in IVOL as we predicted. High liquidity implies high trading activity which suggests high volatility. We find a negative liquidity effect. This is opposite to what we expect. This effect is similar to what Kumari, Mahakud, and Hiremath (2017) finds in Indian stock market for unconditional volatility. In empirical findings of the study, unconditional volatility is positively related to high liquidity but conditional volatility is positively and

Table 6. Institutional Trade Persistence and IVOL: Mean AVGCR Threshold

	<i>Dependent variable: IVOL. ff5</i>				
	(1)	(2)	(3)	(4)	(5)
(Intercept)	5.21 0***	5.9822 0***	5.1302 0***	2.5924 0.0033***	5.2484 0***
TP <sup>LHI</sup>		0.0538 0.0079***	0.0494 0.013**	0.0876 0.3408	0.0367 0.0182**
TP <sup>SHI</sup>	0.0142 0.4706		0.0109 0.5532	0.384 0.149	-0.0028 0.823
AGE	-0.0066 0***	-0.0073 0***	-0.0065 0***	-0.0074 0.1077	-0.0063 0***
B/M	-0.6475 0***	-0.6572 0***	-0.6477 0***	-1.6077 0.1493	-0.5993 0***
IO <sup>LHI</sup>	-0.3802 0.2897	-0.7284 0.1149	-0.3667 0.3072	-0.6033 0.3972	-0.4415 0.1716
CAP	-0.2063 0***	-0.2313 0***	-0.2063 0***	-0.0137 0.9072	-0.218 0***

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MAX	-43.11 0***	-49.7891 0***	-43.0003 0***	-29.5451 0***	-43.1619 0***
ROE	-0.6029 0.0685*	-0.5481 0.0662*	-0.627 0.0656*	-1.8303 0.0876*	0.006 0.9937
IO <sup>SHI</sup>	3.085 0***	2.9913 0***	3.1043 0***	4.1586 0***	2.8555 0***
TURN	-4.61 0***	-4.5878 0***	-4.636 0***	-3.5551 0.0231**	-4.5146 0***
Observations	239409	246903	237896	20047	217849
R <sup>2</sup>	0.20	0.46	0.20	0.21	0.27

Note: \*p<0.1; \*\*p<0.05; \*\*\*p<0.01

significantly related to liquidity. Older firms have low IVOL as expected. Stocks which earn highest daily returns in the last month have significantly low incremental idiosyncratic risk in the following quarter. Profitability of firm has insignificant and negative impact on change in IVOL. The sign of coefficient on return on equity is what Wei and Zhang (2006) claimed in their study. Table A16 and Table A17 in the appendix report the results for IVOL based on market factor and 3 factors of Fama and French 1993, respectively. The data is available on Kenneth R. French's

Table 7. Institutional Trade Persistence and IVOL: Buy/Sell based on  $\text{sign}(d_{i,t,d})$

	<i>Dependent variable: IVOL.f5</i>				
	(1)	(2)	(3)	(4)	(5)
(Intercept)	5.0581 0***	5.7297 0***	4.8443 0***	3.3964 0***	4.8908 0***
TP <sup>LHI</sup>		0.0638 0.0001***	0.0627 0.0001***	0.0733 0.2873	0.0534 0.0019***
TP <sup>SHI</sup>	0.0263 0.0543*		0.0241 0.0784*	0.054 0.2634	0.0222 0.1448
AGE	-0.0064 0***	-0.0069 0***	-0.0058 0***	-0.0043 0.0024***	-0.0059 0***
B/M	-0.6481 0***	-0.6263 0***	-0.6114 0***	-0.6027 0***	-0.5992 0***
IO <sup>LHI</sup>	-0.3823	-0.6757	-0.3509	-0.2601	-0.3393

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	0.2996	0.1456	0.3417	0.5222	0.3701
CAP	-0.2028	-0.2239	-0.1984	-0.1656	-0.2034
	0***	0***	0***	0.0001***	0***
MAX	-41.7234	-47.6922	-41.053	-29.2413	-40.9738
	0***	0***	0***	0***	0***
ROE	-0.5197	-0.5851	-0.5836	-0.6042	0.1014
	0.1248	0.0595*	0.1175	0.2108	0.9024
IO <sup>SHI</sup>	3.228	3.1999	3.2107	3.1415	3.2062
	0***	0***	0***	0.0006***	0***
TURN	-4.4293	-4.4767	-4.3777	-3.3553	-4.515
	0***	0***	0***	0.0033***	0***
Observations	234948	240120	229670	25523	204147
R <sup>2</sup>	0.20	0.48	0.20	0.38	0.21

Note: \*p<0.1; \*\*p<0.05; \*\*\*p<0.01

website. We see that the results do not change. Our results are robust to use of alternative measures to capture IVOL.

In Table 6, we classify the institutions on the bases of cross sectional mean of 4 quarters average churn rate into SHI and LHI. The results do not change much except that LHI trade persistence is insignificant in the same direction sub-sample. Table 7 deals with the case when alternative definition of net buy and net sell (based on sign of  $d_{i,t,d}$ ) is used to capture trade persistence as

Table 8. Institutional Trade Persistence and Idiosyncratic Volatility: Robustness Checks

	<i>Dependent variable: IVOL.f f5</i>			
	Other Robustness Checks			
	<i>Excluding</i>	<i>Only</i>	<i>Firm</i>	<i>Time</i>
	<i>NYSE Dec</i>	<i>NYSE Dec</i>	<i>FE</i>	<i>FE</i>
	(1)	(2)	(3)	(4)
(Intercept)	3.107	3.395		
	0***	0.0003***		
TP <sup>LHI</sup>	0.045	0.065	0.033	0.035
	0.0251**	0.0304**	0.079*	0.000***
TP <sup>SHI</sup>	0.013	0.015	0.023	0.070

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	0.290	0.643	0.224	0.063*
AGE	-0.004	-0.006	0.001	-0.006
	0***	0***	0.077	0.000***
B/M	-0.460	-0.595	-0.632	-0.962
	0***	0***	0.000***	0.000***
IO <sup>LHI</sup>	-0.171	-0.014	1.050	-0.527
	0.561	0.977	0.000***	0.00***
CAP	-0.139	0.238	-0.092	-0.357
	0***	0.245	0.098*	0.000***
MAX	-28.646	-39.756	-66.884	-69.983
	0***	0***	0.000***	0.000***
ROE	-0.764	-0.737	0.004	-0.002
	0.0036***	0.495	0.815	0.889
IO <sup>SHI</sup>	2.502	0.918	4.520	4.721
	0***	0.347	0.000***	0.000***
TURN	-1.967	-8.290	-10.282	-7.707
	0.0001***	0***	0.000***	0.000***
Observations	159,536	70,974	234,164	234,164
R <sup>2</sup>	0.146	0.313	0.083	0.083

Note: \*p<0.1; \*\*p<0.05; \*\*\*p<0.01

before. The results are similar except that LHI trade persistence loses significance in sub-sample which exhibit herding in the same direction. Presence of conflicting evidence in the same direction sub-sample will be discussed later in the section where we have more evidence from analysis on returns.

In Table 8 column 1, we control for small size by removing lowest size decile based on market capitalization of stocks traded on New York Stock Exchange. In column 2, we report results for small stocks. We also control for firm fixed effects in column 3 Table 8. LHI trade persistence remains significant but, at a level less than 10%. When we control for time fixed effects, we find that LHI trade persistence is significant and positive.

Table 9. Churn Rate Distribution Across Institutions

Institutions Categories	N	Mean	Std. Dev.	p05	Median	p95	NAV
1-1							
ALL	242877	0.12	0.13	0	0.09	0.39	2.74



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Banks	24111	0.06	0.06	0	0.05	0.16	7.36
Insurance Companies	6733	0.11	0.12	0	0.09	0.32	7.41
Investment Companies	5499	0.13	0.11	0.01	0.11	0.32	9.36
Investment Advisors	74985	0.14	0.13	0	0.1	0.41	2.56
Others	131470	0.11	0.13	0	0.07	0.38	2.42

This table reports the quarterly average of the cross-sectional mean, standard deviation, median, 5th percentile, 95th percentile (p05 and p95) of churn rate for all institutions and for each of the categories. NAV represents the quarterly mean of net asset value of average institution in each of the categories. N is the number of stock quarters.

This section presents our main results. Impact of herding by institutions classified by horizon is reported using the regression analysis. Results suggest that LHI trade persistence is positive predictor of change in IVOL and SHI trade persistence has insignificant  $\Delta IVOL$  impact. Our results are robust to various control variables known to affect volatility. Furthermore, they are robust to use of alternative methodologies described in literature.

## Institutional Categories

In this subsection, we focus on herding by each of the institutional categories. Table 12 reports the quarterly averages of the various statistics of portfolio turnover from the cross-section of institutions. Number of stock quarters (N) are the greatest in others category followed by investment advisors, banks, insurance companies and investment companies. Investment advisors have highest mean turnover followed by investment companies, insurance companies and others. We can interpret it as an average investment advisor turns over 14% of their portfolio in an average quarter. In other words banks have average holding period of 4.17 years ( $1/(0.06 * 4)$ ) and Investment advisors have the lowest of 1.78 years. Standard deviation of banks' portfolio turnover is very low suggesting the holding period does not vary much across banks. This can be further seen from their 5th and 95th percentiles. NAV represents the quarterly mean of net asset value of average institution in each of the categories. Investment companies have the highest NAV. The coefficients are estimated for herding by categories of institutions such as banks, insurance companies, investment companies, investment advisor, and others in Table 10.

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Table 10. Trade Persistence by Institutional Categories and IVOL

Variables	1	2	3	4	5	6	7	8	9	10	11
Banks.TP <sup>ALL</sup>	0.0172	0.0425									
	0.5186	0.2113									
Ins. Co..TP <sup>ALL</sup>	0.042		0.018								
	0.0879*		0.5245								
Inv. Co..TP <sup>ALL</sup>	0.0466			0.048							
	0.1593			0.0802*							
Inv. Adv..TP <sup>ALL</sup>	0.0222				0.0772						
	0.4598				0.0147**						
Others.TP <sup>ALL</sup>	0.0193					0.0271					
	0.2833					0.122					
Banks.TP <sup>LHI</sup>							0.0268				
							0.5362				
Banks.TP <sup>SHI</sup>							0.0009				
							0.9755				
Ins. Co..TP <sup>LHI</sup>								-0.0683			
								0.0683*			
Ins. Co..TP <sup>SHI</sup>								-0.0724			
								0.4761			
Inv. Co..TP <sup>LHI</sup>									0.0543		
									0.4822		
Inv. Co..TP <sup>SHI</sup>									-0.2844		
									0.3		
Inv. adv..TP <sup>LHI</sup>										0.0788	
										0.0115**	
Inv. adv..TP <sup>SHI</sup>										0.0215	
										0.4679	
Others.TP <sup>LHI</sup>											0.023
											0.3044

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Table 10. Trade Persistence by Institutional Categories and IVOL

Variables	1	2	3	4	5	6	7	8	9	10	11
Others.TP <sup>SHI</sup>											-0.0203
											0.565
Observations	92299	125033	124801	121836	113761	93946	45073	52937	64959	109813	91638
R <sup>2</sup>	0.058	0.482	0.479	0.212	0.111	0.056	0.370	0.374	0.255	0.105	0.058



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We explained before that there is a misclassification error beginning from 1998. We therefore, use data from 1998 to 2014 in producing this analysis in order to stay consistent. Column 1-6 reports the regression results for trade persistence by institutions' categories. Persistent trading by investment companies and investment advisors (column 4 and column 5) is significantly positively related to idiosyncratic risk suggesting their role for price destabilization. Investment companies do not increase idiosyncratic volatility. Banks even though are more likely to end up in LHI due to low average turnover, their trade persistence is not related to IVOL. Column 7-11 reports results for various institutions' categories after classifying them on the bases of their horizon. In all of the regressions, we control for variables which were previously used in Table 8. In all of the models SHI trade persistence in each of the institutional categories is insignificantly related to  $\Delta IV OL$ . Trade persistence of long horizon Investment advisors is positively predicting the  $\Delta IV OL$  and insurance companies negatively predicts  $\Delta IV OL$  with significance at a level less than 10%. This effect could be due to banks and investment advisors trading behaviour which however is difficult to segregate here. We repeat the analysis for IVOL from 3 factors and from market factor in Table A18 and Table A19, respectively. We obtain similar results. The coefficients are estimated for herding by categories of institutions such as banks, insurance companies, investment companies, investment advisor, and others in Table 10. We explained before that there is a misclassification error beginning from 1998. We therefore, use data from 1998 to 2014 in producing this analysis in order to stay consistent. Column 1-6 reports the regression results for trade persistence by institutions' categories. Persistent trading by investment companies and investment advisors (column 4 and column 5) is significantly positively related to idiosyncratic risk suggesting their role for price destabilization. Investment companies do not increase idiosyncratic volatility. Banks even though are more likely to end up in LHI due to low average turnover, their trade persistence is not related to IVOL. Column 7-11 reports results for various institutions' categories after classifying them on the bases of their horizon. In all of the regressions, we control for variables which were previously used in Table 8. In all of the models SHI trade persistence in each of the institutional categories is insignificantly related to  $\Delta IV OL$ .

Trade persistence of long horizon Investment advisors is positively predicting the  $\Delta IV OL$  and insurance companies negatively predicts  $\Delta IV OL$  with significance at a level less than 10%. This effect could be due to banks and investment advisors trading behaviour which however is difficult

Table 11. Institutional Trade Persistence and Returns

*Dependent variable:*

8 Quarters Ahead Market Adjusted Return

1 Quarter Ahead Market Adjusted Return

(1)

(2)

(3)

(4)

(5)

(6)

(7)

(8)



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(Intercept)	0.0405	0.0369	0.0401	0.0369	0.0225	0.02	0.0171	0.0153
	0.0614*	0.0838*	0.109	0.136	0.0791*	0.1263	0.223	0.2811
TP <sup>ALL</sup>	-0.0171	-0.0187			-0.0064	-0.0071		
	0***	0***			0.0054***	0.0044***		
TP <sup>LHI</sup>			-0.0114	-0.0121			-0.0075	-0.0075
			0.0002***	0.0002***			0.0016***	0.0019***
TP <sup>SHI</sup>			-0.0002	-0.0012			0.0071	0.0064
			0.9411	0.6778			0.001***	0.0039***
IO <sup>ALL</sup>	0.0016	0.0009	0.0052	0.0042	-0.0008	-0.0011	0.0027	0.0022
	0.8721	0.9288	0.564	0.6433	0.8889	0.8515	0.6194	0.679
B/M	0.0326	0.0309	0.0177	0.0166	0.0094	0.0039	-0.0009	-0.006
	0.0475**	0.0645*	0.3083	0.3466	0.2158	0.6214	0.9192	0.5172
CF/P	0.0276	0.0279	0.0413	0.0415	0.0126	0.0131	0.0176	0.0178
	0.042**	0.0395**	0.0071***	0.0066***	0.1746	0.1572	0.0737*	0.0728*
EG	0.1334	0.1258	0.1203	0.1153	0.0843	0.0737	0.0677	0.0632
	0.0124**	0.0205**	0.0098***	0.0137**	0.0084***	0.0291**	0.0683*	0.1027
E/P	0.0774	0.1012	0.0359	0.0533	-0.046	-0.0189	0.0223	0.0382
	0.673	0.571	0.8688	0.8009	0.5615	0.8007	0.8392	0.7145
CAP	-0.0009	-0.0014	-0.001	-0.0016	0.0005	0.0005	0.0005	0.0003
	0.8043	0.7068	0.7609	0.6533	0.7943	0.8261	0.8143	0.8784
Ret <sub>t-15,t-4</sub>		-0.0092		-0.009		-0.0088		-0.0083
		0.106		0.0997*		0.0355**		0.0411**
Ret <sub>t-15,t</sub>	-0.0084		-0.0098		0.0002		-0.0015	
	0.31		0.213		0.9699		0.749	
Sale/P	0.0593	0.0589	0.0608	0.0604	0.0093	0.0089	0.0128	0.012
	0***	0***	0***	0***	0.232	0.2611	0.1024	0.1305
TURN	-0.0396	-0.0409	-0.0367	-0.0383	-0.0272	-0.0264	-0.0273	-0.0271
	0.0035***	0.0023***	0.0065***	0.0043***	0.0016***	0.0022***	0.0022***	0.0025***
Observations	208,408	208,543	189,927	189,996	240,756	240,919	219,182	219,265
R <sup>2</sup>	0.051	0.049	0.056	0.054	0.054	0.053	0.063	0.061

Note: \*p<0.1; \*\*p<0.05; \*\*\*p<0.01

to segregate here. We repeat the analysis for IVOL from 3 factors and from market factor in Table A18 and Table A19, respectively. We obtain similar results.

Table 12. Institutional Trade Persistence in the Same Direction and Returns





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*Dependent variable:*

	8Q Market Adjusted Return		1Q Market Adjusted Return	
	(1)	(2)	(3)	(4)
(Intercept)	0.0007	-0.027	-0.0462	-0.0688
	0.99	0.637	0.376	0.2372
TP <sup>LHI</sup>	-0.0026	-0.0124	-0.0399	-0.0506
	0.929	0.6869	0.0358**	0.0108**
TP <sup>SHI</sup>	-0.0059	-0.0025	0.0393	0.0493
	0.7942	0.9235	0.0141**	0.003***
IO <sup>ALL</sup>	0.0259	0.0241	0.0065	0.0074
	0.2391	0.2755	0.6432	0.5902
B/M	0.0229	0.035	-0.0697	-0.0757
	0.6345	0.479	0.0301**	0.0145**
CF/P	0.0774	0.0585	0.0597	0.0296
	0.1442	0.2715	0.0793*	0.558
EG	0.5037	0.4434	0.2981	0.2039
	0.2885	0.363	0.2975	0.4578
E/P	0.478	0.6433	0.7079	0.9207
	0.5299	0.367	0.3255	0.1962
CAP	0.0604	0.0855	0.0294	0.0414
	0.4222	0.2731	0.1351	0.158
Ret <sub>t-15,t-4</sub>		-0.0444		-0.0045
		0.0172**		0.8507
Ret <sub>t-15,t</sub>	-0.051		-0.0251	
	0.0097***		0.0813*	
Sale/P	0.0577	0.0397	-0.0032	-0.0136
	0.3861	0.5346	0.9484	0.7779
TURN	-0.0262	-0.0468	0.0154	0.0093
	0.4808	0.2122	0.5169	0.6912
Observations	4665	4665	5419	5420
R <sup>2</sup>	0.345	0.345	0.278	0.283

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Note: \*p<0.1; \*\*p<0.05; \*\*\*p<0.01

## Herding Impact on Returns

In this section, we replicate findings in Yuksel (2015) and contribute to it by investigating further implications and robustness checks. We regress market adjusted 8 quarters cumulative returns ( $RET_{t+1:t+8}$ ) on SHI trade persistence and LHI trade persistence and other control variables.

$$\begin{aligned} R_{i,t+1:t+8} = & \alpha + \beta_1 TP^{SHI}_{i,t} + \beta_2 TP^{LHI}_{i,t} + \beta_3 IO^{ALL} + \beta_4 B/M_{i,t} + \beta_5 CF/P_{i,t} \\ & + \beta_7 EG_{i,t} + \beta_6 E/P_{i,t} + \beta_8 CAP_{i,t} + \beta_9 Ret_{i,t-15:t-4} \\ & + \beta_{10} Sale/P + \beta_{11} TURN_{i,t} + \epsilon_{i,t} \end{aligned}$$

(8)

We run quarterly cross sectional regressions to obtain coefficients estimates. Time series average of the coefficients are the final estimates. Newey-West correction is employed to calculate final standard errors. We use the standard rule of thumb to select lags and set it as  $T^{1/4}$ . We use the same variables as used in Yuksel (2015) and some additional control variables reported in Dasgupta, Prat, and Verardo (2011). All explanatory variables are standardized by dividing its deviation from cross-sectional mean by cross-sectional standard deviation each quarter. The results are reported in table 11. All institutions' trade persistence TP represented by  $TP^{ALL}$  is negatively effecting the long term market adjusted returns as reported in column 1. In column two, we use past 4 years of cumulative returns skipping one year before quarter t to offset the momentum in returns. The coefficient is still significant and negative. Book to market predicts long horizon returns positively, although insignificant mostly, confirming positive book to market effect. Growth stocks are expected to earn high returns as suggested by EG. Most of valuation ratios are significant and positive predictor of long term returns. Illiquid stocks (stocks with low share turnover) earn higher returns.

In column 3 and 4, we include trade persistence by SHI and LHI. Only LHI trade persistence is significant and negative, whereas SHI trade persistence does not impact long term stock returns negatively. One standard error increase in LHI trade persistence decreases return by 1.14% in column 3 and by 1.21% in column 4. When we use one quarter ahead market adjusted returns, all institutions' persistence is still significant however, the effect is decreased significantly unlike Yuksel (2015). In column 7 and 8, LHI trade persistence is significant and negative as before and SHI trade persistence is positive and significant. If SHI are involved in spurious herding we should

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expect positive impact of herding in the short term. This is what we find here. A slight change in the effect in

our study is due to the use of slightly different approach. We use market adjusted returns and estimate herding following Dasgupta, Prat, and Verardo (2011). We also include some additional control variables which do not exist in Yuksel (2015). Furthermore, our study covers data from 1980 until 2014 unlike 2012 as in Yuksel (2015). This does not change our main findings that only LHI trade persistence is significant. SHI trade persistence does not predict long term returns in the long run and predict the short run returns positively. This means that herding by LHI (unlike SHI) produce the destabilizing effect in prices. Other control variables do not exhibit significant change except that the valuation ratios lose significance in analysis aiming at one quarter ahead returns and return reversals associated with past cumulative return are significant.

It is probable that they herd in the same direction or in opposite direction. Yuksel (2015) does not consider this in his analysis. We recognize this fact and divide our sample into those stocks in which herding is in the same direction. In other words, SHI and LHI both are either sell herding together or buy herding together. Specifically, we subset our sample into stocks, called same directions sub-sample, for which both SHI and LHI has persistence with the same sign (where  $\text{sign}(\text{TP}^{\text{SHI}}) = \text{sign}(\text{TP}^{\text{LHI}})$ ) i.e if one has persistence of -5 the other has -5 (also -3 or -2) and into stocks, called opposite directions sub-sample, for which both SHI and LHI has persistence with the opposite sign (where  $\text{sign}(\text{TP}^{\text{SHI}}) = -\text{sign}(\text{TP}^{\text{LHI}})$ ) i.e if one has persistence of -5 the other has +5 (also +3 or

+2). Zeroes are not regarded as herding in our sample, therefore we assign stocks with "0" herding in the later sub-sample. Given our summary table, either of the classes of institutions is not following the other on average.

In table 12, we report the results for same direction sub-sample. We find that in those stocks which experience herding by both type of institutions in the same direction LHI trade persistence loses its significance in predicting long term returns but still predicts short term return reversals. SHI trade persistence on the other hand does not predict long term returns significantly but predict short term return continuation as before. These results suggest that even though SHI and LHI both trade in same direction, SHI herding price discovery role is not halted. Whereas LHI continue to destabilize prices.

Combining the results from same direction sub-sample analysis of returns and IVOL, we see that herding by SHI has insignificant impact on  $\Delta IVOL$  and long term returns. This is exactly what we expected given the informativeness of short horizon institutions. Hence, SHI seem to pursue their strategies based on information even in the sample where LHI also exhibit herding in the same direction. If LHI follow SHI, their herding should be informational and the resulting impact on IVOL and long term returns should be insignificant. Yuksel (2015) finds that LHI herding is positively correlated with last quarter SHI herding. Whereas, SHI herding is

insignificantly correlated with last quarter LHI herding. He associates this evidence to informativeness of SHI because, as we noted earlier, institutions follow other better informed institutions. On LHI herding side, we have short-term (1 quarter ahead) return reversals only and positive  $\Delta IV OL$  effect (table 5). This points towards deviation of prices from fundamental value in response to LHI herding. These results are not robust to use of alternative methodologies (table 6 and table 7) and analysis of long-term returns (column 1 and 2 in table 12). LHI insignificantly predicts  $\Delta IV OL$  and long-term market adjusted returns. Furthermore, in an unreported analysis, when we repeat this same analysis on long-term returns i.e use mean 4 quarters average churn rate as threshold to classify institutions, LHI trade persistence loses its significance in same direction sub-sample as we find here. Hence, in the same direction sub-sample it is not clear whether LHI stabilize or destabilize prices. The role of SHI as price stabilizers remain consistent and robust.

Book to market in these stocks significantly predicts negative next quarter returns. Furthermore, return reversals related with past returns are no more significant unlike table 11. All other control variables lose their significance in this sub-sample. We analyse stock which exhibit herding by both classes of institutions in the opposite direction in table 13. Our results support the findings in table 11. B/M is no more significant in explaining 8 quarters ahead stock returns. Concluding the above discussion, when SHI and LHI both engage in herd behaviour in same direction or in opposite direction only SHI have stabilizing impact on prices. This result is new and contributes to the earlier findings of Yuksel (2015). Furthermore, we do robustness analyses to check whether our results are not affected by choice of our methodology. In table A14, in appendix section, we do the same analysis as in table 11 but we classify institutions into SHI and LHI based on cross sectional mean of the average 4 quarter churn rate. Our results do not change except that LHI trade persistence related reversals are greater when we include those institutions in our analysis that have AVGCR above the mean but below the tercile and SHI trade persistence return continuation decreases when compared with the results in table 11. Table A15 reports the analysis when we classify a trade as net buy or net sell based on the sign of  $d_{i,t,d}$  as explained in variables section. LHI trade persistence related return reversals and SHI trade persistence related return continuation become stronger.

This section confirms and extends findings by Yuksel (2015) that LHI trade persistence negatively impact long horizon returns whereas SHI trade persistence has no effect on long horizon returns. We recognize that both types of institutions can herd in the same direction or in the opposite direction and this does not result in major difference in earlier findings. We also ascertain that these findings are robust to other methodological concerns as explained above.

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## CONCLUSION

We find significant positive relationship between long horizon institutions' herding and idiosyncratic volatility, while short horizon institution's herding has insignificant effect. Our results suggest that long horizon institutions are involved in behavioural herding and short horizon institutions are involved in informational herding.

We first define short horizon institutions and long horizon institutions following a procedure in Yan and Zhang (2009) and then calculate trade persistence following Dasgupta, Prat, and Verardo (2011) which estimates herding when institutions persistently buy or sell the same stocks over multiple quarters. Following same methodology, we obtain long horizon institutions' herding (short horizon institutions' herding) when long horizon institutions (short horizon institutions) persistently buy or sell the same stocks over multiple quarters.

Our main contribution deals with the idiosyncratic volatility impact of herding after decomposing it into short horizon institutions herding and long horizon institutions herding. Our results suggest that the increased idiosyncratic volatility following herding previously found for all institutions is mainly attributed to long horizon institutions. We obtain the same results for institutions with different horizon in the analyses at each of the institutional categories. Our results are robust to the

Table 13. Institutional Trade Persistence in the Opposite Direction and Returns

<i>Opposite Direction</i>				
<i>Dependent variable:</i>				
	8Q Market Adjusted Return	1Q Market Adjusted Return		
	(1)	(2)	(3)	(4)
(Intercept)	0.0405	0.0376	0.0187	0.0173
	0.105	0.1294	0.1804	0.2212
TP <sup>LHI</sup>	-0.0113	-0.012	-0.0075	-0.0075
	0.0002***	0.0002***	0.0021***	0.0022***
TP <sup>SHI</sup>	-0.0004	-0.0013	0.0069	0.0063
	0.8859	0.638	0.0018***	0.0059***
IO <sup>ALL</sup>	0.0049	0.0039	0.0024	0.0019
	0.5928	0.667	0.6619	0.7225
B/M	0.0166	0.0155	0.0005	-0.0047
	0.3341	0.3744	0.9563	0.6131
CF/P	0.041	0.0413	0.0169	0.0172
	0.0061***	0.0056***	0.0883*	0.0853*



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EG	0.1178	0.1131	0.0617	0.0577
	0.0122**	0.0173**	0.103	0.1405
E/P	0.0315	0.0459	0.0029	0.0162
	0.8852	0.8293	0.9785	0.873
CAP	-0.0011	-0.0017	0.0001	-0.0001
	0.7389	0.6291	0.9801	0.9482
Ret <sub>t-15,t-4</sub>		-0.0078		-0.0075
		0.1644		0.0693*
Ret <sub>t-15,t</sub>	-0.0088		-0.0005	
	0.2745		0.9161	
Sale/P	0.0624	0.062	0.0137	0.0129
	0***	0***	0.0726*	0.094*
TURN	-0.0362	-0.0378	-0.0273	-0.027
	0.0072***	0.0047***	0.0027***	0.0029***
Observations	183252	183321	211541	211622
R <sup>2</sup>	0.056	0.054	0.063	0.061

Note: \*p<0.1; \*\*p<0.05; \*\*\*p<0.01

use of control variables known to affect volatility and to use of alternative factor models to estimate idiosyncratic volatility. In a sub-sample analysis, we show that herding by long horizon institutions in stocks which exhibit short horizon institutions' herding in the same direction also impacts idiosyncratic volatility positively. However, these results are not robust to other methodological

concerns. Whereas, short horizon institutions remain ineffective in explaining idiosyncratic volatility in this sub-sample. These results are robust to alternative methodologies.

We then replicate findings in Yuksel (2015) that herding by long horizon institutions negatively impact long term returns. And, improve upon it by providing the evidence that long horizon institutions insignificantly impact long term returns when they herd in the direction of short

horizon institutions. In addition, we provide robustness analysis and report that informational role of short horizon institutions is not affected by methodological concerns in the literature.

A detailed study dealing with high frequency data can highlight the speed with which the market stabilizes itself following herding. In addition, investigation of the same direction sub-sample (stocks which exhibit short horizon institutions' herding and long horizon institutions'

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herding in the same direction) for the role of long horizon institution as price destabilizer can make a good future study.



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## APPENDIX A

Table A14. Institutional Herding and Returns (Classification based on Mean AVGCR)

*Dependent variable:*

	8Q Market Adjusted Return		1Q Market Adjusted Return	
	(1)	(2)	(3)	(4)
(Intercept)	0.0388	0.0355	0.0191	0.0174
	0.1111	0.1408	0.1739	0.2218
TP <sup>LHI</sup>	-0.0163	-0.0171	-0.0055	-0.0056
	0***	0***	0.0131**	0.0199**
TP <sup>SHI</sup>	-0.0025	-0.0037	0.0044	0.0038
	0.4211	0.2365	0.0491**	0.0984*
IO <sup>ALL</sup>	0.0059	0.005	0.0018	0.0014
	0.5099	0.5792	0.734	0.7922
B/M	0.0176	0.0164	0.001	-0.0042
	0.3013	0.3411	0.9115	0.6538
CF/P	0.0406	0.0408	0.017	0.0172
	0.0082***	0.0077***	0.0854*	0.0824*
EG	0.1363	0.1324	0.0369	0.0321
	0.0057***	0.0073***	0.4289	0.5059
E/P	0.056	0.0749	0.0292	0.0471
	0.8046	0.7346	0.7819	0.6405
CAP	-0.0012	-0.0017	0.0006	0.0004
	0.7254	0.6302	0.7792	0.8396
Ret <sub>t-15,t-4</sub>		-0.0088		-0.0082
		0.1165		0.0444**
Ret <sub>t-15,t</sub>	-0.0091		-0.0011	
	0.26		0.8138	
Sale/P	0.0609	0.0604	0.0124	0.0116
	0***	0***	0.1132	0.1442
TURN	-0.0368	-0.0384	-0.0261	-0.0257
	0.0067***	0.0044***	0.0028***	0.0034***

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Observations	193287	193367	223010	223107
R <sup>2</sup>	0.0547	0.0529	0.0611	0.0593

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Table A15. Institutional Herding and Returns (Buy/Sell based on  $\text{sign}(d_{i,t,d})$ )

	<i>Dependent variable:</i>			
	8Q Market Adjusted Return		1Q Market Adjusted Return	
	(1)	(2)	(3)	(4)
(Intercept)	0.0384	0.035	0.017	0.0153
	0.1311	0.1648	0.2287	0.2843
TP <sup>LHI</sup>	-0.0121	-0.0129	-0.0059	-0.0061
	0***	0***	0.0059***	0.0067***
TP <sup>SHI</sup>	0.0004	-0.0006	0.0062	0.0055
	0.8765	0.8122	0.0022***	0.0082***
IO <sup>ALL</sup>	0.0069	0.0058	0.0046	0.004
	0.4296	0.5013	0.3774	0.43
B/M	0.0124	0.0114	-0.0023	-0.0073
	0.5241	0.5613	0.8216	0.484
CF/P	0.0429	0.0431	0.0183	0.0185
	0.0097***	0.0092***	0.0783*	0.076*
EG	0.077	0.071	0.0363	0.0311
	0.1997	0.2336	0.3483	0.4055
E/P	0.0688	0.0886	0.0265	0.043
	0.7757	0.7078	0.8358	0.7235
CAP	-0.0008	-0.0013	0.0007	0.0006
	0.812	0.7039	0.7183	0.7769
Ret <sub>t-15,t-4</sub>		-0.0092		-0.0083
		0.1008		0.0356**
Ret <sub>t-15,t</sub>	-0.0106		-0.0022	
	0.1707		0.6355	
Sale/P	0.0621	0.0616	0.0146	0.0138
	0***	0***	0.0792*	0.1018
TURN	-0.0367	-0.0385	-0.0283	-0.0281
	0.0065***	0.004***	0.0023***	0.0026***
Observations	184318	184379	212639	212712
R <sup>2</sup>	0.0578	0.0561	0.0658	0.0638



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Table A16. Institutional Herding and IVOL.ff3

Dependent variable: IVOL.ff3

	(1)	(2)	(3)	(4)	(5)
(Intercept)	5.1649 0***	5.948 0***	5.0564 0***	3.6975 0***	5.1284 0***
TP <sup>LHI</sup>		0.0598 0.002***	0.0579 0.0031***	0.1146 0.0048***	0.0489 0.0084***
TP <sup>SHI</sup>	0.024 0.1707		0.022 0.2105	-0.0016 0.9755	0.0184 0.3616
AGE	-0.0065 0***	-0.0069 0***	-0.0059 0***	-0.0042 0.0092***	-0.006 0***
B/M	-0.6469 0***	-0.6459 0***	-0.6339 0***	-0.5627 0***	-0.6362 0***
IO <sup>LHI</sup>	-0.3391 0.3669	-0.6777 0.1588	-0.3019 0.426	-0.1708 0.7325	-0.2906 0.4479
CAP	-0.2069 0***	-0.2355 0***	-0.2111 0***	-0.1916 0***	-0.2181 0***
MAX	-43.0747 0***	-49.0383 0***	-42.8454 0***	-31.5506 0***	-42.7843 0***
ROE	-0.5428 0.1112	-0.571 0.0743*	-0.6035 0.105	-0.4437 0.4818	0.0341 0.9662
IO <sup>SHI</sup>	3.1724 0***	3.1228 0***	3.1666 0***	3.2866 0.0004***	3.0208 0***
TURN	-4.5577 0***	-4.7194 0***	-4.5353 0***	-2.8161 0***	-4.5646 0***
Observations	237,865	243,568	234,164	26,199	207,965
R <sup>2</sup>	0.184	0.452	0.185	0.383	0.187

Note: \*p<0.1; \*\*p<0.05; \*\*\*p<0.01

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Table A17. Institutional Herding and IVOL.mm  
*Dependent variable:IVOL. mm*

	(1)	(2)	(3)	(4)	(5)
(Intercept)	5.4066 0***	6.2088 0***	5.2971 0***	3.9091 0***	5.3765 0***
TP <sup>LHI</sup>		0.0629 0.0018***	0.0606 0.003***	0.1183 0.0061***	0.0509 0.008***
TP <sup>SHI</sup>	0.0275 0.1282		0.0252 0.1651	-0.0072 0.887	0.0217 0.2921
AGE	-0.0068 0***	-0.0072 0***	-0.0061 0***	-0.0042 0.0185**	-0.0062 0***
B/M	-0.668 0***	-0.6634 0***	-0.6546 0***	-0.5865 0***	-0.6559 0***
IO <sup>LHI</sup>	-0.3587 0.3639	-0.7085 0.1571	-0.3196 0.4221	-0.2426 0.6344	-0.3044 0.4472
CAP	-0.2162 0***	-0.2455 0***	-0.221 0***	-0.2014 0***	-0.2287 0***
MAX	-45.0842 0***	-51.1533 0***	-44.8551 0***	-33.3351 0***	-44.8229 0***
ROE	-0.5687 0.1133	-0.5956 0.0791*	-0.6372 0.1051	-0.5123 0.4351	0.0398 0.9623
IO <sup>SHI</sup>	3.3591 0***	3.3072 0***	3.3528 0***	3.6557 0.0004***	3.1718 0***
TURN	-4.7743 0***	-4.9477 0***	-4.7473 0***	-2.9298 0***	-4.7637 0***
Observations	237,865	243,568	234,164	26,199	207,965
R <sup>2</sup>	0.187	0.452	0.189	0.384	0.190

Note: \*p<0.1; \*\*p<0.05; \*\*\*p<0.01

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Table A18. Institutional Herding by Categories and  $\Delta IVOL.ff3$

Variables	1	2	3	4	5	6	7	8	9	10	11
Banks.TP <sup>ALL</sup>	0.015	0.0438									
	0.6087	0.2279									
Ins. Co..TP <sup>ALL</sup>	0.0458		0.0215								
	0.0929*		0.4845								
Inv. Co..TP <sup>ALL</sup>	0.0613			0.0526							
	0.1414			0.0699*							
Inv. Adv..TP <sup>ALL</sup>	0.0258				0.084						
	0.423				0.0136**						
Others.TP <sup>ALL</sup>	0.0235					0.0298					
	0.2108					0.1063					
Banks.TP <sup>LHI</sup>							0.0296				
							0.5331				
Banks.TP <sup>SHI</sup>							-0.0084				
							0.7896				
Ins. Co..TP <sup>LHI</sup>								-0.0716			
								0.0668*			
Ins. Co..TP <sup>SHI</sup>								-0.0748			
								0.4739			
Inv. Co..TP <sup>LHI</sup>									0.0591		
									0.4681		
Inv. Co..TP <sup>SHI</sup>									-0.3135		
									0.2961		
Inv. adv..TP <sup>LHI</sup>										0.0849	
										0.0106**	
Inv. adv..TP <sup>SHI</sup>										0.0228	
										0.4693	
Others.TP <sup>LHI</sup>											0.0225
											0.36
Others.TP <sup>SHI</sup>											-0.0183
											0.6082
R-sqr	0.055	0.468	0.466	0.201	0.105	0.054	0.349	0.367	0.242	0.098	0.056
No. of Obs	92299	125033	124801	121836	113761	93946	45073	52937	64959	109813	91638

Table A19. Institutional Herding by Categories and  $\Delta IVOL.mm$

Variables	1	2	3	4	5	6	7	8	9	10	11
Banks.TP <sup>ALL</sup>	0.0194	0.0481									
	0.5157	0.2036									
Ins. Co..TP <sup>ALL</sup>	0.0422		0.0195								
	0.1448		0.5394								
Inv. Co..TP <sup>ALL</sup>	0.0511			0.0572							
	0.1302			0.0564*							
Inv. Adv..TP <sup>ALL</sup>	0.0304				0.0907						
	0.3446				0.011**						
Others	0.0196					0.0296					
	0.3299					0.1269					
Banks.TP <sup>LHI</sup>							0.0275				

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Table A19. Institutional Herding by Categories and  $\Delta IVOL_{i,t}$

Variables	1	2	3	4	5	6	7	8	9	10	11
							0.5867				
Banks.TP <sup>SHI</sup>							-0.0079				
							0.8134				
Ins. Co..TP <sup>LHI</sup>								-0.0768			
								0.0608*			
Ins. Co..TP <sup>SHI</sup>								-0.0865			
								0.4272			
Inv. Co..TP <sup>LHI</sup>									0.0614		
									0.4664		
Inv. Co..TP <sup>SHI</sup>									-0.3231		
									0.2868		
Inv. adv..TP <sup>LHI</sup>										0.0893	
										0.0084***	
Inv. adv..TP <sup>SHI</sup>										0.0278	
										0.4157	
Others.TP <sup>LHI</sup>											0.0156
											0.5414
Others.TP <sup>SHI</sup>											-0.0153
											0.6536
R-sqr	0.062	0.469	0.466	0.202	0.110	0.061	0.349	0.368	0.245	0.104	0.063
No. of Obs	92299	125033	124801	121836	113761	93946	45073	52937	64959	109813	91638



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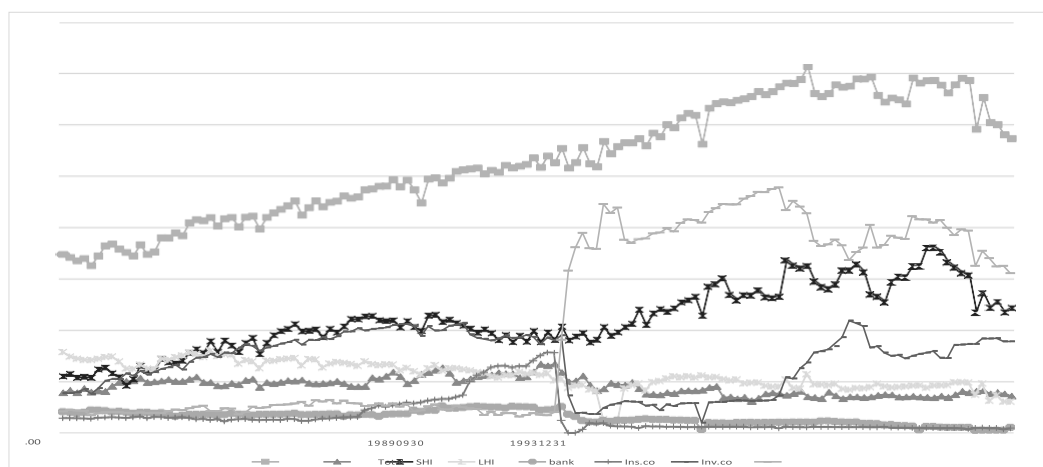


Figure I: Institutions’  
Market Share