

FACTORS INFLUENCING INNOVATIVE TURNAROUND STRATEGIES IN THE GHANAIAN STATE-OWNED POWER UTILITY SECTOR.

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Abstract

The impact of electric utilities on the economic wellbeing of the citizenry of any country's economy cannot be under-estimated. It is therefore imperative that electric utilities deliver reliable power to the citizenry. The performance of the electric power utilities in Ghana, which are mostly state-owned, has been poor mainly due to some internal and external factors, leading to the continuous decline of these State-Owned Power Utilities (SOPU). This study sought to determine the internal and external factors that cause decline in SOPUS and the innovative turnaround strategies that are introduced to stem them. The moderating role of organizational culture on the effect of these factors on decline was also considered using the organizational ecology and structural inertia theories. A sequential explanatory mixed method research design was utilised, using a sample size of 400 employees for the quantitative phase and three top management executives for the qualitative phase. The study sought to add to the body of knowledge of understanding organizational decline using a two-stage Structural Equation Modelling (SEM) analysis in Amos 24, along with a moderation analysis, in order to test the hypotheses formulated. Overall, twelve (12) hypotheses were formulated, out of which three (3) were supported. The findings from the study showed that structural inertia and the changing operating environment in which a SOPU company operates have a positive impact on innovative turnaround strategy, while hierarchy organizational culture was found to strengthen the positive effect of the changing operational environment on innovative turnaround strategies.

Keywords: State-Owned Power Utilities, Decline, Innovative Turnaround, Organizational Culture, Market Dynamics, Industry Competition.