

TUGAS 4 MANAJEMEN PROYEK	
HARI/TANGGAL	: KAMIS/31 JULI 2008
SIFAT	: TUGAS KELOMPOK
WAKTU PENGUMPULAN	: KAMIS/ 31 JULI 2008

Case 1 EASTERN ELECTRIC CORPORATION

Margaret Quinn, the president of Eastern Electric Corporation, one of the large electric utilities operating in eastern United States, had long been convinced that effective planning in the company was absolutely essential to success. For more than 10 years she had tried to get company planning program installed without seeing much result. Over this time she had consecutively appointment three vice president in charge of planning and, although each had seemed to work hard at the job, she noticed that individual department heads kept going their own ways. They made decisions on problems as they came up, and they prided themselves on doing an effective job of "fighting fire"

But the company seemed to be drifting, and individual decisions of department head did not always jibe with each other. The executive in charge of regulatory matters was always pressing state commissions to allow higher electric rates without having very much luck, since the commissions felt that costs, although rising, were not justified. The head of public relations was constantly appealing to the public to understand the problems of electric utilities, but electric users in the various communities felt that the utility was making enough money and that the company should solve its problems without raising rates. The vice president in charge of operations, pressed by many communities to expand electric lines, to put all lines underground to get rid of unsightly poles and lines, and to give customers better service, felt that costs were secondary to keeping customers off his back.

When a consultant called in at the request of Ms.Quinn looked over situation, he found that the company really was not planning very well. The vice president of planning and his staff were working hard making studies and forecasts and submitting them to the president. There they stopped, since all the department heads looked on them as impractical paperwork that had no importance for day to day operations.

1. If you were the consultant, what steps would you suggest to get the company to plan effectively?
2. What advice would you give the company as to how far in the future to plan?
3. How would you suggest to the president that your recommendations be put into effect?