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**EFFECT OF COST REDUCTION TECHNIQUES ON PROFITABILITY  
 OF MANUFACTURING FIRMS IN NIGERIA**

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**ABSTRACT**

*The objective of this study is to examine the effect of cost reduction techniques on profitability of manufacturing firms in Nigeria. In this study, survey research design was employed. Furthermore, questionnaire was administered to solicit useful information from one hundred and twenty (120) respondents out of which only a hundred (100) of them could be retrieved. The retrieved copies of questionnaire were utilized for data analysis. Ordinary Least Square Regression Analyses which was employed for data analyses revealed that there is a significant relationship between cost reduction techniques and organizational profitability. The study concludes that the application of cost reduction techniques will improve organizational profitability. Based on this outcome, the study recommends that management should employ cost reduction technique so as to maximize its goal of higher productivity which will translate to more profit.*

**KEYWORD:** *Cost Reduction Techniques, Profitability and Manufacturing Firms*

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