International Journal of Management, Social Sciences, Peace and Conflict Studies (IJMSSPCS), Vol.7 No.1 March, 2024; p.g. 43 - 55; ISSN: 2682-6135

EFFECT OF TURNAROUND STRATEGIES ON PERFORMANCE OF QUOTED FOODS AND BEVERAGES MANUFACTURING FIRMS IN NIGERIA

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Abstract

This study explicated the effect of turnaround strategies on the performance of quoted foods and beverages manufacturing companies in Nigeria. The study primarily looks at the effect of retrenchment, diversification and divestment strategies on the performance of listed foods and beverages manufacturing firms in Nigeria. The study used a survey research approach, and questionnaires were used to gather primary data. Although a sample size of 383 was obtained scientifically using Yamene's Formula, the accessible population was 7,660 employees that made up the administrative cadre, sales representatives, and operational staff of the twelve (12) quoted foods and beverage manufacturing firms in Nigeria. The Statistical Package for Social Sciences (SPSS version 23) was used to perform mean, standard deviation, correlation, and regression analysis on the participants' data. According to the study, the performance of listed foods and beverages manufacturing firms in Nigeria is positively and significantly impacted by retrenchment, diversification, and divestment strategies. The study came to the conclusion that turnaround strategies aid in lowering operational expenses and enhances performance. In order to fulfill rising customer demands and expectations and enhance performance, it was advised, among other things, that the listed manufacturing businesses of the foods and beverages that were cited constantly introduce new goods or product lines into new markets.

Keywords: **Turnaround Strategies, Retrenchment, Diversification, Market share, product quality**

1.0 INTRODUCTION

Consumers' growing demand for more product options and their ongoing product replacement has compelled businesses to develop competitive strategies. It is crucial for companies to rethink tactics that can be used to salvage such situations in difficult times when business and industries are unable to break-even and profit margins appear to be declining or losses are mounting. Regardless of the business environment's opportunities, businesses must deal with dangers that impair their performance and make it harder for them to survive. Organizations must develop and maintain a viable strategy if they want to thrive in the cutthroat commercial world. The turnaround strategies are one of these tactics. Organizations have chosen from a variety of accessible strategic alternatives to maximize the effectiveness of the resources at their disposal in order to accomplish predetermined goals (Oladimeji & Udosen, 2019). According to Wandera, Sakwa, and Mugambi (2017), turnaround strategies have evolved into levers for gaining competitive advantages and fostering synergy in market operations.

Turnaround strategies are quick-response business measures intended to mitigate the damaging consequences of an impending financial crisis on certain industries during economic downturns. A turnaround plan is a collection of long-term, important decisions and actions intended to reverse a perceived crisis that endangers a company's survival (Wanyonyi & Nyakweba, 2016). A firm's chances of liquidating and attaining sustained growth are improved through turnaround methods. Due to an increase in corporate failures and economic downturns, turnaround strategies have become more and more important recently (Ghazzawi, 2018; Barker, Luger, Schmitt & Xin, 2022). Retrenchment strategy, diversification strategy, divestiture strategy, and income producing strategy are just a few of the postulates that have been put up regarding turnaround strategies in both profit and non-profit companies (Schweizer & Nienhaus, 2017; Nyagiloh & Kilika, 2020).

Retrenchment, diversification, and divestment plans are some of the turnaround strategies used in this study. The management must effectively implement retrenchment techniques that are programmed to lower the company's overall cost (Nyagiloh & Kilika, 2020). Managers can employ diversification as a strategic choice to boost their companies' performance (Castaldi & Giarratana, 2018; Makau & Ambose, 2018). By creating new products or entering new markets on their own or in collaboration with other businesses, businesses who want to modify their company designation engage in diversification (Su & Tsang, 2015). A company's corporate restructuring strategy may include operations like spinning off divisions and quitting various markets. These actions are referred to as divestment strategy. Spinning off divisions is the process of getting rid of certain product or process divisions that are not precisely and thoroughly aligned with the business operations and income creation (Kithinji, Rotich & Kihara, 2021).

Turnaround strategies therefore enhance the recovery of distressed companies to solvency (Bibeault, 2017), and increased performance (Muzny & Simba, 2019). Organizational performance measures the extent to which firms effectively and efficiently utilizes their resources to achieve stated goals, which could be profit, growth, product quality or market share (Masinde, 2016). The current business environment increasingly unpredictable and unstable and can lead a business into rapid decline, if the management fails to understand the signals of business decline (Khandswalla, 2013). Businesses that were technology driven found themselves in a declining market where capital is scarce and venture capitalists are retrenching. E-commerce has changed the nature of business to its core. Thousands of strategic alliance and partnerships, even among competitors have been formed in recent years. Downsizing, rightsizing, reengineering and countless divestures acquisition and the liquidations permanently altered the cooperate landscape (Muzny & Simba, 2019). To survive and prosper in the competitive business environment, organizations need to build and sustain workable strategy. It on this note that this study is poised to determine the effect of turnaround strategies on the performance of quoted foods and beverages manufacturing firms in Nigeria.

Quoted foods and beverages manufacturing firms in Nigeria operate in a highly competitive environment hence; they require practicable strategies that will enhance long-term performance. Quoted foods and beverages manufacturing firms are significant in the Nigerian economy in terms of its contributions to GDP, employment and revenue generations, being the cornerstone and engine of the nation's development among others (Hanmaikyur, *et al.*, 2023). The decision to focus on the foods and beverages manufacturing industry was made in light of its capacity and dedication to support national economic development and growth as well as its support for the national effort to increase food security in accordance with the Sustainable Development Goals (SDGs) 2030. The decision to domicile this study on the Nigerian Exchange was based on the grounds that it is an innovation-driven market that offers a globally competitive platform for issuers to raise capital and investors to achieve their financial goals across markets and geographies while maintaining a seamless information flow.

1.2 Statement of the Problem

Among other things, quoted foods and beverages manufacturing companies play a major role in the GDP, employment, and revenue generation of Nigeria, serving as the backbone and engine of the country's development. The performance of the aforementioned manufacturers of quoted foods and beverages appears to be difficult, as many of them are forced out of the market as a result of their incapacity to endure the severe, fierce, and intensifying competition in the sector, among other reasons. The performance of the aforementioned quoted foods and beverages companies is now significantly influenced by asymmetric information access rather than just macroeconomic factors, especially in light of the difficulties brought about by the industry's widespread digitalization of business processes. In light of this, is it feasible for these quoted foods and beverages companies mentioned above to enhance their performance through the integration of turnaround strategies that generate superior and high-quality products that are tailored towards increasing their market share in the sector?

Even though, previous similar studies on the effect of turnaround strategies have been conducted in developed and developing countries outside Nigeria including; Wandera, Sakwa, & Mugambi (2017), in Kenya, Baliouskas et al. (2022), in United Kingdom, Kor (2020), in Dubai. In Nigeria, the little research efforts made including; Ukaidi (2016); Ugoani (2020); Okon et al. (2023), domiciled their studies in textile industry and other manufacturing industry other than the quoted foods and beverages manufacturing firms in Nigeria. From the foregoing, the researchers found that many studies have been conducted on the effect of turnaround strategies on performance in public sector industries among others both abroad and in Nigeria. However, none of the empirically reviewed studies has researched on turnaround strategies and performance with a specific reference to quoted foods and beverages manufacturing in Nigeria using same analytical and methodological approaches. This constitutes the knowledge gap that needs to be filled. Therefore, the present study is an attempt to determine the extent to which turnaround strategies affect the performance of quoted foods and beverages manufacturing companies in Nigeria.

1.3 Objectives of the Study

The broad objective of the study is to explicate the effect of turnaround strategies on the performance of quoted foods and beverages manufacturing firms in Nigeria. The specific objectives of the study include:

i. To determine the effect of retrenchment strategy on the performance of quoted foods and beverages manufacturing firms in Nigeria
ii. To ascertain the effect of diversification strategy on the performance of quoted foods and beverages manufacturing firms in Nigeria
iii. To investigate the effect of divestment strategy on the performance of quoted foods and beverages manufacturing firms in Nigeria

2. 0 LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

2.1 Theoretical Review

This study is anchored on the resource-based view (RBV) of the firm as advanced by Barney in 1991 is a theory of competitive advantage that emphasizes the link between a firm's internal resources, strategy, behaviour and performance. The resource-based view which serves as the theoretical base of this study stipulates that the fundamental sources and drivers to firms' superior performance are mainly associated with the attributes of their resources and capabilities which are valuable and costly-to- copy (Casson, 2012). Building on the assumptions that strategic resources are heterogeneously distributed across firms and that these differences are stable overtime. The resource-based theory argues that any firm is essentially a pool of resources and capabilities which determine the strategy and performance of the firm; and if all firms in the market have the same pool of resources and capabilities, all firms will create the same value and thus no competitive advantage is available in the industry. The basis of the resource-based view is that successful firms will find their future competitiveness on the development of distinctive and unique capabilities, which may often be implicit or intangible in nature. Thus, the essence of strategy is or should be defined by the firm s unique resources and capabilities (Serra et al., 2013). From the foregoing, the resource-based view theory is used to explain the relationship between firm resources and performance in the context of recovery from distress. The resource-based perspective considers the possession and use of some specific resources, unique, scarce, and difficult to imitate, as the main source of competitive advantage (Al-Turki, Duffuaa & Bendaya, 2019). Many organizations today encounter organizational declines in their life cycles because of failure to adapt to competitive strategies.

2.2 Turnaround Strategies

A turnaround strategy is a corporate tactic used to rescue a business that is experiencing loss or hardship. Reversing a bad trend and putting the company back on the path to profitability is the goal of a turnaround strategy (Schweizer & Nienhaus, 2017). Businesses employ turnaround methods in an attempt to enhance their performance (Abebe & Tangpong, 2018). According to Carter and Schwab (2013), turnaround plans also include a series of important, directed choices and activities that aid in turning around a failing company by reducing assets, cutting expenses, and increasing income. Turnaround strategies, according to Ghazzawi (2018), give senior management information on determining the reasons behind a company's downturn and the appropriate solutions. Hence, turnaround tactics are essential to the survival of struggling businesses and to their improved performance.

2.2 Performance

According to Ghazzawi (2018), performance is the capacity of business organizations to use appropriate business strategies to fulfill specified goals like profit, quality product, huge market share, good financial outcomes, and survival at predetermined time. Both quantitative and qualitative methods are used in performance management (Wagura, 2017). Self-reported measurements that are objective or subjective can be used to gauge performance. According to Nyagiloh and Kilika (2020), non-financial and financial measurements are the two important ways that businesses measure their performance. Financial performance metrics relate to the overall financial health of the company over a specified time frame. The utilization of ratios, company profitability, and the overall performance of the balance sheet are all included in this performance metric (Mwiti, 2018). The qualitative metrics that take into account clientele and loyalty are the non-financial metrics. These metrics are centered on the business's qualitative elements and long-term success (Wagura, 2017). This study uses market share and product quality as performance indicators.

Market share is the proportion of a market's or industrial total sales that a specific company earns over a given duration. According to Ghazzawi (2018), market share is computed by dividing the company's sales during the relevant period by the total sales of the industry during the same time. It is the share of a market that a business has accrued over time (Oladimeji & Udosen, 2019). A product's ability to fulfill consumer demands, fulfill its intended function, and adhere to industry standards is referred to as its quality (Bibeault, 2017). Businesses take into account a number of important variables when assessing the quality of a product, such as whether it meets customer needs, solves problems, or operates effectively (Mokubung, 2014).

2.3 Retrenchment Strategy and Firm Performance

Retrenchment refers to a corporate strategy wherein a company's operations are reduced in terms of size, scope, or diversity. By reducing expenses, optimizing processes, and concentrating on core business activities, retrenchment attempts to enhance the company's financial performance (Wandera, 2018). Retrenchment tactics give businesses the ability to reduce expenses, boost long-term success, and become more competitive (Mokubung, 2014). Retrenchment strategy aids in reducing the company's operational scale as well as the number of product lines or companies from particular geographic markets, enabling the company to achieve financial sustainability (Wagura, 2017). Thus, retrenchment is a crucial part of a turnaround strategy and improves the performance of the company. This study therefore hypothesized that:

i. **$H0_1$:** Retrenchment strategy has no significant effect on the performance of quoted foods and beverages manufacturing firms in Nigeria

2.4 Divestment Strategy and Firm Performance

Divestment strategy describes actions that are considered to be a part of a company's corporate restructuring plan, such as spinning off divisions and leaving diversified markets. According to Kithinji, Rotich, and Kihara (2021), spinning off divisions refers to the process of eliminating certain product or process divisions that are not precisely and comprehensively aligned with the business operations and revenue generation. Declining revenue and profit margins as a result of shifting market conditions or other relevant factors usually influence divestment decisions. It is the procedure by which corporations with multiple locations transfer or reallocate their current capital amongst their own locations. When considered collectively, these characterizations suggest that divestments pertain to the voluntarily released or shifted capital that was previously associated with organizational resources (Mata & Portugal, 2010). A study on the short-term performance effects of a company's choice to divest foreign affiliates that are a part of an integrated international production network in South Africa was conducted by Zschoche (2016). According to the study's findings, a production network's performance immediately declines when certain investments are removed. The results of the study also showed that, on the other hand, efficiency gains that come from better labor cost conditions throughout the remaining locations can lessen the detrimental performance effects. Kithinji, Rotich, and Kihara (2021), aimed to determine how Kenyan manufacturing firms' performance was affected by their divestment strategy. The results showed that the performance of large manufacturing companies in Kenya was significantly and favorably impacted by the divestment strategy. Contrary, Muzny & Simba (2019) who found that the divestment strategy had a positively insignificant impact on the coast development authority's performance in Kenya. From the fore-going, it is study hypothesized that:

ii. **$H0_2$:** Divestment strategy has no significant effect on the performance of quoted foods and beverages manufacturing firms in Nigeria

2.5 Diversification Strategy and Firm Performance

A diversification strategy refers to a business's approach to growth or expansion. It entails introducing a new line of products, typically into an untapped market. External channels like joint ventures and acquisitions can be used to implement a diversification strategy (Abebe & Tangpong, 2018). According to Wagura (2017), businesses can use it to find new opportunities, increase sales revenue, boost profits, and gain market share. According to Haug and Ultich (2013), diversification strategies give businesses the chance to outperform their rivals and enhance performance (Castaldi & Giarratana, 2018; Makau & Ambose, 2018). It acts as a catalyst to raise company profits, lower bankruptcy risk, and foster collaboration, improve market operations, and boost output (Oladele, 2012). According to Ajayi & Madhumathi (2012) and Hasby, Buyung & Hasbudin (2017), a diversification strategy enables businesses to use their existing skills, expertise, and competences to create unique products while also enhancing debt capacity and asset deployment. Based on the above literature, the study hypothesized that:

iii. **$H0_3$:** Diversification strategy has no significant effect on the performance of quoted foods and beverages manufacturing firms in Nigeria

3. 1 METHODOLOGY

This study adopted a survey research design. The design is suitable for this study because it allows an in-depth study of the effect of turnaround strategies on performance of quoted foods and beverages manufacturing firms in Nigeria. The Twelve (12) quoted foods and beverages manufacturing firms Nigeria were selected for the study as they are identified as the giants in terms of share price index, prominent stakeholders and players in the foods and beverages industry in Nigeria and are quoted on the NGX for at least, two years prior to and throughout the study period (2013 to 2022). However, the accessible population was 7,660 employees which composed of the managerial cadre, sales representatives and operational staff of the twelve (12) quoted foods and beverages manufacturing firms in Nigeria which was supplied by the Directors of Human Resources of these firms as presented in Table 1 below. A sample size of 383 was generated scientifically through Yamene's Formula. Primary data collected from respondents using both online and self-administered questionnaire. A pilot test was conducted to test validity and reliability of the research instrument. Data analysis was done using descriptive statistics, correlation and regression analysis with the aid of the Statistical Package for Social Sciences (SPSS Version 23). This study applied a multiple regression model to establish how the predictor variables (retrenchment strategy, diversification strategy and divestment strategy) affect the dependent variable (performance). The model is presented thus:

$Y=\alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \varepsilon$

Where;

Y is performance

a is regression intercept

β_1- β_2 is regression coefficients

X_1 is retrenchment strategy

X_2 is diversification strategy

X_3 is divestment strategy

ε is the error term which is assumed to be normally distributed with mean zero and constant variance.

Table 1: Population Distribution of Quoted Foods and Beverages Manufacturing Firms for the Study

Company Name	Total Staff
1.Cadbury Nigeria Plc	404
2.International Breweries	410
3. Honeywell Flour Mills	931
4. Guinness Nigeria Plc	563
5. Flour Mills of Nigeria	497
6. Nigerian Breweries	549
7. Nestle Nigeria Plc	650
8. Unilever Nigeria Plc	383
9. UAC of Nigeria	700
10. Northern Nigeria Flour Mills	944
11. Dangote Foods	1,127
12.FTN Cocoa	502
Total	**7,660**

Source: Human Resources Department of the studied firms/Researchers' compilation

4.1 RESULTS AND DISCUSSION

Means and standard deviation were used to present respondents' agreement with the responses collected on research variables.

Table 1: Descriptive Statistics

Variable	N	Mean	Std. Deviation
Retrenchment Strategy	383	3.59	.605
Diversification Strategy	383	3.67	.583
Divestment Strategy	383	3.69	.620
Performance	383	3.26	.762

Source: Computation from SPSS Output, 2023

Table 1 displays the responses gathered from the participants regarding the predictor variables, diversification strategy and retrenchment strategy, and the dependent variable, performance. The values for firm performance (M=3.26; SD=0.762), suggest that there has been a notable shift in the performance of Nigerian companies that manufacture foods and beverages. While diversification strategy has a mean value of 3.67 (SD=0.583), explaining that it significantly affects the performance of quoted foods and beverages manufacturing firms in Nigeria, retrenchment strategy has a mean value of 3.59 (SD=0.605), indicating that there is high agreement.

Table 2: Correlation Matrix

Variable	Retrenchment Strategy	Diversification Strategy	Divestment Strategy	Performance
Retrenchment Strategy	1			
Diversification Strategy	.493**	1		
Divestment Strategy	.494**	.463**	1	
Performance	.484**	.453**	.422**	1

** Correlation is significant at the 0.01 level (2-tailed)
Source: Computation from SPSS Output, 2023.

Table 2 displays the relationship between the performance of the mentioned Nigerian food and beverage manufacturing companies and their turnaround strategies. Retrenchment strategy and performance were found to positively correlate (r=.494; p<.01). The results also showed that there was a positive correlation (r=.463; p<.01) between diversification strategy and performance and (r=.422; p<.01) between divestment strategy and performance. This finding suggests that the variables' multi-collinearity is not a problem. The results of the relationship test between the independent and dependent variables are shown in the Findings section. To demonstrate the impact of turnaround strategies on organizational performance, a regression test was conducted. To test the study goals, multiple regression analysis was performed using the model equation being $Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \varepsilon$.

Table 3: Hypotheses Test Results

Hypotheses	Variables	Path	Variables	Beta (β)	t-Statistic	P-Value	Result
H_1	Performance	←	Retrenchment	.272	3.728	.000	supported
H_2	Performance	←	Diversification	.429	5.075	.000	supported
H_3	Performance	←	Divestment	.338	4.332	.000	supported

Source: *Computation from SPSS Output, 2023.*

The regression coefficients between the turnaround strategies and the performance of the mentioned Nigerian food and beverage manufacturing companies are tested using the data in Table 3. The outcome demonstrates that every independent variable has a favorable impact on output. The variables were deemed significant because the aforementioned analysis was carried out at a 5% significance level and probability values obtained were less than 0.05. According to the first hypothesis, the performance of the mentioned Nigerian food and beverage manufacturing companies is not significantly impacted by retrenchment strategies. Retrenchment strategy and performance had a positive and significant relationship (β=0.272, t=3.728, p-value = 0.000), according to the regression result. As a result, the null hypothesis was rejected, suggesting that retrenchment strategy significantly and favorably affects the performance of the Nigerian companies that are quoted for producing foods and beverages.

The results showed that divestment strategy had a positive and significant effect on the performance of quoted foods and beverage manufacturing firms in Nigeria (β =0.338, t = 4.332, p-value=0.000), refuting hypothesis two, which claimed that there is no significant impact of divestment strategy on the performance of these firms. The null hypothesis was likewise rejected since the results of a 95% confidence level hypothesis test showed that diversification strategy had a statistically significant impact on the performance of the listed Nigerian foods and beverages manufacturing companies.

The third hypothesis proposed that there is no significant impact of diversification strategy on the performance of quoted food and beverage manufacturing firms in Nigeria. The findings, however, showed that diversification strategy had a positive and significant effect on the performance of quoted foods and beverages manufacturing firms in Nigeria (β =0.429, t = 5.075, p-value=0.000). The null hypothesis was rejected after a 95% confidence level hypothesis test revealed a statistically significant impact of diversification strategy on the performance of the listed Nigerian foods and beverages manufacturing companies.

4.2 Discussion of Findings

According to the results of the test of hypothesis one, retrenchment strategy has a positive and significant impact on the performance of the listed Nigerian companies that manufacture foods and beverages. Wandera (2018), found that retrenchment strategy has a major impact on firm performance, which lends support to this finding. Retrenchment facilitates cost reduction and operational simplification so that attention can be directed toward core business activities (Wandera, 2018). Research conducted in the past by Wagura (2017), and Mokubung (2014), demonstrated a noteworthy impact of retrenchment strategy on company performance. The finding implies that a retrenchment strategy can lower operating costs for businesses, improving their long-term performance.

The results of the second hypothesis test indicated that the performance of the mentioned Nigerian food and beverage manufacturing companies is positively and significantly impacted by the divestment strategy. The results contradict those of Muzny & Simba (2019), who found that the divestment strategy had a positively insignificant impact on the coast development authority's performance in Kenya. The result of this study is consistent with the study conducted by Kithinji, Rotich, and Kihara (2021), which showed that the performance of large manufacturing firms in Kenya was significantly and favorably impacted by the divestment strategy. By using this tactic, businesses can raise more money and cut expenses associated with providing fewer useful goods or services. The results supported the findings of Wamiti (2021), whose research revealed that the organizational performance of commercial banks listed on the Nairobi Stock Exchange was positively and significantly impacted by the divestment strategy.

The results of the third hypothesis test indicated that the performance of the listed Nigerian food and beverage manufacturing companies is positively and significantly impacted by their diversification strategy. Makau and Ambrose (2018), found a significant effect of diversification on the financial performance of investment organizations, which is consistent with the findings of this study. Additionally, Wandera, Sakwa, and Mugambi (2017), discovered a strong correlation between the performance of Kenya's state-owned sugar companies and their diversification strategy. Wagura (2017), who claimed that diversification strategy aids business organizations in finding new opportunities in the market and increasing market share, supports the outcome. Additionally, Castaldi and Giarratana (2018), confirmed that using a diversification strategy helps businesses outsmart their rivals and outperform them in the market. The finding implies that diversification strategies help businesses expand into new market segments and gain a significant percentage of the market.

5.0 CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

This study explicated the effect of turnaround strategies on the performance of quoted foods and beverages manufacturing firms in Nigeria. Findings of the study indicated a statistically significant effect between turnaround strategies (retrenchment strategy, divestment strategy and diversification strategy) on the performance of quoted foods and beverages manufacturing firms in Nigeria. The study came to the conclusion that a retrenchment strategy gives the business an advantage over rivals by improving performance and reducing expenses. The study found that by using a divestment strategy, Nigerian companies that produce foods and beverages were able to reduce expenses and divert their earnings to more lucrative and efficient operations, improving overall performance. The study also found that the performance of listed Nigerian companies that manufacture foods and beverages is highly impacted by their diversification strategy. The strategy helps the business create a variety of products to meet the demands of various markets, which enhances performance.

5.2 Recommendations

In line with findings of the study and conclusions drawn the following recommendations were made:

i. Quoted foods and beverages manufacturing companies should consistently be introducing new goods or product lines into new markets. This will enables these firms to fulfill rising customer demands and expectations and enhance performance.

ii. Management of quoted foods and beverages manufacturing companies should adopt a divestment strategy by selling off some of their non-profitable assets and pulling out of underperforming markets. In this manner, the businesses will raise more revenue and cut expenses associated with operating less advantageous goods or services.

iii. When there is consumer demand, management of quoted foods and beverages manufacturing companies should constantly introduce new product lines or products into untapped markets. This will assist the business in finding new business prospects, boosting sales, and growing its market share.

5.3 Implications and contribution of the study

This study contributes to our understanding of the theory organizational performance of quoted foods and beverages as well as the general theoretical discourse on turnaround strategies that support organizational performance and success. The study has also established the powerful role that turnaround strategies has in the effective management of organizations most especially, quoted foods and beverages sector. The study was able established that diversification strategy has the most contribution (42.9%), as against divestment strategy (33.8%), and retrenchment strategy (27.2%). Indeed, turnaround strategies have the capacity to help organizational performance as the results of this study depicts. Lastly, the study was able to show which aspects of turnaround strategy that has the most effect on the performance of quoted foods and beverages manufacturing firms. This would help policy makers to focus on strengthening such turnaround strategies in order to help improve the level of performance in their organizations. This study is timely and relevant to scholars who are desirous of pursuing future research studies on the effect and/or relationship between turnaround strategies and organizational performance.

5.4 Limitations and Suggestions for Further Studies

This study is not without its limitations. The most noticeable limitation is the cross-sectional nature of the research design. Cross-sectional research design does not have the capacity to explore longitudinal relationships between variables; that is establishing the causal effect of the variables. This study therefore, suggests that future studies could explore this relationship using a longitudinal research design. Other dimensions of turnaround strategies such as liquidity strategy, repositioning strategy among others could be used in future studies and moderators and mediators such as the moderating or mediating effect of organizational culture on the relationship between turnaround strategies and performance as well as the mediating or moderating effect of government assistance and firm size and their influence in the relationship between strategy and successful turnaround could also be introduced in future studies to enable a nuanced understanding of the phenomenon of turnaround strategies and performance among others.

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