

**ANALYSIS OF TURNAROUND STRATEGIES ON ORGANIZATION PERFORMANCE:  
CASE OF UCHUMI SUPERMARKET- KENYA**

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## ABSTRACT

Turnaround strategy is the process by which a business with inadequate performance is analyzed and changed to achieve desired results. It is an important tool to arrest and reverse the sources of competitive and financial weakness of an organisation as quickly as possible. A company could be transformed into learning organization while adopting turnaround strategy so that they could increase the operation efficiency of company and develop a competitive advantage of a company. Turnaround in any business organization results in effective service delivery, responsible and accountability of workers, co-operative Governance and an improved business transformation with the objective of avoiding the need for stake holder's intervention and liquidation. The researcher analysed the turnaround strategies on organization performance at Uchumi supermarket, an organisation that had positioned itself as a market leader since 1976 until 2000 when it started experiencing difficulties. The problem is that when Uchumi got into decline in the year 2000 the former managers could not save it from its woes despite employing various strategies, however with appointment of new managers there was a new lease of life. The purpose of this study was to analyse the outcome of turnaround strategies adopted at Uchumi. The objectives were to examine the role of stakeholder of repositioning and support, top management reorganisation, training and sensitization and cost reduction strategy and government policy on turnaround strategies applied at Uchumi supermarket. The study adopted a case approach in order to get an in-depth of the outcome in implementation of turnaround strategies. The target population was two hundred and twenty five staff members that were used to get the sample size out of the target population, which comprised of ninety managers. Simple random was used to get actual individuals. Primary data was collected using interview. Secondary data obtained from a review of published materials on the subject of turnaround and from reports documenting the Uchumi turnaround. The qualitative data collected was analyzed using narrative analysis while quantitative data was analyzed by the use of Statistical Package for Social Science Software (SPSS) version 17 and descriptive statistics as well as correlation analysis and regression. From the findings, stakeholders greatly contributed to the success of turnaround strategies in Uchumi. The study found that strategies made by top management influenced strength of the company's market position largely. New management considered stakeholders interest in their strategic decisions highly. Managers' strategic decisions affected the company positively. The managers had a practice of transparency and commitment during decline. The study further concludes that stakeholders installed played a great role in the success of turnaround strategies n the new Uchumi