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Turnaround and Sustainability of Business Firms in Nigeria: A Study of Selected Firms

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Abstract
This study determines if corporate turnaround programmes are positively related to organizational sustainability. Multistage cluster sampling technique was used to select ten firms out of all the firms in the Nigerian Stock Market. The Hypothesis was testedusing ANOVA. The instrument for data collection was a five point Likert Scale structured questionnaire. The result of analysis shows that firms turnaround programs are positively related to the Sustainability of the firms. The recommendations are that turnaround experts are urgently needed. The National Universities Commission (NUC) should insist that Business and management relateddisciplines include enough credit load to produce turnaround and sustainability competent professionals to facilitate the development of sustainability culture for the economy.

1. Introduction

Corporate entities ordinarily would want to continue as going Concern – surviving, growing and expanding 'ad infinitum'. But experience shows that more businesses fail or are failing rather than are succeeding to achieve these utopian goals. Ross and Kami (1973) reveal how some America's biggest and richest corporations made mistakes and paid the costly price in lost business, declining sales and even bankruptcy.

This sad experience is not peculiar to the Americans; it is a common experience of organizations and entrepreneurial firms all over the world. No business, big or small, public or private, service oriented or manufacturing is exempted or immune from this cancerous phenomenon. It is like death that kills old and young, rich and poor, male and female, born and unborn. It knows no national, racial, tribal, class, age or cultural boundaries.

The damages and hostilities faced by entrepreneurs and corporate entities were well described by Chu (1994) as 'men swimming in a vast, shark-infested ocean.' Perhaps, this explains why few firms have successfully navigated through the storms and waves of business environment for centuries, while millions of firms, big, medium and small, in all industries and across the globe have perished in the same stormy sea.

Organizations, seen from the natural systems perspective want to survive 'ad infinitum'. Survival 'ad infinitum' means operating in a way to become a sustainable going concern. When a corporate entity dies, the negative impact and its ripple effect affect the entire society. The first great negative impact target to destroy the greatest natural resource the 'entrepreneurial spirit', according to Chu (1994). This happens as the investors and shareholders lose their investment and income generating system. Their families suffer along with them both the psychological and economic trauma. This often leads to complicated health problems. The employees lose their jobs which worsens the unemployment situation in the economy. The loss of job has the potential to adversely affect their capacity to provide sustenance for their dependants. The purchasing power in the economy is greatly reduced as the gross domestic product is negatively affected. These negative effects in turn destabilize and devastate other businesses whose products and services were consumed by the now dead firm, the creditors, suppliers, financial institutions, are not spared. The government in turn lose accruable tax revenue and there is the heightened need to address aggravated degree of social vices and the attendant insecurity in the social environment.

The Nigeria's Vision 20:2020 is geared toward economic transformation of the nation. To achieve economic transformation as the vision envisaged, calls for a total mobilization of all the factors of production, optimally engaging and utilizing them towards repositioning the national economy strategically to become one of the first twenty great economies in the world come year 2020. To do this requires business organizations as economic entities to perform optimally in such a way as to gain sustainability. It is to this end that Vision 20:2020 document in accordance with a Chinese saying that "if you don't want to end where you are presently headed, change direction", asks, 'what will Nigeria do differently?' This single question raises many other questions, one of which is this: Nigeria with all her great resources and potential (natural endowments) has been economically rated as poor among the comity of nations, imagine what will happen if there is no change of direction. How will Nigerian home-grown corporate organizations operate to achieve business sustainability to contribute to the realisation of vision 20:2020.

Almost daily, hundreds of business entities spring up in high spirit with optimism as going concern, if such start-ups survive and grow, it would be great, since more of the society's needs and wants would be met. But without notice and imperceptibly, many disappear into oblivion, while others lamely drag on becoming unattractive shadows of their former selves.

The concern of this study is a quest for the remedy for business malady and how business firms will operate in sustainable manners. It was during the search for literature that he stumbled on the concept of Turnaround in Anugwom (2002). Turnaround is a top management effort to reverse unacceptable or declining organisational performance. It has been diversely labelled as organisational recovery or business renewal but it is related to organisational change and development. To Anugwom (2002), it is action taken to improve the operational efficiency of an organisation or efforts undertaken by top management of a firm to restore an ailing corporate business portfolio to good health

The concept of Turnaround presents a prospect for helping sick or underperforming business entities return to healthy and acceptable performance. Greatly enthused by the prospect, the researcher sought to establish the effectiveness or otherwise of Turnaround Strategies and to establish if indeed there are such professionals who can diagnose, prescribe and administer therapies for the healing of ailing organisation. While the researcher was enthusiastically studying the concept, he chanced on an interview in Newswatch magazine of a very successful Nigerian entrepreneur, Jimoh Ibrahim. The interviewer enquired of the interviewee how he acquired the skill for turning around dying business firms and why he had been growing his conglomerate business empire by acquisition of dying firms. His response revealed that he studied Turnaround Management at Harvard Business School. He intimated that he considered buying sickly or dying organisations and thereafter turning them around as key business strategy. He had successfully acquired and turned around several corporate organisations in Nigeria and Ghana: Examples are Virgin Nigeria, Nicon Hotels and Suits, Newswatch magazine etc. Literature abound indicating that turnaround management is a universally accepted professional discipline within the management sciences.

The earliest reference on turnaround as management related concept and discipline available to this researcher is Hofer (1980). Although the National Universities Commission (NUC) minimum benchmark contained reference to organisational change to which turnaround is generically related, yet the concept of turnaround as a remedy for business sickness is embryonic stage in Nigeria. The concept filtered into the Nigerian management literature during the debates on underperformance of Nigerian refineries. It generally was used to describe the state of the refineries and the need for what was called 'Turnaround Maintenance'. The concept is gaining currency in Nigeria since the National Policy on Education 2009 with roadmap contained the concept Turnaround almost on every page and the Vision 20:20:20 document used the concept as a remedial action on both the educational and economic sectors.

In the absence of a crop of turnaround management professionals in the Nigerian Socioeconomic environment. Most entrepreneurs and small scale business owners in Nigeria with ailing or underperforming organisations confused as to the causes and solutions to their plight, resort to prayer houses, 'men of God' or prophets and sometimes native doctors/magicians. These options available to them fail to successfully address the situations. As such, the entrepreneurs' business situations become worse, as some of them eventually loose their income generating systems, others either become prophets/, 'men of God' or native doctors themselves. All this because there are no known professionals (Turnaround experts/ managers) properly equipped to render the needed help for reversing or healing the business sickness in Nigeria.

2. Statement of the Problem

Where as there are medical professionals whose job it is to help sick persons recover, there are different professionals in virtually all fields of human endeavor whose responsibility it is to help reverse unhealthy situations and all over developed world there are a professional management experts known as turnaround experts who try to fill the gap in turning around of socio-economic entities (Business Organization) that are sickly, under performing, having a near death experience. But these professionals (Turnaround experts) are either not available in Nigeria or are too scarce to be noticed in Nigeria business landscape such that Big, medium and small firms in Nigeria suffer a type 'Ebola' epidemic. To make the matter worse, in the absence of turnaround experts, the owners of such business resort to prayer houses, 'prophets', magicians or nature doctors only to loose their income generating systems. As such Business are no longer going concern, since they are not sustainable. Will development of sustainability culture through production of turnaround experts and firms operating in a sustainable manner it will be a win win situation for all?

3. The Objective of the Study

The general objective of this study is to determine if sustainability culture will enhance the longetivity of Nigerian Corporate entities. The specific objective is to determine if corporate Turnaround programmes are positively related to organizational sustainability.

4. The Research Question

To achieve the stated objective the research question is; To what extent does the corporate sustainability of firms related to successful Turnaround programmes?

5. Hypothesis

This study hereby propose this hypothesis,

H_0 Turnaround programmes do not significantly enhance corporate sustainability.

H_1 Turnaround programmes significantly enhance corporate sustainability.

6. Review of Related Literature

6.1 Conceptual Framework

Kami and Ross (1973) note sadly that failure of many corporate giants was not precipitated by technological breakthroughs or spectacular market shifts, but by various management errors that were committed in the normal course of established operations.

Life generally produces successes and failures. Creative ideas also produce both successes and failures, again those who never fail are never creative, because creativity involves taking chances (Anugwom, 2002). Emphasizing this, Aruwa and Andow (2006) note that failure is an inevitable part of entrepreneurship and true entrepreneurs don't quit when they fail. In fact Anugwom (2002) posits that the hallmark of successful entrepreneur is the ability to fail intelligently, learning why they failed so that they can avoid making the same mistakes again. Aruwa and Andow (2006) insist that failure is a natural part of the creative process. The only people who never fail are those who never do anything or never attempt anything new. Aruwa and Andow (2006) certainly concur with Zimmerer and Scarborough (1994) when they said "Rapid changes in the economy, society or market conditions produce uncertainty which can upturn and flatten the endeavour but entrepreneurs are not paralyzed by failure. By this, Zimmermer and Scarborough (2004) are buttressing the impact of environmental changes on a firm. To buttress the same point Diribe and Azuonye (1998), posited that when failure occurs focusing on it can be frustrating, but analyzing it can be helpful. For them failure is symptom of a deep seated problem not the problem itself. Failure like the downfall of a man need not be the end of his life, as such life must go on, owners and managers of failed business must therefore rise, study the reasons and causes of their failure with a view to beginning what Anugwom (2002) term Turnaround strategy. A venture has been turned around when it has recovered from a "decline that threatened its existence" to resume normal operations and achieve performance acceptable to its stakeholders (constituents) through reorientation or positioning, strategy, structure, control systems and power distribution. Return to positive cash flow is associated with achievement of "normal operations". According to Anugwom (2002), turnaround strategies are aimed towards improving the operational efficiency of an organization that was sick or performing very poorly, if it is in attractive industry. This turnaround definition implies that a declining firm can be turned around, while a firm that has failed cannot. Judicial actions are often associated with failed firms but less often with those in decline and very small ventures, which enter and exit informally. While it is true that decline and failure are often used interchangeably, it is valuable to distinguish between them, as this may influence the strategies that will be pursued for each (Pretorius, 2009). Emphasizing this further, sick or underperforming Business organizations that are sick or in trouble because of inability to achieve their goals can do something about it – they can adopt renewal strategies in the form of retrenchment strategy that enables the firm to revitalize, this is used when a firm's problem are not too serious. This is a partial renewal strategy, while a serious problem calls for a complete turnaround strategy. Complete turnaround is a long-term corporate prescription for a disastrous company performance (Robbins and Coulter, 2007).

The existence, prevalence of sickly, dying, declining business firms abound in our society. Until now, no organization or call it 'corporate hospital' is known in Nigeria to address the health problems of corporate entities. Even the governments that ought to know the value of healthy business organizations to the economy has not provided a means for the turnaround of sickly or ailing businesses. The policies in the statute books are never implemented or shoddily implemented. Kachru (2005) opines that turnaround management is a highly targeted effort to return a poorly performing or sick organization to profitability, and or increase cash flow level to a significant level. Organizations faced with significant decline in profit or having problems with cash flow are good candidate for a third party 'consultant' to intervene to bring it back to profitability. This consultant is a turnaround specialist.

According to Zimmerman (2002) a crisis serious enough to necessitate turnaround is a feature event for any company, an experience that can be catastrophic or a healthy and positive force of strengthening and renewal. A turnaround attempt can draw together the people of the organization or it can tear them apart. It can foster innovation or stop it completely. A turnaround event is different from other periods of economic reversal because of the uncommon severity of the situation. A turnaround event occurs when the very existence of the company is threatened. Zimmerman (2002) depicts that turnaround situations frequently go unrecognized. Company managers often fail to differentiate routine business situations requiring less spectacular change from more serious situations where extraordinary action is required for the firm's survival. Occasionally, gradual drift takes place until the threatened firm deteriorates beyond the point where reasonable action can save it. These are the most serious cases because they represent situations in which the firm could have been saved but was not.

The resulting catastrophe takes a cruel toll on employees, creditors, suppliers, stockholders, customers, and members of the local community. For both business and societal reasons, it is worthwhile to understand the early signs of decline.

According to Sloma (1985), the factors that influence turnaround can be categorized into internal and external factors. External factors are forces that influence the organization from the external environment vis-a-vis economic problems, competitive problems, technological change and social change. According to Scherrer (2003), external factors include increased competition, rapidly changing technology and economic fluctuations. While describing the stages in turnaround, Scherrer points out that the business should be able to stabilize within 6 months to 1 year after implementation of the plan. Furthermore, it should be able to return to growth within 1 to 2 years after stabilization. On the other hand, internal factors are symptoms that firms show from within the organization that can range from problems such as inability to pay taxes and debt services to eroding gross margin, decreasing capacity utilization, increased turnover of management and staff and lack of competence and expertise to guide the organization on the part of top management. Key internal factors of decline include increasing inventory while sales growth decreases, cash flow problems and management's inability to cope with growth.

6.1.1. Turnaround Approaches

Corporate turnaround has in the past forty years been labelled variously. Academics and Practitioners have described turnaround phenomenon variously as corporate recovery, corporate transformation, corporate renewal, organizational change, re-engineering or development. In principle, there is fundamental agreement that these labels describe actions required to reverse an impending disaster – the collapse of a corporate economic entity, (Takacs 2001).

6.1.2. Surgical Approach to Turnaround

Khandwalla (1992) reviewed forty-two firms successfully turned-around in both private and public sector and found each consist of "Slash and burn type of turnaround", which he renamed "Surgical turnaround". He considers this approach to be most common in America. He noted that despite diversity of programmes employed, these five actions drawn from his research are common and is at the heart of their turnaround process:

1. Significant retrenching (downsizing, rightsizing, layoffs, plant closure) 100%
2. Diversification, Product rationalization, expansion and related actions (99%)
3. Changes in top management (91%)
4. Marketing related actions (73%)
5. Miscellaneous cost reduction measures other than retrenchment (64%)

Khandwalla (1992) notes that the emphasis of the surgical approach is a 'chopping, trimming and regrouping, with some marketing aggressiveness thrown in to fix the bottom line, which some described as "stopping the haemorrhage". This necessarily translates to large-scale layoffs and the sale or closure of facilities.

6.1.3. Non Surgical or Humane Approach

Khandwalla (1992) also reveal another approach commonly used outside the North America, with large number of equally dramatic turnaround from comparably appalling corporate sickness, where no one was fired and no plant closed. He termed this "turnaround without tears" or more humane approach, which also questions the surgical approach.

'Non surgical approach', according to Khandwalla (1992) research report is more complex and multidimensional than 'the surgical approach' and possesses the following seven common features:

1. Diversification, product-line rationalization, expansion etc (100%)
2. Change in top management (95%)
3. Marketing related actions (90%)
4. Restructuring (80%)
5. Plant Modernization (75%)
6. Cost-reduction measures other than retrenchment (65%)

Better organizational integration, participative management, emphasis on core values (65%)

A casual look at both the 'surgical' and the 'non – surgical' approaches to turnaround lie in absence of retrenchment of workers and inclusion of plant modernization in the 'non surgical approach', Khandwalla (1992)

6.1.4. Theory E and Theory O

Following Khandwalla (1992), Beer and Nohria (2000) also identified two major arch types or theories of corporate transformation, namely theory E and theory O.

Theory E is labelled a 'hard' approach similar to Khandwalla's 'surgical approach'. Beer and Nohria (2000) posits that theory E stands for economic value, where shareholder value is the only legitimate measure of success, and often involves heavy use of economic incentives, layoffs, downsizing and restructuring. This approach is top-down and often involves outside consultants. On the other hand, theory O is a process of change based on organizational capability, 'where the goal is to build and strengthen corporate culture'.

Takacs (2001) observes that sometimes, practitioners in implementing 'surgical' turnaround approach blend it with some elements of the 'non surgical' or 'humane' approach, such as participative management, human resource development and other incentives. Takacs also notes that 'non surgical' or 'humane approach' is commonly employed in Asia and Europe.

6.1.5. Business Sustainability Evolution and Challenge

Business sustainability development has been defined as adoption of business strategies and activities that meet the needs of the enterprises and its stakeholders today while protecting, sustaining and enhancing the human and natural resources that will be needed in the future by the International Institute for Sustainable Development in conjunction with Deloitte and Touche and the World Business Council for Sustainable Development (1992). This definition captures the key essence of sustainability. According to O'Riordan in Economist Intelligent Unit (2008), defining sustainability is like "exploration into a tangled conceptual jungle where watchful eyes lurk at every bend". The EIU (2008) succinctly expressed it as adoption of policies and processes which enhance the financial, environmental, societal, human and other resources on which the focal firm depends for its long term health. Although the EIU (2008) definition is narrower than the definition by IISD et al. but means operating today without compromising and endangering future operations. Compared the IISD closely corresponds to the Bruntland Commission which says, sustainable development is that which meets the needs of the present without compromising the ability of future generations to meet their own needs. The EIU (2008) summarised it as having such sustainable policies and processes, and aligning them so that goals in one area are not compromised in favour of those in another. CIMA (2010) defined it as 'the consideration of environmental and/or social issues in the value creation process along with the financial performance of firms. This shows the integrative nature of sustainability. The discuss by the International Institute for Sustainable Development in conjunction with Deloitte and Touche and the World Business Council for Sustainable Development (IITD with D & T and WBCSD) declared that sustainable development cannot be achieved by any single business outfit no matter how large. This is because sustainable development is a very fluid and pervasive philosophy requiring every participant in the global economy to actively subscribe to if meeting today's needs will not compromise the ability of future generations to meet their own needs. Participants in global economy include every individual consumer and government. That means no one is exempted from the quest for sustainability. Sustainability started out as environmental concern before it now spread out to include economic, social and cultural concerns.

6.1.6. Evolution of Corporate Sustainability Practices

A research study by American Institute of Chartered Public Accountants (AICPA), Canadian Institute of Management Accountants (CICA) and UK based Chartered Institute of Management Accountants CIMA (2010) reported as follows

Business Sustainability is about ensuring that organisations implement strategies that contribute to long-term success. Organisations that act in a sustainable manner not only help maintain the well being of the planet and people, they also create business that will survive and thrive in the long run. Leading companies recognise that successful sustainability performance translates to bottom-line business performance, and that investors are attracted to companies that act in a sustainable manner with a focus on long-term profitability and competitive advantage. Our 21st century challenges require 21st century solutions and will require co-ordinated response by the public and private sectors. Long term business success will require that sustainable practices be deeply embedded in the DNA of all organizations

Amaeshi (2009) in discussing how not to effect sustainability counsel that, it should not be outsourced by having corporate foundations which is in vogue in Nigerian business landscape of today. He insists that sustainability be engraved into the heart of business strategy and the DNA of an organisation.

Both Amaeshi (2009) and AICPA, CICA and CIMA (2010) advocates the need for all organizations large, medium and small that expect to continue as a successful firm in the long range to have sustainable practises ingrained deeply in the organizational DNA. This is because sustainable practises should not be a passing fad since environmental changes is a continuing and on-going phenomenon requiring firms wishing to sustain their success to proactively improve their sustainable practises. The AICPA, CICA and CIMA research in America, Canada and United Kingdom revealed that corporate sustainability programmes are evolving. According to their finding, corporate organizations and their executives are increasingly appreciating the significance of sustainability to the future of their businesses. They noted that many corporate sustainability initiatives began in response to compliance requirements or in support of corporate values statements. These initiatives within the shortest possible time frame, firms by sustainability practises and programmes are reaping greater shareholder value. The firms reap of greater shareholder value while merely responding to legal and regulatory requirements have spurred organizations to proactively integrate sustainability activities into their management system especially as regards reputation, risk management, generation of cost saving, competitive advantage and ensuring longer term profitability. Thus, sustainability practises successfully adopted have yielded triple bottom-line (people, planet and profit) as against single bottom-line in a devalued, degraded, devastated and destroyed environment. Corporate sustainability programmes and practises are now expanding in number across the spectrum of firms, organization type, size and industry not withstanding. This agrees with the assertion of organization for economic co-operation and development in IISD with D & T and WBCSD (1992). 'There is now a realistic prospect of harmonising environmental and economic considerations'. AICPA, CICA and CIMA research finding on the evolution of sustainability practises showed that

1. Although compliance with regulatory requirements still remain the most common driver of business sustainability, profitability and other strategic factors are also significant.
2. Large companies have more robust sustainability capabilities than small companies. Etc.

According to EIU (2008), 'there is uncertainty as to whether sustainability can be seen as opportunity, or if it is merely another drag on the bottom-line. Indeed there is no need for further hesitation as research findings have conclusively proved that sustainability is opportunity.

6.1.7. Benefits of Sustainability Drive

The critical question 'does sustainability pay?' needs an answer. The EIU research on the question of the implication of sustainability on the bottom-line produced the following interesting findings:

1. Investment in sustainability far outweigh the cost
2. Although sustainability is no magic carpet to prosperity, attention to sustainability is consistent with , and may cause higher share price growth and profits
3. Firms that believe they are doing well on sustainability are generally seeing better financial results than those who believe the opposite.
4. A shift from 'sustainability 1' to so-called 'sustainability gear 2' involves the possibility of exploiting new markets and opportunities.
5. Although sustainability itself has not yet become a major draw for investors, there is strong indication that investors would increasingly reward companies with above average performance in this area
6. The benefits to bottom-line in the longer run is simply more beneficial
7. Sustainability benefits the drive for cost reduction and confers greater competitive advantage
8. Sustainability reduces reputational risk and improves firms and product image and value.

It is however important to note warnings, on the need to adopt sustainability for the right motive. One of the executives interviewed in the EIU (2008) study insist that one does not adopt sustainability for financial gain but because it is the right thing to do.

One of the key conclusions of EIU (2008) study is that 'Awareness of sustainability issues may become not an additional business tool, but a key to survival in 21st century markets.

6.2. Theoretical Framework

This study cuts across different theoretical areas of management. The three major theoretical areas are namely

(a) Organization Theory
(b) Contingency Theory and
(c) Strategic Management

This is so because according to Corporate Renewal Services (CRS 2001), Corporate organizations are legal persons (entities) whose fortunes for various reasons fluctuates, it may (1) fall into the pit (i.e.) poor organizational performance, this falls into organization theory. (2) climb out of the pit (i.e.) turned around (improved and impressive organizational performance to a great longevity), this falls into Contingency theory and (3) Sustainability of corporate organization falls into the theory of Strategic Management.

6.2.1. Organization Theory

As organisms, organizations possess life, they can grow, can be sick or die. Corporate Organizations are artificial economic organisms created by law. Pugh (1979) in Onwuchekwa (1993) stated that organization theory is a body of literature that addresses itself to the task of how to organize. It deals with the study of structure, functioning and performance of organizations. Scot in Onwuchekwa (2007) has suggested that organizations can be studied from three diverse perspectives namely (a) organizations as Rational Systems (b) organizations as Natural Systems and (c) organizations as open systems.

Organizations from Rational Systems perspective states that, "organizations are rational entities". This means that, they are established for a purpose, they operate to achieve the purpose and they use reasonable instruments to take reasonable actions for the attainment of their reasonable goals. According to Onwuchekwa (1993) there are two important elements of the rational system namely (1) Specific goals (2) High degree of formalized structure. This presupposes that organizational goals are profitability, growth and survival. Organizations that achieve their reasonable goals and continue to achieve same would naturally grow, expand and survive to great longevity. High degree of formalized structure means that organizational positions, processes, procedures, methods, means etc are rationally determined for the attainment of formal goals. Organizations as Rational Systems derive from both Classical and Neoclassical schools of management according to Filley, House and Kerr in Onwuchekwa (2002).

Organizations seen from the Natural Systems perspectives insist that the over-riding goal of an organization is survival. This perspective directs its attention to the Mechanism by which a firm must satisfy some of its needs in order to survive. Onwuchekwa (1993) intimated that this perspective does not lay as much emphasis on formal goals and formal structure rather its emphasis is on what is termed "Structural-functional analysis". The natural system thinkers seek to discover what critical needs of a focal organization that must be satisfied for it to survive. Thereafter the natural system thinkers direct attention towards identifying the mechanisms for meeting such needs termed "functional prerequisites". This natural systems view of Scot in Onwuchekwa (2007) can be contrasted with Porrson in Onwuchekwa (2002) view of organization as a social system with the structural functional relationship with the larger social system (society). Porrson in Onwuchekwa (2002) states that if an organization 'a social system' in a larger society continues to meet the needs of that larger society indefinitely at profit, it is not only functionally relevant but will survive. In this sense, organizations exist to serve society. Continuous success at satisfying the larger society will ensure its survival and longevity.

Organization as an Open System is a perspective for analyzing social entities. This perspective sees organization as comprised of diverse points that are interrelated, interacts and interdependent both within itself and with the elements of its external environment. The system is open if its elements can be influenced by the elements of its external environment and it has capacity to also influence parts of its environment (Filley, House and Kerr in Onwuchekwa (2002). Organization as open system, to survive, must always appropriately align, adapt and adjust itself to the elements of its environment from which (1) it derives input and (2) with which it exchanges its output. Alignment, adjustment and adaptation to elements of the environment are achieved through the development of appropriate competences and strategic responses.

6.2.2 Contingency Theory

The management concept "Turnaround" falls within the modern management theory known as contingency theory. Management scholars and practitioners have identified various causes of decline in organizational performance. Certainly reversing these variety of causes for firms must require different models, methods, means and approaches thus agreeing with the major contingency theory propositions viz:-

There is no one best way to organize

All ways of organizing are not equally effective

The best way to organize depends on the nature of the organizational situation. Galbraith in Onwuchekwa (2002), Scott in Onwuchekwa (2007).

Thompson in Onwuchekwa (2002) agreed with Lawrence and Lorsch in Donaldson (2001) to wit, that organizations are faced with constraints and uncertainties which threaten their existence. These constraints and uncertainties in a firm's environment do positively or negatively affect the focal firm as an open system. According to Stoner (1982) in Onwuchekwa (2002) the duty of managers of firms from contingency perspective will be to find out the technique which in a particular situation, under particular circumstances and at a particular time will best contribute to the attainment of organizational goals.

6.2.3 Strategic Management

This study also falls within the theoretical framework of strategic management. This is so since turnaround and business sustainability borders on the strategic scheme of reversing declining performance in the short-run and broad long range existence as a going concern. Strategy as a concept was borrowed from the martial arts. It has since become a basic tool in the hands of managers striving to excel and out-manoeuvre their competitors and opponents. The concept of strategy has naturally led to Strategic Management and has revolutionized organizational management and performance.

The concept means, "The art of the generals". It is derived from the Greek 'Strat Agos'. This Greek word 'strat agos' has been transliterated or anglicized into English as 'Strategy'. According to Kachru (2005), it gained currency at the end of the 18th century, and had to do with stratagems by which a military general sought to deceive an enemy, with plans the general made for a campaign, and with the way he moved his forces in a war situation. Clausewitze (1780 – 1830) was identified as the one who popularized the concept of strategy. For him, "strategy is the art of the employment of battles as a means to gain the object of war". He posits that strategy of war was a means to enforce policy and not an end in itself.

Strategy according to Kachru (2005) has expanded far beyond its original military meaning. It is now used in all areas where the horizon is long term as in sustainability, where there is competition for the use of scarce resources as in business, and the objective is to realize some goal as in corporate organizations.

The evolution of strategy as a theoretical discipline and its importance have elicited from scholars the quest to identify the principles of strategy that have traditionally guided military strategists in war situations. These studies according to Lynch (1997), Lok and Tsu (2006) have found some basic principles of war applicable in business hence managers common use of military concepts like 'attacking markets', defeating rivals' etc.

Scholars have not agreed on the number of principles of war that are applicable to business. Hax (1987) notes that the essence of strategy is for a firm like an army to achieve a long term goal over its competitors. Truly, business organizations are perennially involved in a contest, a campaign or competition both in the long range and short range for scarce resources. Sometimes they succeed and continue to succeed as a going concern thereby achieving sustainability. At other times, some fail, they try to rebound, if they succeed that is turnaround, but if they fail to rebound, they may stagnate or be wiped out into non-existence as in a conventional war. As such for many, business like war is a do or die affair. Management scholars and practitioners alike have found in strategy and its principles 'a tested and proved' basis that enable them to manipulate the business environment and its elements to achieve objectives while trying to contain and if possible outwit the competition in the short run and in the long run.

Strategic management according to Dess, Lumpkin and Taylor (2005) consists of analysis, decisions and actions taken by firms to innovatively create and maintain competitive advantage over other rivals. Sustainability therefore can only be realized through effective strategic management, which involves three key processes of analysis, strategy formulation and strategy implementation. This fundamentally agrees with Onwuchekwa (2000) who opines that strategic management system is made up of two complementary systems namely strategic posture management system and real-time response management system.

Strategic Posture Management deals with the problems of integrating a firm's strategy to its structure, while Real-time response issue management system deals with extra structural systems built within the firm's structure to provide it with more flexibility for prompt response to environmental issues. Kachru (2005) agrees with Onwuchekwa (2000) to wit that strategic management is a management system with a focus on continuous change. This focus on continuous change require of firms to be very sensitive to its environment to skilfully develop competitive advantage and to respond appropriately on time.

7. Methodology

Survey research design was employed using primary data collected with an instrument containing four structured questionnaire items on a five points Likert Scale. Crombach's Alpha test was employed to test the reliability of the instrument, a co-efficient of 0.786 is considered good enough for the purpose while the validity was tested with extraction and Rotation methods of factor analysis to determine the factor loadings.

The study adapted a multistage, cluster sampling technique. The population comprise of the two hundered and twenty five firms quoted in the Nigerian stock exchange Market of these about 50 have been operating in Nigeria Business Environment for over fifty years. These fifty spread across various industries as clusters, of each cluster the oldest in each industry was chosen where there are more than one qualifying firms. The exception is in the print/media industry, where the oldest is presently a dormant business name. The second oldest is chosen. In all the firms chosen the first line managers at the headquarters of the firms as a cluster were conveniently chosen as participants. The research hypothesis was tested using ANOVAs.

8. Test of Hypothesis

Hypothesis I

H_0 Turnaround programmes do not significantly affect corporate sustainability.

H_1 Turnaround programmes significantly affect corporate sustainability.

Table 1. ANOVA of Turnaround Programmes on Corporate Sustainability

			Sum of Squares	df	Mean Square	F	Sig.
MANEFOT(12) * Gender of Respondents	Between Groups	(Combined)	.397	1	.397	.167	.684
	Within Groups		328.889	138	2.383		
	Total		329.286	139			
RETRENCH (13)* Gender of Respondents	Between Groups	(Combined)	6.349	1	6.349	20.752	.000
	Within Groups		42.222	138	.306		
	Total		48.571	139			
CONEXPAT(14) * Gender of Respondents	Between Groups	(Combined)	.397	1	.397	1.120	.292
	Within Groups		48.889	138	.354		
	Total		49.286	139			
PROFENAL(15) * Gender of Respondents	Between Groups	(Combined)	3.571	1	3.571	12.321	.001
	Within Groups		40.000	138	.290		
	Total		43.571	139			

Hypotheses two was tested using ANOVA to determine if turnaround programmes significantly affect corporate sustainability. The result 0.684 indicates that management frantic effort (fire brigade approach) to reverse decline is less significant as turnaround programmes. The result 0.000 shows that retrenchment of underperforming staff, replacement of some key staff, divestment of unprofitable ventures, reduction of cost of production, product differentiation and review of core values significantly affect corporate sustainability. The result 0.292 and of 0.001 indicate that firms resort to consultants as tool for turnaround when management effort fails to reverse decline. As such consultants as turnaround tool are significant to corporate sustainability.

9. Discussion of Findings

Relationship between Turnaround Programme and Business Sustainability.

a) There is a positive and significant relationship between turnaround programme and business sustainability. This agrees with the position of Elliot (2007) and accords with Van der Walt (2010).

(b) The firms studied employ 'theory O' turnaround approach, since the more basic elements of the 'surgical' or 'hard' approach branded 'theory E' by Beer and Noriah (2000) are reportedly absent. This is because managements of these firms have from time to time tried to improve corporate performance. But in doing so, have not been known to feel pushed to the wall to the extent of applying the key element of 'surgical' approach or 'theory E' which is retrenchment, divestment and use of consultants Khandwalla (1992), and, Beer and Noriah (2000).

10. Recommendations

The researcher based on findings and conclusions of this study hereby recommended the following with the objective of assisting to kick-start the development of turnaround professionals and sustainability culture for business organisations in Nigeria and beyond:-

Development of sustainability culture.

All business organisations should be committed to the development of sustainability culture which will enable business organisations to:-

(a) See beyond the narrow horizon of the shareholders to the entire stakeholders and as such plan, organise, direct and control to achieve triple bottom line. A situation in which the business organisation adds value to the environment, the employees and their families, the consumers, the investors, suppliers while delivering superior and long term benefits to shareholders.

b) This paradigm shift from single bottom line (profit maximisation) to triple bottom line which has potential to yield much more bounteous benefits to all including shareholders will enable business organisations to move from philosophical base of charity principle to stewardship principle of social responsibility. This also will enable firms not only to be proactive in seeking the good of all in business but also become an active partner with government and regulatory agencies in the effort to better the entire society.

c) Sustainability culture will make it easier for business organisations to adopt sustainability factors which will assuredly enhance their longevity for the benefit of the stakeholders.

10.1 Theory Oe'

Corporate organisations should adopt theory Oe in the turnaround of their firms where either theory E or theory O is considered inappropriate. Theory Oe is the amalgam of theory E and theory O.

10.2 Turnaround and Sustainability

As a matter of urgency, all institutions beyond secondary education to universities in the land henceforth to include the principles of sustainability in their curriculum or course programme. And that the NUC should insist that all management related disciplines take (some) credit load each on turnaround and sustainability. That MBA, M.Sc and PhD programmes, courses on turnaround and sustainability should be compulsory elective courses. This is to produce experts in the area of Turnaround management and to promote sustainability cum longevity of Nigerian firms.

10.2.1 Professional Institutes

That the Academy of Management, Nigerian Institute of management, Chartered Institute of Administration and all management related professional institutes include courses on turnaround and sustainability in their programmes.

Government and Non-governmental organisations are encouraged to organise public lectures on the present state of environment and how to manage it for the benefit of all. Corporate bodies to be mandated to report to wider stakeholder group while including sustainability in reporting requirement.

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