Performance of SMEs in Export Growth and Its Impact on Economy of Pakistan

Dr. Anwar Ali Shah
Dean Faculty of Commerce and Business Administration
University of Sindh-Jamshoro, Pakistan

Tariq Mehmood
Assistant Professor, IER, University of the Punjab, Pakistan

Muhammad Aamir Hashmi
Assistant Professor, IER, University of the Punjab, Pakistan

Syed Maqsood Shah
Assistant Professor, Department of Staistics, SALU-Khairpur, Pakistan

Faiz Muhammad Shaikh
Assistant Professor
SZABAC-Dokri-Larkana, Sindh, Pakistan
E-mail: faizanmy2000@hotmail.com

Received: January 21, 2011 Accepted: February 25, 2011 doi:10.5539/ijbm.v6n7p287

Abstract

The present study was conducted to analyze the potential of SMEs in economy of Pakistan. Data were collected from 300 SMEs units by using Simple random technique. A structural questionnaire was developed to get the response from different SMEs units in Pakistan. Data were analyze by using SPSS-17.0 statistical software. It was revealed that SMEs in Rural Sindh has 45% contribution it can be increase by given facilities of marketing of those products. Moreover, SME exports are concentrated in labor-intensive sub-sectors where low wages are important to enhance the comparative competitive position of foreign markets and as well as SMEs do not necessarily export their products directly but through trade networks. The response rate was 90 percent only three units were sick units from last couple of years. It was further revealed that that potential contribution of SMEs to the sustainable growth of the Pakistan is large. Steps should be taken to ensure that more small firms are able to take advantage of government services. This may improve survival rates and stimulate development in lagging areas.

Keywords: Export, Growth, Potential, Rural Pakistan, SMEs

1. Introduction

It is a matter of fact that there are a lot of things in which large companies are experts while the small firms can better do some things also. If both, small and large firms do their business in which they get advantage, the welfare of the economy can be maximized and the state of specialization can be attained. When we focus on the impact of small as well as medium firms on the whole economy, it is difficult rather impossible for us to segregate their impacts from the impact of large corporations.

This issue remained a hot topic for centuries. Economists were of the view that it is a large firm, which participates actively in the economy and also shares a large amount of foreign exchange earnings. But their point of view changes when the countries like Taiwan, Japan and Korea developed on their small and medium based business. It is the crystal clear that these economies developed through the grass root level as small and medium enterprises belong to grass root. Those who believe that the large firms are only responsible for economic growth should keep in mind that the small vendors and small suppliers contribute heavily in the production of large firms. The reality on ground is that small firms are held responsible for making large firms to attain their targets. The progress and prosperity, which take place from the lower level, benefit all the classes of the society. The spill over impacts of SMEs proves to be ever lasting on the world's economy.

The situation differs in Pakistan. It is not more that 10 years that Govt. of Pakistan has established an institution named small and Medium Enterprise Authority (SMEDA) which is considered responsible to promote small and medium enterprises. SME sector is being neglected in Pakistan and so as the impacts of small and medium firms of Pakistan's economy. Pakistan is very potential market for SMEs and if undertaken in systematic way can prosper economy within no time. Pakistan has a considerable advantage in some areas which needs to be explained quickly to reap the benefits of exports. Such benefits can increase foreign exchange rates very positively to develop a favorable framework in all areas of progress.

The awareness like fishing, education, fruit, crops, garments, cotton, sugar cane, dates ginning, wood, auto and many other areas are the basic startups for many people. This research explains the potentialities of some areas and knowledge of how these areas can contribute towards Pakistan's economy by increasing the foreign exchange rates with reference to Sindh province. The high authorities and ministry of development and product should formulate some strategies to design practical policies with the cooperation of stakeholders, such policies will be flexible in enhancing the SMEDA plans and flourish SMEs activities at the larger scale. This will give a big boost to startup ideas and create cordial atmosphere of businesses. This will aid a lot more in understanding the export of Pakistan specially Sindh sector and improve our foreign exchange earnings. The main focus will be on SMEs' roles in economic growth and poverty alleviation through the increase of entrepreneurial and small scale business activities in the country especially in Sindh.

The third chapter provides a review of theoretical and empirical literature and the significant issues related to the understanding of Small and Medium Enterprises. Literature of Small & Medium Enterprises is divided into two sections: International and National studies.

First section evaluates the existing international literature in regard to the development of SMEs, their role in economy specifically in exports, challenges and problems they are facing. Balasuriya (1992), Voerman, wedel and Zwart (1998), Muranda (2003), Hi Lin Hoon, Stoain (2007)'s studies support the concept of export oriented SMEs and highlight the positive relationship between Exports and SME's growth. While other studies by Majumder (2004), Kacker (2005), Saleh and Ndubisi (2006) and Tambunnan (2006) investigate the problems and challenges for SME's development. However, Branco (2003) argues the role and importance of small & medium enterprises in economy.

National studies also correlate the presence of SMEs with several economic factors. Berry (1998), Mustafa and Khan (2005) and Khawaja (2006) outline the importance and potential of SME sector in Pakistan's economy. Husain (2003) discusses the role of SMEs in production of exports and the challenges they are facing in local market. Coy, Shipley, Omer and Khan (2007) determine the factors responsible for attaining success in small business in Pakistan.

The fourth chapter elaborates that SMEs constituted major share in the exports of Pakistan and contributing almost thirty percent to GDP on average during the time period of last five years. The main sectors included in SMEs were Footwear Industry, automotive parts, dairy industry, meat industry, leather industry, sports goods, fabrics, garments, bed wear, towels, tents and canvas, horticulture, cutlery, gems and jewellery, blankets and traveling rugs, furniture sector, pharmaceutical sector, services sector etc. Growth in SMEs sector has a direct impact on Pakistan's exports and vice versa, which is needed to be focused on priority basis.

The fifth chapter presents a glimpse of policies related to SME in Pakistan. It highlights the advantages and incentives given to SME sector in Pakistan and also throws light on the shortfalls in the policy formulation and implementation. It also provides a comparative study of policies related to small and medium enterprises in different countries. In the last chapter some recommendations and proposals have been made for the improvement and development of the small & medium enterprises in Pakistan.

2. Methodology

2.1 Data Collection and Research Methodology

Data were collected from 300 SMEs business exports in Pakistan by using simple random technique and Structural questionnaire is the basic tool for measuring export potential. Data were analyze by using 17.0 Statistical software. The sources of the data are various issues of Economic Survey of Pakistan, database of Small & Medium Enterprises (SMEDA), publication of International Trade Centre (ITC), annual reports of State bank of Pakistan, database of Trade Development Authority of Pakistan (TDAP), publications and databases of Federal Bureau of Statistics, trade polices from Ministry of Commerce of Pakistan, databases of Ministry of Finance, etc. Literature covers the research papers and studies available on the subject on internet and journals and libraries. The study is an attempt to present comparative analysis of the various SME based economies in the world specifically from Asia.

3. Leather Industry

(Finished Leather, 2002) stated that world's leading exporters of finished leather were Italy, Republic of Korea, Argentina, USA, Germany and Brazil. Further, Hong Kong, Italy, Germany, Spain and France were important buyers of finished leather from Pakistan in 2002. During 2002, Kasur (223) was main cluster city of finished leather in Pakistan followed by Sialkot (210), Karachi (174), Gujranwala (51), Multan (43), Sheikhupura (28), Lahore (15), Sahiwal (8), Faisalabad (7), Peshawar (6), Sargodha (5) etc.

Following Table shows export of Leather Products during 2001-06. Export of leather Tanned shows variation during 2001-06 as shown in Figure. Exports of leather tanned decreases from US$ 239,934 thousand in 2001-02 to US$ 234,774 thousand in 2002-03 showing fall in exports by 2.15 percent during the same time period. Then, again exports of leather tanned shows increasing trend in two consecutive years of 2003-04 and 2004-05 by 7.21 percent and 20.63 percent respectively. However, it depicts decrease by 3.69 percent in 2005-06. In the Table 3.6 export of leather gloves from Pakistan shows increasing trend except the year of 2005-06. In 2005-06 export of leather gloves stood at US$ 151,459 thousand as compare to US$ 164,333 thousand in 2004-05 decreased by 7.8 percent during the same time period. Major buyers of Pakistan for the product of leather gloves are USA, Germany and France with their share at 22.99 percent, 11.64 percent and 7.85 percent respectively in 2005-06.

Export of leather products in the category of apparel & clothing increased except 2002-03. The value of Export of Pakistan in this product stood at US$ 501,786 thousand in 2005-06 as compare to US$ 321,341 thousand in 2001-02, with an increase of 56.15 percent over the period. While Pakistan's export of leather manufactures n.s. shows growth of 558.21 percent during 2001-06.

4. Conclusion

The overall in-depth sample showed a high degree of concern over economic problems but that concern did vary. The constraint which was most uniformly faced was political instability followed by (the related constraint) uncertainty in the business climate. Those in Sindh were significantly more concerned about their lack of information on their competition and about the lack of market for their products than their peers in Punjab or NWFP. Even more dramatically, all those interviewed in Sindh were severely threatened by uncertainty in the business climate and by climatic disasters while their colleagues elsewhere were much less likely to rank these as serious constraints. More than 80% of them thought that government corruption was serious problem for them as well.

They did not perceive that there was increasing credit available inspite of SMEDA or SBFC or that the government had begun to be interested in their welfare and had begun to devise policies to support them. More than half the respondent entrepreneurs thought that government support had substantially decreased.

Entrepreneurs' concern regarding the changes in Government policies and taxes. What may be seen by economists as having positive effects on SMEs may not be equally valued by entrepreneurs. Thus, most responded strongly that government taxing and pricing policies were serious constraints to their establishments. Very few (12% of the entire set of respondents) felt that government support had increased and in fact, more than 70% felt it had decreased substantially. Entrepreneurs in all provinces share a grave concern about the lack of credit and the conditions required for obtaining what credit there is. Few responded "do not know" to any questions and few took the lukewarm options. Most felt strongly about what they wanted and needed for their businesses.

References

Akizawa, Hikari., & Kijima, Kyoichi, Kijima. *Theory & Research: Internet-based Entrepreneurial Networking to Evolve the Japanese Industrial Structure.* Department of Value and Decision Science, Tokyo Institute of Technology, Japan.

APO. (2000). *Small and Medium Enterprises in Hong Kong, Reforms from Developing Countries.* Export Orientation for Small and Medium Enterprises in Exports, APO.

Balasuriya, Anton. (2ND QTR/1992). Technonet Asia, Newsletter, Singapore.

Bardrinath, R. (1997). *The SME and the Global Market Place.* International Trade Centre UNCTAD/WTO Geneva, Switzerland.

Castel-Branco, Carlos Nuno. (2003). A Critique of SME-led Approaches to Economic Development. *Islamic Chamber of Trade and Industry*, Mozambique

Chen, Edward K.Y. (1986). *Small Industry in Asia's Export- Oriented Growth.* Asian Productivity Organization, Tokyo

Coy, Steven P, Shipley, Margaret F, Omer, Khursheed & Khan, Rao Nisar A. (2007). Factors Contributory to Success: A Study of Pakistan's Small Business Owners. *Journal of Developmental Entrepreneurship*.

Edwards, Tim., Rick Delbridge and Max Munday. (2005). *Understanding Innovation in Small and medium-sized Enterprises: A Process Manifesto*. Cardiff University, Aberconway Building, Colum Drive, Cardiff CF 10 3 EU, UK.

Federal Bureau of Statistics. (2005). *Pakistan Statistical Year Book*

Germidis, D. (1980). *International subcontracting: a new form of investment*. OECD, Paris.

Government of Pakistan, Ministry of Finance*, Pakistan Economic Survey*, (Various Issues)

Government of Pakistan, Small and Medium Enterprise Development Authority (SMEDA), *Sector Brief: Towels and Cleaning Cloths,* Revised on July 12, 2002

Government of Pakistan, Small and Medium Enterprise Development Authority (SMEDA), *Sector Brief: Bed-wear & Linen,* Revised on July 12, 2002

Government of Pakistan, Small and Medium Enterprise Development Authority (SMEDA), *Sector Brief: Leather Footwear,* Revised on July 12, 2002

Government of Pakistan, Small and Medium Enterprise Development Authority (SMEDA), *Sector Brief: Gems & Jewellery,* Revised on July 12, 2002

Government of Pakistan, Small and Medium Enterprise Development Authority (SMEDA), *Sector Brief: Marine Fisheries,* Revised on July 12, 2002

Government of Pakistan, Small and Medium Enterprise Development Authority (SMEDA), *Sector Brief: Finished Leather,* Revised on July 12, 2002

Government of Pakistan, Small and Medium Enterprise Development Authority (SMEDA), *Sector Brief: Curtains & Furnishings,* Revised on July 12, 2002

Government of Pakistan, Small and Medium Enterprise Development Authority (SMEDA), *Sector Brief: Apparel,* Revised on July 12, 2002

Government of Pakistan, Small and Medium Enterprise Development Authority (SMEDA), *Sector Brief: Blankets,* Revised on July 12, 2002

Government of Pakistan, Small and Medium Enterprise Development Authority (SMEDA), *Sector Brief: Canvas,* Revised on July 12, 2002

Government of Pakistan, Small and Medium Enterprise Development Authority (SMEDA), *Sector Brief: Ceramics,* Revised on July 12, 2002

Government of Pakistan, Small and Medium Enterprise Development Authority (SMEDA), *Sector Brief: Horticulture*

Government of Pakistan, Small and Medium Enterprise Development Authority (SMEDA), *Sector Brief: Cotton & Ginning*

Government of Pakistan, Small and Medium Enterprise Development Authority (SMEDA), *Sector Brief: Dairy*

Government of Pakistan. (2002). Small and Medium Enterprise Development Authority (SMEDA), *Sector Brief: Cutlery,* Revised on July 12, 2002.

Halbach, AJ. (1989). *Multinational enterprises and subcontracting in the third world: a study of inter-industry linkages*, International Labour Office, Geneva.

Hoon, Ho Lin, "Internationalization of Small Industry" *National Productivity Board*, Singapore

Howard, Robert. (1990). *Can Small Business Help Countries Compete*? Harvard Business Review November-December 1990 (pp 80-103)

Husain, Ishrat. (2004). Financial Sector Reforms and Pro Poor Growth: a cars Study of Pakistan. Presidential Address at the Annual General Meeting of the Institute of Bankers Pakistan held at Karachi.

Husain, Ishrat. (2005). *SME Financing Issues and Strategies*. Welcome Address at the conference on SME Financing Issues and Strategies held in Lahore on May 9.

Husain, Ishrat. (2005). *SME Financing Issues and Strategies*. Welcome Address at the conference on SME Financing Issues and Strategies held in Lahore on May 9.

Jaitle, T.N. (1981). *Export Promotion of Selected Small Industry Products: Asian Experience*. Asian Productivity Organization, Tokyo

Kacker Stuti. (2005). Overcoming Barriers to Innovation for Indian SMEs. *Ministry Small Scale Industries*, New Delhi, India.

Khawaja, Shoaib. (2006). Unleashing the Growth Potential of SMEs in Pakistan through Productivity Enhancement. Pakistan Development Forum – 2006.

Kim, Young-Duck. (2000). *Policies, Reforms and Evaluation of SME Export Experiences of Republic of Korea*. Export Orientation for Small and Medium Enterprises in Exports, APO.

Klerg, GJ de., & Havenga, JJD. *SME Networks and Clusters and their Impact on Economic Growth: An Explanatory Overview of Africa*. North-West University, Potchefstroom, South Africa.

Kohata., K. (2006). *SME Policy in USA, Japan, Korea and Thailand*. The Asian Development Bank (ADB) May 2006.

Majumder, Rajarshi. (2004). Productivity Growth in Small Enterprises – Role of Inputs, Technological Progress and Learning by Doing" MPRA Paper No. 4848, West Bengal

Manjor, Asir. (2002). "Garment Industry in Pakistan" In Gopal Joshi (eds.) *Garments Industry in South Asia Rags or Riches?: Competitiveness, productivity and job quality in the post-MFA environment.* India: International labour organization 2002

Mcclean, Rowan, Wajid, Majid Ali. (February 2007). *Services Exports: National Road Map for Pakistan* Geneva, Switzerland: International Trade Centre (UNCTAD/WTO)

Muranda, Zororo. (2003). Relationships between Firm Characteristics and Export Constraints in SME Exporters. *Business Studies Deportment*, University of Zimbabwe.

Nihaya, Wongtada. (2000). *Opportunity and Threat to Potential SME Export: Experience of Thailand*. Export Orientation for Small and Medium Enterprises in Exports, APO.

OECD. (2002). The OECD Small and Medium Enterprises Outlook, Country Profiles; Japan, Korea, Turkey, OECD.

Office of SMEs Promotion (OSMEP)/ DIP/MOI and Institute for SMEs Development (ISMBD), Thailand. [Online] Available: www.sme.go.th & www.smethai.net

Pakistan Automotive Manufacturer Association (PAMA), *Data Base, 2005-06*

Paskaleva, K., & Shapira, G. (2006). Innovation and SMEs: Some Asian Experiences. [Online] Available: http://www.itas.fzk.de/tatup/061/pash06a.htm

Pichler, J. Hanns., and Peter Voithover. (2006). *SME Strategic Behavior and Attitudes towards Cooperation and Network*. University of Lapland, Rovaniemi, Finland.

Saleh, Ali Salman and Ndubisi, Nelson Oly. (2006). An Evaluation of SME Development in Malaysia. *International Review of Business Research Papers*, 1-14. Malaysia.

Saxenian, A. (1994). *Regional Advantage.* MA: Harvard University Press.

Scholar, Morten, Bijil, Bastiaan, Butt Madiha and Haque, Inaam ul. (September 2007). *The Sports Goods Sector In Pakistan: Export Performance And Potential & Implication Of The WTO Agreements* Geneva, Switzerland: International Trade Centre (UNCTAD/WTO)

Scholar, Morten, Elferink, Jan Oude, Bijil Bastiaan, Butt Madiha and Haque, Inaam ul. (September 2007). *The Automotive Parts Sector In Pakistan: Export Performance and Potential & Implication Of The WTO Agreements* Geneva, Switzerland: International Trade Centre (UNCTAD/WTO)

Scholar, Morten, Lodhi, Javed, Roofthooft, Ward, Bijil, Bastiaan, Butt Madiha and Haque, Inaam ul. (August 2007). *The Pharmaceutical Sector In Pakistan: Export Performance And Potential & Implication Of The WTO Agreements* Geneva, Switzerland: International Trade Centre (UNCTAD/WTO)

Scholar, Morten, Tissari, Jukka, Bijil Bastiaan, Butt Madiha and Haque, Inaam ul. (August 2007). *The Furniture Sector in Pakistan: Export Performance And Potential & Implication of the WTO Agreements* Geneva, Switzerland: International Trade Centre (UNCTAD/WTO)

Scholar, Morten, Zakaria, Fasim, Bijil Bastiaan, Butt Madiha and Haque, Inaam ul. (September 2007). *The Footwear Sector in Pakistan: Export Performance And Potential & Implication Of The WTO Agreements* Geneva, Switzerland: International Trade Centre (UNCTAD/WTO)

Small and Medium Business Administration (SMBA). Korea. [Online] Available: www.smba.go.kr

Small and Medium Enterprise Agency (SMEA). Japan. [Online] Available: www.chusho.meti.go.jp

Small and Medium Enterprise Authority (SMEDA). [Online] Available: www.smeda.org.pk

Stoian, Maria-Cristina. (2002). *Managerial Determinants and Their Influence Upon The Export Behavior Of The Firm Case-Studies Of Catalan Exporting SMEs.* Spain: University of Barcelona.

Tambunnan, Tulus. (2007). Trade and Investment Liberalization Effects on SME Development: A literature Review and a Case Study of Indonesia. *Asia-Pacific Research and Training Network on Trade,* 42: Indonesia

Trade Development Authority of Pakistan. (2005-06). TDAP, Export Summary. (2005-06). [Online] Available: http://www.epb.gov.pk

Trade Map. (2006). *Data Base, 2006.*

Voerman, J.A., Wedel, M., and Zwart, P.S. (1998). Export Market Information Behavior of SMEs: The Influence of Firm Characteristics. *SOM Research School*: University of Groningen.

Wang, Dr. Yue. (2007). *Towards A Conceptualization of International Subcontracting.* Monash Business Review Volume 3 Issue 1-April 2007. School Of Organization and Management, University of New South Wales. April 2007.

Winkelmann, Thorsten. (1996). *Internationalization Strategies of Small and Medium-Sized Suppliers in a Global Economy.* University of Gottingen, Gottingen, Germany.

Table 1. Contribution of SME in Manufacturing and GDP of Pakistan

(Percentage)

Year	SME as a percentage of GDP	Percentage share of SME Manufacturing in Value Addition	SME as a percentage of Industrial Labour
1994-95	5.79	31.26	81
1995-96	5.90	32.8	80
1996-97	4.7	27	80
1997-98	-	35	-
1998-99	5	-	80
1999-00	-	-	80
2000-01	-	-	-
2001-02	30	30	80
2002-03	30		80

Source: Economic Survey of Pakistan, Various Issues

Table 2. Shows production of automotive sector during last thirteen years

Year	Cars	Trucks	Bus	Jeep & LCV	Pic-Up/LCV	Farm Tractor	Motor Cycles
1995-96	33,419	2,994	474	2,274	2,682	16,093	-
1996-97	37,032	2,917	456	792	4,553	10,417	106,797
1997-98	38,676	1,683	591	657	4,843	14,144	92,978
1998-99	42,927	1,083	1,124	622	3,834	26,644	87,504
1999-00	35,332	913	1,460	380	3,785	24,559	86,959
2000-01	41,556	912	1,326	459	4,982	31,635	108,850
2001-02	42,679	1,134	1,086	564	5,900	23,801	120,627
2002-03	66,432	1,929	1,296	374	7,815	26,240	175,169
2003-04	103,662	2,022	1,380	807	8,888	35,770	303,383
2004-05	133,722	3,204	1,762	1,564	16,294	43,200	416,189
2005-06	170,487	4,518	825	2,472	19,152	48,887	520,124

Source: PAMA

Table 3. Export of dairy products from Pakistan during 1999-04

(Thousand rupees)

Year	Milk and cream	Butter	Eggs
1999-00	54,517	1,560	18,631
2000-01	79,445	3,621	68,627
2001-02	102,247	5,770	112,072
2002-03	290,488	5,578	90,238
2003-04	444,506	3,003	113,534

Source: Pakistan Statistical Year Book, 2005

(US$ 000)

Year	Leather Tanned		Leather Gloves		Apparel & Clothing of Leather		Leather Manufactures N.S.	
	Value	Quantity (000 SQM)	Value	Quantity (000 DOZ)	Value	Quantity (000 DOZ)	Value	Quantity
2001-02	239,934	17,290	51,324	2,943	321,341	783	10,530	-
2002-03	234,774	15,349	56,969	2,718	232,316	564	97,262	-
2003-04	251,693	16,050	70,722	2,709	323,656	709	19,965	-
2004-05	303,606	18,435	164,333	5,649	329,272	737	33,169	-
2005-06	292,394	17,377	151,459	4,498	501,786	1,050	69,309	-

Source: Trade Development Authority of Pakistan, TDAP <http://www.epb.gov.pk>

Table 4. Export of Sports Goods from Pakistan during 2001-06

(US$ 000)

Year	Sports Goods	% Change
2001-02	304,478	-
2002-03	335,173	10.08
2003-04	324,751	(3.11)*
2004-05	307,129	(5.43)
2005-06	343,329	11.79

** Figures in brackets shows negative values*

Source: Trade Development Authority of Pakistan, TDAP <http://www.epb.gov.pk>

Table 5. Export of Fabrics from Pakistan during 2001-06

(US$ 000)

Year	Cotton Fabrics	% Change of Cotton Fabrics	Knitted/Croacheted Fabrics	%Change Knitted/Croacheted Fabrics
2001-02	1,130,828	-	72,420	-
2002-03	1,345,650	19	59,466	(17.89)*
2003-04	1,711,492	27.19	54,923	(7.64)
2004-05	1,862,886	8.85	187,158	240.76
2005-06	2,108,183	13.17	51,378	72.55

** Figures in brackets shows negative values*

Source: Trade Development Authority of Pakistan, TDAP <http://www.epb.gov.pk>

Table 6. SMEs contribution in Export of Garments from Pakistan during 2001-06

(US$ 000)

Year	Ready-Made Garments excl. Leather Garment	% change Ready-Made Garments excl. Leather Garment	Knitwear (Hosiery)	% Change Knitwear (Hosiery)
2001-02	874,954	-	845,943	-
2002-03	1,092,607	24.88	1,146,674	35.55
2003-04	993,322	(9.09)*	1,458,736	27.21
2004-05	1,087,954	9.53	1,635,033	12.09
2005-06	1,309,990	20.41	1,751,494	7.12

** Figures in brackets shows negative values*

Source: Trade Development Authority of Pakistan, TDAP <http://www.epb.gov.pk>

Table 7. Export of Bed Wear from Pakistan during 2001-06

(US$ 000)

Year	Bed Wear	% Change Bed Wear
2001-02	918,558	-
2002-03	1,329,064	44.69
2003-04	1,383,334	4.08
2004-05	1,449,533	4.79
2005-06	2,038,064	40.60

Source: Trade Development Authority of Pakistan, TDAP <http://www.epb.gov.pk>

Table 8. SPSS RESULTS and analysis

PART-1

		Frequency	Percent
Missing	System	51	100.0

Nature of the Business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bicycles	3	5.9	5.9	5.0
	Fabrication/M'facture	11	21.6	21.6	27.0
	Food Processing	7	13.7	13.7	41.0
	Footwear	4	7.8	7.8	49.0
	Fruits & vegetables	4	7.8	7.8	56.0
	Jewellery & Gems	4	7.8	7.8	64.0
	Knitwear	5	9.8	9.8	74.0
	OEM	5	98	9.8	84.0
	Sports goods	3	5.9	5.9	90.0
	Surgical	5	9.8	9.8	100.0
	Total	51	100.0	100.0	

Type of Ownership

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Proprietorship	23	45.1	45.1	45.1
	Partnership	8	15.7	15.7	60.8
	Private Ltd	18	35.3	35.3	96.1
	Public Ltd	2	3.9	3.9	100.0
	Total	51	100.0	100.0	

Local Share

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	30%	1	2.0	2.0	2.0
	50%	2	3.9	3.9	5.9
	100%	48	94.1	94.1	100.0
	Total	51	100.0	100.0	

Foreign Share

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	50%	2	3.9	100.0	100.0
Missing	System	49	96.1		
Total		51	100.0		

What percentage of Your Materials and Parts are Imported?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	50-80%	6	11.8	13.0	13.0
	30-50%	13	25.5	28.3	41.0
	10-30%	7	13.7	15.2	56.0
	Less than 10%	19	37.3	41.3	97.0
	Nil	1	2.0	2.2	100.0
	Total	46	90.2	100.0	
Missing	System	5	9.8		
Total		51	100.0		

Do you have Your Own Brand Name?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	16	31.4	33.3	33.3
	No	32	62.7	66.7	100.0
	Total	48	94.1	100.0	
Missing	System	3	5.9		
Total		51	100.0		

PART-2

		Frequency	Percent
Missing	System	51	100.0

Difficulty in obtaining the Financing

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Severe	18	35.3	36.0	36.0
	Moderate	19	37.3	38.0	74.0
	Slight or None	13	25.5	26.0	100.0
	Total	50	98.0	100.0	
Missing	System	1	2.0		
Total		51	100.0		

Increased Overall Production Costs

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Severe	24	47.1	48.0	48.0
	Moderate	17	33.3	34.0	82.0
	Slight or None	9	17.6	18.0	100.0
	Total	50	98.0	100.0	
Missing	System	1	2.0		
Total		51	100.0		

Increased Costs of Materials and Parts

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Severe	25	49.0	50.0	50.0
	Moderate	14	27.5	28.0	78.0
	Slight or None	11	21.6	22.0	100.0
	Total	50	98.0	100.0	
Missing	System	1	2.0		
Total		51	100.0		

Availability of Skilled Workers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Severe	12	23.5	24.0	24.0
	Moderate	23	45.1	46.0	70.0
	Slight or None	15	29.4	30.0	100.0
	Total	50	98.0	100.0	
Missing	System	1	2.0		
Total		51	100.0		

Availability of Unskilled Workers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Severe	11	21.6	22.0	22.0
	Moderate	1	37.3	38.0	60.0
	Slight or None	20	39.2	40.0	100.0
	Total	50	98.0	100.0	
Missing	System	1	2.0		
Total		51	100.0		

Labor Relation/Union Actions

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Severe	15	29.4	30.0	30.0
	Moderate	12	23.5	24.0	54.0
	Slight or None	23	45.1	46.0	100.0
	Total	50	98.0	100.0	
Missing	System	1	2.0		
Total		51	100.0		

Production Technology

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Better than Competitors	20	39.2	40.0	40.1
	About the same as Competitors	24	47.1	48.0	88.0
	Not so Good as Competitors	4	7.8	8.0	96.1
	Not sure	2	3.9	4.0	100.0
	Total	50	98.0	100.0	
Missing	System	1	2.0		
Total		51	100.0		

Product Quality

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Better than Competitors	22	43.1	44.0	44.1
	About the same as Competitors	21	41.2	42.0	86.1
	Not so Good as Competitors	4	7.8	8.0	94.0
	Not sure	3	5.9	6.0	100.0
	Total	50	98.0	100.0	
Missing	System	1	2.0		
Total		51	100.0		

Product Design/Development

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Better than Competitors	19	37.3	38.0	38.0
	About the same as Competitors	25	49.0	50.0	88.0
	Not so Good as Competitors	4	7.8	8.0	96.1
	Not sure	2	33.9	4.0	100.0
	Total	50	98.0	100.0	
Missing	System	1	2.0		
Total		51	100.0		

Product Range / Diversity

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Better than Competitors	19	37.3	38.0	38.1
	About the same as Competitors	26	51.0	52.0	90.0
	Not so Good as Competitors	3	5.9	6.0	96.1
	Not sure	2	3.9	4.0	100.0
	Total	50	98.0	100.0	
Missing	System	1	2.0		
Total		51	100.0		

ISSN 1833-3850 E-ISSN 1833-8119

Product Image / Brand Image

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Better than Competitors	18	35.3	37.5	37.0
	About the same as Competitors	21	41.2	43.8	81.1
	Not so Good as Competitors	5	9.8	10.4	91.0
	Not sure	4	7.8	8.3	100.0
	Total	48	94.1	100.0	
Missing	System	3	5.9		
Total		51	100.0		

Pricing / Value for Money

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Better than Competitors	12	23.5	24.0	24.0
	About the same as Competitors	29	56.9	58.0	82.0
	Not so Good as Competitors	2	3.9	4.0	86.0
	Not sure	7	13.7	14.0	100.0
	Total	50	98.0	100.0	
Missing	System	1	2.0		
Total		51	100.0		

Productivity / Unit Costs / Profit Margins

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Better than Competitors	19	23.5	24.0	38.0
	About the same as Competitors	25	56.9	58.0	89.0
	Not so Good as Competitors	2	2.9	4.0	93.0
	Not sure	3	13.7	14.0	100.0
	Total	49	98.0	100.0	
Missing	System	2	2.0		
Total		51	100.0		

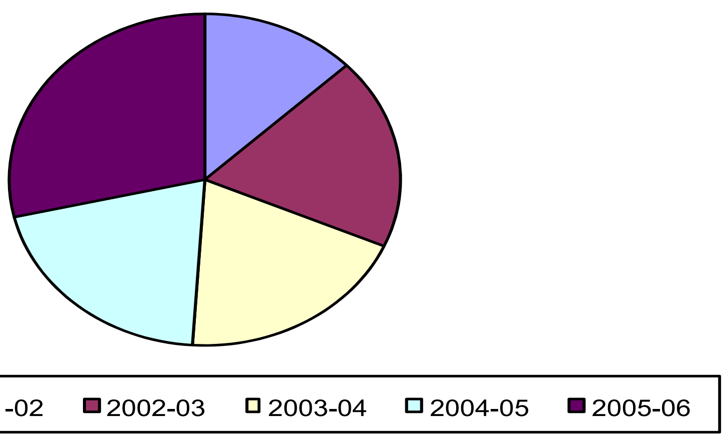

Figure 1. Export of Bed Wear from Pakistan during 2001-06