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Corporate Turnaround and Employee Needs a Study of Selected Firms in Nigerian.

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Abstract: *This study determined if there is a significant positive relationship between corporate Turnaround and Employee Exploitation. Ten Corporate entities that have superior longevity in various industry groups of the 225 firms in Nigerian Stock Exchange Market were selected using a multistage cluster sampling technique. Date was collected with a five point lickers scale structured instrument. Two hypotheses were tested using ANOVA. The findings reveal that there is significant position relationship between considerate treatment of employees during turnaround. That exploitation of employees have significant negative relationship to Business Sustainability. Recommendations are that firms undergoing turnaround should carry along the employees, giving them fair treatment even to elicit their cooperative for the success of the turnaround effort. And that to pursue Business Sustainability, Firms should avoid any kind of exploitation of their employees.*

INTRODUCTION

Corporate business entities operate to realize their goals. Their goals most often include growth. For growth to be sustained, they operate as a going concern. Operating as a going concern involves expectation from all the stakeholders to continue 'ad infinitum' yielding valuable returns to all stakeholders in perpetuity. Ker (2012) reported several firms that started, grew and were sustained for hundreds of years in Japan and China. Even in UK and USA there are firms that have successfully operated for over two hundred years buttressing the claims. Such superior longevity is not common in those countries. What is generally common is failed firms of all sizes; large, medium and small which abound. The firms with superior longevity support the perception of corporate entities as a going concern, and shows it is very possible if managed as such. It also suggests that 'no smoke is without fire' that business failures arise from mismanagement and other causes. This agrees with the claims of Ross and Kami (1973) that some American's biggest and richest corporations made decisions and took actions that negated the principles underlying going concern and paid the costly price of corporate collapse. This sorry experience is very common globally and cuts across nations of and firms all sizes. But business collapse is not the rule. It can be avoided. Corporations like men are born, grow, mature, may become sick, recover or die. Sometimes efforts to make them recover fail or succeed. It is this effort to revitalize a sick business firm i.e. to return the seriously dying company to health such that it becomes profitable again that is known as Turn-around, Anugwom (2002). As drowning persons desperate for survival, so are corporate entities in a crises of survival. Desperation for survival lead to Turnaround experts, who in implementing surgical Turnaround strategy of Khandwalla (1992) or theory E of Beer and Noriah (2000) resort to significant retrenchment (downsizing, rightsizing, layoff) and other Human Resource Management practices that tend towards inconsiderate treatment of the employees. Turnaround efforts to revitalize firms in crises of survival which fail to consider employee needs often fail according to Noe, Hollanbeck, Gerhart and Wright (2003). The question that agitates the mind is, what is the relationship between Turnaround efforts to revitalize a firm in crises and how the human factor is treated.

Objectives:

1. To determine the relationship between consideration of employee needs and the result of turnaround efforts.
2. To determine the relationship between employee exploitation and sustainability of corporate entities.

Hypotheses:

1. H_o consideration of employee needs do not have significant relationship with result of Turnaround efforts.
2. H_o Exploitation of employees have no significant relationship with the sustainability of corporate entities.

Corporate Turnaround:

Life generally produce successes and failures. Creative ideas also produce both successes and failures, again those who never fail are never creative, because creativity involves taking chances (Anugwom, 2002). Emphasizing this, Aruwa and Andow (2006) note that failure is an inevitable part of entrepreneurship and true entrepreneurs don't quit when they fail. In fact Anugwom (2002) posits that the hallmark of successful entrepreneur is the ability to fail intelligently, learning why they failed so that they can avoid making the same mistakes again. Aruwa and Andow (2006) insist that failure is a natural part of the creative process. The only people who never fail are those who never do anything or never attempt anything new. Aruwa and Andow (2006) certainly concur with

Zimmerer and Scarborough (1994) when they said "Rapid changes in the economy, society or market conditions produce uncertainty which can upturn and flatten the endeavour but entrepreneurs are not paralyzed by failure. By this, Zimmermer and Scarborough (1994) are buttressing the impact of environmental changes on a firm. To buttress the same point Diribe and **Azuonye** (1998), posited that when failure occurs focusing on it can be frustrating, but analyzing it can be helpful. For them, failure is a symptom of a deep seated problem not the problem itself. Failure like the downfall of a man need not be the end of his life, as such life must go on, owners and managers of failed business must therefore rise, study the reasons and causes of their failure with a view to beginning what Anugwom (2002) term Turnaround strategy. A venture has been turned around when it has recovered from a "decline that threatened its existence" to resume normal operations and achieve performance acceptable to its stakeholders (constituents) through reorientation, positioning, strategy, structure, control systems and power distribution. Return to positive cash flow is associated with achievement of "normal operations". According to Anugwom (2002), turnaround strategies are aimed towards improving the operational efficiency of an organization that was sick or performing very poorly, if it is in attractive industry. This turnaround definition implies that a declining firm can be turned around, while a firm that has failed cannot. Judicial actions are often associated with failed firms but less often with those in decline and very small ventures, which enter and exit informally. While it is true that decline and failure are often used interchangeably, it is valuable to distinguish between them, as this may influence the strategies that will be pursued for each (Pretorius, 2008). Emphasizing this further, sick or underperforming Business organizations that are in trouble because of inability to achieve their goals can do something about it they can adopt renewal-strategies in the form of retrenchment strategy that enables the firm to revitalize, this is used when a firm's problem are not too serious. This is a partial renewal strategy, while a serious problem calls for a complete turnaround strategy. Complete turnaround is a long-term corporate prescription for a disastrous company performance (Robbins and Coulter, 2007).
The existence, prevalence of sickly, dying, declining business firms abound in our society. Until now, no organization or call it 'corporate hospital' is known in Nigeria to address the health problems of corporate entities. Even the governments that ought to know the value of healthy business organizations to the economy has not provided a means for the turnaround of sickly or ailing businesses. Kachru (2005) opines that turnaround management is a highly targeted effort to return a poorly performing or sick organization to profitability, and or increase cash flow level to a significant level.

Organizations faced with significant decline in profit or having problems with cash flow are good candidate for a third party 'consultant' to intervene to bring it back to profitability. This consultant is a turnaround specialist.

Many studies have examined the perceived causes of business failure. These studies have generally been based on the opinions of one or more of the following three groups:

- failed owner/managers (Fredland and Morris, 1976, Smallbone, 1990); Hall and Young, 1991; Hall, 1992)
- non-failed owner/managers (Fredland and Morris, 1976); Chaganti and Chaganti (1983); Peterson, Kozmetsky and Ridgeway 1983); or
- third parties such as liquidators or official receivers (Hall and Young, 1991; Hall, 1992).

The motivation for 'most of these studies is best described by Abdelsamad and Kindling (1978) who states that 'although failure cannot be completely avoided in a free enterprise system, the failure rate could be reduced if some of its causes are recognized and preventive action taken'. A similar view was expressed by Larson and Clute (1979) who state that 'one realistic approach would be to identify failure symptoms before the occurrence of business failure. In fact, if deficiencies can be diagnosed early enough, managerial assistance can be given and failure may be averted'.
Two primary causes of business failure appear to be a lack of appropriate management skills (Chaganti and Chaganti, 1983) and inadequate capital (Hall and Young, 1991) and Peterson, Kozemtsky and Ridgway (1983). Said (1977) argue that 75 percent of these failures could be avoided if the proper help is available and accepted'. Reynolds (1987) found that a major factor related to small firm survival was the amount of attention given to financial matters especially as regards professional advice. Duchesneau and Gartner(1990) reported that 'Successful firms spend more time planning at start-up phase, were more likely to have used professional advice and had greater amounts of capital at start-up'. In addition, Kent (1994) found that the financial performance of a group of small pharmacy businesses was positively related to using external management advisory services. Conversely, Larson and Clute (1979), using the financial records of over 350 small businesses, found that business owners who had failed were more likely to have accepted advice from non-qualified sources and typically had poor accounting records. Why, therefore, more business owners do not access advice is puzzling. It has been suggested that lack of sufficient compelling evidence of the benefits of obtaining such advice. Pragmatic owner- managers are likely to expect a demonstrable 'pay-off before they adopt the financial reporting analysis practices and access professional advice as recommended in the literature. Alternatively, it may simply be a lack of sophistication on the part of some business owners. Sophisticated and capable business owners may

understand the benefits of compensating for their own inadequate knowledge or skills by accessing external assistance. However, less sophisticated and less capable SME owners may be unaware of their own shortcomings or unwilling to reach out for help, believing they should do it all themselves. It could be argued that part of the potential 'pay-off to business owners. Who seek professional advice, may relate to improving the odds of success or, conversely, reducing the probability of failure.

2.13 TURNING AROUND OF A FAILING BUSINESS

According to Sloma (1985), the reason for failure on the part of top Management can be attributed to the mismanagement of the "three Ps' i.e., People, product and plant.

Chathoth et al, (2006) define turnaround as the action taken to prevent the occurrence of financial disaster. A firm faces a turnaround situation when it does not perform up to the expectations of its stakeholders and the industry in terms of results over a period of time. This includes both present as well as future expectation of results. According to Pearce and Robbins (1993), "a turnaround situation exists when a firm encounters multiple years of declining performance subsequent to a period of prosperity". Typically, most turnaround situations result not only because of external factors but also due to incompetence. A turnaround event is different from other periods of economic reversal because of the uncommon severity (of the situation. A turnaround event occurs when the very existence of the company is threatened. Zimmerman (2002) depicts (hat turnaround situations frequently go unrecognized. Company managers often fail to differentiate routine business situations requiring less spectacular change from more serious situations where extraordinary action is required for the firm's survival. Occasionally, gradual drift takes place until the threatened firm deteriorates beyond the point where reasonable action can save it. These are the most serious cases because they represent situations in which the firm could have been saved but was not. The resulting catastrophe takes a cruel toll on employees, creditors, suppliers, stockholders, customers, and members of the local community. For both business and societal reasons, it is worthwhile to understand the early signs of decline.

THE TURNAROUND CANDIDATE

In Zimmerman (2002), it is indicated that for a company to be considered a turnaround candidate, the situation must be serious. Sharma and Manimala (2007) considered candidates for turnaround as 'sick firm'. To buttress this 'sickness' .perspective, Bidani and Metra (1983) listed the following criteria as signs of industrial sickness requiring turnaround

- Continuous default in making four consecutive yearly instalment of interest on principal of institutional loans;
- Continuous cash loss for a period of two years or continued erosion in the net worth, by 50% or more;

Mounting arrears on account of the statutory or other liability for a period of one year or two for Zimmerman (2002), fear of survival as a participant in the industry needs to be at stake. That doesn't mean that the company will survive completely intact. Some unsuccessful turnarounds unfold with a skeleton of the initial company surviving in a formal sense, but with the company's market position greatly weakened and employment greatly reduced. A turnaround candidate could be defined as a company or business entity faced with a period of crisis sufficiently serious to require a radical improvement in order to remain a significant participant in its major industry. According to Zimmerman (2002) the requirements for the radical improvement may have been imposed by a variety of causes including the state of the economy, mistakes made by management, distress of key customers, a physical or natural disaster, crime, or even sporadic unpredictable events.

Zimmerman (2002) has succinctly described the following criteria offered as conditions necessary to establish a company as a turnaround candidate as distinguished from other, more usual, business situations.

1. ***Profitability has declined*** from the previous 4-year average for a period of at least 1 year and profitability should not only low but slipping.
2. ***Profitability is either negative or significantly below the industry average*** and there are instances when other competitors are clearly able to achieve higher profit rates selling similar products.
3. ***Real revenue has declined*** representing a measure taken after adjustment for inflation to eliminate the instances where revenue increases solely because of inflation while actual business levels are down.
4. ***Market position is deteriorating*** as represented by a loss in market share, a decline in the number of key distributors or dealers, or price erosion in the company's products.
5. ***Investors, board members, or managers express concerns*** regarding the condition of the company, and initiate actions in response to these concerns. These concerns commonly coincide with deterioration in the company's cash position to the point that satisfaction of cash

obligations is difficult.

According to Sharma and Mammala (2007), turnaround situation seen in terms of financial health is deficient. The authors consider Khandwalla (1989) definition

According to Sloma (1985), the factors (hat influence turnaround can be categorized into internal and external factors. I External factors are forces that influence the organization from the external environment vis-a-vis economic problems, competitive problems, technological change and social change. According to Scherrer (2003), ' external factors include increased competition, rapidly changing technology and economic fluctuations. On the other hand, internal factors are symptoms that firms show from within the organization that can range from problems such as inability to pay taxes and debt services to eroding gross margin, decreasing capacity ′ utilization, increased turnover of management and staff and lack of competence and expertise to guide the organization on the part of top management. Key internal factors of decline include increasing inventory while sales growth decreases, cash flow problems and management's inability to cope with growth.

Sharma and Manimala (2007) agreed with Pandith (2000) when he intoned that accounting-based figures are unreliable, since they are susceptible to managerial manipulation. Other studies adopt human judgment to supplement accounting-based definitions of turnaround situation, or industrial sickness of bad performance. Zimmerman (2002) believed that agreement among stake-holders; investors, board members and managers is enough to adjudge a firm sick enough to require major turnaround. Robbins and Pearce (19923) feel that consensus among a firm's executives is sufficient to confirm a firm sick. Accounting-based definition supplemented by human judgment may be considered advantageous, since it is likely to take into account differences in context (whether for example the firm is a high performer in a weak industry or a weak performer in a strong industry) as Pandit (2000) advocated.

The criteria, offered by Zimmerman (2002) along with other subjective information about the individual case, as advocated by Pandit (2000); Sharma and Manimala (2007) can help make a judgment about whether the focal firm needs a true turnaround situation or a more routine business fluctuation.

TURNAROUND APPROACHES

Corporate turnaround has in the past forty years been labelled variously. Academics and Practitioners have described turnaround phenomenon variously as corporate recovery, corporate transformation, corporate renewal, organizational change, re-engineering or development. In principle, there is fundamental agreement that these labels describe actions required to reverse an impending disaster — the collapse of a corporate economic entity, (Takacs 2005).

Turnaround specialists are consultants who often are armed with iron will and series of prescribed remedies (strategies) for treating corporate maladies. Takacs (2005) noted that for firms in serious trouble, where the survival of the business is at stake, a turnaround expert may be the only cure - the tough medicine for a life-threatening illness. Such experts have been described as modern day corporate heroes, even though feared for their seemingly hard-nosed, tough and harsh approach. Typical examples are Jack Welch of General Electrics and Lacocca of Chrysler; when Jack hits a G.E. plant town, they say, 'the people disappear, but the building still stands'. This describes his turnaround action at General Electric, where over 100,000 of the 400,000 member workforce lost their jobs. At Chrysler under Lacocca, half the staff disappeared, Khandwalla (1992).

SURGICAL APPROACH TO TURNAROUND

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

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

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

NON SURCICAL OR HUMANE APPROACH

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

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

(1) Diversification, product-line rationalization, expansion etc (100%)
(2) Change in top management (95%)
(3) Marketing related actions (90%)
(4) Restructuring (80%)
(5) Plant Modernization (75%)
(6) Cost-reduction measures other than retrenchment (65%)
(7) Better organizational integration, participative management, emphasis on core values (65%)

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

2.16.3 THEORY E AND THEORY O

Following Khandwalla (1992), Beer and Nohria (2000) also-identified two major arch types or theories of corporate transformation, namely theory E and theory O. Theory E is labelled a 'hard' approach similar to Khandwalla's 'surgical approach'. Beer and Nohria (2000) posits that theory E stands for economic value, where shareholder value is the only legitimate measure of success, and often involves heavy use of economic incentives, layoffs, downsizing and restructuring. This approach is top-down and often involves outside consultants. On the other hand, theory O is a process of change based on organizational capability, 'where the goal is to build and strengthen corporate culture'.

Takacs (2005) observes that sometimes, practitioners in implementing 'surgical' turnaround approach blend it with some elements of the 'non surgical' or 'humane' approach, such as participative management, human resource development and other incentives. Takacs also notes that 'non surgical' or 'humane approach' is commonly employed in Asia and Europe.

Betts (2010) opines that (here are only two basic approaches to turning around a declining business, namely 'the wishful thinking" and a 'logical approach'. For him, the 'wishful thinking' approach is clearly living in a fantasy world. It describes the situation where a business is in financial trouble, the management concludes that a little more finance will fix the problem with the condition the chief executive officer or the chief financial officer spends months on end chasing banks, investors and other venture capitalists trying to get extra financing at a 'good price', believing that a little money 'working capital' will do the magic. He concludes that the funding never comes because (1) the leadership is in a fantasy trap always believing that financing will come true therefore do nothing about their business problem, whereas (2) no financier in his right mind will invest in a troubled business with declining sales, profits and cash-flow, the risk being too high, yet the financiers will never tell you out-rightly that your proposal will not come true.

For Betts 'the logical approach' is to downsize your business, keep only the profitable parts. With this 'logical approach' you don't need funding and will not go bankrupt, though the approach require taking very unpleasant actions - shrinking the size of the firm and laying off some workers.

Betts' 'logical approach' corresponds to Khandwalla's 'surgical approach' and Beer and Nohria's 'Theory E', while his 'wishful thinking' approach though commonly applied by both corporate entities and most small scale businesses corresponds to neither 'theory O' nor 'humane'Approach. Betts 'wishful thinking approach' is very prevalent in Nigeria, especially among small scale entrepreneurial firms. In discussing corporate recovery, Elliott (2007) notes that the management focus in the crisis situation are to 'stop the rot' by retrenchment, while implementing turnaround strategies. For him, what matters most is to compile 'a package of feasible, acceptable and suitable options which for him fall within Defensive strategies, retrenchment and belligerent turnaround. Elliott (2007) propose the following as component actions of turnaround:

(a) Changes in top management
(b) Development of a new culture
(c) Restructuring
(d) A review of pricing policy
(e) Product-market repositioning
(f) Acquisition
(g) Capital restructuring
(h) Improved financial control
(i) Investment in Research and Development

It is therefore obvious that Elliott (2007) proposal correspond with Khandwalla

(1992) Non-surgical approach and Beer and Noriah (2000) theory O.

Employee Needs

Employees being human are the most critical element of a corporate entity in a turnaround situation. Success or failure of an enterprise affect all the stakeholders. Every employee just as every firm's stakeholder desire and expect profitable outcome and growth of their enterprise but just as previous discuss show decline and failure often present itself to the disappointment of all. In such turn of event, remedial actions (turnaround) are expected to return the now sick firm to health (profitability and growth). According to both

Khandwalla (1992) and Beer and Noriah (2000) the two major approaches popular in the West and in many third world countries have retrenchment central to it. This approach is labeled (surgical approach by Khandwalla (1992) or theory E or "hard Approach by Beer and Noriah (2000). This approach with retrenchment central to it involves reduction of human resource conceptualized as "downsizing" or 'rightsizing'

Downsizing

Downsizing is the laying off of a large number of managerial and other employees, Ezigbo (2000). This approach is taken to reduce cost and increase efficiency. Noe, Hollenbeck, Gerbert and Wright (2004) described downsizing as the planned elimination of a large number of personnel designed to enhance organizational effectiveness. This strategy is especially adopted for the purpose reversing declining business performance of a sickly enterprise. Noe et al stated that inspite of the increasing frequency of downsizing; research reveals that it is far from universally successful for achieving the goals of increased productivity and increased profitability. This implicates downsizing as a counter productive exercise. To buttress the point they show that the American Management Association (AMA) conducted a survey which indicated that only about 30% of all the firms that downsized achieved their goals of increased productivity. Another study by AMA found that over 66% of the firms that downsized repeated their effort within the next twelve months, showing that their organizational sickness deepened. Yet another study by a consulting firm reported by Noe et al show that organizations that downsized during the 1980s lagged the industry average stock price in 1991.

Human Resource literature resonate with counter productive nature of downsizing unless skill and extra care is taken to moderate the ill side effects of the exercise. The ill side effects include low morale in the remaining work force, the fear of possible further downsizing may make valuable remaining staff to seek alternative employment from competitors, the downsized staff acquired by a competitor may divulge the firms secrets to the former firm's disadvantage, resources spent in training the staff laid off is lost irretrievably, the demoralized remaining workers feeling insecure will very likely be de-motivated to give their best and in the event of the firm beginning to pick up again, it will need to double the resources for training the new intake to required level of efficiency. To avoid the negative ill effects of downsizing during turnaround, the alternate strategy of theory O of Beer and Noriah (2000) Khandwalla (1992) 'non surgical' or 'humane' approach, may be adopted which is more employee friendly. This 'theory O' approach is a process of change based on organizational capability where the goal is to build and strengthen corporate culture. This is because Theory O is more complex and thorough than theory E or the Surgical Approach. Theory O thrives on better organizational integration, participative, management and emphasize core value management.

Theoretical framework: The study is hinged on the following theories: Natural systems organization theory of Scot (1981) contingency theory, and Stacy Adam's Equity theory.

The natural systems perspective state that the main goal of organization is survival, while allowing for other secondary goals. While the contingency theorists, insist that there is no one best way of performing organizational activities but the organizational functions and activities depends on the specific situation at hand. Equity theory suggests that employee perception of the ratio of his input in the organization and his benefits compared to others inside and outside the organization determine how fair their employment relationship is. That perception of inequity lead to employees taking steps to equalize equity.

These theories are relevant since: (1) firms that are candidates for corperate turnaround are in crises of survival and will do almost anything to survive including exploiting or shortchanging the employees. (2) Since firms in crises of survival are diverse, operating in diverse environments with multi diverse problems, there is no one best way to handle employees, as such approaches for managing workers unless situation specific will fail. (3) efforts to reverse declining performance and be turned around which exploit or shortchange employees may spark off employee efforts to equalize inequity thus leading to de-motivation, loss of commitment, high employee turnover and so on which will worsen the crises, negate and nullify all efforts at turnaround.

METHODS

This study adopted descriptive design. It employed primary data collected with a structured instrument based on five point Lickert scale. This work utilized a multi stage, cluster sampling technique. The population of the two hundred and twenty five (225) corporate entities quoted in the Nigerian Stock Exchange Market. Out of these two hundred and twenty five forms only about fifty have been operating in the volatile Nigerian Business Environment fore more than fifty years. These firms operate in different industries groups. The oldest firm in each industry group was chosen where there are more than one firm in the industry as a cluster. The only difference was in the print/Media Industry, where the oldest is a Daily Times that is in recent times a dormant corporate name. As such, the second oldest was chosen. In the firms selected the first line Managers were chosen because they form a cluster close to management and knowledgeable enough to appreciate company Policies and practices. The instrument was validated with the use of rotation method of factor analysis, while the reliability was determined based on reliability co-efficient of the Crombach's Alpha test, which yielded 0.789. The hypothese were tested using T-test and ANOVA.

Hypothesis 1

Ho Consideration of employee needs do not significantly affect the success of corporate turnaround.

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Table 1. ANOVA of Effect of Employee needs on Turnaround

			Sum of Squares	Df	Mean Square	F	Sig
WELFARE (16)* Gender of Respondents	Between Groups	(Combined)	12.444	1	12.444	13.463	.000
	Within Groups		127.556	138	.924		
	Total		140.000	139			
NEGEMF (17)* Gender of Respondents	Between Groups	(Combined)	.016	1	.016	.034	.853
	Within Group		63.556	138	.461		
	Total		63.571	139			
EMPCOP (18) * Gender of Respondents	Between Groups	(Combined)	1.587	1	1.587	6.161	.014
	Within Groups		35.556	138	.258		
	Total		37.143	139			

Source: Field Survey, 2018

Hypothesis one was tested to determine if consideration of employee needs significantly affect the success of corporate turnaround programmes. The result 0.000 revealed that improvement of employee welfare packages significantly affect the success of turnaround programmes. H_o is therefore rejected. $H_1$is accepted as valid. The result 0.853 shows that failure to consider employee needs negatively affects their cooperation during turnaround. The result 0.014 indicates that employee cooperation with management make corporate performance improvement effort possible. Thus rejecting H_o in favour H_1.

Hypothesis II

Ho Exploitation of employees do not negatively affect corporate sustainability.

H_1Exploitation of employees have significant negative relationship with corporate sustainability.

Table 2. ANOVA on relationship of Exploitation of Employees on corporate Sustainability

			Sum of Squares	df	Mean Square	F	Sig
EMPOWER* Gender of Respondents	Between Groups	(Combined)	9.143	1	9.143	6.066	.015
	Within Groups		208.000	138	1.507		
	Total		217.143	139			
EQUIHO * Gender of Respondents	Between Groups	(Combined)	2.683	1	2.683	2.047	.155
	Within Groups		180.889	138	1.507		
	Total		183.571	139			
DISCIPLINE * Gender of Respondents	Between Groups	(Combined)	24.143	1	24.143	118.990	.000
	Within Groups		28.000	138	.203		
	Total		52.143	139			
CONSTRAIN * Gender of Respondents	Between Groups	(Combined)	14.286	1	14.286	6.161	.014
	Within Groups		320.000	138	2.319		
	Total		334.286	139			
RETIMENT* Gender of Respondents	Between Groups	(Combined)	3.571	1	3.571	6.161	.014
	Within Groups		80.000	138	.580		
	Total		83.571	139			
INCENTIVE * Gender of Respondents	Between Groups	(Combined)	2.286	1	2.286	.896	.345
	Within Groups		354.286	138	2.551		
	Total		354.286	139			
FEXIOT * Gender of Respondents	Between Groups	(Combined)	11.571	1	11.571	10.506	.001
	Within Groups		152.000	138	1.101		
	Total		163.571	139			

Source: Field Survey 2018

The test as regards the number of organisations the respondents have worked for show that employee exploitation very significantly affects business sustainability. So we reject H_O and accept H_I.

Employee participation in decision making especially in a turnaround situation was found to be critical in maximizing the value and potentials of employees. This sustainability factor according to Elliot (2007) posits that employee participation in decision making implies harnessing their full potential for synergistic benefit to the firm that adopts team leadership model in a democratic organisation. This also accords with Rok (2009). Employees in Nigeria generally do not trust management intentions, nor do they regard management as employee friendly. This sad situation reflects the level of distrust in the wider society. Human resource literature indicate that confidence building with all stake holders in a crises situation of whom the employees are critical element is a sustainability factor. Ethical values require that management be honest and trust worthy, to build good will, good reputation with all the stakeholders. This distrust of management and leadership though common in Nigeria agrees with Rogger and Riddle (2003) and with Fapohunda (2012) that states that firms exploit their employees to make them ever dependent and poor.

Employers do not always regard employees as assets or human capital rather they perceive them as part of the cost of doing business or liability. Logically, if employees are regarded as cost or liability, it is natural to want to reduce cost or liability to enhance profit. Perception of employees as assets or human capital on the other hand will lead to value enhancement through training and retraining, while perception as cost or liability will lead to the attitude of 'use and throw away' or exploitation.

RELATIONSHIP BETWEEN **EMPLOYEE** NEEDS **AND TURNAROUND PROGRAMMES**

Consideration of employee needs, feelings and innovative use of incentives do significantly affect the success of turnaround programmes. This agrees with Zimmerman (2002) who insisted that work-time requirements fringe benefits and compensation for various occupations and company participations are necessary for successful turnarounds.

EXPLOITATION OF EMPLOYEES AND ITS EFFECT ON BUSINESS SUSTAINABILITY

The result of the study show that employee exploitation do significantly affect corporate sustainability negatively. This finding agrees with Eroke (2012) who noted that exploitation of workers reduces the value of the employee forcing him to react to perceived inequity in accordance with Adam's equity/inequity theory. This reaction can result in pilfering, absenteeism, negligence of duty, lateness to work, work stoppages or other negative work place behaviours that affect productivity and sustainability.

CONCLUSIONS AND RECOMMENDATION

This study concludes that cooperation of employees are very critical in successful turnaround and sustainability of sickly firms, firms undergoing such a serious traumatic experience must ensure a unity of purpose and direction by carrying the employees along through perspective decision making and confidence building.

The study recommends that firms undergoing turnaround experience should be very considerate in the way they treat their human resources. They should carry them along both in decisions and actions that affect their well being through participative decision making, confidence building to nurture their commitment. They should by all means avoid what the employees mighty persevere as exploitation.

Employees are 'the goose that lay the golden egg'; as such they are to be regarded as human capital. To get the best from them regular training and development will sharpen them to become key instrument of competitive advantage. This agrees with Noe, Hollenbeck, Gerhartand and Wright (2004) and with Adam (2010).

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