TURNAROUND STRATEGIES AND PERFORMANCE OF CEMENT MANUFACTURING FIRMS IN MACHAKOS COUNTY, KENYA

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DECLARATION

I declare that, this project is my own original work and has not been presented for degree award in any other university.

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This research project has been submitted for the course examination with my approval as the University supervisor.

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DEDICATION

This project is dedicated to my daughter Emily Njeri whom bear with my busy schedule of class, business and family affairs. May God bless you all.

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I would like to express my gratitude to the All-Powerful God for providing me with the chance and fortitude to pursue my education. This scientific endeavor has advanced to this point because to His great grace. Without the assistance of my boss, Mr. Bett, who walked me through every step of the procedure, I could not have completed this assignment. I want to express my gratitude to my family for their encouragement and great suggestions throughout this process. I also want to express my gratitude to my siblings, who have always served as an inspiration to me and a source of intellect, for their important counsel and company while I navigated the obstacles of life. Lastly, I want to express my gratitude to my friends, who have been by my side during this trip, supported me academically, and served as my compass.

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ABBREVIATIONS AND ACRONYMS

APA: American Psychology Association

BPR: Business Process Reengineering

HR: Human Resource

NACOSTI: National Commission of Science, Technology

NSE: Nairobi Securities Exchange

OS: Organizational Structure

R &D: Research and Development

RBV: Resource Based View

SCM: Strategic Cost Management

SME: Small and Medium Enterprises

SPSS: Statistical package for Social Science

OPERATIONAL DEFINITIONS OF TERMS

Cost Management Strategy	Firms adapt the use of technology and sub-contraction of non-core elements on controlling the expenses of the firm on delivery cost, production cost and administration cost.
Financial Turnaround Strategy	It looks at funds from its sourcing, usage and accounting for purposes of close up loopholes in mismanagement of funds and embezzlement.
Managerial Turnaround Strategy	It looks at shifting the structure, leadership style and value system of the firm so as to change the performance from negative to positive.
Operational Turnaround Strategy	It is a shift of the processing format either from analogue to digital systems through the use of advanced technologies so as to improve delivery timeliness and offer high quality products.
Firm Performance	Refers to the evaluation of how well a company is doing in achieving its strategic and financial goals. It is a measure of the company's overall effectiveness and success in the marketplace.
Turnaround Strategy	Mechanisms for reversing the current downward trend; a quick shift in company strategy required to address problems like declining profitability and market share, among others.

ABSTRACT

Any changes with the market place, the customers, legal and regulations and the industry means that the organizations must re adjust and shift their strategies and operational system so as to remain competitive, profitable and thrive. Performance of cement manufacturing industries has been declining leading to closure of other firms. This has been occasioned by poor management strategies and decline in the economy. This research will aims bridge the gap by exploring the effect of turnaround strategies on performance of cement manufacturing firms in Machakos County, Kenya. The research objectives are; to explore the effect of managerial turnaround strategy, operational processes turnaround strategy, financial turnaround strategy and cost management strategy on performance of cement manufacturing firms in Machakos County, Kenya. The survey was ground on causality of the Distress Theory, Mckinsey 7's model and Resource Based View. The research embraced a descriptive research design and it will target the senior management team from the five cement manufacturing companies. The population was stratified as per their department and the HR managers, Finance managers, operational managers and workshop managers will be considered. The primary data was gathered through structured questionnaires. A pilot test was conducted among the senior managers of cement companies to assess validity and reliability of the instrument. Multiple regression analysis was utilized to analyze the data by correlational analysis. The results of the study were displayed through frequency and percentage tables, pie charts and bar graphs. The findings show that turnaround strategies (managerial turnaround strategy, operational processes turnaround strategy, financial turnaround strategy and cost management strategy) affect performance of cement industries since the P-value<0.05. From findings, the research concludes that managerial turnaround strategy, operational processes turnaround strategy, financial turnaround strategy and cost management strategy positively affect the performance of cement industries. The turnaround strategies used cement industries enhance critical process improvements, cost-cutting initiatives, financial restructuring, and organizational restructuring. According to the findings, organizations should implement the best turnaround techniques to improve the achievement of their corporate objectives. The managers of the company should consider all potential outcomes and decide on the organizational structure that would help them achieve their objectives. Effective managers should be employed to manage many subordinates, not the other way around.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

The manufacturing sector is capital intensive and its returns take long to be realized. Investing the sector is a big risk, hence the need for the development of strategies that are practical and visionary since failure in the sector means loss of a lot of capital resources employed and millions of people who will lose their jobs and earnings (Sije, 2017). It is import for the sector to have visionary leaders who can predict the future changes in the market and make strategies to counter the effect of these changes such that their firms remain profitable and can sustain their operations. Anytime and whenever there is organization failure as a result of challenges, the company will strive to undertake turnaround strategies that will help the dig themselves out of the hole. The likelihood of turning around will depend on how effective the strategies developed by the firm managements were. There are several turnaround strategies that have been developed by the scholars all over the world. Ondimu (2015) identified that some of the contributing factors to formulate turnaround strategies is as a result of financial deterioration and failure of organization managements.

Since performance is important in any organization then all efforts must be geared towards achieving it. High performance means that the organization is growing, there is expansion in the market, the sales are high and earnings are more to sustain all the activities of the organization. The investors earn from the productivity of the firm, as such when this trend changes, then it means the investors, staff of the firm and other stakeholders like the surrounding community will suffer. Whenever the performance starts to drop due to changes in the market, then the organization and its leadership must

either readjust its strategies or come up with new strategies. To counter the poor performance, Mbandu (2016) argues that organizations must develop turnaround strategies and implement them. Some of the turnaround strategies cover the managerial aspect of the firm looking at its structure, leadership style and value system. It also looks at funds from its sourcing, usage and accounting for it to close up loopholes for mismanagement of funds and embezzlement. At times the organization needs to ensure they use the most effective and efficient operational systems and processes that increase productivity and timely delivery of products. The management of the operations ensures that the processing at the workplace is continuous and effective, which comes in handy when considering the manufacturing sector.

1.1.1 Firm Performance

Performance is a measure of proper use of organization resources to achieve the set target objectives in a timely manner and being able to deliver high quality products and service delivery (Schechner, 2017). Performance is a measure of the effectiveness, efficiency and quality of productivity and service delivery. It can be based on an individual person, a group/team or department and it can be measured across the entire organization. Performance within an organization is based on the financial returns achieved from the capital invested or non-financial terms through service delivery, satisfaction of customer and growth in the market place.

According to Muyundo (2018) performance of an organization entails financial performance that covers the profitability, product and service market performance, return on assets, market shared and sales index. The only way for an organization to attain high performance is through implementation of strategies that lead to sound use of the limited raw materials and resources, good governance, having an organization structure that advocates for effective and efficient operational processes and a focus on the value and preferences of the customer. The cement manufacturing firms measure their performance in financial terms as based by returns on the investment made, the profitability index and sales volume. The firms also consider the cost minimization during the production

process, the units of products made, market share garnered and customer satisfaction. In this study, performance in the cement manufacturing firms will be explored in terms of return on investment, command of the market share, sales volume and customer satisfaction.

1.1.2 Turnaround Strategies

Turnarounds entail a swift adjustment in company strategy required to address problems like declining profitability, a decreased rate of return on investment, or a loss of market share (Muzny & Simba, 2019). These problems are due to abrupt shifts in the demands made by competitors, suppliers, or customers in the external market. A turnaround strategy's main objective is to get a struggling or underperforming business back on track with respect to acceptable levels of profitability, solvency, cash flow and liquidity. Turnaround tactics are characterized in terms of how they are employed during the normal stages of a turnaround, including managing, stabilizing, funding, and mending an underperforming or failing organization (Santana, Valle & Galan, 2017).

When contemplating turnaround strategies, it is important to think about the management and their capacity to develop systems and procedures to deal with environmental changes that take into account customers, the market, the sector, and the internal operations of the company (Ahrens, Kowalzick, Lauterbach & Woywode, 2019). The manufacturing sector faces a lot of changes including changes in customer tastes and preferences which affects the demand and hence the supply of products. The market has also shifted with an increase in demand for modern and more efficient products that are cost effective. Cement companies are looking to cut their operational costs through the use of technology as opposed to humans, this also has an effect in the quality of materials used and finished products in a timely manner.

As the construction and building industry in Kenya has grown, the cement manufacturing companies have to come up with measures to handle the increase in demand. As such these firms have shifted their operations to the use of machines and advanced technology,

some operate on a 24/7 basis to meet the demand. Mungai and Bula (2018) mentions that in the past, the sector registered poor performance with some companies closing down some operations, hence the call for strategies that will reverse the trend. Some of the strategies adapted to turnaround the situation included turnaround the operational processes from analogue to digital systems through the use of advanced technologies used by directors to identify the Accuracy, Timeliness and Completeness which help to avoid underperformances. This has cut down on the delivery timelines since the machines work faster and the product quality is higher due to the accuracy of the machines (Tenkasi & Kamel, 2016). Another strategy adopted by the sector is financial turnaround which covers removal of redundant processes that consume funds, merging of operations and cutting down on salary expenditure by reducing the number of employees in the firms, the firms have also shifted to using energy efficient measures during the production process like use of solar energy for lighting and running some of the machines, adopting recycling of materials and reuse to efficient use the limited financial resources. Through this the firm will be able to control Cash Flow, Liquidity and Portfolio.

Managerial turnaround strategy, Wandera (2019) shared involved assessing the qualifications and experiences of the people tasked with the turning around the performance of the cement manufacturing companies. The management team must have the technical know-how, academic and professional qualification, experience and motivation to lead the company towards achieving the Efficiency, Accountability and Transparency. Manufacturing firms have conducted internal assessments so as to conduct down-sizing in an effort to have a lean but effective team. Tansey, Spillane and Brooks (2018) noted that in using cost management strategy, these firms have adapted the use of technology, sub-contracting non-core elements and conducting audits to monitor and control the Delivery Costs, Production Costs and Administrative Costs of the expenses of the firm.

1.1.3 Cement Manufacturing Firms

In comparison to other nations that are at alike stage of economic development, Kenya's manufacturing sector is very robust and well-diversified. To encourage government agencies to buy locally produced goods, the Kenyan government has implemented policies and incentives. The East African Cement Producers' Association (2018) claims that the region's consumption of cement is steadily increasing, which is a sign of the nation's economic strength and prosperity. To save Kenyan citizens, the government must investigate a number of issues that have affected the industrial sector's performance. Kenyan manufacturing outputs increased by 4.1% between 2004 and 2005, picking up after a period of subpar performance (World Bank, 2007). This was following government subsidies to the industry and an increase in demand for the goods.

There are many cement production businesses in Kenya. That may help to explain why Kenya's real estate and property development sectors have recently experienced rapid growth. All of these cement producers in Kenya undoubtedly hold a special place in their hearts for the fact that cement is crucial to every construction project in Kenya. Manufacturing of cement is a practice that has been practiced in Kenya for a long time. Despite the fact that several businesses, such Savanna and Mombasa cement companies, just recently established headquarters in Kenya, the country's cement market has subsequently become rather competitive. Machakos County is a host of all major manufacturing industries especially in the construction industry in Kenya. The county boosts of being the home of five out of the six cement manufacturing industries in Kenya. These companies include Bamburi Cement Limited in Kenya, East African Portland Cement Company in Kenya, Savanna Cement in Kenya**,** Athi River Mining Limited in Kenya, Rhino Cement Foundation in Kenya,

These companies have in the recent past experienced a lot of challenges including high energy costs stemming from electricity bills with huge tariffs in coal and fuel, high transportation costs, high taxation and levies, undeveloped legal and institutional frameworks, low access to finances, high costs of raw materials and unreliable power

supply. Despite government subsidies the sector still lags behind as it is a capital intensive sector, as such it is important to look at strategies that can turn the tide and lead the sector to success and high performance.

1.2 Statement of the Problem

Any changes with the market place, the customers, legal and regulations and the industry means that the organizations must re-adjust and shift their strategies and operational system so as to remain competitive, profitable and thrive. Performance of cement manufacturing industries has been declining leading to closure of other firms. This has been occasioned by poor management strategies and decline in the economy. The ability to survive and succeed is based on the management team and its ability to be visionary and develop strategies that increase their productivity and performance (Mann & Byun, 2017). Failure to which the organization strategic problems such as difference in what the organization bring to the table and what the market demands. To turn around from this predicament, the institution has to employ a different set of experience to investigate what causes the decline and formulate an effective strategic formula to transform the institution to the better (Sije, 2017). The top leadership within the cement manufacturing firms must create and implement the strategies that will change their trend of the performance, since the declining performance of the sector compromises the viability, reputation and reliability of the sector.

Researches on turnaround tactics and performance have been conducted, including one by Papay and Hannon (2015) who looked at the effects of Massachusetts school turnaround techniques. The findings showed that increase in the school grants, replacing the non-performance principals and charter conversion using external managers led to high cases of implementing the strategies which improved the performance of the schools. The study has a contextual gap because it was conducted in the US in the

education sector, and its conclusions might not be applicable to Kenya and the manufacturing sector.

Wandera (2019) looked into the execution of state-owned sugar firms in Kenya and their turnaround plans. Retrenchment, diversification, and modernization strategies had negligible effects on organizational performance as per study outcomes, even though all of the independent variables under consideration uncovered moderately positive correlations with organizational performance in correlation studies.

The study covered state owned sugar companies creating a knowledge gap for privately owned enterprises.

Ochieng (2018) covered the turnaround strategies in Uchumi supermarket in this competitive environment. The findings show that the strategies that were mostly used were repositioning and turn around strategies, retrenchment and change in the top management of the company so as to make Uchumi Supermarket more competitive and also reduce the operational cost of the company. The study creates a methodological gap since it used a case study method and its findings may not apply in other firms and industries. These studies have created a contextual, conceptual and methodological gap hence the need for the existing research to explore the effect of turnaround strategies on performance of cement manufacturing firms in Machakos County, Kenya

1.3 Objectives of the study

1.3.1 General objectives

To explore the effect of turnaround strategies on performance of cement manufacturing firms in Machakos County, Kenya

1.3.2 Specific Objectives

These include;

i. To found out the effect of managerial turnaround strategy on performance of cement manufacturing firms in Machakos County, Kenya
ii. To assess the effect of operational processes turnaround strategy on performance of cement manufacturing firms in Machakos County, Kenya
iii. To explore the effect of financial turnaround strategy on performance of cement manufacturing firms in Machakos County, Kenya
iv. To establish the effect of cost management strategy on performance of cement manufacturing firms in Machakos County, Kenya

1.4 Research Questions

The study questions include:

i. How does managerial turnaround strategy affect performance of cement manufacturing firms in Machakos County, Kenya?
ii. How does operational processes turnaround strategy affect performance of cement manufacturing firms in Machakos County, Kenya?
iii. What is the effect of financial turnaround strategy on performance of cement manufacturing firms in Machakos County, Kenya?
iv. What is the effect of cost management strategy on performance of cement manufacturing firms in Machakos County, Kenya?

1.5 Significance of the study

The research was valuable to a number of stakeholders like the cement manufacturing firms' management, the policy developers in the ministry of energy and the academicians. The survey provided importance information to the managers and investors of cement manufacturing enterprises on how to adopt and implement turnaround strategies to enhance the performance of the firms and ameliorate the dire situation in the sector. The study provided management with suggestions for improving the performance of the firms and the sector as a whole.

The study also provided important knowledge on the practical side of the firm players to the policy developers in the Ministry of Trade, Industry, and Cooperatives so that the laws, rules, and regulations would improve the execution of both individual players and the entire industry.The study was used by scholars and researchers as a component of their empirical literature, according to academics. Future researchers can be advised on where to conduct their studies using the study as a guide and a source of references.

1.6 Scope of the Study

This research concentrated on turnaround strategies and cement manufacturing firms' performance. The study was done in Machakos County, Kenya. The research looked at managerial turnaround strategy, operational processes turnaround strategy, financial turnaround strategy and cost management strategy while exploring turnaround strategies and how they impact the execution of the organization. The research gathered primary data from the senior management staff in the cement manufacturing firms with a focus on HR managers, finance managers, operational managers and workshop managers, as they have information that on cement firms' performance. The data was collected from the 5 cement manufacturing firms within the months of May and June 2020.

1.7 Limitation of the Study

Some participants were hesitant to provide information out of fear that it would be used against them or to create a bad impression of them or their businesses. Some people even refuse to complete out questionnaires. For the purpose of assuring participants that any information they provided was treated confidentially and used solely for academic purposes, the researcher provided an introductory letter from the university as well as a research permit from NACOSTI. Additionally, the researcher had trouble getting the participants to give the information needed since feelings, emotions, assertiveness, and perceptions make it difficult to precisely quantify and/or objectively verify the information. Since their names were not on the research equipment, the researcher request participants to took part in the research without any hesitation.

1.7 Organization of the Study

The research project was broken up into five chapters, the chapter one contains background information on the topic and the problem statement that made the investigation necessary. It includes the study's significance, objectives, and research questions. The theoretical framework, the empirical review and its summary, and the conceptual framework were all included in chapter two. The sampling methods, the data collection device, technique, and method of data analysis were all covered in chapter three along with the design chosen for the study. Additionally, it demonstrates the ethical standards that the researcher had followed while conducting the study. Chapter four presented results and discussions while chapter five outlined summary, conclusion and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The part examines the theoretical review and the underlying hypotheses of the research. There was also a section on the empirical review, which includes previous researchers' writings, a synopsis, and the gaps that have been left that necessitate this study. The study variables are connected diagrammatically by the conceptual framework.

2.2 Theoretical Literature Review

The study was anchored by the following theories; Causality of the Distress Theory, McKinsey 7's Model and Resource Based View.

2.2.1 Causality of the Distress Theory

A failure or decline is typically attributed to operational or strategic issues, according to Robbins and Pearce (1992). Operational issues like inefficiencies, cost-relationship pressures, improper resource allocation, and managerial mistakes are easier for a business to address. The loss of the company's competitive edge is one example of a strategic factor, whereas bad or wrong market positioning, technical developments that regulate demand drivers, and those are also related are strategic factors These variables are all highly vulnerable to outside forces that are not immediately apparent to people who are involved in the decision-making process (Stavroulakis & Papadimitriou, 2016). Key strategic variables include the external environment and how the business reacts to changes in that environment.

According to the argument, operational preconditions may be addressed relatively easily and with performance expectations, whereas strategic preconditions ask for tactical

change and the high-risk expectations that are frequently connected to the launch of new businesses (Björk & Härenstam, 2016). Therefore, making a poor decision about a new strategy will have a more severe effect on future recovery than making a poor choice regarding operations. The generosity of the environment will also determine if certain techniques are workable because unforgiving circumstances like economic downturns make it harder to achieve a good turnaround than favourable circumstances like operating in growth industries or economies that are expanding. As a result, it is reasonable that unsuccessful turnarounds frequently happen when management fails to properly identify the causes of the company's deterioration and responds inappropriately, such as trying to increase efficiency when the issue is the company's poor strategic position or vice versa (Kirshner & Jefferson, 2015). The theory was significant to the research since it explains how the implementation of successful turnaround tactics boosts organizational performance.

2.2.2 McKinsey 7's Model

While serving as consultants at McKinsey in 1980, Peters, Waterman, and Philips created this model. To make sure that the organizational structures of the enterprises are structured in a way that would enable it to accomplish its stated objectives, the model assesses the organizational designs of the firms by examining seven crucial aspects. Strategy, systems, structure, shared values, style, skills, and staff are the model's seven fundamental components (Shiri, Anvari & Soltani, 2015). In light of the seven essential components, an organization's success is dependent upon them. Recognizing these components and bringing them together in ways that would help the organizations achieve their goals is thus the foundation for their effectiveness.

Strategy refers to the organizational framework of an organization that establishes lines of power and responsibility, while strategy is thought of as the company's plan for achieving its objectives (Valentine & Hollingworth, 2015). Systems refer to the procedures and processes in which employees take part, whereas style describes the manner of controlling leadership. Shared values refers to the ideas and code of conduct

that employees express, whereas staff refers to the quantity and variety of employees. Skills are what set employees apart from one another. Ravanfar (2015) outlined five ways to use the model. First, the company examines the partnership's differences, paradoxes, and weaknesses to identify areas that need to be strengthened. The next step is to create a functional organizational design that takes into account operational, financial, and human resource structure. The next step is to design a plan of action that outlines the changes that will be made and when (Federo & Saz-Carranza, 2017). The modifications will subsequently be put into effect, and any alterations will be regularly monitored and corrected. Due to their interdependence, changes in one element have an impact on all the others. Throughout the research process, it's critical to pinpoint the vulnerabilities that have been identified, the modifications being made, and their results.

Only when clearly thought out, coordinated, and executed can a turnaround strategy be effective. The fact that major management decisions are made in an analytical and systemic manner means that the components in the McKinsey model need to be coordinated to ensure the company performs well (Ravanfar, 2015). The McKinsey model was thus appropriate for this study since it was used as an analytical tool to identify the organization's issue areas and then implement the best turnaround strategies to address them in a way that advances the organization's overall objectives and improves performance.

2.2.3 Resource Based View

A company achieves its competitive edge, in accordance with Resource Based View, if it makes the most of its resources and expertise. The internal environment, which consists of the resources and skills required to deal with what is happening outside, is easier to control because the external business environment is always changing. The business must specify the instruments that can be used to develop special and distinctive abilities that will serve as the foundation for future competitive advantage and hence improve organizational performance. The resources and capabilities that the company only has should be reflected in its strategy (Volonté & Gantenbein, 2016).

The three main components of RBV are resource functionality, resource combination, and decay (Kaufman, 2015). The integration of these tools creates value. Resources that provide a competitive edge are significant, uncommon, unique, and irreplaceable. Only when the environment is static at a given time do these conditions apply. The rare and unusual resources, however, are becoming more and more in demand and easily accessible as the environment changes. As a result, the company must modify its varied skills. Dynamic skills, however, may not always translate into a competitive advantage. As a result, the company should continuously create new possibilities and improve its performance by focusing on the management and organizational processes that are driven by its resource role and accessible market prospects.

As a result, the effectiveness of a particular strategy is determined by the managers' capacity to combine these tools and apply the learned skills to the marketplace (Valentine & Hollingworth, 2015). The organization must continually raise the level of employee competence and foster an environment that encourages innovation if it is to develop these capabilities. Low-performing strategies are not based on available resources. Therefore, if internal firm resources are not managed and created to take advantage of them and deal with the external organizational environment to produce favorable or improved performance, broad strategies like turnaround cannot be successful (Kuipers & Giurge, 2017). This theory was significant to the research since it outlines the techniques and approaches that may be utilized to develop special and distinctive talents that will serve as the foundation for a competitive advantage in the future and improve company performance.

2.3 Empirical Review

2.3.1 Managerial Turnaround Strategy and Firm Performance

Drljaa (2015) researched on the senior management team's function inside the company and the turnaround of the management systems. The study found that the top management's competence, authority, level of consciousness, and sense of responsibility

are all necessary for the management system's turnaround to be successful. The turnaround process frequently takes place under unsteady organizational and environmental settings. The capability of senior management has a significant impact on the management system turnaround process's success. In this essay, the author provides an explanation of the management system turnaround process and management's part in it.

Foster, Hassard, Morris, and Wolfram Cox (2019) investigated how company turnaround affected managerial jobs and careers. In order to comprehend how management and managerial work are changing, the study analyzes current difficulties. Four parts make up the development of the argument. The study gives a synopsis on the structure and control of management activity, focusing mostly on contributions from the early 1950s onward, as a first step in setting the scene. The report also included an analysis emphasizing the role of downsizing and delayering within business campaigns advocating "post-bureaucratic" systems. The first of two connected issues that are important for comprehending the modern nature of managerial work techniques for organizational turnaround was this. Third, the study expands on this conversation by examining how such business turnarounds affect managers in their day-to-day tasks, particularly in connection to perceptions and realities of increased job insecurity and career uncertainty. This study frequently uses our own research as a starting point for subsequent analysis.

Using the National Bank of Kenya as a case study, Harwood, Nakola, and Nyaana (2016) performed research on organizational turnaround and business performance. Data were gathered for the study using an explanatory research approach. The survey took 54 respondents as its target population. Both stratified and simple random sampling were employed to get the data from the sample. The study discovered that, though not statistically significant, organizational turnaround had a beneficial effect on business execution. The study's outcomes uncovered that organization turnaround has a beneficial impact on business performance, however this effect is not statistically significant.

Tanui (2018) examined the management system's turnaround and the function of senior management. A case study approach was used for the investigation. Data from the departmental heads of the concerned organization were gathered using an interview guide. The acquired data was examined using content analysis. According to the study's conclusions, those with the highest degrees of education hold the managerial roles. For instance, PhDs. Individuals' educational attainment is a gauge of their skill level. People with doctoral degrees typically hold managerial positions since the business is in dire need of their advanced expertise. Management completes challenging duties, including those that are crucial for the organization's competitive edge and stability, such as managing the organization's brand and communications, sales, and special initiatives.

2.3.2 Operational Processes Turnaround Strategy and Firm Performance

Using the example of Indian commercial banks, Naveeda (2014) examined organizational structure and business process re-engineering. Business process reengineering is a cutting-edge method that is utilized to bring about a significant shift in the organizational structure. The technique aims to reach the pick conceivable level of effectiveness and efficiency. The goal of the work was to examine the connection between organizational structure and BPR with particular in relation to the State Bank of India. For the aforementioned reason, 250 employees were selected at random from SBI branches in the J&K State. The respondents' information was gathered using a self-made tool. Regression analysis, t-test, and correlation analysis were utilized to analyze the data. The outcomes indicate that BPR and OS have a substantial association. After BPR implementation, the updated OS is also more productive and competitive.

Magrum and Weber (2018) investigated turnaround using the pharmacy department as a case study while recognizing the importance of leadership techniques in the organization's change management process. This article's objectives are to outline the fundamentals of organizational structure changes in the pharmacy industry as well as methods for effectively and efficiently managing those changes. This article aimed to discuss the process of changing a firm structure, to list known guidelines to adhere to

when doing so, to concisely discuss the change in organization at the Ohio State Wexner Medical Center, and to discuss leadership tactics to deal with any difficulties that may arise. A pharmaceutical department may attempt to restructure their department by using the tactics outlined in this paper and the suggested sample template for change in organization process.

In Croatia, Bakula, Curko, Bach, and Vukic (2016) examined the use of business information technologies by the company during the turnaround process. This paper described the turn-around process and the actions that are carried out during the turn-around in order to enhance efficiency and achieve intelligent management of the business. In order to identify the most essential flaws and issues throughout the turnaround process, it is crucial to use qualitative and quantitative approaches in business analysis. The business intelligence system is the key tool in business analysis, which serves as the basis for decision-making during the turnaround process. Utilizing business intelligence systems, businesses can get comprehensive information about a variety of aspects that affect their operations. The case study that is being provided gives concrete instances of how business intelligence tools may be used during the turnaround process, how strategy and business processes can work together, and how particular measurements can improve results.

Mavlutova (2013) conducted research on how business turnarounds might improve financial performance. Businesses must frequently take the necessary corrective action to enable them to capitalize on their strengths in the dynamic environment of today. One of the most common possibilities for business development is a turn around. Although there are many different reasons for turning things around, the fundamental goal is always to raise the company's market value and improve its financial performance as a result of putting its turnaround plan into action. The author looked at the conceptual underpinnings of a company's financial strategy, examined turnaround as one of the popular strategies for a business to grow in unpredictable economic conditions, and looked at the techniques for determining a company's market value and financial analysis used during the turnaround process.

Reorganization processes and its impact on firm, physical, and cognitive ergonomics were studied by Marco, Osmar, and Luiz in 2013. This analysis focuses on the subsequent ergonomic modifications required as a result of the R&D department's (R&D) process reorganization in a business that leads the globe in its industry. Aspects of organizational ergonomics are discussed, including how they apply to the new way of working, how resources are used, and how tasks are distributed. Aspects of cognitive and physical ergonomics are displayed, with an emphasis on the surrounding environment, the interaction of the group's professionals, layout changes, workstations, operating process, and training implemented. The study relied on a historical examination of issues that have arisen and the reasons behind them. The solutions chosen are based on adherence to international regulations, the needs expressed by the team members, and experienced ergonomics specialists. The presentation of evidences for increased productivity linked to improved ergonomics.

2.3.3 Financial Turnaround Strategy and Firm Performance

Phan (2016) examined the effect of financial turnaround on the monetary performance of commercial banks in Vietnam. This paper's objective was to evaluate relevant material as well as to find areas of agreement regarding how the financial turnaround impacted the financial performance of Vietnamese commercial banks. It also presents the findings of a survey of 300 people who work in the country's financial sector. In order to identify the elements of the financial turnaround on the monetary execution of commercial banks in Vietnam, the researchers employed the analytical method of factor analysis in this article. The research for this publication was done between July 2015 and December 2015. Additionally, the study's findings indicated that 254 out of the 300 financial industry workers in Vietnam who were interviewed for the study really processed and responded to the 13 questions. The KMO test result from the KMO analysis which utilized multiple regression analysis was examined by the researcher. By the use of a customized questionnaire and a 5-point Likert scale, respondents' replies were evaluated. A paper copy and an online questionnaire were delivered to people in Vietnam who work in the financial sector.

Joshi (2014) studied the Indian steel industry's financial turnaround and its effects on corporate performance. The paper's main goal was to investigate how financial turnarounds affect business performance. The secondary sources were utilized for secondary data. Large and medium-sized steel industry companies' financial records were examined, and comparisons between the before- and after-turnaround values of metrics such gross profits, gross assets, sales, net profits, taxes paid, and current ratio were made. The performance of these firms before and after the turnaround was compared using a paired t-test. According to the empirical findings, long-term financial performance of large and medium-sized businesses is significantly impacted by financial turnaround.

A survey on the long-term effect of financial turnaround on capital structure was conducted by Rastogi and Mazumdar (2017). This survey utilizes empirical study to explore the effect of financial turnaround on a firm's capital structure in India. Using a paired sample t-test, pre- and post-admission data from businesses undergoing financial turnaround are compared. The 15-year (2000-2014) data of 91 enterprises undergoing financial turnaround are analyzed using a fixed effect panel regression model to determine the correlation between leverage and its variables involving profitability, firm size, tangibility, and growth opportunity. The empirical findings indicate that a financial turnaround by itself is not a sufficient justification for increased borrowing over a 15-year timeframe. Additionally, other elements including profitability, tangibility, development potential, and business size are crucial. The model supports the explanation for a firm's capital structure offered by the signaling hypothesis and the asymmetric information theory.

Sije, Omwenga, and Iravo (2016) conducted research in Kenya on the linkage between SMEs business performance and financial turnaround plan. The aim of the survey was to explore the linkage between SMEs businesses' performance and their financial turnaround approach. 8604 people were the entire target population. A total of 375 participants in total were selected as the study's sample size. This survey utilized both a descriptive and correlational research design. This study investigated the null hypothesis that there is no connection between the SMEs performance and financial turnaround. The

study discovered that the performance of SMEs was significantly impacted by financial turnaround plan. As a result, the study suggested that SMEs adopt policies to strengthen their financial stability.

Nasieku and Susan (2016) investigated on the effect of financial turnaround on Kenyan enterprises' monetary performance. Around the world, corporate turnaround has become a typical occurrence. It has made it possible for many firms to react more rapidly and successfully to fresh opportunities and unanticipated pressures in order to reclaim their competitive advantage. Financial turnaround, which focuses on the reorganization of a firm's assets and liabilities to satisfy its financing needs, is one of the crucial parts of corporate turnaround. This study aims to investigate how financial turnaround impacts Kenyan business performance financially. The study will assess the body of research from numerous investigations carried out in and outside of Kenya.

Isabwa and Mabonga (2018) examined the non-financial performance and financial turnaround of Kenya's pan-African insurance holding firm. The effectiveness of Pan Africa Insurance Holding Company's financial turnaround on non-financial performance was studied in the research. Determining the impact of a financial turnaround on non-financial execution was the specific goal. Materials and Procedures Data were gathered for the survey using a cross-sectional research approach. In the study, 60 participants were targeted. The survey utilized a sample size of 20 participants. Data from the sample was collected using stratified and straightforward random sampling. The study discovered that Pan Africa Insurance Holdings Company's non-financial performance is significantly impacted by financial turnaround. The survey remarks that the execution of insurance firms is significantly influenced by financial turnaround. Additionally, it raises cash flows for a struggling insurance firm, lowers capital cost for strong insurance companies, and enhances liquidity.

Malačič and Malačič (2016) used a basic corporate turnaround model and case studies of Slovenian companies to examine important elements for effective financial and business turnaround. In this essay, we discuss several crisis kinds, critical elements of company or

corporate turnaround (turnaround), and provide a succinct theoretical overview of corporate turnaround. Additionally, we are presenting a general turn around model that we have created as a framework and tool for managers who are required to alter or restructure due to a significant shift in the environment to take prompt action. Additionally, we offer two case studies of corporate turnaround in Slovenian enterprises and put our established turnaround model to the test using them.

2.3.4 Cost Management Strategy and Firm Performance

Ditkaew (2018) examined the efficacy of the company's internal control systems as it relates to cost management quality. The internal control effectiveness and the ability to make sound decisions were the subjects of this study's investigation into the effects of cost management quality in Thai industrial enterprises. The firms' performance was then evaluated using this information. Data was gathered through postal surveys on a sample of 354 new manufacturing industries in Thailand in 2017. Only 340 (96.05%) survey participants provided data for this report. The outcome of ordinary least squares regression showed a favorable relationship between the internal controls effectiveness and the dependability of decision-making and cost management quality. Additionally, the efficiency of internal controls and the dependability of decision-making had a favorable impact on business performance. This meant that a company has a higher risk of failing without a high-quality accounting information system. Contributions and recommendations for upcoming study are given.

Henri, Boiral, and Roy (2016) evaluated strategic cost management and its relationship to performance. This survey aimed to explore the connection between both SCM components and financial success. There were two primary exploratory objectives: (I) The impact of underlying and executional cost management on financial execution. (ii) The effect primary expense the board acts as a liaison between monetary achievement and executional cost administration. Natural expenditures are investigated in one specific environment to investigate the relationship between SCM and execution. The environmental expenses also reflect a ‘structural’ perspective because to their impact on

the company's expense structure, particularly in terms of item plan, natural substance consumption, and functional cycle plan. This approach differs from the 'executive' concept, which is focused on making do, regulating, and improving expenses for a specific natural system. To explore the association between SCM and financial performance, survey data on 319 Canadian manufacturing businesses were collected.

Gichuki (2014) looked at cost-control strategies as well as the financial performance of Kenya's listed industrial companies. The impact of three diverse management styles on the financial performance of manufacturing firms were investigated in this survey: supply chain management, stock management and labor management. The multi-variance linear regression model is used especially in the study's causal research design. It explored how different variables affected one another and provided evidence of the level of causation. The study population consisted of 68 manufacturing firms recorded at NSE. The two were approved since there was a paucity of data. The variables demonstrated a positive correlation with the monetary success of the manufacturing businesses. The main emphasis of the study's suggestions was on the control of labor, stock, and distribution expenses. In order to do this, it is necessary to ensure that the supply chain is reliable, there is the ideal amount of stock on hand, and labor is both efficient and minimal.

A study on manufacturing businesses' cost management strategies and business success was conducted in 2014 by Oluwagbemiga, Olugbenga, and Zaccheaus. The association between cost management techniques and firm execution in manufacturing firms was investigated using data from 40 manufacturing industries recorded at Nigerian stock exchange between 2003 and 2012. Four hypotheses were created for the survey and tested by the t-statistic. The survey's secondary data was derived from the audited financial statements of chosen industries. Direct cost of materials, production, labor, and direct cost of administration were selected as independent cost management components, while was dependent variable was profitability (operating profit) denoting the company's performance. The findings uncovered that there is a positive relationship between corporate performance in the manufacturing organization and cost management measures.

Chisulo (2019) assessed the association between cost reduction approach and performance utilizing data from the Malawian tea sector. The descriptive research design was embraced in this survey. The survey was conducted in 16 factories where 112 top management were targeted. They include 16 managers, 16 production managers, 16 field coordinators, 32 training managers and 32 accountants. The 117 management team was made up of five regional management teams, each consisting of a regional accountant, production manager, operations manager, manager of production and auditor. The tea industry performance was strongly positively correlated with the cost reduction plan, according to correlation results. The findings indicated that the tea industry's performance was significantly impacted by cost reduction approach. The outcomes of the regression analysis uncovered a significant positive correlation between the tea industry's financial performance and its cost-cutting strategy. The study came to the conclusion that cost-cutting measures improved the performance of Malawi's tea sector.

Kinyugo (2014) conducted research on cost effectiveness and financial performance utilizing data from Kenyan listed companies. This study looked into the relationship between a company's financial success and cost effectiveness after being recorded at NSE. The study's population include of the 60 firms recorded at NSE. A total of 47 NSE-listed firms that have continuously available, public financial data were included in the sample, which ran from 2008 to 2013. Data from secondary sources were used in the study. The study says that asset management measures show how well a company's management controls its assets to make money over a certain amount of time. Resource usage proportions show how effectively and comprehensively resources are utilized to deliver pay. In today's fiercely competitive business world, efficiency has become a crucial focus. Efficiency measurement identifies the best ways for businesses to combine a variety of financial services with a given set of inputs.

Kenyan agribusiness firms' financial execution and cost management were the subjects of a study by Gitau (2019). The survey's goal was to explore how Kenyan agribusiness firms' performance was affected by cost management. The investigation was carried out using a descriptive panel research methodology. The analysis used secondary data. The

four agribusiness firms that made up the study's target units; Homabay, Bungoma, Busia, and Siaya counties. As per the Commissioner of Cooperatives they had 1,245 farmers registered as of December 2018. These counties made up the target population for the research. To choose a sample of the population, census sampling was utilized. The 10 years period from 2009 to 2018 was covered by secondary data that was collected. Data was gathered through secondary data collection form where multiple panel regression models were used for analysis. High levels of member illiteracy were one of the challenges encountered during the data collection process. In order to have the authorities comprehend the principles under investigation, this was managed by walking them through the cost management zones. The study's results demonstrated that cost management have a noteworthy impact on return on investment, a metric used to assess the monetary execution of agribusiness firms in Kenya. Also, tests for statistical significance demonstrated the statistical significance of the influence.

2.4 Summary of Literature and Study Gap

Table 2.1 Summary of Literature Reviewed and Knowledge Gap

Author/Year	Topic	Findings	Focus of the study	Gap
Joshi (2014)	Financial turn around and its impact of corporate performance in steel industry in India	Financial turnaround has a significant impact on the financial performance of large and medium sized firms in the long run	The current study mainly focus on performance cement firms on Machakos	The study was done in India hence creating a contextual gap
Oluwagbemiga, Olugbenga and Zaccheaus (2014)	Cost management practices and firm's performance of manufacturing organizations	There is a positive significant relationship exists between cost management practices and firm's performance in the manufacturing organization	The current study mainly focus on cost management as strategy on cement firms in Machakos	The study created a conceptual gap by looking at cost management practices and firm's performance of manufacturing organizations
Drljača (2015)	Turnaround of the management systems and the role played by the top management team in the firm.	Top management need to ensure the success of the turnaround process of management system by its competence, authority, level of consciousness and responsibility	The current study mainly focus on restructuring strategies on performance cement firms on Machakos	The study created a conceptual gap by looking at the turnaround of the management systems

Harwood, Nakola and Nyaana (2016)	Organizational turn around and performance of the firm using a case of National Bank of Kenya	Organization turn around positively affects firm performance although not statistically significant	The current study mainly focus on cement firms on Machakos	The study was done in the banking sector hence creating a contextual gap
Sije, Omwenga and Iravo (2016)	The relationship between financial turnaround strategy and performance of small and medium enterprises in Kenya	Financial turnaround strategy had significant influence on SMEs performance	The current study mainly focus of more strategies unlike financial strategy	The study majored on small and medium enterprises in Kenya hence creating a contextual gap
Tanui (2018)	Turnaround of the management system and the role of top management	The managerial positions are occupied with people who have attained the highest education levels	The current study mainly focus on overall management on cement firms.	The study created a conceptual gap by looking at the turnaround of the management systems
Ditkaew (2018)	Cost management quality and its interaction with the effectiveness of the internal control systems in the firm	Cost management quality was positively related to the internal control effectiveness and decision-making reliability	The current study mainly focus on interaction between turnaround strategy and performance cement firms on Machakos	The study created a conceptual gap by looking at cost management quality and its interaction with the effectiveness of the internal control systems in the firm

Chisulo (2019)	The link between cost reduction strategy and performance using evidence from tea industry in Malawi	There was a strong positive relationship between cost reduction strategy and financial performance of the tea industry	The current study mainly focus on performance of cement firms on Machakos	The study was done in Malawi hence creating a contextual gap

Source: Researcher 2023

2.5 Conceptual Framework

Conceptual frame shows the relationship between independent variables (Managerial Turnaround Strategy, Operational Processes Turnaround Strategy, Financial Turnaround Strategy and Cost Management Strategy) and dependent variable (Firm Performance)

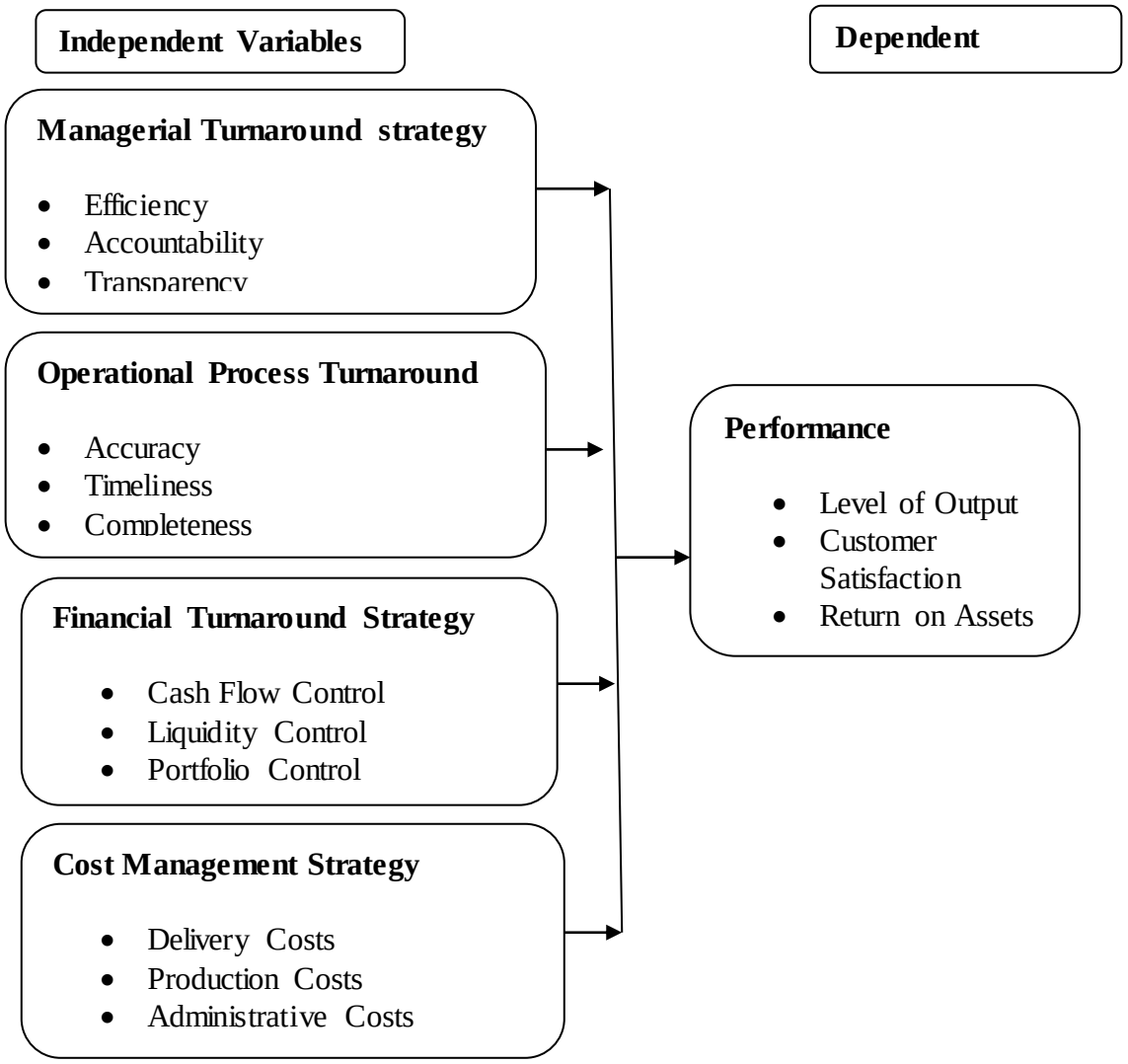

Figure 2.1 Conceptual Framework

Source: Researcher 2023

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This part presents the methodology that was utilized to conduct the survey in an effort to address the overarching goal of determining how turnaround strategies affect the performance of cement manufacturing companies in Machakos County, Kenya. In addition, the research design, population targeted, sample size, method of data collection, and data analysis techniques were all presented in this chapter.

3.2 Research Design

A research design offers a framework for the procedures and methods that were utilized to gather and analyze the study's data (Creswell & Creswell, 2017). By adopting a case study of a cement manufacturing company, the survey utilized a descriptive research methodology to explore the impact of turnaround methods on the performance of cement manufacturing enterprises in Machakos County, Kenya. The components are described using a descriptive research design in their natural environment. Kothari (2007) assert that a descriptive research strategy seeks to identify elements that are connected to specific occurrences, outcomes, conditions, or patterns of behavior by observing, describing, and documenting components of a situation or event as they naturally occur. This design is employed, in accordance with Creswell (2012), when data is collected to express individuals, organizations, places, or occurrences.

3.3 Target Population

This is the specific group about which information is desired. The population as per the Yin (2013), is a categorically defined collection of the subjects of the investigation such as people, services, elements, and events. The target population for this research comprised of 16 senior management staff from the each of the 5 cement manufacturing

firms in Machakos County, thus the total comes to 80 senior management staffs with a focus on HR managers, Finance managers, operational managers and workshop managers.

Table 3.1 Target Population

Cadre	Target Population	percentage
HR Managers	15	19
Finance Managers	15	19
Operational Managers	20	25
Workshop Managers	30	37
Total	**80**	**100**

Source: Researcher (2020)

3.4 Sampling Procedure

The sample size for the survey is chosen via a sampling technique; the researcher employed an applied census. Kothari (2008) asserts that sample sizes bigger than 30 give the researcher access to the benefits of the central limit theorem and the statistical maxim that a sample size of 30 or more accurately characterizes any population. Five cement manufacturing companies in Machakos County were counted as there aren't many people working there. A total of 80 participants were considered enough for this study because statistics have proven that the higher the absolute size of a sample, the more closely its distribution would match the normal distribution.

3.5 Data Collection Instruments

The questionnaires were utilized to gather primary data. The questionnaires were well-stipulated and employ a Likert scale to capture uniform responses, which makes analysis easier. The questionnaire comprised of two sections, Section A with the General information and Section B covering each of the four study variables (managerial turnaround strategy, operational processes turnaround strategy, financial turnaround

strategy, and cost management strategy), as well as the dependent variable of the study (performance of the organization).

3.6 Data Collection Procedure

By approvals from KU graduate school and NACOSTI the researcher was able to collect data. Primary data was gathered by the researcher using well-structured questionnaires. The questionnaires were left at the respondents' places of employment, and they had one week to complete them before the researcher picks them up. In order to give respondents adequate time to complete the surveys and so enhance the response rate, the researcher utilized the "drop and pick" strategy.

3.7 Pilot Testing

3.7.1 Validity of Research Instrument

As per the Hair and Lukas (2014), a questionnaire's validity is determined by how well it captures the variables it purports to measure. The piloted questionnaire was carefully examined to weed out problematic and unclear language, then reworded to guarantee its validity. This guaranteed that the information needed for this investigation could elicited by the questionnaire used for the final study.

3.7.2 Reliability of Research Instrument

When the same test is repeated again, consistent results are referred to as being reliable in a study's findings. Cronbach's alpha (α) will be utilize for analysis of internal consistency of research instrument from pilot study data. The degree of reliability of a set of research instruments is indicated by the Cronbach's alpha (α), which makes them suitable for the study. A questionnaire is considered reliable and suitable for use in this study when the coefficient value is greater than 0.7.

3.7.3 Pilot Testing

A total of 8 participants who work for Simba Cement Ltd Company were utilized for pilot study to make sure the questionnaires that were utilized for the main study pass the reliability and validity tests. The analysis and conclusions did not employ the piloted surveys.

3.8 Data Analysis and Presentation

The quantitative data was collected and descriptively analyzed using the Statistical Package for Social Sciences (SPSS, V.25). Descriptive analysis was used to calculate frequencies, means, and standard deviations. Multiple regression analysis was utilized for correlation to better understand the relationship between the variables. Multiple regression formula was utilized to explore the association between the dependent and independent variables:

$$\mathbf{Y = a_1+\beta_1 X_1+\beta_2 X_2+\beta_3 X_3+ \beta_4 X_4+\varepsilon}$$

Whereby:

Y = Performance

A_1 = Constant

β_1, β_2, β_3, β_4 = Coefficients of the effect of turnaround strategies on performance of cement manufacturing firms in Machakos County, Kenya

X_1 = Managerial Turnaround Strategy

X_2 = Operational Processes Turnaround Strategy

X_3 = Financial Turnaround Strategy

X_4 = Cost Management Strategy

ε = Error term

The analyzed data was displayed through pie chart, tables and bar graphs.

3.9 Ethical Considerations

During the process of carrying out of the research, the researcher sought permission from the management of Cement manufacturing firms in Machakos, where the participants are employees. This was accomplished by writing an official letter outlining the nature, goals, and research purpose. The participants were given the reassurance that the information they provide to the researcher was kept secretly and utilized only for academic reason. Additionally, the study instruments undergo testing to ensure that the data they provide are accurate and conclusive.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

This part outlines the results of the survey on impact of turnaround strategies on the performance of cement manufacturing firms in Machakos County, Kenya. The section presents the general information of participants, descriptive and inferential statistics based on the survey objectives.

4.2 Response rate

The researcher dispatched 80 questionnaires to the chosen participants. Nevertheless, 75 questionnaires were completed filled and returned to the researcher. This gave a response rate of 93.75% which is considered adequate for the survey. This relates with recommendations of Amayi and Ngugi (2013) who noted that a response rate of 50% is satisfactory for the study, a response rate of 60% is good and a response rate of 70% and above is excellent and outstanding. This shows that the response rate from this study was excellent. The discoveries are as displayed in Table 4.1.

Table 4.1 Response Rate

Response Rate	Frequency	Percentage
Response	75	93.75
Non Response	5	6.25
Total	**75**	**100**

Source: Survey Data (2023)

4.3 General Characteristics

To decide the idea of respondents, the researcher requested that the participants to give general data. This segment has given the outcomes with respect to gender, working position and working experience. The outcomes are given as illustrated below;

4.3.1 Participants' gender

The review tried to figure out the gender appropriation of the participants. The discoveries are introduced in Figure 4.1.

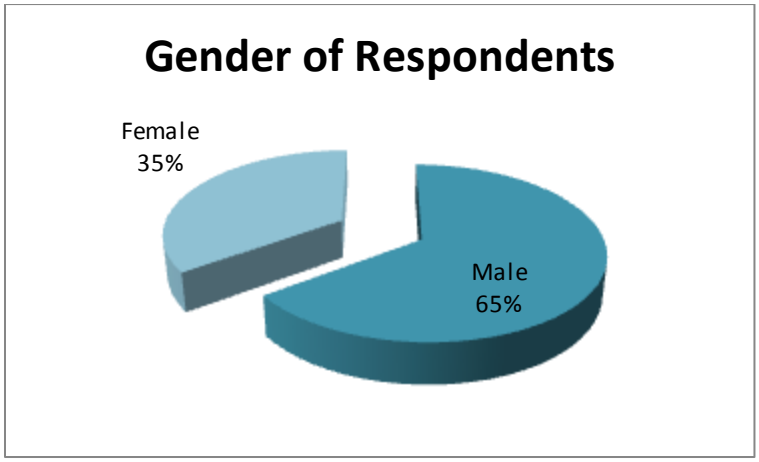

Figure 4.1 Participants' Gender

Source: Field Data (2023)

The outcomes in figure 4.1 uncovered that 35% of participants were female and 65% were male. This suggests that men made up the majority of the respondents. This demonstrates that both genders were represented and that there was no bias in the results.

4.3.2 Employee Working Position

The participants were requested to specify their working position. Positions in a company represent an employee's role or level within a professional organization. The findings were presented in Figure 4.2.

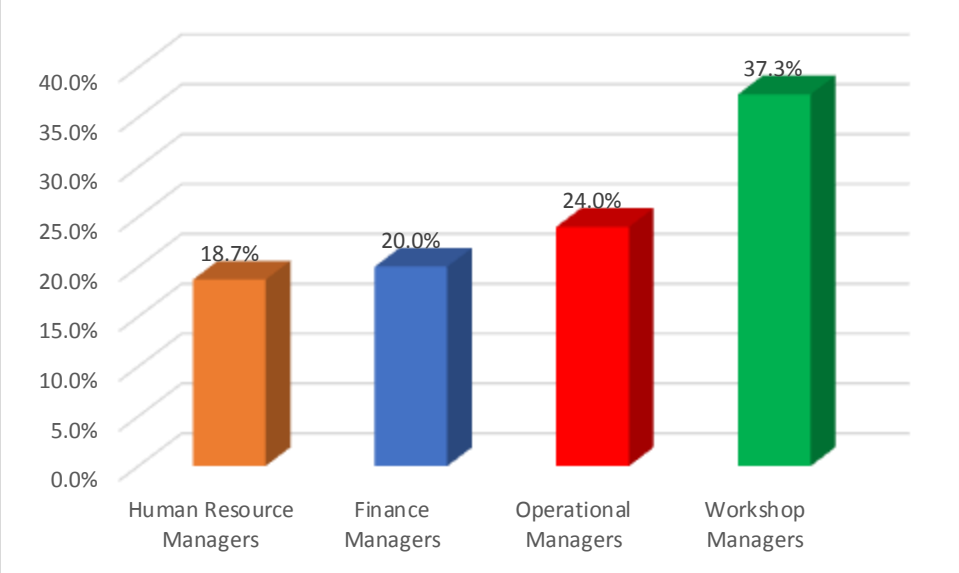

Figure 4.2 Employees' working position

Source: Survey Data (2023)

The results displayed in Figure 4.2 show that, 37.3% of the participants were workshop managers, 24% were operational managers, 20.0% were finance managers while 18.7% were human resource managers. These managers are primary leader of a group and serve as a liaison between a team and upper management. Supervising and overseeing day to day tasks, defining objectives for the division or group, giving representative criticism

and surveys, and settling for choices in benefit of the group or division are all essential for the job.

4.3.4 Working experience

In this reference, the participants indicated their working experience and results tabulated in Table 4.2.

Table 4.2 Working experience

Category	Frequency	Percentage
0-3 years	8	10.7%
4-6 years	13	17.3%
7-10 years	30	40.0%
Above 10 years	24	32.0%
Total	75	100

Source: Survey Data (2023)

Table 4.2 shows that 40.0% of the participants have worked in the cement industries for between seven and ten years, 32.0% for more than ten years, 17.3% for four to six years, and only 10.7% for three years or less. This suggests that greater part of the representatives have worked in the concrete business for north of 10 years. It is an unmistakable show that the members had a decent working encounter. According to Quinones, Ford, and Teachout (2015), work experience had the strongest correlations with job performance measures.

4.4 Descriptive Statistics

4.4.1 Managerial Turnaround Strategy

The objective one of the research was to assess the effect of managerial turnaround strategy on performance of cement manufacturing firms. A 5-likert scale was utilized and outcomes were tabulated in Table 4.3.

Table 4.3 Descriptive Statistics for Managerial Turnaround Strategy

Statements	n	Min	Max	Mean	Std Dev	CoV
The firm has changed the leadership team to more experienced ones	75	1.00	5.00	3.73	0.821	0.12
The leadership at our firm motivates staffs to accept the changing processes	75	1.00	5.00	3.79	0.814	0.16
The managers have the necessary skills to handle the firm's strategies	75	1.00	5.00	3.82	0.803	0.13
The managers ensure internal efficiency within the operational processes	75	1.00	5.00	3.69	0.825	0.14
The management team handles brand management to improve performance	75	1.00	5.00	3.59	0.817	0.13
Special projects are assigned to experienced staffs by the management	75	1.00	5.00	3.62	0.753	0.15
The firm has adopted a management structure with open efficiency communication	75	1.00	5.00	3.57	0.786	0.13
The organization uses advanced technologies to increase transparency at the workplace	75	1.00	5.00	3.85	0.768	0.11
The management structure demands high accountability from all staff	75	1.00	5.00	3.48	0.784	0.14
Average scores				**3.67**	**0.797**	**0.13**

Source: Survey Data (2023)

The outcomes displayed in Table 4.3 uncovered that most respondents agreed that firm has changed the leadership team to more experienced ones (mean = 3.73; standard deviation = 0.821). Respondents agreed that leadership at our firm motivates staffs to accept the changing processes (mean = 3.79; standard deviation = 0.814). Respondents agreed that managers have the necessary skills to handle the firm's strategies (mean = 3.82; standard deviation = 0.803). The participants agreed that managers ensure internal efficiency within the operational processes (mean = 3.69; standard deviation = 0.825).

Also, respondents agreed that management team handles brand management to improve performance (mean = 3.59; standard deviation = 0.817). This imply that managerial turnaround strategy enhance performance as it reduces cost of production and control over deteriorating position. The results are in line with research by Drljaa (2015) which revealed that the top management's competence, authority, level of consciousness, and sense of responsibility are all necessary for the management system's turnaround to be successful. A company should ensure that marketing must be tailored to key market segments in order to generate revenue and reduce costs, according to the model.

Furthermore, the outcomes uncovered that most participants agreed that special projects are assigned to experienced staffs by the management (mean = 3.62; standard deviation = 0.753). The respondents agreed that firm has adopted a management structure with open efficiency communication (mean = 3.57; standard deviation = 0.786). The participants agreed that organization uses advanced technologies to increase transparency at the workplace (mean = 3.85; standard deviation = 0.768). Additionally, majority of respondents agreed that management structure demands high accountability from all staff (mean = 3.48; standard deviation = 0.784). This imply that managerial turnaround strategies are useful in recovering of an organization from decline performance. These findings were supported by the findings of Tanui (2018) found that managers who possessed the competencies of higher risk taking, greater persuasiveness, better planning, and better at motivating other people advanced at a faster rate than managers who were less well-endowed with these competencies. The study used compensation, staff numbers, budget responsibility, and organizational seniority as indicators.

4.4.2 Operational Processes Turnaround Strategy

The objective two aimed to explore the effect of operational processes turnaround strategy on performance of cement manufacturing firms. The survey utilized a 5-likert scale to show agreement level and outcomes displayed in Table 4.4.

Table 4.4 Descriptive Statistics for operational processes turnaround strategy

Statements	n	Min	Max	Mean	Std Dev	CoV
The firm has adopted innovative techniques in its operations to manage accuracy	75	1.00	5.00	3.57	0.816	0.13
The organization uses advanced technology that delivers product on time	75	1.00	5.00	3.68	0.803	0.12
The firm has adopted a monitoring and control tool to produce high quality firm products with completeness	75	1.00	5.00	3.62	0.784	0.15
Use of business intelligence has improved the operational efficiency at the firm	75	1.00	5.00	3.51	0.819	0.14
The firm has adopted the use of machines in its operations to produce standard products	75	1.00	5.00	3.83	0.825	0.12
Average scores				**3.72**	**0.809**	**0.13**

Source: Field Data (2023)

Table 4.4 present responses on operational processes turnaround strategy; from the results most participants agreed that firm has adopted innovative techniques in its operations to manage accuracy (mean = 3.57; standard deviation = 0.816). The respondents agreed that organization uses advanced technology that delivers product on time (mean = 3.68; standard deviation = 0.803). The participants also agreed that firm has adopted a monitoring and control tool to produce high quality firm products with completeness (mean = 3.62; standard deviation = 0.784). The findings show that most of the participants agreed that use of business intelligence has improved the operational efficiency at the firm (mean = 3.51; standard deviation = 0.819). Furthermore, the findings show that majority of respondents agreed that firm has adopted the use of

machines in its operations to produce standard products (mean = 3.83; standard deviation = 0.825). This demonstrates that, particularly in the early stages of a turnaround period, operating turnaround strategies are frequently utilized. The outcomes are upheld by the findings of a study by Bakula, Curko, Bach, and Vukic (2016) who established that business intelligence system is the key tool in business analysis, which serves as the basis for decision-making during the turnaround process. Utilizing business intelligence systems, businesses can get comprehensive information about a variety of aspects that affect their operations. Zeroing in on exclusively working circle back techniques doesn't ensure great execution and doesn't bring about dependable achievement. The ability of a corporation to adapt to its environment, organizational structure, crisis management abilities, resource reliance, strategic options, and the effects of an external or internal crisis on the company are critical success elements for turning around poor performance.

4.4.3 Financial Turnaround Strategy

The objective three aimed to explore effect of financial turnaround strategy on performance of cement manufacturing firms. The survey utilized a 5-likert scale where respondents shows their agreement level and results were presented in Table 4.5.

Table 4.5 Descriptive Statistics for financial turnaround strategy

Statements	n	Min	Max	Mean	Std Dev	CoV
The firm is being monitoring and controlling cash flow	75	1.00	5.00	3.57	0.812	0.11
The firm has adopted financial structuring to strengthening our balance sheet	75	1.00	5.00	3.60	0.822	0.14
In the organization, they have sourced for new funding provisions	75	1.00	5.00	3.74	0.804	0.13
The firm has taken to aggressive pricing to earn more income from our products	75	1.00	5.00	3.67	0.784	0.12
The organization has increased capital utilization and liquidity control	75	1.00	5.00	3.54	0.813	0.15
The structure has changed to reduce on	75	1.00	5.00	3.73	0.819	0.13

cases of bad debts from our clients						
The firm is focusing on core business activities which earn as more.	75	1.00	5.00	3.49	0.827	0.14
Average				**3.62**	**0.812**	**0.13**

Source: Field Data (2023)

The results exhibited in Table 4.5 uncovered that most participants agreed that firms are being monitoring and controlling cash flow (mean = 3.57; standard deviation = 0.812). Respondents agreed that firms have adopted financial structuring to strengthening our balance sheet (mean = 3.60; standard deviation = 0.822). Respondents agreed that in the organization, they have sourced for new funding provisions (mean = 3.74; standard deviation = 0.804). Also, the findings agreed that firms have taken to aggressive pricing to earn more income from our products (mean = 3.67; standard deviation = 0.784). This imply that the company has to increase sales, reduce expenses, and increase profits. This is supported by Nasieku and Susan (2016) who established that financial turnaround strategy has made it possible for many firms to react more rapidly and successfully to fresh opportunities and unanticipated pressures in order to reclaim their competitive advantage. Financial turnaround, which focuses on the reorganization of a firm's assets and liabilities to satisfy its financing needs, is one of the crucial parts of corporate turnaround.

Furthermore, the outcomes uncovered that most participants agreed that organization has increased capital utilization and liquidity control (mean = 3.54; standard deviation = 0.813). The participants agreed that structure has changed to reduce on cases of bad debts from our clients (mean = 3.73; standard deviation = 0.81)9. Also, the survey revealed that most participants agreed that firms are focusing on core business activities which earn as more (mean = 3.49; standard deviation = 0.827). Financial turnaround assists members with fostering a business circle back plan whose key components incorporate a supporting arrangement, key marketable strategy, and rebuilding of the organization's bank obligation. These findings concur with those of Rastogi and Mazumdar (2017) who established that financial turnaround affect capital structure of the firms in India. The

financial turnaround is exceptionally basic in development and extension of business as it upgrade productivity, substantial quality, and development of business in size.

4.4.3 Cost Management Strategy

The fourth objective was to establish the effect of cost management strategy on performance of cement manufacturing firms. The survey utilized a 5-likert scale to show agreement level. The findings were exhibited in Table 4.6.

Table 4.6 Descriptive Statistics for cost management strategy

Statements	n	Min	Max	Mean	Std Dev	CoV
The firm uses technology which cuts down production costs	75	1.00	5.00	3.56	0.713	0.13
The firm reduced the workforce to cut costs on administration.	75	1.00	5.00	3.65	0.816	0.12
The firm has outsourced non-core elements to concentrate on the main business activities	75	1.00	5.00	3.51	0.823	0.11
In the firm redundant processes have been cut off to manage costs	75	1.00	5.00	3.59	0.815	0.14
There is a system to control use of inventories at the firm	75	1.00	5.00	3.62	0.819	0.15
The staff are taught on Kaizen to reduce wastages/losses of materials	75	1.00	5.00	3.58	0.823	0.13
Use of online marketing platforms reduces marketing costs for the firm	75	1.00	5.00	3.72	0.819	0.12
The firm uses efficient transport to reduce delivery cost	75	1.00	5.00	3.67	0.759	0.11
Average				**3.61**	**0.798**	**0.13**

Source: Survey Data (2023)

Table 4.6's results uncovered that most participants agreed that firms use technology which cuts down production costs (mean = 3.56; standard deviation = 0.713).

Respondents agreed that firms reduced the workforce to cut costs on administration (mean = 3.65; standard deviation = 0.816). Respondents agreed that firms have outsourced non-core elements to concentrate on the main business activities (mean = 3.51; standard deviation = 0.823). Furthermore, most participants agreed that the firm redundant processes have been cut off to manage costs (mean = 3.59; standard deviation = 0.15). This suggests that managers must comprehend the process of total costs in order to enhance the strategic position of the company and achieve long-term goals. The results concur with a research by Ditkaew (2018) who revealed that the efficacy of the company's internal control systems is related to cost management quality. Also, the findings revealed that the efficiency of internal controls and the dependability of decision-making had a favorable impact on business performance. Compelling expense the executives include tracking down ways of creating extra income through new administrations or growing existing administrations to new clients.

Further, the outcomes uncovered that most participants agreed that there is a system to control use of inventories at the firm (mean = 3.62; standard deviation = 0.819). The participants agreed that staff are taught on Kaizen to reduce wastages/losses of materials (mean = 3.58; standard deviation = 0.823). The participants agreed that use of online marketing platforms reduces marketing costs for the firm (mean = 3.72; standard deviation = 0.819). Also, most of respondents agreed that firms use efficient transport to reduce delivery cost (mean = 3.67; standard deviation = 0.759). Better resource allocation is the result of cost management strategy's assistance for decision-making and improvement of competitive advantage. The results are consistent with those of a study by Kinyugo (2014), who determined that cost management is a crucial component of overall business management effectiveness and makes it possible to estimate costs accurately before a process begins and predict their occurrence in the future. The efficiency of cost management strategies aids in job completion while using the little resources allotted, and benefits to businesses include less working capital investment, decreased cost per unit, and improved process and product quality.

4.4.5 Performance

In this case, the study sought to determine the performance of cement industries using a 5-likert scale. The outcomes were displayed in Table 4.7.

Table 4.7 Performance

Statement	Mean	Standard Mean
Improved customer satisfaction	3.84	0.832
High quality of products	3.76	0.816
Increased sales volume hence more earnings	3.69	0.813
Increased market share for our brand/products	3.72	0.806

Source: Field Data (2023)

Table 4.7 shows the study findings on performance of cement industries, most of participants agreed that there is improved customer satisfaction (mean = 3.84; standard deviation=0.832), there is high quality of products (mean = 3.76; standard deviation = 0.816), there is increase in sales volume hence more earnings (mean = 3.69; standard deviation = 0.813), and there is increase in market share for brands or products (mean = 3.72; standard deviation = 0.806). Since an organization is considered to be performing if it has a sound bottom line, turnaround strategies are at the heart of its performance. According to Muyundo (2018), the findings are consistent with the fact that various turnaround strategies have been applied to various organizations, regardless of whether those organizations are for profit or not. Investments in new products, services, customer segments, geographic markets, and even international expansion are all examples of internal development options.

4.5 Inferential Statistics

To determine how turnaround strategies affected the performance of cement manufacturing companies in Machakos County, Kenya, the researcher used regression analysis. The following sections display the Model Summary, ANOVA, and regression coefficients results.

4.5.1 Model Summary

Table 4.8 displays the results of the adjusted determination coefficient R^2 and correlation coefficient R.

Table 4.8 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.673	0.453	0.423	0.136

a. Predictors: (Constant), Managerial turnaround strategy, operational processes turnaround strategy, financial turnaround strategy and cost management strategy
b. Dependent Variable: Performance of Cement industry

Source: Field Data (2023)

The coefficient of correlation, R, was determined to be 0.673, indicating a strong correlation with the variables. Additionally, the results showed that the coefficient of adjusted R^2 was 0.423, or 42.3%. This makes sense of that 42.3% changes of execution of concrete industry can be made sense of the accompanying factors; financial turnaround, operational processes turnaround, managerial turnaround, and cost management turnaround strategies. The remaining of 57.7% can be made sense of by different variables past the extent of the ongoing review.

4.5.2 ANOVA

An ANOVA was led at 95% degree of huge, the discoveries of F Determined and F Basic are as displayed in Table 4.9.

Table 4.9 ANOVA

Model	SS	df	MS	F	Significance
Regression	5.23	4	.213	2.36	0.002[a]
Residual	66.13	71	1.216		
Total	71.36	75			

a. Predictors: (Constant), Managerial turnaround strategy, operational processes turnaround strategy, financial turnaround strategy and cost management strategy

b. Dependent Variable: Performance of cement industries

Source: Field Data (2023)

$F_{Calculated}$ was 2.36 and $F_{Critical}$ was 1.06, respectively, which indicates that $F_{Calculated}$ was greater than $F_{Critical}$ and that the study's overall regression model was significant. The study found a p value of 0.00 which is less than 0.05, indicating that at least one variable had a significant impact on performance of cement industries.

4.5.3 Regression Coefficients

To explore the influence of independent variables on dependent variable, regression coefficients was done and results tabulated in Table 4.10.

Table 4.10 Regression Coefficients

Multiple Regression Analysis Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	β	Std. Error	Beta		
(Constant)	4.215	0.212		1.332	.003
Managerial turnaround strategy	0.286	0.0161	0.143	1.242	.002
Operational processes turnaround strategy	0.303	0.0157	0.152	1.225	.002
Financial turnaround strategy	0.294	0.0143	0.136	1.224	.004
Cost management strategy	0.256	0.0137	0.125	1.237	.003

Source: Field Data (2023)

The association between turnaround strategies and performance of the cement businesses in Machakos County, Kenya, was investigated using a multiple regression analysis. The equation ($\mathbf{Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon}$) is transformed as follows using the SPSS generated table:

$$\mathbf{Y = 4.215 + 0.286X_1 + 0.303X_2 + 0.294X_3 + 0.256X_4}$$

Where Y = Performance of cement industries

X_1 = Managerial turnaround strategy

X_2 = Operational processes turnaround strategy

X_3 = Financial turnaround strategy

X_4 = Cost management strategy

According to Table 4.10, managerial turnaround method had a significant positive coefficient (β =0.286, P-value = 0.002), which indicates that it has a favorable impact on the performance of the cement industry. The operational processes turnaround method exhibited a significant positive coefficient (β =0.303, P-value = 0.002), indicating that it has a favorable impact on the performance of the cement industries. Financial turnaround method had a significant positive coefficient (β =0.294, P-value = 0.004), indicating that it improves the performance of the cement industries. Cost management method had a significant positive coefficient (β =0.256, P-value = 0.003), indicating that it improves the performance of the cement industries. This infer that turnaround strategies improve execution of the association. It aims to boost productivity in the current operations, boost confidence in the entire workforce, protect resources that could be mined, and ensure that land-based operations reach their full potential. These results are in line with those of Wandera (2016), who found that turnaround strategies improve an organization's performance. In addition, understanding the cycle and determinants of circle back in organizations will be of extraordinary worth in figuring out prescriptive systems for organizations to forestall disappointment, recuperate from decline and accomplish supported development.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter summarizes the outcomes of the actual study, draws conclusions, and then offers some recommendations and ideas for additional research topics.

5.2 Summary of the study findings

The study goal was to examine on effect of turnaround strategies on the performance of cement manufacturing firms in Machakos County, Kenya. The findings from objective one show that most participants agreed that firm has changed the leadership team to more experienced ones where they motivate staffs to accept the changing processes. The management staff have the necessary skills to handle the firm's strategies as they ensure internal efficiency within the operational processes to improve performance. The projects within the industry are assign to various project management as per experience. The companies adopt management structure with open communication where even technologies are used to increase efficiency. The findings imply that managerial turnaround strategy enhance performance as it reduces cost of production and control over deteriorating position.

The results from objective two show that operational processes turnaround strategy affect performance of the cement industries. The results show that firm has adopted innovative techniques in its operations to manage accuracy such as uses advanced technology that delivers product on time. Also, companies have adopted a monitoring and control tool to produce high quality firm products with completeness. The use of business intelligence has improved the operational efficiency. The companies obtain comprehensive information about a variety of aspects affecting their operations by utilizing business intelligence systems. Focusing solely on operational turnaround strategies does not ensure good performance or long-term success.

The findings from objective three show that financial turnaround strategies affect the performance of cement industries. The results revealed that most participants agreed that firms monitor and control cash flow. In addition, the companies have implemented financial structuring to strengthen our balance sheet. The findings revealed that the organization has sought new funding provisions in order to support the company's operations. Financial turnaround strategy has enabled many businesses to respond more quickly and successfully to new opportunities and unexpected pressures in order to reclaim their competitive advantage. The company's structure has been altered in order to reduce the number of cases of bad debts from our clients. A strategic business plan, financing plan, and restructuring of bank debt are all components of the participants' financial turnaround plan.

The findings from objective four show that cost management strategy affect the performance of cement manufacturing firms. The results uncovered that most respondents agreed that firms use technology to reduce production costs. To reduce administrative expenses, the cement companies reduced their workforce. Additionally, to cut costs, the company has eliminated redundant procedures. The findings indicate that businesses save money on marketing by utilizing online marketing platforms. A cost management strategy improves resource allocation while also enhancing competitive advantage and decision-making capabilities. Because it enables the precise estimation of costs prior to the start of a process and can assist in forecasting future cost occurrences, cost management is an essential component of overall business management effectiveness.

5.3 Conclusion

The research concludes that turnaround strategies affect the performance of cement industries. The study showed that managerial turnaround strategy, operational processes turnaround strategy, financial turnaround strategy and cost turnaround strategy positively affect the performance of cement industries. The turnaround strategies used cement industries enhance critical process improvements, cost-cutting initiatives, financial

restructuring, and organizational restructuring. Turnaround strategy management is considered a subset of business consulting, but it focuses on corporate revitalization. This procedure employs analysis and planning to bring a failing business back into the black. The main benefit of using the services of these business coaches is that they ensure that the company's operations can continue with greater stability. Another advantage of hiring a turnaround strategy management team is that they can assist in addressing disruptions in the company's cash flow and paying off missed obligations to resolve creditor issues. They will also assist in reducing staff turnover due to resignation and dealing with such issues. Furthermore, turnaround strategy management can assist businesses in developing operational efficiencies to increase earnings even further. This procedure can also revitalize the company's market presence and attract new investment.

5.4 Recommendation

The survey concludes that;

The study says that the cement industry should use downsizing strategies with extreme caution to avoid downsizing without figuring out how to reduce workload. This is because legitimate downsizing necessitates streamlining internal procedures and reducing redundant work. However, this has evolved into a euphemism for staff de-layering and reduction. Administrators are currently compelled to work with cut spending plans, cut back labor forces, and consolidations and acquisitions. Individuals become pushed because of scaling back and cost cutting since they don't consider their responsibilities to be steady.

The organization should implement the best turnaround techniques to improve the achievement of the corporate objectives. The managers of the company should consider all potential outcomes and decide on the organizational structure that would help them achieve their objectives. Effective managers should be employed to manage many subordinates, not the other way around.

The management should make sure that each employee has an ideal workload so that they are stretched but not overburdened. This is due to the fact that overworked employees are less productive because there is lower production and a higher potential for mistakes.

The survey recommends that in order to improve performance, the management of the cement industry should minimize non-core assets and staff, as well as reorganize the institution's organizational structure to increase effectiveness and decrease bureaucratic inefficiencies.

5.5 Suggestions for further study

The cement industries in Machakos County, Kenya were the subject of this investigation. It is advised that a comparable study be conducted with a focus on Kenya's various types of industry. According to the study's findings, cement industries' performance is not entirely accounted for by turnaround plans. However, it is crucial that more research be done on other new elements impacting the performance of the cement businesses. A comparable study can also be carried out in other counties to generalize the research's findings.

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APPENDICES

APPENDIX I: CEMENT FIRMS IN MACHAKOS COUNTY

1) Bamburi Cement Limited in Kenya
2) Savanna Cement in Kenya
3) Rhino Cement Foundation in Kenya
4) Athi River Mining Limited in Kenya
5) East African Portland Cement Company in Kenya

APPENDIX II: LETTER OF INTRODUCTION

Dear Sir/ Madam,

RE: REQUEST FOR PARTICIPATION IN RESEARCH

I am master's student at Kenyatta University pursuing a Master's Degree in the School of Business, Economic and Tourism. I am conducting a research on the effect of turnaround strategies on performance of cement manufacturing firms in Machakos County, Kenya

Please free to provide correct answers on the provided questions. I assure you that the data and information is only meant for scholastic reasons and will be kept secretly.

Yours faithfully,

Esther

APPENDIX III: QUESTIONNAIRE

Fill all the sections by marking with an [X]

DEMOGRAPHIC INFORMATION

1. What is your gender?

   Female [ ]

   Male [ ]

2. What is your position in the firm?

   HR Managers [ ]

   Finance Managers [ ]

   Operational Managers [ ]

   Workshop Managers [ ]

3. How long have you worked in this position?

   0-3 years [ ]

   3-6 year [ ]

   6-9 years [ ]

   Over 10 years [ ]

MANAGERIAL TURNAROUND STRATEGY

4. These are statements on managerial turnaround strategy, how would you rate their usage and impact on performance of your cement manufacturing company. Use the five-point Likert Scale where; 1= strongly disagree, 2 = disagree, 3 = not sure, 4 = agree, 5 = strongly agree.

STATEMENT	1	2	3	4	5
The firm has changed the leadership team to more experienced ones					
The leadership at our firm motivates staffs to accept the changing processes					
The managers have the necessary skills to handle the firm's strategies					
The managers ensure internal efficiency within the operational processes					
The management team handles brand management to improve performance					
Special projects are assigned to experienced staffs by the management					
The firm has adopted a management structure with open efficiency communication					
The organization uses advanced technologies to increase transparency at the workplace					
The management structure demands high accountability from all staff					

OPERATIONAL PROCESSES TURNAROUND STRATEGY

5. To what extent do you agree with the following statements on operational processes turnaround strategy and its effect on performance of your cement manufacturing firms. Kindly use the Likert Scale where: 1= strongly disagree, 2 = disagree, 3 = not sure, 4 = agree, 5 = strongly agree

STATEMENT	1	2	3	4	5
The firm has adopted innovative techniques in its operations to manage accuracy					
The organization uses advanced technology that delivers product on time					
The firm has adopted a monitoring and control tool to produce high quality firm products with completeness					
Use of business intelligence has improved the operational efficiency at the firm					
The firm has adopted the use of machines in its operations to produce standard products					

FINANCIAL TURN AROUND STRATEGY

6. These are statements on financial turnaround strategy, how would you rate their usage and impact on performance of your cement manufacturing company. Use the five-point Likert Scale where; 1= strongly disagree, 2 = disagree, 3 = not sure, 4 = agree, 5 = strongly agree.

STATEMENT	1	2	3	4	5
The firm is being monitoring and controlling cash flow					
The firm has adopted financial structuring to strengthening our balance sheet					
In the organization, they have sourced for new funding provisions					
The firm has taken to aggressive pricing to earn more income from our products					

The organization has increased capital utilization and liquidity control					
The structure has changed to reduce on cases of bad debts from our clients					
The firm is focusing on core business activities which earn as more.					

COST MANAGEMENT STRATEGY

7. To what extent do you agree with the following statements on cost management strategy and its effect on performance of your cement manufacturing firms. Kindly use the Likert Scale to rate the extent of your agreement, where: 1= strongly disagree, 2 = disagree, 3 = not sure, 4 = agree, 5 = strongly agree

STATEMENT	**1**	**2**	**3**	**4**	**5**
The firm uses technology which cuts down production costs					
The firm reduced the workforce to cut costs on administration.					
The firm has outsourced non-core elements to concentrate on the main business activities					
In the firm redundant processes have been cut off to manage costs					
There is a system to control use of inventories at the firm					
The staff are taught on Kaizen to reduce wastages/losses of materials					
Use of online marketing platforms reduces marketing costs for the firm					
The firm uses efficient transport to reduce delivery cost					

PERFORMANCE

8. These are statements on performance of your cement manufacturing company. Using the five-point Likert Scale to rate its impact on your firm, where; 1= strongly disagree, 2 = disagree, 3 = not sure, 4 = agree, 5 = strongly agree.

STATEMENT	**1**	**2**	**3**	**4**	**5**
Improved customer satisfaction					
High quality of products					
Increased sales volume hence more earnings					
Increased market share for our brand/products					

APPENDIX II: NACOSTI