

Printed circuit board and acme

[Business](#), [Management](#)



Introduction Acme Electronics and Omega Electronics were spin off companies from the original Technological Products of Erie, Pennsylvania that was bought out by a Cleveland manufacturer. The two companies were in the business of manufacturing printed circuit boards. Acme Electronics retained its original management while Omega Electronics hired a new president but upgraded several people within the plant. Both companies being in the same line of business and geographically close to each other often competed for business.

In 1976, both companies were asked by a major photocopy manufacturer to produce 100 prototype memory units that would be used in a new experimental copier. The company with the winning bid would be awarded the contract to assemble these memory units. They had two weeks to come up with the prototypes. This paper examines the different goals pursued by Acme and Omega, their impact and strategies used to achieve the goals. It also looks at effectiveness of both methods used as well as the best results from the company that got the winning bid. Analysis

It is clear from the case that the two companies had different goals. Omega's goals seemed to be excellent internal processes and employee satisfaction whereas Acme's goals were profits that came from operations being run very efficiently. Top management in any organization usually sets the strategy and communicates it down to the line worker to ensure that the whole organization was working together to achieve common goals. This was no different at the two organizations above. Acme's president credited his organization's success and effectiveness to the high degree of efficiency they were able to achieve.

This was because employees had clear cut responsibilities and narrowly defined jobs that led to high performance. Omega's president on the other hand had great emphasis on employee relations. As soon as Acme got the blueprints, they divided the work among the different departments and each went off to work diligently but with no contact with other departments. This caused problems early on in the project as the different departments were acting like little organizational silos - not sharing information or challenges they were facing.

The end result was that Acme delivered the prototypes late and had a 10% defect rate but was within budget. Omega got the blueprints and immediately created cross-functional teams that worked together on the project. Even though they encountered similar problems as Acme, they were able to quickly resolve them and deliver the prototypes on time and with zero defects. At first it seemed like Omega would automatically win the bid but it turned out that Acme delivered at a lower cost and the contract was split between both firms with clear instructions to reduce final costs and maintain zero defects.

In the end, the final contract was awarded to Acme due to their extensive cost-cutting efforts that saw them realize a 20% reduction in unit cost. Their goals definitely helped them win the contract because as the president had stated; their structure was best suited for high volume manufacture of printed circuits and their subsequent assembly. This created great high performance resulting in great efficiency and profits. Although they had

problems in the initial stages, their president's constant interaction with the client helped them out.

He obviously handled the external relationship better. Summary In conclusion, both companies were effective in their own way. This is because they are pursuing different goals. Acme managed to stay highly efficient and win the contract whereas Omega maintained the high level of employee satisfaction. This however could cost them a lot of business in the long run. They should strike a balance between employee satisfaction and delivering on the bottom line.?