



Turnaround Management

Complete the gaps using words from the box.

root cause, revenues, governance, advantage, exit, distress, administration, issues, costs, resources

Strategic management and the strategic planning process tend to be used when a firm is operating normally, or is experiencing some minor 1._____. However, in times of significant corporate 2._____, managers have to take special steps to ensure that the firm survives. These situations generally involve a company being near bankruptcy, and possibly already in 3._____ or bankruptcy itself. As a part of the turnaround management process, special turnaround consultants can be brought in to help the company develop a plan to get out of its current trouble, and develop new competitive 4._____.

As part of the turnaround management process, the new management team needs to identify the 5._____ of the crisis. Generally, most crises are caused by falling 6._____ due to a shrinking market or weak economy or excessive 7._____ caused by over optimistic sales projections or the wrong strategic choices. However, companies can also find themselves in trouble if they lose control of key 8._____; suffer significant research and development failures; their market is taken over by a highly successful competitor; or they have inadequate financial and 9._____ controls. It is important to realise that more than one of these causes may be to blame in some cases.

However, it is possible that the transition team will judge that the firm's situation is too weak for it to continue at all. Then an 10._____ strategy will need to be developed.

Adapted from: <http://www.ukessays.com/mba/strategy/turnaround-management.php>



Answers

1. issues, 2. distress, 3. administration, 4. advantage, 5. root cause, 6. revenues, 7. costs, 8. resources,
9. governance, 10. exit

www.LinguisticAtelier.com