EFFECT OF CHANGE OF MANAGEMENT AND REPOSITIONING TURNAROUND STRATEGIES ON PERFORMANCE OF SELECTED PRIVATE FIRMS IN PLATEAU STATE

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Abstract
The selected private firms of analysis have carried out turnaround but were yet to witness a successful outcome. If the discourse on corporate turnaround should be context specific to enhance generalization, then research to determine the effect of turnaround strategies on performance of private firms is germane to scholarship. This study specifically examined effect of change of management and repositioning strategies on performance of private firms in Plateau State. Survey research design was adopted while primary data were sourced from 21 private limited liability companies. 84 usable copies of questionnaire were returned for analysis. Partial least squares regression analysis, using SmartPLS-SEM software, was employed to test the measurement and structural models. The results showed change of management has negative and significant effect on performance. Furthermore, repositioning strategy has positive and significant effect on performance of private firms in Plateau State. Therefore, it is recommended that repositioning strategy should be implemented by private firms facing existence-threatening decline to witness a successful turnaround. In addition, it should be the anchor for the implementation of other turnaround strategies in the private firms.
Keywords- *Change of management, Private firms, Repositioning strategy, Turnaround strategies*

INTRODUCTION

Disruptive change in the external environment of firms presents unintended consequences. Business survival is determined by its ability to align fittingly with the disruptive change in the operating environment otherwise it could face an existence-threatening decline in performance that impels a turnaround action. A firm is said to be in a decline when it experiences plummeting resource sufficient to compromise its viability and jeopardize its going concern (Okwisa et al., 2016). Corporate turnaround scholars gave a lot of attention to public enterprises and quoted companies (Wandera et al. 2018; Ukaidi, 2016) with little or inadequate review of turnaround in private firms which constitute the fulcrum for the development of an economy (Gbam, 2017; Titus, 2014). Those investigations utilized secondary data sourced from central financial data repositories, particularly those carried out in developed climes. Private firms have their unique characteristics compared to quoted companies and public enterprises (Asker et al., 2015; Gao & Li, 2015; George, 2005; Gallo, 2004) that may influence the implementation of the research-suggested turnaround strategies. A blind application of research-suggested turnaround strategies without considering the unique characteristics and context of the firms may not produce a turnaround. Implementation of inappropriate turnaround strategies may result in waste of resources and possible demise. The demise or failure of a company may result in negative socio-economic consequences such as loss of investment and jobs. At the macro level it has negative impact on internally generated revenue, as well as the GDP, of the State. This makes it imperative at the micro and macro levels to ensure the going concern of private firms is not jeopardized.

The focus of this study is on private limited liability companies in mixed sectors who carried out turnaround and were yet to experience a successful outcome between 2006 and 2019. To be recruited for the study a firm must have experienced a severe decline in performance or negative return on investment (ROI) consecutively for a minimum of three years (O'Kane & Cunningham, 2012; Abebe, et al., 2012). Change of management and repositioning were the two proxies of turnaround strategies of study. Empirical literature had suggested there is a link between each of the variables and firm performance. Return on investment was adopted as the measure of firm performance.

The specific objectives of the study were to examine the separate effect of change of management, and repositioning strategy on performance of private firms in Plateau State. In line with the specific objectives, the research sought to answer two questions:

(i) Does change of management have any effect on the performance of private firms in Plateau State?
(ii) What is the effect of repositioning strategy on the performance of private firms in Plateau State?

In keeping with research questions, the following hypotheses were tested in the study:
Ho1- Change of management has no significant effect on performance of private firms in Plateau State.
Ho2- Repositioning strategy has no significant effect on performance of private firms in Plateau State.

The investigation contributes to existing knowledge in corporate turnaround by extending the discourse to private firms. Furthermore, it strengthens the research suggestion for contingency approach in the determination of turnaround strategies. Linking turnaround strategies with the context of the private firms and triggers of the survival-threatening decline are germane in the pursuit of a successful turnaround. Finally, the outcome would reshape policy in the firms of analysis to guard against losses in investment, jobs created, internally generated revenue and gross domestic product (GDP) that may flow from the demise of a company where turnaround efforts failed.

LITERATURE REVIEW

Conceptual Review/Framework

The conceptual framework in the study depicts the individual link between change of management and repositioning strategy (the predicting variables) and performance (the dependent variable). The study hypothesized a direct link between the predicting variables and performance of private firms in Plateau State. Against that backdrop, Figure 1 clearly shows the conceptual framework for the analysis.

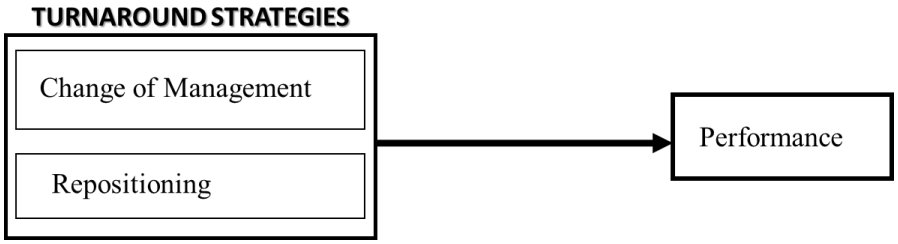


Figure 1. Conceptual framework

Concept of Turnaround

Turnaround is defined in the study as a change from a severe decline or failure to recovery and improved performance. A turnaround in business is prompted by a severe deterioration in performance, a condition of decline or distress before failure. Wandera et al. (2018) view turnaround as a switch in performance from decline and failure to recovery and success. Cheo (2012) submits that turnaround cycles are generally depicted as a decline and recovery in the performance of the firm. A two-stage perspective holds that corporate turnaround is characterized by two different stages of retrenchment and recovery (Pearce & Robbins, 1994). The stages were later increased to three (decline, redirection and reestablishment) by Pearce (2007). Considering the viewpoints of scholars on subject matter, it could be concluded that while initial retrenchment actions help the firm to halt the decline and severe resource loss, recovery stage presents the need to initiate actions that address the root causes of the decline. Therefore, at the final stage emphasis should be shifted to consolidating on the gains and improvements recorded in the prior stages to position the firm on solid profitability and competitive pedestals. TenBrink (2016) posits that turnaround is preceded by decline. This shows it makes sense to subject the decline to descriptive, diagnostic, predictive and prescriptive analytics to provide the firms with useful information for effective decision making in the turnaround attempt.

Roberts et al. (2017) and Nnabuife et al. (2015) observed that some benchmarks used by scholars to ascertain decline were fundamentally anecdotal and not empirically derived. Rather, they were occasionally imposed to separate profitable firms from those that are not. It is expected that the selected indicator should be capable of objective measurement such as return on total assets (ROA) or return on investments (ROI). Additionally, the turnaround cycle should involve a minimum number of years sufficient to ascertain a company was truly in decline by losses in resources and that a company had recovered from the downturn by posting consistent improved profits for a minimum of years. The minimum threshold of 3 consecutive years was adopted indicative of decline or turnaround success in the study.

Concept of Turnaround Strategies

A turnaround strategy was defined in the study as a purposeful and intentional set of actions initiated by the firm to reverse a severe decline, restore profitability and competitiveness. Cater and Schwab (2008) see a turnaround strategy as "a set of consequential, directive, long- term decision and action targeted at the reversal of perceived crisis that threatens the firm's survival". Drawing a link between turnaround strategy and firm decline, Akrani (2012) suggested that a turnaround strategy is an analytical approach to solving the root causes of a firm decline. The view was corroborated by Collett et al. (2014) when they posited that the causes of decline are determinants of effective recovery strategies. Therefore, turnaround strategists and scholars should ensure theoretical models and research designs take due cognizance of the causes of the firm's decline if successful turnaround would be achieved. While Ndofor et al. (2013) queried prior research efforts for not paying attention to the overarching influence of the cause of firm decline as a major factor in a turnaround effort, Ukaidi (2016) stated severe performance failure informs the appropriateness of the recovery actions. According to him, actions to be initiated should be determined by the condition the firm finds itself in. This study aligns with that position in the pursuit of firm turnaround. A blind application of research suggested turnaround strategies costs the firm some valuable resources that could have been used to strengthen its competitive position in the pursuit of future growth and sustainability.

Concept of Change of Management

Change of management is defined in the study as replacement of the firm's incumbent CEO and may include the top management during the turnaround process. The change is in line with the assertion that leadership is at the heart of any organizational decline or turnaround (Ghawazzi, 2018). The old management may be responsible for the decline, and thus the necessity to engage a manager with experience in turnaround management. Credibility or objectivity gap in the incumbent may warrant that the new management be sourced externally to bring fresh perspective in running the firm toward reversing the slide. Change of management is widely quoted as a precondition for a successful turnaround, affirming that in the event a firm is experiencing distress and exposure to risk, investors would be more anxious about the safety of their investment (Kamunde, 2010). Adriaanse & Van der Rest (2017) reported that 80% of the investigated firms faced with severe survival-threatening decline resorted to change of management, particularly the chief executive officer (CEO). The replacement of the firm's incumbent CEO is frequently undertaken early in the turnaround process. It may serve as the trigger for a realization that the firm is in serious difficulties requiring an urgent remedial action (Wandera et al., 2018; Sije, 2017). However, it is not every firm turnaround attempt that may require a change of the CEO and top management. The diagnostic analytics of the root causes of decline may exonerate the incumbent management. Firing the management for a slide caused by external environmental factors may not guarantee a turnaround success. A firm may also be reluctant to fire the CEO due to large entrenchment costs associated with forced CEO turnover and the homogeneity in the ability of CEOs in the labor market (Taylor, 2010). In line with that view, turnaround may be initiated by the incumbent management who are set at reversing the slide.

Concept of Repositioning Strategy

A decline in performance may be indicative of the dire need to realign the firm with the environmental realities. Such realignment is called repositioning (Ukaidi, 2016). Repositioning strategy was defined in the study as a set

of management actions and policy initiatives to realign the firm with the changes in the external environment aimed at eliminating or coping with the causes of decline and raise performance to acceptable levels. A key objective of repositioning strategy is improvement of the firm's competitive and market positions (TenBrink, 2016; Schmitt & Raisch, 2013). Repositioning strategy is a part of recovery efforts which are the strategic changes that transform the firm for sustained growth, profitability, and competitiveness (Eichner, 2010). Such activities may be in form of market penetration, product launch, market entry, acquisition/mergers, and structural change. Beeri (2012) holds that repositioning turnaround strategy involves proactive activities that lay emphasis on cost-effectiveness, innovation and growth. These activities may require the introduction of new products/services to either current or new consumers, redefinition of core missions, or improvement of existing products/services. It has also been referred to be an entrepreneurial strategy as it emphasizes product portfolio, change, and innovation in market position (Panicker & Manimala, 2015; Boyne & Meier, 2009). Repositioning actions may further include any activity such as technological innovation, financial restructuring, and portfolio restructuring aimed at aligning the firm with the environment for improved performance and competitiveness. It is conceptualized in this study that repositioning actions pursued should be linked to firm-specific contingency factors and causes of the decline. This may only be possible if there was a thorough diagnosis of the causative environmental factors and an objective inquiry into the firm's competitive position. It could be argued that without realigning the firm with disruptive change in the external environment, any other turnaround strategies implemented by the firm may not produce the desired success.

Concept of Performance

Performance is pervasive in every sphere of human endeavor. In business, performance is the considered goal of every entrepreneurial activity with the profit motive. Business performance, therefore, could be viewed as the mechanism through which the firm evaluates all the efforts for the achievement of set goals (Yildiz & Karakas, 2012). Performance in the study refers to the results or outcomes of a firm, typically measured against specific goals or key performance indicators (KPIs). It is a measure of how well a business is performing in terms of its financial, operational, and strategic objectives. It provides insights into the overall health and success of a firm and helps identify areas that require improvement or further investment. Thus, every marketing, operations, human resources function, and strategy are assessed in finality by their contributions to the firm's performance or bottom line. Organizations have heterogeneity in acquired resources and capabilities as well as the discretion to deploy such resources which influence their choice of performance measures. Profitability as a measure of firm performance defines the ability of a business to produce a return on an investment based on its resources in comparison with an alternative investment (Wandera et al., 2018). A firm's performance can be evaluated using various criteria such as profitability, revenue growth, market share, customer satisfaction, employee productivity, operational efficiency, and return on investment (ROI). The appeal of ROI as a generalizable measure of financial performance makes it the primary variable in most strategy research on decline and turnaround (TenBrink, 2019; Ukaidi, 2016; Chen et al., 2014). While the performance of the firm can only be meaningful if it is in consonance with its main strategic objectives, the measures adopted should be capable of tracking progress made in achieving such objectives.

Change of Management and Performance

Jepchumba and Wagude (2021) researched the influence of top management change turnaround strategy on performance of manufacturing firms with emphasis on public sugar companies in Kenya. Questionnaire was used in data collection and correlation analysis helped in determining the relationship between top management change strategy and performance of manufacturing firms. As reported, top management change strategy has positive relationship with performance of manufacturing firms in Kenya.

Kor (2020) investigated the effect of CEO change on successful turnaround in listed small and medium enterprises (SMEs). 521 publicly listed SMEs in North America region had all the information required for the construction of the variables in this study. Logistic regression method was employed to estimate the results of

survival turnaround. The findings showed that retaining the CEO has a significant positive effect on firm turnaround.

Okeke et al. (2019) evaluated the effect of leadership change on organizational performance in selected manufacturing companies in Anambra State, Nigeria. Multiple regression analyses were performed in processing the data obtained. It was reported that leadership change has positive significant influence on organizational performance of manufacturing companies in Anambra State.

Wandera et al. (2018) assessed the relationship between re-organization strategies and performance of state-owned sugar companies in Kenya. The questionnaire was used to source for the primary data analyzed with the aid of Pearson correlation, multi-linear regressions, and the Analysis of Variance. It was reported that reorganization strategies have a moderate positive and highly significant relationship with performance.
O'Kane and Cunningham (2012) studied the effect of leadership (CEO) change on the performance of firms within the Irish context. The investigation employed ROI as the measure of performance. Twenty respondents, which comprised of the CEOs and top managers, were interviewed. The outcome showed that the effect of leadership (CEO) change on performance in turnarounds was inconclusive and susceptible to firm characteristics.

In conclusion, the reports of scholars concerning the effect of change of management on performance appear to be equivocal. While some scholars posit change of management has little or no significant effect on firm financial performance (Kor, 2020; Animah, 2018; Kato & Long, 2006), some other scholars suggest the change of management and firm performance link is significantly positive (Jepchumba & Wagude, 2021; Nduta & Deya, 2020; Okeke et al., 2019; Wandera et al., 2018). The context and methodology used mark this study out among the previous. Consistent with the perspective of the previous scholars, it is hypothesized in this study that: *change of management has no positive significant effect on performance of private firms in Plateau State ($H_0$1).*

Repositioning Strategy and Performance
Oduor et al. (2021) sought to establish the effect of a repositioning strategy on performance of large manufacturing firms based in Kenya that adopted a turnaround strategy. The study adopted descriptive survey design and sampled 107 large manufacturing firms registered with the Kenya Association of Manufacturers and clustered into eleven productive sectors. The study found that the repositioning strategy has moderate to very high effect on performance.

Nwikwa and Khamah (2020) sought to establish the effect of strategic repositioning on service delivery of Microfinance Institutions in Kenya. Linear Regression Model was employed in the analysis of the primary data elicited from the respondents. The outcome showed strategic repositioning had a positive and significant effect on service delivery at Rafiki Microfinance Bank in Kenya.

Isenan and Ogonu (2020) investigated the effect of repositioning strategy on business success of quoted food and beverages firms in Nigeria. The research used a sample of 14 listed food and beverages firms on the Nigerian Stock exchange. SPSS and LISREL software packages were used in processing the data. The findings suggested that repositioning strategy has a positive and significant effect on business success in firms experiencing declining market share.

Kinuthia and Maina (2019) analysed the effect of repositioning strategy on performance of New Kenya Cooperative Creameries Ltd. Data analysis was done using descriptive statistics while multiple regression was used to evaluate the effect of turnaround strategies on performance. The results showed that repositioning turnaround strategy has a positive and significant relationship on performance of the Dairy Companies in Kenya.

Munzy and Simba (2019) examined the influence of repositioning strategy on organizational performance in coast development authority, Kenya. Data analysis was carried out with the use of descriptive statistics while multiple regression analysis was employed to test the predetermined relationships. It was reported that there existed a positively significant influence of repositioning strategy on performance.

In conclusion, empirical literature suggests that scholars are unequivocal in their position that recovery strategy has a positive effect on firm turnaround performance. The contexts of their studies and the firms of analysis are at variance with this study. Considering the positions of previous scholars, it is hypothesized in this study that: *repositioning strategy has no significant positive effect on performance in private firms (H_o2).*

Theoretical Framework

The theories underpinning the study are the Stage Theory and Contingency Theory.

A Stage Theory. Stage theory is anchored on Kurt Lewin's three stage model of freezing of historical events, migrating to new transformational information, and refreezing by reinforcements and support for change (Nyagiloh & Kilika, 2019). According to Cheo (2012), the theory underscores that turnaround is not a single event but a process comprising a sequence of events that, when combined describe the occurrence of performance improvement over a particular time. The theory breaks down the actions that climax recovery or failure among firms faced with survival-threatening decline. Chowdhury (2002) posits that a stage theory perspective should be the basis for the process study of a turnaround since the approach can explain how and why a sequence of events takes place over time leading to a firm's survival or failure. Nyagiloh and Kilika (2019) also supports the view when they submitted that stage theory is appropriate in corporate turnaround investigations for two reasons. Firstly, it involves a number of dynamic changes in the firm requiring the combination of processes overtime. Secondly, turnaround situations are characterized by different sequences in implementation contingent upon firm's context. Following its wide acceptance, different stages have been conceptualized by scholars but a 2-stage (Robbins & Pearce, 1992) and 3-stage (Pearce, 2007) appear to be apt and widely favored.

Contingency Theory. Contingency theory was developed by Austrian psychologist Fred Fiedler in the 1960s. Contingency theory is one of the key theories applied in strategy and organizational studies and one of which is widely adopted in strategic management (Ukaidi, 2016), particularly in corporate turnaround investigations. In contrast to the classical universalistic management theory, which states there is always one best way of doing things, the contingency perspective of management holds there is no single set of rules of general application among firms. The equivocal position of scholars on the effects of certain turnaround strategies on performance or mixed results from several research on corporate turnaround were perhaps caused by these contingent factors. Hence the need for the application of contingency theory in turnaround research was recommended by Abdullah (2010). For example, Slatter (2006) argued that the development of recovery strategies should be linked with the particular cause of decline, if turnaround would be achieved. In line with the earlier position, Ndofor et al (2013) hold that strategic contingency theory suggests that context matters, and the appropriateness of turnaround strategies will depend on the origin of the decline and the severity of the firm's situation. Thus, contingency theory was highly favored in the scholarly examination of the effect of turnaround strategies on private firms' performance.

METHODOLOGY

The study adopted survey research design to analyze the effect of change of management and repositioning strategies on performance of private firms in Plateau State. 157 management staff in twenty-one (21) private limited liability companies registered in Plateau State participated in the survey. The period covered was between 2006 and 2019. To be a recruited, the firm must have experienced, at least, three consecutive years of declining performance, or two consecutive years of losses or 1 year of negative revenue (Guan & Xu, 2007; Francis & Desai, 2005). In addition, it must have attempted a turnaround whether successful or not. The companies were

identified through the mandatory annual audited accounts prepared by independent auditors that were filed for tax assessment purposes.

Census method (whole population study) was employed such that the management staff in each firm of analysis were surveyed. The target population was known, relatively small, and one could access the respondents to obtain responses. Additionally, population of study is clearly defined, documented, in specific location, and appropriate in size for statistical analysis. Management staff were used because they have hands-on information about the operations of the firms. Boyne et al. (2012) suggest that senior officials play a leading role in shaping strategies, affecting implementation, influencing performance, and making a difference to the outputs and achievements of the organizations. For investigations seeking content and process information, the upper echelons may be the only sources for some variables of interest (Cycyota & Harrison, 2006). The firms were drawn from different sectors to avoid sectoral bias (Sudarsanam & Lai, 2001; Wild, 2010) contingent on the need for a sample frame of private firms that would foster the generalization of the research outcomes.

A structured questionnaire was designed to elicit the primary data required for the investigation. Barker and Duhaime (1997) had reported unchallenged that changes in financial ratios may not represent the management actions that researchers attach to them but may result from qualitative decisions taken by the management that financial ratios cannot capture for disclosure in financial statements. Section 'A' contained the adapted TMS scale developed by Beeri (2009) and Wandera et al. (2018). A 5-point Likert extent scale ranging from 0 (No effect) to 4 (To a Very Large Extent) in designing the questionnaire administered. It covered the variables of change of management, and repositioning strategy in consonance with the research objectives and hypotheses formulated to guide the study. Furthermore, Section 'B' had demographic questions. The questionnaire was administered to the respondents by the researcher and research assistants through the contact in each firm of analysis to reduce the incidence of low return rate associated with questionnaire administration, particularly among the top management.

Change of Management (Ghawazi, 2018; Animah 2018; Chen & Hambrick, 2012) was assessed considering replacement of CEO and replacement of management staff. Repositioning strategy (Munzy & Simba, 2019; Sije, 2017; Schmitt & Raisch, 2013; Boyne & Meier, 2009) was analyzed focusing on new product(s), new market(s) new technology. The measure of performance was ROI (Wandera et al., 2018). The questionnaire was subjected to both expert-driven and respondent-driven pretests. The feedbacks were used to fine-tune some few essential words in the questionnaire. Subsequent to the pretest, test-run (a pilot test) of the entire research process in actual field conditions on a small scale within the target population was carried out. The 12 pretest and pilot test respondents were excluded from the actual survey in line with (Saunders et al., 2009).

The permission of the private firms was obtained through the head of Human Resource/Administration (contact). Scholars had sounded an alarm about the growing nonresponses in surveys (Luiten et al., 2020; Morton et al., 2012). To hedge noncontacts and refusals in the study, a contact was identified in each firm of analysis. The questionnaire was physically delivered to the contacts by the researcher or the research assistants. The copies of questionnaire delivered to the contacts was based on the size of each firm's management staff. Top management staff usually seldom have the time or feeling to bear their mind in a survey. Cycyota and Harrison (2006) reported declining mean response rates over the period of their study to yield an overall 32% rate. Aware of that, contacts were motivated because of the extra burden they had to bear in getting the officers to complete the questionnaire and retrieving them for pick up in record time.
The demographic data were processed using frequencies and percentages by employing IBM SPSS Statistics 26. Partial Least Squares regression analysis, with the aid of SmartPLS-SEM software, was used to assess the measurement model and structural model in the study. The size and non-normality of data made the choice of SmartPLS-SEM very suitable. A model was developed to show performance (PF) of the private firms is a function of change of management (CM) and repositioning strategy (RS).

$$PF = f(CM; RS) \quad \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots \quad (1)$$

Stated econometrically, the relationship is shown as:

$PF = \beta_0 + \beta_1 CM + \beta_2 RS + e$ ……... (2)

Where: β_0 is a constant;

β_1 and β_2 are the coefficients of the independent variables change of management, and repositioning strategy;

$_e$ is the error term which is assumed to be normally distributed with mean zero and constant variance.

RESULT AND DISCUSSIONS

145 copies of the questionnaire were administered after adjusting for the 12 pretest and pilot test respondents. 84 well completed and usable copies (indicating 57.9% response rate) were retrieved for processing and analysis. The response rate was quite satisfactory considering the declining response rates associated with management surveys.

Demographic Data

From the demographic analysis, the majority 36.9% were between 36 – 55 years. The data further revealed majority 56% had served for 6-10 years. Majority 59.5% of the respondents possessed HND or first Degree. These show the respondents had good educational background, working experience and sufficient knowledge of the firms required to complete the questionnaire without difficulty or bias. Nonresponse rate was also significantly reduced.

Descriptive Statistics

Table 1 shows data distribution, kurtosis and skewness. It provides a better appreciation of the distribution of data analyzed in the study.

Table 1. MV Descriptives

	Mean	Observed min	Observed max	Standard deviation	Excess kurtosis	skewness	Number of observations used
CM1	1.631	0.000	2.000	0.573	0.766	-1.307	84.000
CM4	1.524	0.000	2.000	0.698	-0.015	-1.155	84.000
CM5	1.512	0.000	2.000	0.715	-0.126	-1.135	84.000
CM6	1.417	0.000	2.000	0.743	-0.684	-0.859	84.000
PF1	3.500	1.000	4.000	0.932	5.984	-2.424	84.000
PF2	3.369	1.000	4.000	0.813	5.763	-2.000	84.000
PF3	3.333	1.000	4.000	0.891	5.284	-2.054	84.000
PF4	3.262	1.000	4.000	0.914	3.558	-1.787	84.000
PF5	3.250	1.000	4.000	0.950	4.529	-1.969	84.000
RS1	2.988	1.000	4.000	0.906	1.717	-1.149	84.000
RS2	2.940	1.000	4.000	1.138	0.702	-1.166	84.000
RS3	2.833	1.000	4.000	1.317	0.064	-1.087	84.000
RS4	2.750	1.000	4.000	1.090	0.084	-0.776	84.000
RS5	3.095	1.000	4.000	1.076	0.940	-1.244	84.000
RS6	3.190	1.000	4.000	1.052	1.448	-1.392	84.000

Output of SmartPLS-SEM

Collinearity/Variance Inflated Factor (VIF)

The collinearity/VIF of each item assessed through PLS Algorithm window is shown in Table 2. The values ranged between 1.150 and 2.492 indicating they fell within the acceptable threshold 10.0 thereby foreclosing the possibility of multi collinearity problem.

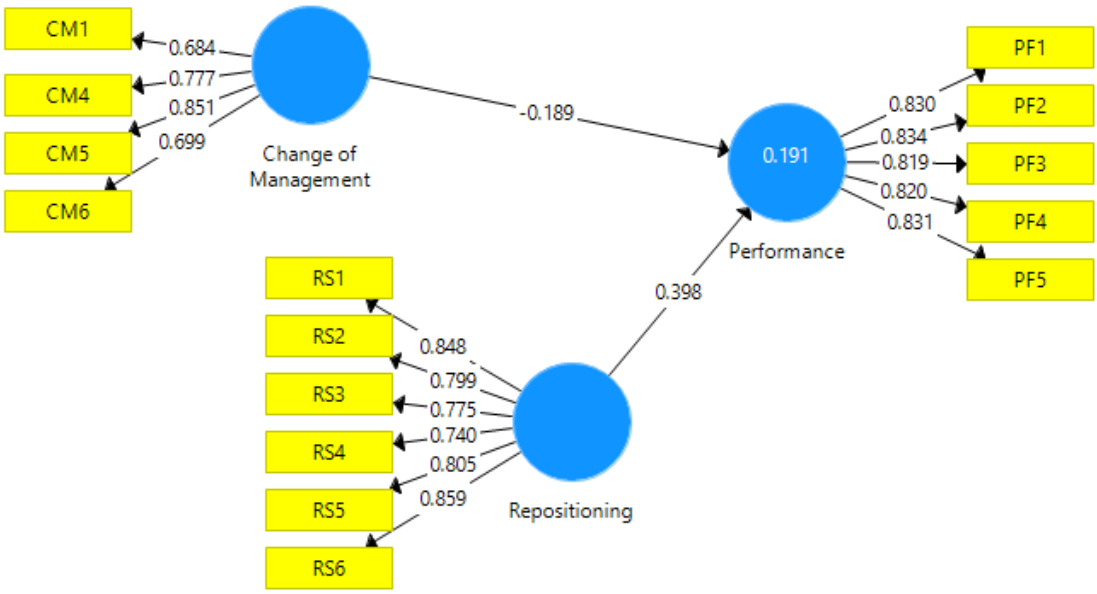
Table 2. Collinearity/Variance Inflated Factor (VIF)

	VIF
CM1	1.150
CM4	1.876
CM5	2.077
CM6	1.591
PF1	2.383
PF2	2.021
PF3	1.992
PF4	2.460
PF5	2.383
RS1	2.329
RS2	2.125
RS3	2.187
RS4	1.845
RS5	2.088
RS6	2.492

Output from SmartPLS-SEM

Assessment of the Measurement Model

To demonstrate that the measurement model met the minimum requirements reliability and discriminant validity of the study's items were evaluated. All the items used for this study were good indicators of the latent variables.



Output from SmartPLS-SEM

Reliability

To assess factor loadings, a minimum threshold of 0.708 significance (t-value >1.96 and p-value < 0.05) was adopted. The items in the analysis had loadings greater than 0.708 except two items CM1 (0.684) and CM6

(0.699). None of the items could be deleted because of the negative effect it would have on composite reliability (CR). Retaining the items resulted in CR (0.841) that was above the minimum threshold of 0.708. In the same vein, average variance extracted (AVE) in the study exceeded the minimum value of 0.50. Table 3 shows the analysis met reliability criteria.

Table 3. Test of reliability

Construct	Items	Loadings	CR	AVE	R^2	F^2
Change of Management	CM1	0.684	0.841	0.571		0.044
	CM4	0.777				
	CM5	0.851				
	CM6	0.699				
Performance	PF1	0.830	0.916	0.684	0.191	
	PF2	0.834				
	PF3	0.819				
	PF4	0.820				
	PF5	0.831				
Repositioning Strategy	RS1	0.848	0.917	0.649		0.196
	RS2	0.799				
	RS3	0.775				
	RS4	0.740				
	RS5	0.805				
	RS6	0.859				

Output from SmartPLS-SEM

Discriminant Validity

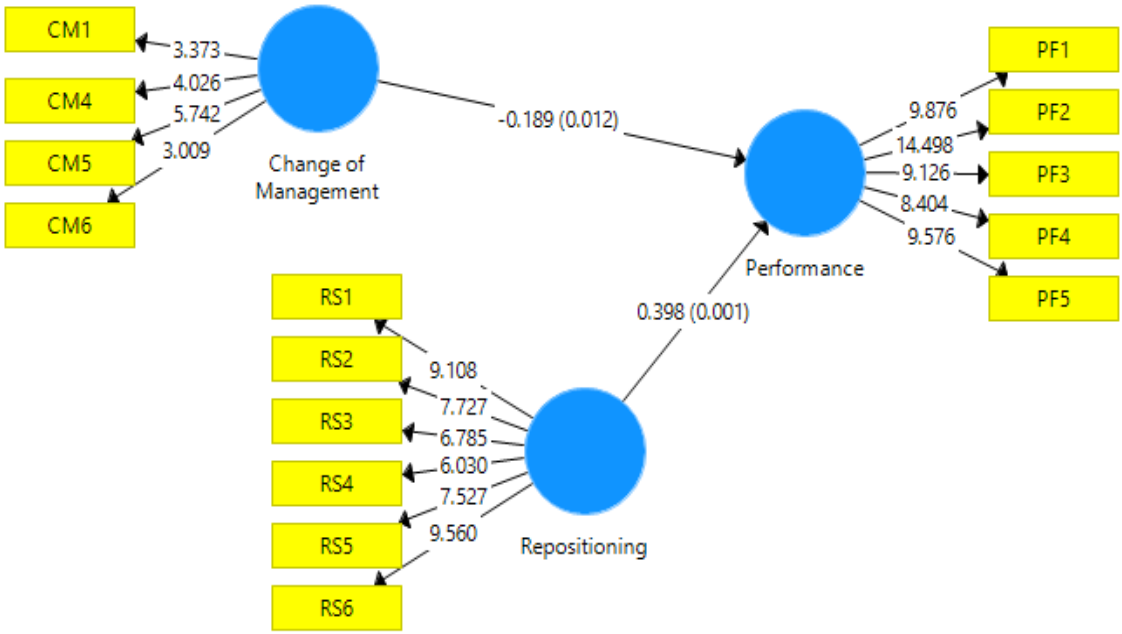
In PLS Algorithm window, the discriminant validity was assessed using the Heterotrait-monotrait ratio (HTMT) - Matrix, as demonstrated by Henseler et al. (2015), Additionally, the HTMT ratio of each construct is smaller than the 0.85 criterion (Hair et al., 2014; Henseler et al., 2015), indicating the items were significantly different from each other thereby confirming discriminant validity criterion.

Table 4. Heterotrait-monotriat ratio (HTMT) - Matrix

	Change of Management	Performance	Repositioning
Change of Management			
Performance	**0.194**		
Repositioning	0.143	**0.417**	

Output from SmartPLS-SEM

Assessment of the Structural Model



Output from SmartPLS-SEM

The structural model in the study was assessed using the Bootstrapping technique by applying the relevant parameters to determine the Path Coefficients (β values, T-statistics and P values)

Table 5. Path coefficients and hypothesis testing

	Path	β Value	T Statistics	P Value	Decision
$H_0$1	Change of Management - > Performance	-0.189	3.925	0.012	Not Supported
$H_0$2	Repositioning - > Performance	0.398	3.651	0.001	Not Supported

Output from SmartPLS-SEM

$H_0$1- Change of management has no significant effect on performance of private firms in Plateau State, Nigeria. Table 5 shows change of management has negative and significant effect on performance of private firms in Plateau State (β = -0.189, t = 3.925, p = 0.012). The null hypothesis is not supported and therefore, rejected. The outcome contrasts the position of prior scholars (e.g., Jepchumba & Wagunde, 2021; Okeke et al., 2019; Wandera et al., 2018) in their investigations of quoted companies and public enterprises. However, the outcome corroborates the reports of previous scholars (e.g., Kor, 2020; Animah, 2018; Kato & Long, 2006). O'Kane and Cunningham (2012) had reported that determination of the effect of change of management on performance was inconclusive and susceptible to firm characteristics. In reality, change of management would hardly result in turnaround success in a firm that failed to replace obsolete machines due to poor funding, characteristic of many private limited liability companies. Randa (2012) concluded the retention of obsolete technology and processes in the firm may cause loss of competitiveness and a decline in performance. The forced exit of good management team members may trigger staff attrition and other unintended labor issues that could worsen the decline condition of the firm. It is not surprising, therefore, that change of management had negative and significant effect on performance of private firms in Plateau State.

$H_0$2- Repositioning strategy has no significant effect on performance of private firms in Plateau State, Nigeria.

Table 5 indicates repositioning strategy has positive and significant effect on performance of private firms in Plateau State ($\beta = 0.398$, $t = 3.651$, $p = 0.001$). The result did not support the null hypothesis and therefore, rejected. The result is in consonance with the unequivocal findings of previous researchers (Oduor et al., 2021; Nwikwa & Khama, 2020; Isenan & Ogonu, 2020; Kinithia & Maina, 2019; Munzy & Simba, 2019; Sije, 2017), that repositioning strategy has significant effect on firm performance. Repositioning seeks to align the firm with changes in the external environment (Ukaidi, 2016). The strategy fits in with the recovery stage of a two-stage perspective in corporate turnaround, which holds that baseline strategies to stabilize the firm should precede the recovery strategies to restore profitability and competitiveness. Operationalization of the strategy in response to the disruptive change in the external environmental may require opening new market(s), launching of new product(s) and the introduction of new technology in the key segments of operation. Investing in technology is pivotal to lowering the total costs structure of a firm and may facilitate products differentiation that could boost sales turnover and profitability. Wandera et al. (2018) opined that despite the huge cost of best of date cutting edge technology, it results in long-term benefits that improve a firm's performance and competitiveness. The result clearly shows repositioning strategy has positive and significant effect on the performance of private firms in Plateau State.

CONCLUSION AND RECOMMENDATION

In line with the research objectives and findings, it could be concluded that: a). Change of management has negative and significant effect on performance of private firms in Plateau State. The implementation of change of management will be counterproductive. b). Repositioning strategy has positive and significant effect on performance of private firms in Plateau State.

Therefore, it is recommended that private firms faced with severe decline should implement repositioning strategy because it addresses the root causes of the severe decline that impelled the turnaround response in the quest to witnessing a new lease of life.

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