

ABSTRACT

The policy of the executive management of EGCO about the diversification into a business unit of its' current MIS division has been investigated for possibility. It was found that though the MIS division of EGCO is a service unit, and has experience in servicing the information system in the energy related business, this unit is not ready for business competition without careful improvement in various dimensions. Yet when investigating its' current status strategically and operationally, more conditions granted by EGCO executive management will be needed to escort this division through the process of diversification into business. These will be such as the customers of the new MIS unit must be all companies in EGCO and its' related business old and new. In the first two years, EGCO must allow the MIS unit to exercise charging-out at all services, support funds by EGCO will be needed for the next 4 years.

The current MIS division is not ready to serve IS customers competitively in the normal market. Its MIS staff will need more experience and training and more staff should be recruited to serve the current customers which are EGCO through and itself subsidiary. Certain MIS services required by the customer are not possible this MIS unit alone, the policy to seek joint venture with other potential consultant companies must be done. Since the procedure to diversify this MIS division into business units will involve a lot of factors and activities, the conceptual plan of diversification should be developed. This project proposes such a plan and it is supposed to offer the readiness of MIS division to enter the competitive business within 5 years.