This study is conducted to analyze the relationship of Ownership Structure with Firm Performance in non-financial companies listed at Karachi Stock Exchange during the period 2008 to 2013. The basic focus in this study was related to the performance of family firms as compared to non-family firms. The distinction between both types have been explained in literature review with the help of definitions given by different authors and scholars. Keeping in view the research aims and objectives the researcher has taken non-financial sector of Pakistan as population/ unit of analysis.

Afterward, the researcher has adopted simple random sampling technique in accordance to research requirements and extracted a sample of 120 firms for analysis purpose. All these firms are listed on Karachi Stock Exchange (KSE). Tobin's Q, ROA and ROE have been used as a proxy variable to explore the firm value and firm's financial performance. The researcher has incorporated 8 independent variables i.e. firm type (family/ non-family), ownership concentration, founder/ descendent firm, age, size, growth, leverage, and interest coverage ratio. Sophisticated data analysis techniques such as descriptive, correlational, panel data regression analysis have been used. Panel Data technique has also been employed to identify the significant relationships among the variables. Results showed that Family firms are negatively correlated and Non-Family firms gives better performance. Whereas Concentrated Ownership has shown significant relationship but negative correlation with proxy variables (ROA = -0.1627; ROE = -0.0381; Tobin's Q = -0.0938). On the basis of results obtained through data analysis it is concluded that Firm Performance critically depends on Managerial Ownership.

Panel data analysis has shown that firm leverage and size has no relationship with proxy variables while remaining independent variables have significant relationship with performance variables. Agency problems arise due to increase in Managerial Shareholdings in Pakistani context, which ultimately affects the performance of the firms.