Strategic Turnaround Management: Defining the Success Factors of a Turnaround

Zoheir Boudia

MBA Graduate
Faculty of Economics, Administrative and
Social Sciences,
Bahçeşehir University, Istanbul, Turkey
Email: zoheir.boudia@bahcesehir.edu.tr

(Corresponding Author)

ORCID ID: 0009-0001-0386-8927

Markus C. Slevogt

Assistant Professor
Faculty of Economics, Administrative and
Social Sciences,
Bahçeşehir University, Istanbul, Turkey
Email: markus.slevogt@amarkon-group.com
ORCID ID: 0000-0002-0341-9590

Citation: Boudia, Z., & Slevogt, M. C. (2024). Strategic Turnaround Management: Defining the Success Factors of a Turnaround. *The Lahore Journal of Business*, 12(1), 31-62. https://doi.org/10.35536/ljb.2024.v12.i2.a2

Abstract: The primary objective of this study is to address the limitations in existing turnaround management literature by providing managers with a reliable framework and step-by-step guidance for successful turnarounds. This research examines ten real-life turnaround experiences through primary evidence gathered from semi-structured interviews with experienced turnaround and insolvency practitioners. Using a qualitative and phenomenological approach, this study uncovers the lived experiences of these managers, exploring the nuances and intricacies of their turnaround journeys. This research aims to identify key success factors and extract practical insights from the narratives of the interviewed managers. The resulting framework consists of five essential steps: (i) analysis and diagnosis, (ii) defining tailored strategies, (iii) execution and action, (iv) leadership and change management, and (v) agile decision-making. This comprehensive framework empowers leaders to initiate the turnaround process with a deep understanding of the contextual realities. By identifying obstacles through rich qualitative data, managers can implement appropriate actions to halt the decline and pave the way for a successful recovery. The phenomenological approach adds depth to the study, ensuring that the proposed framework is not only theoretically sound but also grounded in the real-world experiences of turnaround practitioners.

Keywords: Framework, management, restructuring, strategy, success factors, turnaround.

JEL Classification: G34, L1, L25, M1, M10, M19, M21.

Paper type: Research paper

Received: 19 February 2024 Revised: 29 May 2024 Accepted: 26 August 2024

Copyright:

The Lahore Journal of Business is an open access journal that distributes its articles under the terms of the Creative Commons Attribution-NonCommercial-Noderivatives license (http://creativecommons.org/licenses/by-nc-nd/4.0/): this licence permits non-commercial re-use, distribution, and reproduction in any medium, provided the original work is properly cited, and is not changed, transformed, or built upon in any way. With this Creative Commons license in mind, the Lahore Journal of Business retains the right to publish an article upon successful completion of the submission and approval process, along with the consent of the author(s).

Conflict of interest:

The authors declare no conflict of interest.

Funding:

There is no funding for this research.

Strategic Turnaround Management: Defining the Success Factors of a Turnaround

1. Introduction

In today's competitive and unpredictable business environment, organizations encounter numerous challenges that jeopardize their performance and sustainability. No company is completely immune to economic distress, and there often seems to be an aura of inevitability surrounding eventual organizational failure (Oehninger et al., 2020). Factors such as rapid digitalization, internal pressures, and unforeseen threats can lead to a decline in a company's performance (Loosemore, 1998). The fast pace of technological innovation and ongoing digital transformation has introduced new competitive dynamics and complexities within organizations. To stay ahead in the market, companies must continuously adopt new strategies, innovate, and swiftly respond to changing market demands (Hauschildt, 2008; Kim & Mauborgne, 2023). Failure to do so risks losing their competitive edge, shrinking market share, and potentially facing business decline.

These challenges can significantly impact organizational performance, making prompt and effective action essential (Francis & Desai, 2005). However, enduring, successful turnarounds are rare; only about 30 percent of change initiatives succeed (Beer & Nohria, 2000). This high failure rate underscores the difficulty of revamping complex organizational structures and executing effective turnaround strategies, particularly during economic downturns when companies must not only recover but also build resilience for future challenges.

Poor performance during downturns often arises from failures in formulating and executing turnaround plans, as well as an inability to sustain these strategies once a crisis has passed. Effective turnaround strategies necessitate substantial organizational changes, strong leadership, clear communication, and solid change management practices. Yet, many companies struggle to implement these strategies, leading to further decline. Without timely action, a company's very existence can be jeopardized, emphasizing the importance of successful turnarounds.

Turnaround strategies are crucial for countering decline, with retrenchment being a commonly employed tactic (Santana et al., 2017). Retrenchment may involve cost-cutting, asset sales, or staff reductions to improve financial stability. While these measures can provide short-term relief, they are often insufficient for long-term recovery and growth. Companies must also concentrate on strategic renewal, which includes reevaluating business models, exploring new markets, and fostering innovation. Despite the significance of these strategies, comprehensive research on turnaround management frameworks remains limited (Markides, 2006; Schneider & Spieth, 2013).

Previous studies on turnarounds have frequently failed to offer a complete approach for leaders, managers, and practitioners, providing limited guidance. Many existing models are prescriptive and do not take into account the unique contexts influencing turnaround success. Furthermore, there is a lack of empirical research examining the dynamics of decline and turnaround strategies within a robust, practical framework. This gap highlights the necessity for a clear, multifaceted set of practices to assist practitioners in complex turnaround situations. Consequently, there is an urgent need for an effective turnaround framework that addresses these challenges and empowers companies to achieve rapid and sustainable turnarounds.

This study aims to address this gap by exploring the real-life experiences of companies that have successfully recovered from challenging times through innovative strategies. By examining businesses that have turned their financial situations around, this research seeks to identify the key factors that contribute to successful recoveries and how these elements can be incorporated into a practical guide for effective turnaround management. A significant motivation for this study is the high failure rate of corporate turnarounds, highlighting the need to better understand what drives successful recoveries. Despite having access to ample resources and expertise, many organizations struggle to implement effective turnaround strategies. This underscores the complexity of turnaround management and emphasizes the necessity for research that connects theoretical concepts to real-world applications. The objective is to provide actionable insights that assist in designing and implementing effective turnaround strategies across various organizational contexts.

This research contributes to the existing literature on management strategies and corporate turnarounds by clarifying the elements that make these approaches successful. It aims to bridge the gap in current research by linking the concepts of decline, turnaround, and innovation and developing a comprehensive framework for turnaround management. The notion of decline refers to a prolonged period of negative performance,

32

often marked by financial losses, diminishing market share, and declining stakeholder confidence.

Turnaround strategies are intentional actions taken to counteract this decline and restore organizational performance. In the context of this study, innovation involves developing and implementing new ideas and processes that create value. Creating a comprehensive framework entails identifying key success factors and integrating them into a structured approach that guides turnaround efforts. Thus, this study seeks to provide an in-depth understanding of the factors leading to successful corporate turnarounds, with a special emphasis on developing a robust framework for turnaround management. By connecting theory to practice, this research aims to offer valuable insights for scholars, practitioners, and policymakers interested in the dynamics of organizational recovery and growth.

The structure of the remainder of the study is as follows: Section 2 reviews the existing literature on corporate decline, turnaround, innovation, and framework development, highlighting the current scarcity of research linking these concepts. Section 3 outlines the research methodology, detailing case selection, data collection, and analysis processes. This methodology is designed to capture the complexities of turnaround scenarios and provide rich, contextual insights. Section 4 presents the findings and discussion, drawing on both case studies and existing literature. The findings identify key factors contributing to successful turnarounds, including strong leadership, a clear strategic vision, and effective communication. Finally, Section 5 offers a practical turnaround framework, while Section 6 concludes the study and provides recommendations for future research.

2. Literature Review

2.1. Corporate Turnaround

Corporate turnaround has been defined in various ways by experts and scholars. It can be described as a dynamic process involving a series of activities that guide firms from a state of decline to a period of sustained success (Barker et al., 2024; Schmitt & Raisch, 2013). Additionally, turnaround is often characterized as a change management strategy that aims to induce significant transformations in an organization's structures, processes, culture, and environmental orientation (French et al., 2005). Nystrom and Starbuck (2015) further define it as a defensive approach that relies on reactive measures to address corporate financial issues.

Despite the differing definitions, change management scholars generally agree on the common elements of turnaround management (Beeri, 2012; Lascu, 2024; Yandava, 2012). They typically characterize it as an ecological, holistic, and human-centered approach that requires substantial changes in organizational beliefs and norms while implementing radical strategies for transformation across structures, processes, and workflows. In this vein, Scherrer (2003) describes a successful turnaround as a complex process that relies on a capable management team and a solid business foundation.

2.2. Success Factors of a Turnaround

For a successful transition, several crucial elements must be in place. While their absence creates a high-risk scenario for a turnaround, their presence does not guarantee automatic success (Onich, 2012). Key components include a managerial shift, whether through the appointment of capable new leaders or a change in the attitudes and approaches of existing management. It is vital that management possesses the necessary authority to act swiftly and effectively (Schweizer & Nienhaus, 2017). Additionally, a viable and competitive core operation, along with sufficient financial resources to implement the turnaround plan, is essential (Sulaiman et al., 2022). Together, these factors underscore the importance of a skilled and experienced management team, maintaining liquidity for operational support, sustaining a viable core business, and enabling prompt decision-making to stop losses and initiate the turnaround.

Numerous studies have analyzed the factors contributing to the success and failure of small or medium enterprises (SMEs) (see, for example, Carter & Van Auken, 2006; Lussier & Pfeifer, 2001; Lussier & Halabi, 2010; Perry, 2001; Saraiva et al., 2024; Van Gelder et al., 2007; Westhead et al., 2001). In addition to general economic conditions, critical factors include capital resources, the quality of accounting and financial management, effective planning, engagement of professional consultants, and the owner's management experience and training.

2.2.1. Managerial Change

Proponents of the management school argue that a firm's success or failure is primarily determined by its top management rather than its strategy. Although the specific reasons for a decline vary, they often point to deficiencies in management (Akpoviroro et al., 2023; Balgobin & Pandit, 2001; Boyle & Desai, 1991; Dallocchio et al., 2022; Kierulff & Petersen, 2009;

Maheshwari, 2000; Scherrer, 2003). Managers with long tenures before bankruptcy may cling to outdated paradigms and resist necessary radical changes, which hinders significant reforms. Additionally, Malmendier and Tate (2009) suggest that managers who have built 'superstar' reputations may prioritize activities that enhance their public image over those that genuinely increase firm value. Financial stakeholders, such as banks and creditors, often condition their continued support on their confidence in the management team's capacity to solve problems. A change in top management signals to stakeholders that proactive measures are being taken to improve performance (Slatter, 1984).

A distressed firm may benefit from appointing a new manager who can restore credibility and encourage stakeholders to maintain their relationships despite recent performance declines (Ellis, 2012). For example, Wild (2010) found that eight out of ten strategic turnarounds involved new leadership, while Thain and Goldthorpe (1989) reported that 19 out of 27 successful turnarounds required a change in management. Introducing fresh executives during a turnaround is recognized as a recovery catalyst, as they provide specific knowledge, capabilities, or alternative viewpoints (Grinyer & McKiernan, 1990; Tourtellot, 2004).

However, despite the focus on management restructuring, a strand of research warns that changes in the CEO or top management team can lead to significant internal disruption. New reporting relationships can create stress among employees who are concerned about their job security and status. This shift may also weaken informal communication channels, leading to increased ambiguity and instability within the firm (Castrogiovanni et al., 1992; Kesner & Dalton, 1994).

2.2.2. Liquidity Generation

Mbugua and Makori (2014) emphasize that the success of a turnaround strategy hinges on the availability and affordability of capital, which are essential for driving growth and profitability. Therefore, protecting a company's liquidity should be the top priority during a cash flow crisis. Ensuring sufficient cash flow and access to capital is vital to prevent insolvency and maintain a buffer for future investments to remain competitive. To adapt to evolving demand and supply dynamics, companies should adjust their pricing strategies and concentrate on the most profitable markets, while deprioritizing or exiting low-margin sectors to simplify operations and enhance profitability.

To address shortages and improve cash flow, companies should focus on various levers, including revenue, cost of goods sold, selling, general and administrative expenses, research and development (R&D), inventory management, receivables, payables, capital expenditures, and financing. These elements should be managed in a mutually exclusive and collectively exhaustive manner (Nordenström & Ekberg, 2020).

Regarding financing, there are two primary sources: internal and external. Internal sources include asset divestiture and equity issuance, which are commonly used to alleviate financial distress, pay off debt, reduce interest costs, and enhance cash flows (Primawan et al., 2024; Slatter, 1984). In contrast, external sources encompass both secured and unsecured creditors. As companies navigate restructuring or recapitalization efforts, it is crucial to maintain ongoing support from stakeholders and financiers to extend financial stability (Deloitte, 2021).

In both scenarios, the ability to raise capital is determined by two key factors: the company's operating performance and the level of asset encumbrance. These factors influence the company's capacity to secure funding from internal or external sources. For example, if all assets are pledged as collateral to secured lenders and utilized to their maximum potential, raising cash through asset sales or issuing new debt becomes extremely challenging. Similarly, poor operating performance will negatively impact both debt and equity holders (Onich, 2012).

2.2.3. Core Operation Identification

A focus on a firm's core activities is a commonly highlighted turnaround strategy in the literature, often implemented alongside cost-cutting and asset retrenchment (Abdillah et al., 2024; Boyne & Meier, 2009; Rivera-Prieto et al., 2022; Tasya & Alvia, 2024). Successfully reestablishing a business in the market often relies on concentrating efforts on its core operations (Gotteiner et al., 2019; Kraus et al., 2013). While turning around a company without a foundation for generating positive cash flow is challenging, there have been rare instances of success through this approach (Onich, 2012).

Hambrick and Schecter (1983) recommend prioritizing historically successful products to aid turnaround efforts. This strategy enhances customer understanding, expands marketing channels, and optimizes aftersales services (Grinyer & McKiernan, 1990). Additionally, Arogyaswamy et al. (1995) identify two scenarios for implementing this strategy: in cases of

temporary economic downturns, it is advisable to serve customers who value the company's resources and capabilities, while during severe downturns, focusing on the remaining viable customers is more appropriate.

2.2.4. Fast Decision Making

Decisive leadership, swift and high-quality decision-making, and quick execution are essential for any successful turnaround (McKinsey, 2023; Shepherd et al., 2023; Sinnaiah et al., 2023). Time is more valuable than money; while money can be recovered, lost time cannot. It is crucial to create a sense of urgency within the organization, as transformation programs require close collaboration among numerous individuals and departments. The necessary changes cannot be implemented without the drive and commitment of the entire organization. Research shows that over 50 percent of struggling companies fail to establish this sense of urgency, often because executives overestimate their effectiveness in generating it (Nordenström & Ekberg, 2020).

During a crisis, businesses frequently perform faster and better than they thought possible just months earlier. Sustaining this sense of possibility can become a lasting source of competitive advantage (Sneader & Sternfels, 2020). Organizational speed is critical for navigating a successful recovery (Nordenström & Ekberg, 2020; Weiss & Wruck, 1998). In an era of rapid technological and competitive change, quick strategic decision-making is vital, as traditional practices of extensive strategic planning may no longer guarantee success (Eisenhardt, 1990). For example, negotiations with various stakeholders—such as banks, customers, suppliers, and tax authorities—can distract management and potentially harm the business. Consequently, the ability to swiftly address and resolve these issues is paramount for ensuring successful turnarounds.

2.2.5. Use of Professional Consultants

Mitter and Mayr (2013) emphasize that consultants and remediation managers can leverage their understanding of the resources needed for sustainable remediation. In certain situations, shortcomings can be addressed during the planning and implementation stages of renovation. For instance, consultants can aid in executing marketing strategies or forging essential network connections. Additionally, seeking external counsel is vital when making rapid strategic decisions (Eisenhardt, 1990). While involving outside parties may initially seem counterproductive due to their limited insight into specific challenges,

their participation allows the company to extend its operational boundaries, which is crucial during times of transformation (Nordenström & Ekberg, 2020). Research has shown that CEOs or turnaround professionals who successfully lead transformations often possess external functional backgrounds, such as in law, finance, or general administration (Baird, 2014). These leaders typically bring a 'fresh eye', helping to identify issues that the current management team may have missed.

While it is important to recognize the significance of these success factors, a critical assessment of the dynamics surrounding managerial change is essential (Kowalzick et al., 2024). The literature often portrays a positive view of new executives offering fresh perspectives. However, it is equally important to consider potential challenges, such as resistance to change and the time required for new strategies to take effect. A thorough examination of the limitations and possible drawbacks of managerial change can provide a more nuanced understanding of its impact on turnaround success.

2.3. Process of Turnaround Management

Driven by urgency, leaders are increasingly adopting agile methods, such as quickly convening videoconferences to solve problems and granting remote teams greater decision-making authority. However, it is crucial for cross-functional teams to maintain a long-term perspective and avoid panic reactions (Sneader & Sternfels, 2020). In a turnaround situation, several key factors come into play. Time, often alongside financial resources, emerges as a significant constraint. The timeframe for thoroughly evaluating problems and executing necessary changes is typically quite limited. Consequently, efficient time utilization becomes critical in addressing challenges and implementing required transformations. In this context, Kish (2017) affirms that agility is essential for the success of any turnaround.

Agility involves acting quickly based on rapid decisions in a constantly changing environment. One relevant agile decision-making model for effective turnarounds is the observe-orient-decide-act (OODA) loop. This innovative process was introduced by John Boyd, a renowned military strategist in the US Air Force. The OODA loop consists of four distinct stages. The first stage, observing, entails detecting enemy aircraft. The second stage, orienting, involves positioning the aircraft toward the enemy to establish a favorable vantage point for the next stage. The third stage, deciding, is about making informed choices regarding the next course of action. Finally, the fourth stage, acting, encompasses implementing the chosen decision, such as engaging the enemy.

Central to this loop is the concept of agility, which emphasizes the ability to swiftly adapt and maneuver, enabling the OODA loop to be executed at an accelerated pace (Enck, 2012). The application of the OODA loop is increasingly being integrated into the business realm. Insights derived from data collection contribute to generating hypotheses, leading to a process of convergence that ultimately allows for swift action based on the decision made (see Figure 1). This incorporation of the OODA loop into business practices underscores the importance of adaptability and agile decision-making to capitalize on emerging opportunities (Vettorello et al., 2019).

DECIDE Unfolding Implicit Guidance & Control - Implicit Guidance & Control Circumstances Cultural Previous Traditions Experience Decision Observation Action (Hypothesis) Genetic Analyses Heritage & Synthesis Outside Information New Information Feedback Feedback Unfolding Interaction with Environment

Figure 1: OODA loop

Source: Feloni and Pelisson (2017).

2.3.1. *Observe*

The initial phase of turnaround management typically lasts about a month, during which the primary objective is to gain a comprehensive understanding of the situation (Scherrer, 2003). This phase involves observing and analyzing the underlying causes of the company's decline. Thoroughly examining and comprehending the various factors contributing to this decline is crucial for the success of the turnaround process (McGovern, 2007). Researchers have identified strategic and operational causes of decline, such as increased competition, reduced profit margins, supply chain management challenges, economic recessions, labor strikes, and excess production capacity.

Understanding these causes is essential for determining the appropriate turnaround strategies and actions to implement (Edokpa et al., 2023). Subsequently, strategic responses may include vertical integration,

diversification, and changes in top management, while operational responses might involve significant plant investments, a focus on key functional areas, and improvements in efficiency ratios to address the identified issues (Schendel et al., 1976).

Additionally, financial analysis is highlighted as one of the first steps toward achieving a successful turnaround (Yawson, 2005). Reviewing the company's financial strategies, particularly the profit and loss (P&L) statement, can provide immediate solutions to prevent further performance deterioration (Walker, 2021). Understanding financial exposure is critical; management must establish common operational assumptions, including decisions on target markets, product and service offerings, and key technology platforms. Without a clear and shared vision for the future, it becomes impossible to agree on necessary actions or fully grasp the extent of change required to meet established objectives (Nordenström & Ekberg, 2020).

Market analysis is another vital component of the observation phase. Identifying opportunities and threats that could influence the success of the turnaround plan is essential. The plan can be executed effectively by leveraging opportunities, such as exploring new product lines or expanding into new markets, while mitigating threats through measures like renegotiating agreements with banks (El Sayed, 2015).

2.3.2. *Orient*

In the OODA loop, the orientation step holds paramount significance. This critical stage involves mental models that influence the entire functioning of the OODA loop. Orientation shapes our perception and interaction with the environment, impacting our observations, decisions, and subsequent actions. It forms the foundation of the OODA loop process, defining how we understand and respond to the ever-changing dynamics of our surroundings (Kish, 2017).

In a business context, a company's culture and the ability to decode human behavior are the dominant forces shaping the orientation step. A well-crafted orientation can eliminate the need for a formal decision step by providing implicit guidance and control. By fostering a strong company culture and understanding human behavior, decision-making becomes more intuitive and effective, minimizing the necessity for explicit and time-consuming decisions during a turnaround. Leaders are tasked with designing organizational transformations in areas such as systems, culture,

or operational activities (Evans et al., 2013). A successful turnaround strategy requires leaders to establish a positive communication culture to build organizational trust (Boyd, 2011; Lawson & Price, 2003). Lawson and Price (2003) also emphasize that the transformation must be clearly defined and communicated throughout the organization.

Designing the company culture is crucial during this step. Language and rituals significantly shape culture. A shared language fosters cultural unity among workers, particularly in remote work settings. Rituals, being universal aspects of human existence, can create a sense of cohesion and rhythm within an organization (Sutherland & Sutherland, 2014). Decoding human behavior is another vital aspect of the orientation step. High emotional intelligence is essential for understanding employees' motivations, adaptability, and learning capacities. Tools such as the Predictive Index (PI) behavioral assessment can help identify behavioral needs and select the right individuals to lead the turnaround process (Kish, 2017).

While a strong company culture is emphasized in the orientation step, it is important to critically assess the potential drawbacks and challenges associated with shaping and changing organizational culture. The literature often highlights the benefits, but a thorough examination of the limitations, potential resistance, and time required for cultural change is essential for a comprehensive understanding of its impact on the turnaround process.

2.3.3. Decide

In the deciding phase, strategies and action plans are formulated based on previous observations and analyses. During the initial stages of the turnaround process, short-term strategies such as cost-cutting, downsizing, layoffs, and revenue optimization are frequently prioritized (Moog et al., 2013; Morrow et al., 2007; Rico & Puig, 2021; Zimmerman, 2002). These actions aim to mitigate decline, enhance efficiency, and generate cash flow to stabilize the company's financial position.

Once the decline has been arrested and profitability is reestablished, long-term strategies become essential (Filatotchev et al., 2006). After implementing short-term measures, the next critical step is to pursue cautious and well-considered growth. During the recovery phase, the firm must devise growth strategies that leverage its strengthened core activities to ensure sustainable long-term development (Schoenberg et al., 2013). These strategies focus on enhancing the firm's competitive advantages and ensuring sustainability. Long-term strategies may involve

entrepreneurial-driven asset reconfiguration, utilizing existing resources to expand product offerings or enter new markets (Robbins & Pearce, 1994; Sudarsanam & Lai, 2001).

'Offensive' market-based strategies, such as launching new products, adjusting the product mix, and increasing prices, are often viewed as more effective than defensive strategies. Abebe (2010) argues that these offensive strategies challenge the misconception that retrenchment underpins a successful recovery strategy. Moreover, hybrid or outpacing strategies that combine cost and differentiation advantages have gained prominence in today's competitive environment (Piller & Schoder, 1999). These strategies aim to deliver high-quality products and services while remaining price-competitive. Successful implementation of these strategies is crucial, with effective project management being a vital element of execution.

2.3.4. Act

The strategies developed in the previous phase are put into action during the act phase, transforming plans into tangible results. It is essential to measure capabilities to ensure that the organization's structure, culture, and skills align with its strategic goals. Consistent oversight, adaptation, strong leadership, and clear communication throughout the execution process are crucial for successful implementation (Neilson et al., 2008). Maintaining structure, discipline, and dedication throughout this process is also vital. Therefore, a comprehensive implementation plan, effective governance, and continuous monitoring of the change's success are necessary (Nordenström & Ekberg, 2020).

Tools like line-of-sight can help identify gaps in strategy execution capabilities and offer insights for improvement (Kish, 2017). Effectively managing change in complex situations and establishing clear metrics for effectiveness are critical factors for successful strategy implementation (Kazmi, 2008).

3. Research Methodology

3.1. Research Design

This study adopts a qualitative and phenomenological approach to explore the experiences of frontline managers in turnaround management through semi-structured interviews. Phenomenology is grounded in the works of philosophers such as Husserl and Merleau-Ponty (Sadala &

Adorno, 2002). The research process involves several key steps: (i) bracketing, where we set aside our preconceptions and biases to engage with participants' experiences without distortion; (ii) intuiting, where we employ intuitive analysis to uncover the essence of these experiences and understand their underlying meanings; (iii) identifying essences, which entails pinpointing essential themes and structures within the data to capture the core aspects of turnaround management experiences; and (iv) comparative analysis, where we compare our findings with existing literature to validate consistencies or contradictions and deepen our understanding of the explored phenomenological aspects.

The qualitative research approach aids in understanding the complexities surrounding successful turnarounds, providing insights into strategies, leadership styles, and organizational dynamics. This method enables a thorough exploration of business turnaround, leadership styles, turnaround strategies, and methodologies. It is valuable to the study as it allows us to gain meaningful insights into the factors contributing to business turnarounds through an in-depth exploration of the topic.

Data was collected from October 2022 to May 2023 from turnaround managers using semi-structured interviews. The aim of this study is to identify the variables driving business turnaround performance by observing a sample of high performers. The intention is to use these observations to inform decisions and theories that can be applied to the broader business environment. Given this goal, the study follows an inductive approach.

3.2. Research Question and Objectives

We ask two main questions: (i) 'what are the key factors that contribute to the success of a turnaround?' and (ii) 'can these factors be organized into a framework?'. The research is thus guided by two main objectives: (i) to gather insights from experienced turnaround managers regarding the factors that contribute to success, and (ii) to identify a framework that can be applied during turnaround efforts to ensure successful outcomes. By addressing these research questions and achieving these objectives, the study aims to expand existing knowledge in turnaround management and offer practical recommendations.

3.3. Study Sample

The sample consists of ten experienced turnaround managers and consultants from various industries, including transportation, information

technology, manufacturing, cosmetics, and wholesale. This diversity ensures the creation of a generic framework applicable across different sectors. All participants have served as CEOs or interim CEOs during turnaround processes. Purposive sampling was employed to select individuals who met specific inclusion criteria, such as having at least five years of experience in turnaround management and a willingness to participate. Due to non-disclosure agreements, the participants chose to remain anonymous regarding their identities and the companies they have turned around. Table 1 presents information about the respondents in the study.

Table 1: Participants' Profile and Interview Description

Participant	Expertise	Industries	Turnaround	Details shared	
D1	<i>C</i> 1	3.6	projects	Т : ((mins)
P1	Complex operations management, growth, acquisition, restructuring, turnaround	Maritime transport	Turnaround of a struggling maritime transport company	Experiences of the maritime company turnaround	55
P2	Turnaround, crisis management, transformation, transition management	Railway transport, cable manufacturing, software development	Turnaround in three companies	Discussed varied turnaround experiences in different sectors	67
P3	Turnaround management	General	General turnaround experience	Shared a broad overview of turnaround management	44
P4	Restructuring, transformation, turnaround, Managing Director, CFO	Telecom	15-month mission to turn around a struggling telecom company	Experiences about the telecom company turnaround	53
P5	Shareholder change, mergers and acquisitions, turnaround, restructuring, crisis, project management	Manufacturing	18-month factory turnaround	Experiences with the factory turnaround	54
P6	Operational turnarounds, restructurings in manufacturing	Agri-food, engraving	Two turnaround projects	Shared experiences in two manufacturing turnarounds	52

Participant	Expertise	Industries	Turnaround projects	Details shared	Duration (mins)
P7	Turnaround, international growth acceleration, transformation	General	General turnaround experience	Provided general insights on turnaround management	46
P8	Transition management, turnaround management	Consulting, cosmetics	Two turnaround projects	Focused on turnarounds in consulting and cosmetics industries	58
P9	Crisis and transition management, B2B SMEs	Chemical products	Turnaround of a chemical products company	Discussed chemical company turnaround in detail	52
P10	Business turnaround, change management, transformation	Beverage, marketing, wholesale	Turnaround in three companies	Shared experiences across three distinct sectors	64

3.4. Data Collection Method and Interview Protocol

The data collection involved conducting semi-structured interviews with ten participants, utilizing open-ended questions to encourage a free-flowing conversation. Prior to the interviews, questions and themes were shared with participants, enabling them to prepare while still promoting spontaneity during the discussions. Providing the questions in advance allowed participants to organize their thoughts and prepare as needed. The interview protocol was meticulously designed to elicit detailed responses and gather data in a structured manner by asking the following questions:

- What is the turnaround process you follow?
- What are the actions taken in each step?
- What are the challenges faced?
- What is the leadership approach used?
- Are there any project management methodologies used?
- What are the key success factors of a turnaround?

Before the interviews, the interview protocol was pilot-tested to ensure its clarity and effectiveness. This process involved using follow-up questions for clarification and elaboration as needed. The interviews were then conducted in a quiet and private setting, using phone calls and video conferencing, and were recorded with the participants' consent. Some participants opted for anonymity because of the non-disclosure agreements they had signed.

3.5. Data Analysis

The data analysis process follows a phenomenological approach, incorporating specific principles and steps to derive meaningful insights from the collected data. This study employs a two-step analytical method.

In the first step, which involves phenomenological reduction and thematic analysis, data from semi-structured interviews undergoes phenomenological reduction. The aim is to identify and explore common perceptions, understandings, processes, and thought patterns among participants. By carefully examining the raw data, we sought to distill essential themes that reflect the lived experiences of frontline managers in turnaround situations.

In the second step, a comparative analysis is conducted by comparing the interview findings with existing literature on turnaround management. This approach confirms similarities or identifies contradictions, thereby contributing to a deeper understanding of the phenomenological aspects revealed during the interviews. By situating our findings within the broader context of existing knowledge, we aim to extract valuable insights from the lived experiences of turnaround managers.

4. Findings and Discussion

4.1. Success Factors

The results of the data analysis on success factors are presented in Table 2, revealing intriguing insights into the frequency with which interviewees mentioned these factors. Notably, the most frequently cited success factor is the use of professional consultants, mentioned in five out of the ten interviews conducted. This finding aligns with previous literature that underscores the value of external consultants in facilitating successful turnarounds (Mitter & Mayr, 2013; Nordenström & Ekberg, 2020).

Table 2: Alignment of success factors in interview data and literature review

Success factors	Case 1	Case 2	Case 3	Case 4	Case 5
Managerial change					
Liquidity generation	$\sqrt{}$		$\sqrt{}$		
Core operation identification					
Fast decision making	$\sqrt{}$			$\sqrt{}$	
Use of professional consultants	$\sqrt{}$	$\sqrt{}$		$\sqrt{}$	
Management experience			$\sqrt{}$		$\sqrt{}$
Success factors	Case 6	Case 7	Case 8	Case 9	Case 10
Managerial change				$\sqrt{}$	$\sqrt{}$
Liquidity generation		$\sqrt{}$			$\sqrt{}$
Core operation identification					$\sqrt{}$
Fast decision making		$\sqrt{}$			
Use of professional consultants	$\sqrt{}$	$\sqrt{}$			
Management experience					

Participants noted:

Bringing in external consultants allowed us to see the challenges from a fresh perspective and quickly implement necessary changes. [P2]

The expertise of consultants provided us with valuable strategies that we might not have considered otherwise. [P4]

Following closely, the second most prominent success factor is liquidity generation, mentioned in four interviews, which is consistent with its importance highlighted in prior studies (for example, Mbugua & Makori, 2014; Primawan et al., 2024). One participant emphasized:

Organizations should scrutinize and reduce costs by challenging non-essential expenses, renegotiating with suppliers, and minimizing costs without compromising revenue. R&D strategies must prioritize core projects and optimize costs, while capital expenditure should focus on maximizing returns from existing investments and limiting non-essential spending until cash flow stabilizes. [P3]

Furthermore, another participant stressed the critical nature of liquidity generation during the turnaround period:

Without the ability to generate liquidity, we would have struggled to invest in key areas that facilitated our turnaround. It was a lifeline during a challenging period. [P1] Additionally, managerial change, fast decision-making, and management experience each shared the third position, appearing three times. This observation aligns with existing literature, which emphasizes the significance of managerial change (Thain & Goldthorpe, 1989; Wild, 2010), rapid decision-making (Shepherd et al., 2023; Sinnaiah et al., 2023), and prior experience in navigating financial downturns (Ellis, 2012). Participants shared insights such as:

Our entire approach was transformed when we brought in new upper management. Their fresh perspective and emphasis on collaboration helped us adapt quickly to the challenges we faced. [P9]

Acting swiftly and maintaining a sense of urgency is crucial. Even well-crafted strategies can become irrelevant if they take too long to develop. [P7]

Our new COO had previously navigated a major financial crisis in another company. His insights were invaluable. [P5]

In contrast, core operation identification was mentioned in only one of the ten interviews. This focus involves identifying markets, products, and customers with profitability potential. The research indicates that successful business turnarounds often stem from concentrating on established product lines and fostering customer loyalty (Abdillah et al., 2024; Boyne & Meier, 2009; Rivera-Prieto et al., 2022; Tasya & Alvia, 2024). One participant noted:

When identifying a viable core, several key factors must be considered: it should generate positive cash flow within six months, have sufficient sales to support the firm during problem-solving phases, possess modern competitive machinery and data systems, and be located in a competitive area. [P10]

Overall, these findings demonstrate a significant alignment between the success factors identified in the literature review and the perspectives shared by the interviewees, though with varying degrees of emphasis. The findings also highlight the importance of additional factors, such as prioritizing human capital and possessing strong analytical and leadership skills. Our results underscore the necessity of tailored solutions for each specific case to ensure a successful turnaround. One participant stated: In my experience, generic solutions just do not cut it. Each company has its unique challenges, and we found that crafting tailored strategies specific to our circumstances was the key. [P6]

This viewpoint, consistently echoed by several interviewees, challenges the reliance on predefined strategies for turnarounds, pointing out the potential risks and limitations of such an approach. Table 3 summarizes the frequency of the success factors mentioned by the interview participants.

Table 3: Frequency of success factors mentioned in interviews

Success factor	Frequency mentioned		
Use of professional consultants	5		
Liquidity generation	4		
Managerial change	3		
Fast decision making	3		
Management experience	3		
Core operation identification	1		

4.2. Strategies and Actions

The results of the data analysis regarding strategies and actions are presented in Table 4, offering valuable insights into the approaches employed by turnaround managers. Notably, financial analysis and business downsizing were the most frequently utilized action, mentioned by 70 percent of the interviewees. These actions were taken to address the challenges faced by organizations undergoing turnarounds.

Table 4: Alignment of strategies and actions in interview data and literature review

Strategies and actions	Case 1	Case 2	Case 3	Case 4	Case 5
Financial analysis			$\sqrt{}$		$\sqrt{}$
Market analysis			$\sqrt{}$		$\sqrt{}$
Design the culture					
Cost cutting	$\sqrt{}$	$\sqrt{}$			$\sqrt{}$
Business downsizing	$\sqrt{}$	$\sqrt{}$	$\sqrt{}$	$\sqrt{}$	
Layoffs	$\sqrt{}$			$\sqrt{}$	$\sqrt{}$
Margin/revenue optimization					
Business model optimization	$\sqrt{}$	$\sqrt{}$		$\sqrt{}$	$\sqrt{}$
Long-term strategy			$\sqrt{}$		
Capabilities measurement					
Strategies and actions	Case 6	Case 7	Case 8	Case 9	Case 10
Financial analysis	$\sqrt{}$	$\sqrt{}$	$\sqrt{}$	$\sqrt{}$	$\sqrt{}$
Market analysis		$\sqrt{}$			

Strategies and actions	Case 1	Case 2	Case 3	Case 4	Case 5
Design the culture		$\sqrt{}$			
Cost cutting			$\sqrt{}$		
Business downsizing		$\sqrt{}$	$\sqrt{}$		$\sqrt{}$
Layoffs	$\sqrt{}$		$\sqrt{}$		
Margin/revenue optimization		$\sqrt{}$	$\sqrt{}$	$\sqrt{}$	$\sqrt{}$
Business model optimization	$\sqrt{}$				
Long-term strategy					$\sqrt{}$
Capabilities measurement					$\sqrt{}$

Participants noted:

In our turnaround effort, financial analysis was indispensable. It allowed us to pinpoint inefficiencies and prioritize areas needing immediate attention. [P8]

Downsizing was a tough but necessary choice. We realized that to stabilize the organization, we had to streamline operations and focus on our core strengths, which ultimately set us up for future growth. [P10]

Business model optimization and layoffs were mentioned by 50 percent of the interviewees, with participants arguing that clarity on the business model and retaining talent in key areas helped navigate the turnaround more effectively. They emphasized:

Optimizing our business model was crucial. We had to rethink our value proposition and ensure that every aspect of our operations aligned with our long-term goals. [P6]

While layoffs are always difficult, we had to make tough decisions to protect the organization's overall health. [P4]

Additionally, margin/revenue optimization appeared in 40 percent of the interviews, underscoring its importance in enhancing financial performance during turnaround efforts. One participant remarked:

By closely analyzing our pricing strategies and cost structures, we significantly improved our financial performance, providing the stability we needed during the turnaround. [P9]

Market analysis was cited in 30 percent of the interviews, indicating its role in identifying growth opportunities and repositioning the organization within the market. Long-term strategies were mentioned in 20

percent of the interviews, emphasizing the need for a sustainable path forward. Finally, building culture and capabilities measurement were noted in only one interview each, suggesting potential areas for further exploration and focus. Participants highlighted:

Conducting a thorough market analysis opened our eyes to new growth opportunities we had not considered. It allowed us to reposition our offerings and better meet the needs of our customers. [P5]

While immediate actions were essential for our turnaround, developing long-term strategies was equally important. We needed a sustainable path that would stabilize us now and position us for future success. [P10]

In our discussions, we recognized that building a strong organizational culture is crucial. It fosters collaboration and resilience, both of which are vital for navigating the challenges of a turnaround. [P7]

Overall, these findings reinforce the connection between insights gathered from the literature review and the experiences shared by the interviewees. The interviews provided real-world evidence of the effectiveness of the strategies and actions discussed in the literature and illuminated the different scales at which these strategies were applied across various turnaround scenarios. Consequently, these findings enhance our understanding of the diverse approaches taken by turnaround managers and highlight the importance of tailoring strategies to specific organizational contexts. Table 5 summarizes the frequency of strategies and actions emphasized by the interview participants.

Table 5: Frequency of strategies and actions employed by turnaround managers

Strategy/action	Frequency mentioned
Financial analysis	70%
Business downsizing	70%
Business model optimization	50%
Layoffs	50%
Margin/revenue optimization	40%
Market analysis	30%
Long-term strategies	20%
Building culture	10%
Capabilities measurement	10%

4.3. Turnaround Management

In the literature review section, we examine the OODA loop, an agile decision-making model considered effective for rapid decision-making during crises, such as organizational turnarounds (Kish, 2017). Interestingly, analysis of the interview data revealed that none of the participants explicitly employed any specific decision-making models or management methodologies. Only one individual mentioned using the lean management approach, which is not typically classified as an agile methodology. This participant stated:

The lean methodology proved crucial during our turnaround. It allowed us to streamline processes, reduce costs, and develop a culture of continuous improvement, all of which were essential for our recovery efforts. [P2]

In contrast, most interviewees highlighted their reliance on personal experience and expertise to navigate turnaround situations. This raises questions about the necessity of project management methodologies in such contexts. Nonetheless, we identified a common theme among the managers: they adhered to a fundamental strategic management process that involved analysis, strategy development, and execution. Notably, this process closely resembles the OODA loop discussed earlier. A summary of the interview findings can be found in Table 6.

Table 6: Summary of findings

Category	Key findings
Success Factors	Most frequently cited: Use of professional consultants (5 mentions)
	Second: Liquidity generation (4 mentions)
	Managerial change, fast decision making, management experience (3 mentions each)
	Least mentioned: Core operation identification (1 mention)
Strategies and	Most utilized: Financial analysis, business downsizing (70% each)
actions	Business model optimization, layoffs (50% each)
	Margin/revenue optimization (40%)
	Market analysis (30%)
	Long-term strategies (20%)
	Least utilized: Building culture, capabilities measurement (10% each)
Turnaround	No explicit use of decision-making models or management
management	methodologies; reliance on experience and expertise (only one
· ·	interviewee mentioned the use of lean management methodology).
	Fundamental strategic management process

5. Recommendations

5.1. Proposed Framework

Based on the insights gathered, we propose a strategic turnaround management framework that integrates the key success factors and actions identified in the literature review and interview findings. This framework aims to provide a structured approach for organizations facing turnaround situations.

5.1.1. Analysis and Diagnosis

This step involves a thorough analysis of the organization's financial health, market position, and internal capabilities. It includes identifying the root causes of the crisis and assessing the extent of the challenges faced. Gathering insights from both internal stakeholders and external experts is essential for a comprehensive understanding of the situation.

5.1.2. Define Tailored Strategies

This step focuses on developing tailored strategies that align with the organization's specific needs and challenges. Consideration may be given to engaging professional consultants for specialized expertise and support in strategy formulation. Key areas for improvement, such as liquidity generation, business downsizing, and margin/revenue optimization, should be prioritized based on the analysis conducted.

5.1.3. Execution and Action

The defined strategies should be implemented through a series of focused and prioritized actions. Regular monitoring of progress is necessary to ensure that initiatives remain on track and achieve desired outcomes. Data and analytics should be utilized throughout this process to guide decision-making and measure the effectiveness of the actions taken.

5.1.4. Leadership and Change Management

Strong leadership is essential to drive turnaround efforts and inspire commitment from employees. If necessary, managerial changes should be made to align with the new strategic direction. Open and transparent communication with stakeholders will ensure clarity of purpose and foster a shared vision throughout the turnaround process.

5.1.5. Agile Decision Making

Embracing an agile decision-making approach, such as the OODA loop, is crucial for enabling rapid and effective decision-making during the turnaround process. Strategies must be continuously assessed and adapted in response to changing circumstances and emerging opportunities. Managers should be empowered to make timely decisions, fostering a culture of experimentation and learning within the organization. Figure 2 summarizes the proposed strategic turnaround management framework.

Analysis Tailored Strategies

Agility

Leadership Execution

Figure 2: Strategic turnaround management framework

6. Conclusion

This paper has explored the essential elements for achieving successful turnarounds within organizations. Utilizing a comprehensive methodology that includes an extensive literature review and in-depth interviews with experienced turnaround managers, this research has uncovered valuable insights into the factors that contribute to turnaround success. The analysis of interview data revealed several significant findings. Interviewees frequently highlighted key success factors such as the strategic use of professional consultants, liquidity generation, managerial change, rapid decision-making, and effective utilization of management experience. These factors emphasize the critical roles of expert guidance, financial stability, effective leadership, and prompt decision-making processes in facilitating successful turnarounds.

Interestingly, the interviews also underscored the importance of customizing strategies to fit the unique circumstances of each turnaround situation. While some interviewees relied on their experience and expertise rather than adhering to specific management methodologies, a common thread emerged: the adoption of a fundamental strategic management process that involves analysis, decision-making, and action. This aligns with the agile decision-making model, known as the OODA loop, discussed in the literature review. These findings validate and extend insights gathered from the literature, demonstrating a convergence between theoretical perspectives and the practical experiences of turnaround managers. They provide a nuanced understanding of success factors in turnarounds, highlighting the critical need for adaptability, strategic analysis, and timely decision-making.

Consequently, this research significantly contributes to the existing body of knowledge by offering empirical evidence and practitioner insights into the success factors of turnarounds. The identified factors can serve as practical guidelines for organizations undertaking turnaround initiatives, enabling them to adopt informed strategies and enhance the likelihood of successful outcomes.

However, future research is necessary to build on the results of this study. For instance, it would be beneficial to conduct more nuanced inquiries into the specific contexts and industries where these success factors may vary in significance. This could involve a focused exploration of the interplay of these factors in different organizational settings, taking into account factors such as size, industry type, and regional nuances. Additionally, future studies could examine the intricate dynamics of cultural factors, organizational structures, and external environmental influences, aiming to unravel their complex impact on the success of turnaround efforts. Understanding how these variables interact within diverse organizational landscapes can provide practitioners and decision-makers with a more comprehensive and actionable understanding.

Furthermore, given the evolving landscape of technology and its impact on organizational dynamics, investigating the role of emerging technologies in facilitating or hindering turnaround success could be a valuable area of exploration. By pursuing these targeted research endeavors, we can refine our understanding of contextual variations in success factors and tailor strategic recommendations more precisely. Such insights would contribute to academic discourse and offer practical guidance for organizations navigating the complexities of strategic turnaround management.

References

- Abdillah, W., Nofiani, D., Adi, M. P. H., & Marlina, E. (2024). To retrench or invest? Evaluating the turnaround and recovery strategies of Indonesia MNEs through data science approaches. *Journal of Applied Data Sciences*, 5(3), 885–900.
- Abebe, M. A. (2010). Top team composition and corporate turnaround under environmental stability and turbulence. *Leadership and Organizational Development Journal*, 31(3), 196–212.
- Akpoviroro, K. S., Amos, A. O., & Oladimeji, O. A. (2023). Implementation of turnaround strategies and organizational stakeholders' impact. *Globalization, the State and the Individual*, 31(1), 38–60.
- Arogyaswamy, K., Barker, V. L., & Yasai-Ardekani, M. (1995). Firm turnarounds: An integrative two-stage model. *Journal of Management Studies*, 32(4), 493–525.
- Baird, S. R. (2014). *An empirical investigation of successful, high performing turnaround professionals: Application of the dynamic capabilities theory* (Unpublished doctoral dissertation). Georgia State University.
- Balgobin, R., & Pandit, N. (2001). Stages in the turnaround process: The case of IBM UK. *European Management Journal*, 19(3), 301–316.
- Barker, V. L., Luger, J., Schmitt, A., & Xin, K. R. (2024). Corporate decline and turnarounds in times of digitalization. *Long Range Planning*, 57(1), 102211.
- Beer, M., & Nohria, N. (2000). *Cracking the code of change*. Harvard Business Review. https://hbr.org/2000/05/cracking-the-code-of-change
- Beeri, I. (2012). Turnaround management strategies in public systems: The impact on group-level organizational citizenship behavior. *International Review of Administrative Sciences*, 78, 158–179.
- Boyd, D. P. (2011). Lessons from turnaround leaders. *Strategy and Leadership*, 39(3), 36–43.
- Boyle, R., & Desai, H. (1991). Turnaround strategies for small firms. *Journal of Small Business Management*, 29(3), 33–61.
- Boyne, G. A., & Meier, K. J. (2009). Environmental change, human resources, and organizational turnaround. *Journal of Management Studies*, 46, 835–863.
- Carter, R., & Van Auken, H. (2006). Small firm bankruptcy. *Journal of Small Business Management*, 44(4), 493–512.
- Castrogiovanni, G., Baliga, B., & Kidwell, R. (1992). Curing sick businesses: Changing CEOs in turnaround efforts. *Academy of Management Executive*, 6, 26–41.

- Dallocchio, M., Caputo, A., Tron, A. & Colantoni, F. (2022). It's a matter of time! CEO turnover and corporate turnarounds in Italy. *Journal of Management and Organization*, 1–21.
- Deloitte. (2021). *The liquidity runway: Airlines in Southeast Asia-Turnaround and Restructuring Insights*. https://www2.deloitte.com/content/dam/Deloitte/sg/Documents/finance/sea-fa-2021-the-liquidity-runway.pdf
- Edokpa, S. I., Abbah, J. E. I., & Okeke, C. I. (2023). Effect of turnaround strategies on performance of selected private firms in plateau state. *AFIT Journal of Marketing Research*, 3(1), 75–89.
- Eisenhardt, K. M. (1990). Speed and strategic choice: How managers accelerate decision making. *California Management Review*, 32(3), 39-54. https://doi.org/10.2307/41166616
- El Sayed, T. M. H. (2015). *How to turnaround a company in decline: A case study approach* (Unpublished doctoral dissertation). Cardiff Metropolitan University.
- Ellis, J. A. (2012). Are turnaround specialists special? An examination of CEO reputation and CEO succession. *SSRN Electronic Journal*.
- Enck, R. E. (2012). The OODA loop. Home Health Care Management and Practice, 24(3), 123–124.
- Evans, R. T., Chitnomrath, T., & Christopher, T. (2013). Successful turnaround strategy: Thailand evidence. *Journal of Accounting in Emerging Economies*, 3(2), 115–124.
- Feloni, R., & Pelisson, A. (2017). *Retired Top Gun instructor explains the OODA loop.* Business Insider.
- Filatotchev, I., Toms, S., & Wright, M. (2006). The firm's strategic dynamics and corporate governance lifecycle. *International Journal of Managerial Finance*, 2(4), 256–279.
- Francis, J. D., & Desai, A. B. (2005). Situational and organizational determinants of turnaround. *Management Decision*, 43(9), 1203–1224.
- French, W., Bell, C. H., & Zawacki, R. A. (2005). *Organization development and transformation: Managing effective change* (6th ed.). McGraw Hill/Irwin.
- Gotteiner, S., Mas-Machuca, M., & Marimon, F. (2019). Turnaround types, stages, strategies, and tactics: Putting things in order. *European Accounting and Management Review*, 5(2), 12–37.
- Grinyer, P. H., & McKiernan, P. (1990). Generating major change in stagnating companies. *Strategic Management Journal*, 11, 131–146.

- Hambrick, D. C., & Schecter, S. M. (1983). Turnaround strategies for mature industrial-product business units. *Academy of Management Journal*, 26(2), 231–248.
- Hauschildt, J. (2008). Die Feststellung der Unternehmenskrise: Entscheidungen unter subjektiven Verzerrungen. *Krisen-, Sanierungs- und Insolvenzberatung*, 4(1), 5–11.
- Kazmi, A. (2008). A proposed framework for strategy implementation in the Indian context. *Management Decision*, 46(10), 1564–1581.
- Kesner, I. F., & Dalton, D. R. (1994). Top management turnover and CEO succession: An investigation of the effects of turnover on performance. *Journal of Management Studies*, 31(5), 701–713.
- Kierulff, H., & Petersen, H. L. (2009). Finance is everything: Advice from turnaround managers. *Journal of Business Strategy*, 30(6), 44–51.
- Kim, W. C., & Mauborgne, R. (2023). *Innovation doesn't have to be disruptive*. Harvard Business Review.
- Kish, E. (2017). Everyday turnaround: The art and science of daily business transformation. BookBaby.
- Kowalzick, M., Ahrens, J., Lauterbach, J. G. & Tang, Y. (2024). Overconfident CEOs in dire straits: How incumbent and successor CEOs' overconfidence affects firm turnaround performance. *Journal of Management Studies*, 61(5), 1985–2032.
- Kraus, S., Moog, P., Schlepphorst, S., & Raich, M. (2013). Crisis and turnaround management in SMEs: A qualitative-empirical investigation of 30 companies. *International Journal of Entrepreneurial Venturing*, 5(4), 406–430.
- Lascu, E. (2024). Active turnaround and restructuring dichotomy under a disruptive eve. *Proceedings of the 18th International Conference on Business Excellence*, 18(1), 563–572.
- Lawson, E., & Price, C. (2003). The psychology of change management. *The McKinsey Quarterly*, 30–41.
- Loosemore, M. (1998). The three ironies of crisis management in construction projects. *International Journal of Project Management*, 16(3), 139–144.
- Lussier, R. N., & Halabi, C. E. (2010). A three-country comparison of the business success versus failure prediction model. *Journal of Small Business Management*, 48(3), 360–377.
- Lussier, R. N., & Pfeifer, S. (2001). A cross-national prediction model for business success. *Journal of Small Business Management*, 39(3), 228–239.

- Maheshwari, S. (2000). Organizational decline and turnaround management: A contingency framework. *Vikalpa*, 25(4), 39–50.
- Malmendier, U., & Tate, G. (2009). Superstar CEOs. Quarterly Journal of Economics, 124(4), 1593–1638.
- Markides, C. (2006). Disruptive innovation: In need of better theory. *Journal of Product Innovation Management*, 23(1), 19–25.
- Mbugua, D., & Makori, D. (2014). Critical success factors on turnaround strategy of microfinance institutions in Kenya. *Strategic Journal of Business and Change Management*, 1(5), 1–24.
- McGovern, T. (2007). Why do successful companies fail? A case study of the decline of Dunlop. *Business History*, 49(6), 886–907.
- McKinsey. (2023). *The state of organizations* 2023. https://www.mckinsey.com/~/media/mckinsey/business%20functions/people%20and%20organizational%20performance/our%20insights/the%20state%20of%20organizations%202023/the-state-of-organizations-2023.pdf
- Mitter, C., & Mayr, S. (2013). Erfolgsfaktoren zur nachhaltigen Sanierung insolventer KMU (Success factors for a sustainable turnaround of bankrupt SMEs). *Annual Interdisciplinary Entrepreneurship Conference, Koblenz*.
- Moog, P., Schlepphorst, S., & Raich, M. (2013). Crisis and turnaround management in SMEs: A qualitative-empirical investigation of 30 companies. *International Journal of Entrepreneurial Venturing*, 5(4), 321–339.
- Morrow, J. L., Sirmon, D. G., Hitt, M. A., & Holcomb, T. R. (2007). Creating value in the face of declining performance: Firm strategies and organizational recovery. *Strategic Management Journal*, 28(3), 271–283.
- Neilson, G. L., Martin, K. L., & Powers, E. (2008). The secrets to successful strategy execution. *Harvard Business Review*, 86(6), 60–70.
- Nordenström, P., & Ekberg, E. (2020). How to manage a turnaround and seize longterm opportunities: Applied value knowledge turnaround management. Applied Value Group.
- Nystrom, P., & Starbuck, W. (2015). To avoid organizational crises, unlearn. *SSRN Electronic Journal*, 45(2), 45–51.
- Oehninger, R., Kendzia, M. J., & Scherrer, F. (2020). Preventing corporate turnarounds through an early warning system. *International Journal of Management, Knowledge and Learning*, 9(2), 185–205.
- Onich, T. M. (2012). *Turnaround management: Growth and incipient decline in synthesis*. http://turnaroundinternational.com/growth%20distress%20article.pdf

- Perry, S. C. (2001). The relationship between written business plans and the failure of small businesses in the US. *Journal of Small Business Management*, 39(3), 201–208.
- Piller, F., & Schoder, D. (1999). Mass customization and electronic commerce. *Zeitschrift für Betriebswirtschaft*, 69, 1111–1136.
- Primawan, A., Tanzil, N. D. & Sari, P. Y. (2024). Corporate in financial distress and determinant analysis of successful financial turnaround. *Jurnal Akuntansi*, 14(1), 9–24.
- Rico, M., & Puig, F. (2021). Successful turnarounds in bankrupt firms? Assessing retrenchment in the most severe form of crisis. *BRQ Business Research Quarterly*, 24(2), 114–128.
- Rivera-Prieto, J. C., Santana, M. & López-Cabrales, Á. (2022). Turnaround and human resource strategies during the COVID-19 crisis. *BRQ Business Research Quarterly*, 28(1), 37-58.
- Robbins, K., & Pearce, J. (1994). Retrenchment remains the foundation of business turnaround. *Strategic Management Journal*, 15(5), 407–417.
- Sadala, M. L. A., & Adorno, R. D. C. F. (2002). Phenomenology as a method to investigate the experience lived: A perspective from Husserl and Merleau Ponty's thought. *Journal of Advanced Nursing*, 37(3), 282–293.
- Santana, M., Valle, R., & Galan, J. L. (2017). Turnaround strategies for companies in crisis: Watch out the causes of decline before firing people. *BRQ Business Research Quarterly*, 20(3), 206–211.
- Saraiva, G. O., Ferreira, J. J., & Alves, M. (2024). Turnaround, decline, and strategic posture of SME: Empirical evidence. *Journal of the Knowledge Economy*, 1–31.
- Schendel, D., Patton, G. R., & Riggs, J. (1976). Corporate turnaround strategies: A study of profit decline and recovery. *Journal of General Management*, 3(3), 3–11.
- Scherrer, P. S. (2003). Management turnarounds: Diagnosing business ailments. *Journal of Corporate Governance*, *3*(4), 52–62.
- Schmitt, A., & Raisch, S. (2013). Corporate turnarounds: The duality of retrenchment and recovery. *Journal of Management Studies*, 50(7), 1216–1244.
- Schneider, S., & Spieth, P. (2013). Business model innovation: Towards an integrated future research agenda. *International Journal of Innovation Management*, 17(1), 1340001.
- Schoenberg, R., Collier, N., & Bowman, C. (2013). Strategies for business turnaround and recovery: A review and synthesis. *European Business Review*, 25(3), 243–262.

- Schweizer, L., & Nienhaus, A. (2017). Corporate distress and turnaround: Integrating the literature and directing future research. *Business Research*, 10, 3–47.
- Shepherd, N., Mooi, E., Elbanna, S., & Lou, B. (2023). European Management Review, 20, 679–697.
- Sinnaiah, T., Adam, S., & Mahadi, B. (2023). A strategic management process: The role of decision-making style and organizational performance. *Journal of Work-Applied Management*, 15(1), 37–50.
- Slatter, S. (1984). Corporate recovery: Successful turnaround strategies and their implementation. Penguin.
- Sneader, K., & Sternfels, B. (2020). From surviving to thriving: Reimagining the post-COVID-19 return. McKinsey & Company.
- Sudarsanam, S., & Lai, J. (2001). Corporate financial distress and turnaround strategies: An empirical analysis. *British Journal of Management*, 12(3), 183–199.
- Sulaiman, S., Ghani, E. K. & Ismail, A. M. (2022). Critical success strategies on business turnaround: A case study. *Res Militaris European Journal of Military Studies*, 12(2), 65–76.
- Sutherland, J., & Sutherland, J. J. (2014). *Scrum: The art of doing twice the work in half the time*. Crown Business.
- Tasya, R., & Alvia, L. (2024). The effect of retrenchment policy on financial recovery of hospitality, restaurant and tourism sub-sector companies during the Covid-19 pandemic. *International Journal of Economics, Management and Accounting*, 1(2), 158–174.
- Thain, D. H., & Goldthorpe, R. L. (1989). Turnaround management: Causes of decline. *Business Quarterly*, 54, 55–62.
- Tourtellot, P. L. (2004). Successful corporate turnarounds: Operational expertise makes the difference. *Journal of Private Equity*, 7(4), 68–71.
- Van Gelder, J. L., de Vries, R. E., Frese, M., & Goutbeek, J. P. (2007). Differences in psychological strategies of failed and operational business owners in the Fiji Islands. *Journal of Small Business Management*, 45(3), 388–400.
- Vettorello, M., Eisenbart, B., & Ranscombe, C. (2019). Toward better design-related decision making: A proposal of an advanced OODA loop. *Proceedings of the International Conference on Engineering Design*, 2387–2396.
- Walker, B. (2021). Small business turnaround plan: Your complete guide to getting back to profitability while saving your sanity. Snowy Ridge Books.

Strategic Turnaround Management

- Weiss, L. A., & Wruck, K. H. (1998). Information problems, conflicts of interest, and asset stripping: Chapter 11's failure in the case of Eastern Airlines. *Journal of Financial Economics*, 48(1), 55–97.
- Westhead, P., Wright, M., & Ucbasaran, D. (2001). The internationalization of new and small firms: A resource-based view. *Journal of Business Venturing*, 16(4), 333–358.
- Wild, A. M. (2010). Learning the wrong lessons from history: Underestimating strategic change in business turnarounds. *Business History*, 52(4), 617–650.
- Yandava, B. (2012). A capability-driven turnaround strategy for the current economic environment. *Journal of Business Strategy*, 29, 157–185.
- Yawson, A. (2005). Performance shocks, turnaround strategies, and corporate recoveries: The Australian experience. *Journal of Business Strategy*, 26(6), 50–58.
- Zimmerman, F. M. (2002). The turnaround experience: Real-world lessons in revitalizing corporations. McGraw-Hill.