

## EVALUATING TURNAROUND STRATEGIES AND ORGANIZATIONAL PERFORMANCE IN A SMALL BUSINESS—A STUDY OF EKO SUPPORT SERVICE LIMITED

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### **Abstract**

Numerous associations today experience authoritative decay sooner or later in their life cycles as a result of both outside and inside factors. Much of the time, associations face decline when they neglect to perceive and adjust to outer and interior tensions that compromise the association's presence. The reaction to such circumstances is quite often a significant amount of work to "turn the organization around". This study seeks to examine the effects of turnaround strategies on organizational performance of Eko Support Service Limited. The researcher used a structured questionnaire to collect data. The population of the study was 400 and a sample of 200 respondents was obtained via the Taro Yamane formula. The data collected were analyzed using descriptive statistics such as simple percentages and the relationship between the variables of the model was tested using linear regression analysis. The study found that there is a positive and significant effect of diversification strategy on market share ( $R^2 = 0.127$ , at  $p < 0.05$ ) and the F-Value yielded 9.335. The result of hypothesis 2 also indicates a positive significant effect of retrenchment strategy on profitability ( $R^2 = 0.388$ , at  $p < 0.05$ ) and F-Value yielded 60.793 and lastly, top management re-organization strategy has a significant effect on organizational efficiency ( $R^2 = 0.116$ , at  $p < 0.05$ ) and F-Value yielded 13.034. The study, therefore, concludes top-level management

*have significant roles to play indecision-making and conceptual skill regarding turnaround strategies and their applicability. The study recommends that top management re-organization in terms of structure, people, leadership, and organizational culture should be given priority in times of distress as this has proven to be a measure to improve organization efficiency.*

**Keywords:** *Turnaround strategies, diversification, retrenchment, re-organization*

**JEL Classification:** M10, M16

## Introduction

The ongoing business climate is progressively eccentric and unsteady and can lead a business into fast decay on the off chance that the administration neglects to comprehend the signs of business decline (Mirchandani, 2012; Khandswalla, 2013; Fubara, 2011). Organizations that were innovation-driven wound up in a declining market where capital is scant and financial speculators are saving (Jamal & Salisi, 2021). A huge number of vital collusions and organizations, even among contenders, have been framed as of late. Cutting back, rightsizing, reengineering, and incalculable divestitures procurement and liquidations forever changed the collaborative scene (Nduta&Deya, 2020). This battle for endurance has prompted a restoration of interest in a business circle back and recuperation techniques as firms try to work on their presentation in the slump and spot themselves in the best position to profit from the monetary upswing (Schoenberg, Collie, and Bowman, 2013). There are various reasons that make a firm encounter declining benefit. Among these reasons are financial downturns, creative failures, and imaginative leaps forward by contenders. According to Lussier (2012), numerous associations today experience authoritative downfalls eventually in their life cycles in light of both outer and interior variables. By and large, associations face decline when they neglect to expect, perceive, and adjust to the outside and inward tensions that undermine the association's presence (Sekhar, 2011). To make due and thrive in the cutthroat business climate, associations need to construct and support serviceable methodologies. Generally speaking, key directors accept that such a firm can make due and in the long run recuperate in the event that a deliberate exertion is made over a time of a couple of years to strengthen its unmistakable capabilities; a fabulous system alluded to as circle back (Pearce & Robinson, 2005 as referred to

in Okwisa, Manana & Giheru, 2016). As an elective reaction to seasons of emergency, working circle back techniques are designated to improve a company's possibilities of finishing the danger and accomplishing economical execution recovery.

Turnaround is a course of changing a misfortune making organization into a benefit making organization (Jamal & Salisi, 2021); set of imperative command, long stretch decisions and exercises assigned at the reversal of an evident crisis that compromises the perseverance of a firm (Mintzberg, 2010); thousand procedure of strengthening particular skills (Manana & Giheru, 2016); corporate restoration (Wandera, 2012); set of important, mandate choices and activities expecting to switch a declining business as fast as conceivable through resource decrease, cost reductions and income producing (Carter & Schwab, 2013); a training where associations seek after to speak the endeavors degeneration and raise corporate execution (Brandes, Brege & Brehmer, 2015); techniques pointed towards working on the functional effectiveness of an association that was debilitated or performing ineffectively, assuming that it is in alluring industry (Nnabuiife & Onwuzuligbo, 2015); exercises embraced to stop decline of an association and invigorate up swing of execution markers. A circle back situation is one where an association goes through weakening business working for an exhaustive term so the working focuses are little to the point that the presence of the undertaking is imperiled yet harsh efforts are ready to propel its tasks (Lussier, 2015). To oversee such a circumstance, a "circle back" methodology can be utilized. The circle back procedure falls under the more extensive umbrella of excellent systems. These systems give the key course to exercises and construction a justification for worked with tries composed toward achieving long stretch business objectives (Jamal & Salisi, 2021). Some of the spectacular recoveries have all had one or more of the following strategies to call upon restoring lender confidence, removing failure team, identifying and motivating performers, downsizing redundant assets and non-performing personnel, creating sustainable business strategy, increasing sales through direct customer contact and improved service and value pricing, maintaining creditor confidence with full timely disclosure of operational and financial results and rapid debt pay down, rebuilding the core business and identifying opportunities for sustained growth, focusing the management on key performance issues and creating a successful management team (Ukey & Krishnarao, 2015).

### Statement of Problem

Most associations face a significant decrease in execution sooner or later in their reality. The reaction to such circumstances is quite often a significant amount of work to "turn the organization around" (Nduta&Deya, 2020). It is the assessment of what is required most in a circle-back circumstance that some obvious system for directing all hierarchical activities with the goal that scant assets are not utilized in useless ways. A firm might be supposed to be in decline when it encounters an asset misfortune adequate to think twice about practicality. Business organizations at certain points of their existence experience dwindling profits, change in customer loyalty, high operating and overhead costs, high employee turnover and other challenges perhaps from intense and fierce competition faced in the market that threatens its existence and as such are on the verge of extinction. At this point, organizations become confused, disturbed, and frustrated as they do not know what to do or which best strategy will take them out of this dilemma and help them recover from the verge of extinction. A turnaround strategy is a consolidation or compendium of various strategies or contingent strategies that business organizations can apply when facing challenges or its going concern is being threatened to help rejuvenate and resuscitate it back to life. Top administration should protect a declining firm by quickly responding through techniques and strategies to external and internal factors causing decline to a point of significant recuperation.

The hole in circle back procedures research prompting the scientist's concern is that issues in circle back viewpoints are not similarly explored. Past exploration feature the examination of circle back in worldwide nations (Diana, Robert & Gieheru, 2016; Schoenberg, Collier & Bowman, 2013; Nduta & Deya, 2020; Wandera, 2018; Muzny& Simba, 2019; Sije, Omwenga & Iravo, 2016; Ghazzawi, 2018; Jamal & Salisu, 2021; Okello, 2017) and to the best of the researcher's knowledge, just a few have been carried out locally (Ugoani & Ugoani, 2020; Ukaidi, 2018; Durosaro, Sofoluwe, Oduwaiye, Kayode & Ogundele, 2015; Nnabuife, 2015) with the majority focused on the manufacturing industry. However, this study is focused on the service sector. Also, of the above studies that related turnaround strategy to performance, none was specific as to what aspect of performance they are studying as clearly stated by this study.

### Research Objectives

The principal objective of conducting this study is to examine the effects of turnover strategy on organization performance.

The secondary objectives are:

- i. To identify the effect of diversification strategy on market share.
- ii. To identify the effect of retrenchment strategy on profitability.
- iii. To identify the effect of top management re-organization strategy on cost efficiency.

### **Research Hypotheses**

Ho1: The diversification strategy does not lead to an increase in the market share.

Ho2: Retrenchment strategy does not have a significant effect on profitability

Ho3: Top management re-organization strategy on organization efficiency

### **Literature Review**

#### **Turnaround Strategy**

A circle-back method is a lot of critical commands, long stretch decisions, and exercises zeroed in on the reversal of an obvious crisis that compromises the perseverance of a firm (Mintzberg, 2010). A firm is supposed to be in decline when it encounters an asset misfortune adequate to make it think twice about suitability. The turnaround technique falls under the more extensive umbrella of fantastic procedures. These methods give the fundamental bearing to exercises and construction a justification for creating tries facilitated toward achieving long stretch business targets. turnaround administration is important when a business worth saving is fizzling. An association merits saving in the event that it will decidedly answer extra assets put into it and show supportable vertical swing in execution pointers and stays an enduring going concern. Nonetheless, if, in spite of the extra assets, it proceeds to disintegrate and staying a going concern is dubious, then it does not merit saving (Okafor, 2016). turnaround techniques are exercises that attempt to stop the decay of an association and invigorate the vertical swing of execution pointers. A reasonable level of investment overview or investigation of any association would show the present status of well-being, monetary or otherwise. It shows the issues of the association and the causes and suggests likely arrangements. It shows assuming the organization will be productive over the long haul when the reason for the decay would have been disposed of. The turnaround system is, for the most part, characterized as the method involved with changing a misfortune-making organization into a benefit-making organization (Jamal & Salisi, 2021). Anastasia (2015) states that partnerships might play out this procedure in certain cases, for example, when the business is encountering slump occasions.

This procedure is a strategy for corporate restoration. A turnaround situation is one where an association goes through a decaying business working for an extensive span so the working focuses are little to the point that the presence of the endeavor is jeopardized yet harsh efforts are ready to propel its tasks (Lussier, 2015). To oversee such a circumstance, a circle-back technique can be utilized. Brandes, Brege, and Brehmer (2015) depict a circle-back plot as a training where associations seek to chat about the undertaking's degeneration and ascend in corporate execution.

### **Diversification Strategy**

Affiliations could choose to extend to persevere through the components of the business environment (Nyangiri & Ogollah, 2015); for improvement (Su& Tsang, 2015); to increase benefit (Karimi, 2013; Yigit and Tur, 2012); to develop capability in the use of resources and set out hypothesis open entryways (Emel & Yildirim, 2016; Hasby, Buyung & Hasbudin, 2017); to achieve economies of scale to explore market decisions and possibly open entryways (Sindhu, Haz, Ali, & Ali, 2014); and as a circle back technique (Harrigan, 2012). Krivikapic et al. (2017) assume that affiliations widen to have what is going on keep watch, while, Akewushola (2015) believes that an extension method engages a relationship to consume its excess resources for monetary use. This is one more structure that can be utilized as an improvement tool as well as a way of thinking in a circle. It applies when declining affiliations decide to take another path to better themselves by presenting new and irrelevant enhancements, expanding into new business areas, particularly overall business areas, focusing on and developing creative work, consolidating and acquiring, and creating new things to serve their own necessities through switch/forward blend, same thing more clients, and some more (Sirmon et al., 2007 as suggested in Muzny and Simba, 2019). This will eventually spur execution improvement due to capacity, especially in the utilisation of available assets, some of which may be dormant, but when used will provide good, and prudent, results. It is acknowledged that affiliations might make combined efforts via their turn of events. Supportive energy is formed by sharing assets, resources, cutoff points, and capabilities, which can either drive down operating expenses or allow the business to charge a premium since it may detach its duties by leveraging its assets (Slatter& Lovett, 2009). Furthermore, Wernerfelt (2014) argued that the various asset restrictions guaranteed by a corporation determine the kind of business areas to join.



### **Retrenchment Strategy**

As indicated by Jamal and Salisi (2021), insurance is the reduction of resources and expenses. It unites the decrease of completed things and stock, the decrease of the number of specialists, the decrease of selling, selling, general, and authoritative costs, the downfall of plant, property, and hardware costs, and the reduction of creative work costs (inventive work) (Schmitt & Raisch, 2013). As indicated by David (2013), firms use safeguarding when an alliance is arranged through cost and resource reductions to help with declining execution. Protection incorporates unloading areas and designs, cutting the number of laborers, knocking off item contributions, stopping unimportant associations, and closing down obsolete assembling plants. The previous thesis has exhibited the way that safeguarding reasoning could incite firm execution in two ways: (I) resource security and (ii) cost conservation (Lim et al., 2013). Resource conservation infers the net decrease of resources, like shutting plants, stripping regard, and diminishing supplies of property, hardware, and stock (Lim et al., 2013). In the interim, cost conservation suggests the net reduction of through and through costs like selling, general, and administrative (SGA) costs interest costs, and various expenses (Lim et al., 2013). A preservation framework is a common system required by relationships to stand up to horrendous financial execution (Ung et al., 2018). It is operationalized to diminish the impact of adversity by selling assets and taking out tasteless fixed costs. Although usually constrained by associations, protection is rarely inspected as a trial investigation (Lik-Jing, 2018). Gibson and Billings (2010 as alluded to in Nduta and Deya (2020) conceptualized revolutionary cost diminishes joined with asset diminishes were proposed for firms in more outrageous circle-back conditions. Divestiture is where the affiliation disposes of a whole item offering or a couple of things, especially on the affirmation that they gobble up the affiliation resources as opposed to building. Divestiture has similarly been a convincing circle-back technique as it discards the cost of natural surroundings, allowing the relationship to zero in on the advantage of making experiences and item contributions. Cost-cutting decisions are most certainly problematic (Wernefelt, 2014).

### **Top Management Re-organization**

Great biological factors could impact definitive recovery insistently. Changes in coordinating systems, decentralizing, human resource organizing, and various leveled culture is a piece of the sub-strategies of patching up. Besides, a couple of macroeconomic biological changes in like manner add to a circle back (Muzny and

Simba, 2019). Jamal and Salisi (2021) We suggest that frameworks be picked with due thought to the particular emergency circumstance, small assets, time pressure, and other applicable factors like explanations behind impact, the strategies for routine exercises, and the expense of the change. Recreating frameworks is depicted by Gatekeeper (2010) as a corporate methodology by which firms secure affiliations having issues, turn that relationship around, and therefore sell them at a benefit. Improvement, obviously, manages every individual's issue in the business. It includes modifying, re-staffing, re-skilling, and coming back power revitalisation to yield additionally created drive, the board, various leveled development, legitimate course of action, and culture (Muzny & Simba, 2019). Pretorius (2009, as referred to in Okwisa et al., 2016), made a case for including different levels of character thoughts in comeback research and identified seven circle-back subjects, which included: top organisational change-this suggests breaking away from the past and suggests that managerial exercises are not limited by history. There is the possibility of creating another person; asset reconfiguration, which could consolidate acquiring and combining. It implies a choice in progressive character; legal remaking might incorporate progressive overhaul, business process reengineering, group-based structure, and financial remaking, such as a change in the organization's capital development to alleviate pressure from commitment repayments. The most well-known strategy for rebuilding anticipates a critical role in attaining the goals of holding or growing a person. The most significant modifications in serious and improvement techniques, attention capacities, area changes, object or market alterations, and strategy changes have the capacity to grow a person. As a result, it should be a choice; important changes in enlisting include worker and boss protection, predetermined retirement plans, and a move from extremely tough specialists to legally restricted workers. To control them, chiefs must be aware of the impact of large changes in assistance on survivors and saved laborers, and judgments must be made in contexts where government-supervised retirement is not available. Accepting essential preservation cycles should safely guard the individual's balance in a good way and earth-shattering change, which includes participative change, reinforcing, change expert projects, mindset change, and culture change, significant changes can rethink or change the ebb and flow character or make another person. For affiliation-wide changes that are likely to be considerable and last a long period in the organisation, the cost of significant modifications should be assessed against the typical results (Wandera, 2018).



## Theoretical Framework

### Resource Based View Theory

Penrose (1959) was quick to direct attention to the asset-based view hypothesis. The hypothesis centers around a company's assets: the board, firm creation, open doors, and techniques for circle back. This hypothesis surveys the legitimate connection between a company's assets and capacities and the upper hand. The theory shows a comprehension of a firm's resources and how they can be productively utilized to lead to an increase in profitability and organizational growth. Wernerfelt (1984) proposed the argument of resources as the determinants of a firm's competitive edge over other firms. Presenting valuable and rare resources as important, a theory also argues that improving these resources and re-aligning them is the most important determinant of how the firm would compete in the market with other firms. This theory mostly focuses on the Divestment of corporates as an expansion strategy since it is assumed that many organizations hold pools of resources that are not fully utilized and can be utilized for diversification (Mahoney & Pandian, 1992). Organizations with extra resources can divest into other markets through mergers and acquisitions entering the new market and providing unique products. The theory is therefore relevant to this study as it supports the second objective of this research which is divestment strategies by explaining how an organization can use its extra resources which are not fully utilized to diversify to new markets by buying out existing businesses forming mergers or entering new markets and ensuring successful turnaround and good performance. The resource-based view (RBV) of the company as front line proposed by Barney in 1991 is a high-level conjecture that emphasises the relationship between an organization's internal resources, method, direction, and execution. According to the resource-based perspective, the primary origins and drivers of enterprises' widespread displays are essentially related to the features of their resources and restrictions, which are crucial and costly to replicate (Casson, 2012). There are growing concerns that fundamental resources are distributed differently among organisations and that these inequalities remain over time. According to the resource-based view (RBV), any firm is fundamentally a pool of resources and constraints that determine the firm's methodology and execution; and if all organisations in the market have a comparable pool of resources and capacities, all organisations will make a comparable value, and thus no high ground is open in the business. The justification for the resource-based perspective is that successful firms will find their future value in the expansion of clear and distinct

constraints, which may sometimes be plain or slippery in nature. As a consequence, the organization's exceptional resources and talents are or should be depicted as the core of philosophy (Serra et al., 2013).

### **Contingency Theory of Structural Adaptation to Regain Fit Theory**

This theory contends that functionalist speculation and quantitative techniques can make sense of the primary change. The primary transformation to recapture fit theory subsumes a few original works in the underlying possibility hypothesis, for example, on divisionalization changes because of changing techniques and on changes from unthinking to natural designs in light of mechanical and market changes in the climate. In this manner, the primary possibility hypothesis has consistently contained thoughts regarding elements (Collard, 2011). The speculation expresses that an affiliation simply remains part-fit momentarily until the abundance of resources from the fit-based better show produces improvement. These additional plausibility factors, similar to measures or development, drive the relationship to rebel with its ongoing development. The way that they substitute with each other makes them, in this view, fit and protester in each short articulation. A relationship in fit will overall endeavor into a radical, which impels essential change into the fit, which then prompts further endeavor into a dissident. This cycle repeats exactly the same thing over the long term. As the affiliation moves among fit and free thinkers, so it has come about in higher and lower execution, independently. Every time moving into protester produces progressive extensions in probability, and every time moving into wellness delivers consistent developments in structure. As a result, these increases compound over time, eventually transforming a local, neighborhood, and undiversified association into a bigger, geographically broad, and extended affiliation (Donaldson, 2008). Chen and Huang (2009) explain this link in terms of fit value, improved execution, and the creation of excess resources, which motivates augmentation. The use of the basic fit notion assists organisations in managing their resources more profitably in order to reduce practical expenses while also responding effectively to regular hazards and new entryways. The connection is better able to match its current position as long as the key fit is still firmly connected to the realigning and patching up structure, particularly after any little alterations to the smaller-than-expected and full-scale environments. Systems, processes, capacity, market structure, solicitation, technique, and a variety of other things may all be affected by environmental forces. Consequently, the connection has to be consistently realigned and updated to take into account its current position. Gakure et al. (2012)

understand how effective framework execution necessitates the creation of a fit taking into account the connection between external conditions and internal constraints. All affiliations going through the circle-back process need an alteration in order to realign themselves and fit into the supportive environment, hence this theory holds true for all affiliations going through the process. Leaders of organisations who are struggling with execution often have to go from a fit to a non-fit state due to difficulties and various hurdles (Uzel et al., 2015). The use of this theory will enable the circle of executives to not be content with their current state but instead to take advantage of what is happening to improve, modernise, reduce costs, and redo to cushion themselves for survivability and consistency in endeavors, giving them a high ground and sensible extraordinary execution for a long time.

### **Game Theory**

Game theory is the study of rational decision-making in situations where outcomes are important (Camerer, 2010). According to the game theory, strategy is the art of outflanking an opponent while assuming the opponent has a comparative advantage. This is performed by rules that determine which player should begin the game at each snapshot depending on the prior activities of various players. Firms that succeed have frameworks tailored to their industry's environmental conditions. Shaprio (2009) used game theory reasoning to comprehend explicit decisions made by productive companies in concentrated organisations. These include efforts for true money, interests in imaginary assets, vital information control, network conflict, and others. According to Shapiro (2009), these components constitute an important strategy to acting choose the improvement of state-subordinate elements or execution outcomes. Weidinger and Platts (2012) make sense of "game speculation," a collection of ideas focused on themes of difficulty and combat. A simple game attempts to show what occurs when two persons are given mobility choices in which they may gain or lose based on what others do or do not do. As such, the strategies used by all people usually determine the final outcome of a game. According to Huber (2010), such game guesses might supply useful counsel to chiefs in cultivating an extent of outcomes by contemplating options and presenting the benefits and drawbacks of each and every decision. Because of the reliance on outcomes, the speculation retains repositioning elements.

### Empirical Review

Wandera (2018) led a concentration on "Circle Back Techniques and Execution of State-Claimed Sugar Organizations in Kenya". The review embraced a clear exploration plan and delineated irregular testing among the 197 respondents who filled in as the example size. A closed-poll was utilized as the exploration instrument. The review inferred that conservation, expansion, and modernization methodologies introduced immaterial outcomes to hierarchical execution; however, the connection studies showed a moderate positive relationship to authoritative execution for every one of the free factors under study. Nyagiloh and Kilika (2020) led a concentrate on "Hypothetical Survey of Circle Back Methodology and its Hierarchical Results". The review recommends a coordinated hypothetical structure for use in connecting circle back procedure and corporate execution while perceiving the meaning of the job of association based on learned encounters and hierarchical qualities. Nduta and Deya (2020) analyzed the impact of circle-back methodologies on the exhibition of firms in the flight business in Kenya. The review embraced a clear exploration plan. All organizations in the flight business were contemplated, and 3 chiefs from each firm filled in as the designated populace. 105 was the example size determined through the Krejcie and Morgan recipe. The investigation discovered that the Conservation Methodology, Divestment Technique, and Business Cycle Re-designing impact the exhibition of firms in the Flight Business. Daina, Robert, and Gichera (2016) conducted an investigation of circle-back procedures on association execution. The scientists looked to survey the circle-back methodologies for financial development at Uchumi Grocery Store. The review embraced a case approach to get an inside and out look at the result of the execution of turnaround techniques. The population for the review was 311, and the review took on a basic irregular examination. The review reasoned those procedures made by top supervisors impacted the strength of the organization's market position generally. Muzny and Simba (2019) inspected the impact of circle-back procedures on hierarchical execution. The objective populace consisted of 35 ranking staff engaged in the essential decision-production of the Coast Improvement Authority. They utilized a poll as the exploration instrument, and unmistakable measurements were utilized to help the clarification. The review presumed that the conservation system empowered the foundation to move its hierarchical design from what it was presently to what it must be to support an upper hand and fulfill clients' necessities.

### Research Methodology

The review adopted a quantitative strategy and utilized an elucidating study research plan. Through quantitative information examination, the quantitative methodology will support the elicitation of reactions to the review questions. This technique examines the hypothetical or speculative structures that give answers to the exploration study's inquiries. The review's population is the staff of Eko Backing Administration Restricted, which has a population of 400 staff (Source: HR Division). Self-developed polls were utilized as the exploration instrument in this review. Extricating essential information from the review's population was utilized. It was done by the representatives of Eko Backing Administration Restricted to acquire the data expected to finish the examination. Master judgment was utilized to decide the legitimacy of this review's content. The scientist utilized content legitimacy to decide the appropriateness of the language utilized in the examination instrument and the review targets, while the specialist utilized face legitimacy to guarantee to gauge. The unwavering quality test embraced in this exploration is the Cronbach Alpha, utilized to test the dependability of the instrument with a coefficient alpha of 0.693, 0.823, and 0.735 for the three speculations. The trial of dependability estimates the inside consistency of the estimation sizes of the things for every one of the factors for essential information examination. A straightforward examination method was utilized to control the exploration instrument. Notwithstanding, in this examination, the example size was resolved by utilizing the Yamane (1967) example size assurance equation to show up at 200 staff.

$$N = \frac{N}{1+N(e^2)}$$

Where:

n- Sample size

N- Total population

e- Margin of error

### Data Analysis and Interpretation

#### Regression Summary for Hypothesis 1

Variable(s)	Coefficient	t-value	p-value
Constant	16.649	11.154	0.000
Diversification strategy	0.437	4.055	0.003
F-stat=9.335 P-value=(0.003)			R <sup>2</sup> =0.127

Source: SPSS (2022)

The outcomes in the table above reveal that broadening fundamentally affects a piece of the pie. This can be found in the relapse coefficient and the likelihood esteem ( $B = 0.437$ ,  $P 0.05$ ). This suggests that a unit change in broadening will prompt a 0.437 change in the piece of the pie. The coefficient of assurance ( $R^2$ ) of 0.127 demonstrates that the expansion technique represents a 12.7% variety in a piece of the pie. In this manner, the invalid speculation will be dismissed while the elective theory will be acknowledged.

**Regression Summary for Hypothesis 2**

Variable(s)	Coefficient	t-value	p-value
Constant	7.064	4.151	0.000
Retrenchment Strategy	0.664	7.797	0.000
F-stat= 60.793 P-value=(0.000)			$R^2 = 0.388$

Source: SPSS (2022)

The outcomes in the table above reveal that the conservation technique fundamentally affects benefit. This can be derived from the relapse coefficient and the likelihood coefficient ( $B = 0.664$ ,  $P 0.05$ ). This suggests that a unit change in conservation will prompt a 0.664 change in productivity. The coefficient of assurance ( $R^2$ ) of 0.388 shows that the conservation methodology represents a 38.8% variation in productivity. In this manner, the invalid speculation will be dismissed while the elective speculation will be acknowledged.

**Regression Summary for Hypothesis 3**

Variable(s)	Coefficient	t-value	p-value
Constant	9.800	6.988	0.000
Re-organization strategy	0.311	3.610	0.000
F-stat=13.034 P-value=(0.000)			$R^2=0.116$

Source: SPSS (2022)

The outcomes in the table above reveal that the re-association methodology essentially affects association effectiveness. This can be found from the relapse



coefficient and the likelihood esteem ( $B = 0.311$ ,  $P 0.05$ ). This suggests that a unit change in re-association will prompt a 0.311 change in hierarchical productivity. The coefficient of assurance ( $R^2$ ) of 0.116 shows that the re-association technique represents an 11.6% variety in association proficiency. Subsequently, the invalid speculation will be dismissed while the elective speculation will be acknowledged.

### Conclusion and Recommendation

Various strategies executed by top management that help rejuvenate a firm from point of loss to profitability are regarded as turnaround strategies. It switches reasons for trouble, settles the monetary emergency, and longs to accomplish a quick improvement in monetary execution, recapture partner support, and defeat inward requirements and horrible industry qualities. This study further concludes that top-level management have significant roles to play as the decision-making and conceptual skill regarding turnaround strategies and their applicability is in their hands.

Thus, the study recommends that;

- i. The firm should implement a diversification strategy by having a substantial change in its business definition either related or unrelated so as to expand its customer base and market share
- ii. Reduction in unnecessary costs especially fixed costs and assets should be emphasized in order to minimize the proportion of cost in relation to revenue in the firm. Thus, increasing the organization's profitability level
- iii. Top management re-organization in terms of structure, people, leadership, and organization culture should be given priority in times of distress as this has proven to be a measure to improve organizational efficiency

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