

Executive Summary

This management case study is based on the stakeholder perception management in managing the crisis in Samanalawewa Hydro Power Station of Ceylon Electricity Board. The crisis of water leak in right bank of the Samanalawewa reservoir happened in 1992 and the case study covers 20 years from there.

The power station started its commercial operations in 1992 after completion of its massive construction works under the Samanalawewa Hydroelectric Power Project. While trial impounding the reservoir, massive water leakage aroused at its right abutment of the dam. Although various remedial projects were done for arresting the leak, it exists with an average flow of 2.4 m³/s.

Due to the poor sustainability of the project and risk associate with massive water leakage to downstream civilians, politicians were afraid to have a ceremonial opening to power station until today. Mainly downstream people protested against the power station, highlighting the life threat to their lives and properties. Medial and local politicians use the situation for their individual agendas. All together it created a poor public perception about Samanalawewa Hydro Power Station. Perception on Samanalawewa even among the professionals in CEB was also poor since this experience is new to the CEB officials.

The staff of Samanalawewa Hydro Power Station took responsibility to operate the power station to cater the national demand. Together with staff Samanalawewa Hydro Electric Project, Chief Engineer of the power station took effort to change the perception of its stakeholders. This was guided and encouraged by the line management. Especially the downstream people were won by convincing them that the operation of the power station is safe. After continues and smooth plant operation make good perception on National System Control Centre of CEB.

This stakeholder perception management was achieved mainly by improving plant and equipment safety through, improving technology, occupational safety and productivity together with Corporate Social Responsibility projects. During their pathway to manage perception, they improved their methods/systems and achieved enormous number of awards in the fields of safety and productivity including ISO certifications (QMS - ISO 9001:2008 in 2003 and EMS - ISO 14001:2004 in 2006).

Case framework was established and data was collected through primary and secondary data. In addition to that nine in-depth interviews and two focus group discussions were done for the data collection from stakeholders. At the latter part of the report the case was narrated and at last discussion, findings and recommendations