



Exclusive Interview

INTERLOOP

Mr. Musadaq Zulqarnain

Chairman, Interloop Limited &
Interloop Holdings

“Academic institutions can play a crucial role in the overall economic development of the country by aligning their programs with the evolving needs of industries, understanding current and future skill requirements, technological advancements, and market trends”

ICMA: Congratulations on your nomination to the Export Advisory Council by the Government. How do you aim to leverage this role to enhance resilience and stimulate growth in Pakistan's overall export industry?

Musadaq Zulqarnain: Growth in exports can only be achieved with sustained, well-thought-out policies. The state has little fiscal space to implement any policy. Political stability is a cornerstone for the successful execution of any effective policy, particularly those aimed at fostering economic growth and bolstering international trade. The upcoming elections offer a crucial juncture for the country to potentially secure a stable government. A stable political environment provides the necessary foundation for policymakers to make informed, forward-thinking decisions that can positively impact the export landscape.

ICMA: What key strategies does your company employ to ensure resilience in its manufacturing processes?

Musadaq Zulqarnain: Interloop follows a highly structured business management approach. We formulate our 5-year vision and devise a strategy to achieve that vision. Our Annual Business Plans are formulated with the vision in mind, and the strategy is periodically reviewed. Under our Vision 2025, 'To become the Full Family Clothing Partner of Choice,' we are focusing on three main areas: developing a

diverse, inclusive, and engaged workforce; digital transformation; and agile manufacturing

ICMA: How does your company invest in capacity building to meet industry demands?

Musadaq Zulqarnain: Interloop invests significantly in building infrastructure for training and development, as well as in programs to train and nurture our talent. Our Human Resource Department conducts regular "Training Need Analysis", to identify the development needs of our people and prepares comprehensive people development programs to equip them with knowledge and skills for long-term employability and career growth. Executives undergo training in technical, managerial, and leadership skills through well-designed customized programs conducted by local and foreign trainers. Non-executives receive training in technical, operational, and leadership skills at our modern in-house Technical Training School, which covers all our business segments.

ICMA: What specific initiatives should the government take to enhance industry resilience in Pakistan?

Musadaq Zulqarnain: The government has to first create a level playing field for investment. Currently, a significant portion of the economy is undocumented, leading to non-productive investments and making them more lucrative.

By documenting the entire supply chain, the government can create a more transparent and fair business environment. A stable exchange rate is vital for businesses to plan their investments and operations effectively. Cross-subsidies burden industries and lead to inefficiencies. Privatizing the energy sector can lead to more efficient management of resources, reduced corruption, and increased investment.

ICMA: How can the private sector, especially Chambers of Commerce and Industry, actively contribute to improving resilience in Pakistani industries?

Musadaq Zulfarnain: In my view, Chambers of Commerce and Industry have become ineffective due to a lack of research and advocacy capabilities. One major reason is the conflation of commerce with industry. The Chambers should enhance their research capabilities to thoroughly understand the challenges and opportunities faced by different industries and conduct comprehensive studies to provide valuable insights to policymakers, advocating for business-friendly reforms. They should actively engage in constructive dialogue with government bodies to facilitate the development of policies that foster a conducive business environment, serving as a bridge between businesses and policymakers.

There should be a clear differentiation between commercial and industrial interests within the Chambers. Establishing separate focus groups or committees for specific industries can allow for a more targeted approach, addressing the unique challenges faced by each sector. Chambers should also develop collaborations with international Chambers of Commerce to promote trade, investment, and knowledge exchange. This can open up new avenues for Pakistani industries and enhance their resilience by diversifying markets.

ICMA: How does the irregularity in power and energy supply impact the resilience of industries in Pakistan? What is the way forward?

Musadaq Zulfarnain: The government should transition away from direct involvement in the energy sector and encourage private sector participation. Privatization would introduce efficiency, innovation, and competition, leading to improved service delivery. The government should establish robust regulatory frameworks to oversee the energy sector. Independent and competent regulators can ensure fair competition, prevent monopolies, and enforce standards that contribute to a reliable and resilient energy infrastructure.

Private investment should be encouraged in energy infrastructure development, including the expansion and modernization of power generation, transmission, and distribution systems. This requires a long-term commitment to build a reliable and sustainable energy

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ecosystem. Investing in diverse energy sources, such as renewables (solar, wind, hydropower), is crucial to reduce dependence on fossil fuels. While the use of coal is not favored, Pakistan is heavily dependent on imported fuels; therefore, we should not shy away from employing the use of indigenous coal to generate electricity.

ICMA: What role do you think academia should play in supporting industry resilience in Pakistan?

Musadaq Zulfarnain: Academia needs to adopt an approach that aligns with global demands. In general, universities and institutes in Pakistan are significantly lagging behind their counterparts in other countries. Rather than having numerous universities, there is a need for fewer institutions with enhanced research and innovation facilities. Academic institutions can play a crucial role in the overall economic development of the country by aligning their programs with the evolving needs of industries, understanding current and future skill requirements, technological advancements, and market trends.

Prioritizing world-class research and innovation is essential. Integrating entrepreneurship education into academic curricula can nurture students to become future entrepreneurs, contributing to the creation of resilient and dynamic businesses. Establishing partnerships with industry through joint research projects, internships, and knowledge-sharing initiatives is vital. This collaborative approach ensures that academic research is directly applicable to industry challenges.

To foster innovation, setting up and supporting cutting-edge incubators and innovation hubs within academic institutions can provide a conducive environment for students and researchers to transform their ideas into viable businesses. These entities can serve as catalysts for industry growth.

The Editorial Board thanks Mr. Musadaq Zulfarnain, Chairman, Interloop Limited & Interloop Holdings for sparing from his precious time to give exclusive interview for Chartered Management Accountant Journal.