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Waco Case

Waco Manufacturing installed a security and information system in one of its plants. This technology was designed to track the location of every employee throughout the day. Transceivers were placed every 25 feet and badges were worn that interacted with the transceivers. Area manager Monique Saltz informed plant engineering manager Monk Barber that she was unhappy a new composite-based product design was behind schedule. Barber said he repeatedly met with the three engineers assigned to the project: Sherman McCoy, Telly Frank, and Wanda Gogan. Barber said he repeatedly emphasized the importance of these new designs. Later, Saltz met with Gogan and he remarked that he had no idea that the project was so important and could not remember ever meeting with Barber about the project. When the employee locations records were checked it was discovered that Barber, McCoy, Frank and Gogan had never been in the same room at the same time. Did a meeting ever occur?

The main problem is that Waco Manufacturing is not using the location tracking technology and that there is a clear lack of communication between the parties involved. This is a cultural problem. "Culture... shapes the character of an organization" (Morgan, pg. 122). The lack of communication and utilization of new technology is a cultural problem. From the perspective of the Cost Benefit Arbitration, "we decide to do something because the benefits outweighs the cost" (Module 7: IT and People's Work Presentation). The benefits that the tracking system could provide are not being utilized. Another issue is whether Barber actually met with McCoy, Frank and Gogan. Barber claims he did, but Gogan's comment and the tracking technology indicate otherwise. Barber clearly did not emphasize the importance of this project. "A person's behavior is determined by its behavioral intention to perform it" (The Theory of Reasoned Action). Barber's behavior indicates he did not have the intention to follow the

instructions that Saltz gave. Barber was then, to use a colloquial term, “called out.” This denial of not following instructions is part of the psychic prison he lives in (Module Seven: IT and People’s Work Presentation). He claims the team met, but evidence point to the contrary. In regard to the tracking technology, it is very possible that all 4 of them did have one or multiple meetings, but that possibly one, two, or all four of them did not have their badges with them. There is room for doubt on both sides of the issue.

The new technology is automated. The user just has to take the time to use the new technology. Barber had been ignoring the new technology. It should be emphasized with new technology that the “system will make their work better (easier, faster, more interesting) (Technology Acceptance Model). She didn’t ask herself “What’s in it for me? (The benefit)” (Technology Acceptance Model). Barber could have been tracking how often the engineering team had been meeting and discovered this problem much sooner.

Saltz was assuming that her message of the importance of the new designs was being received by employees. Occam’s razor states that when presented with competing hypotheses about the same prediction, one should select the solution with the fewest assumptions, and that this is not meant to be a way of choosing between hypotheses that make different predictions, and that entities should not be multiplied beyond necessity, and that simpler explanations are generally better than more complex ones. Saltz made assumptions that the project team was working on the new design and that the team was having meetings. Saltz was also assuming that Barber was emphasizing the importance of the project. Occam’s razor says you should select the solution with the fewest assumptions. By using the tracking technology, Saltz could have thrown her assumptions away and known immediately when and if the team was meeting. Although the tracking system is not fool proof, an employee could not have a badge on his person, it is very strong evidence.

Waco Manufacturing's mission is to provide custom-machined parts to the Auto Industry.

Waco's Generic Strategy is the Focus Strategy. They concentrate on the part of the Auto parts market that needs custom parts.

Competitive Rivalry is high. The automobile market is huge and there are numerous suppliers.

Threat of new entrants is moderate. It takes a lot of capital to start a car parts manufacturing business. The demand for new parts will always be there though.

Threat of Substitutes is low. If your radiator breaks, you have to buy another radiator, you can't substitute that part.

Bargaining Power of Suppliers is moderate. Suppliers could raise metal prices needed to make car parts together, but this would likely result in legal action against the suppliers.

Bargaining Power of Customers is moderate. Custom parts are going to cost more than generic parts. However Waco isn't the only custom car parts company doing business.

The Stakeholder's in this case are Management and the Engineering employees. Management is the group of people that work with design teams to produce new products. Engineering employees design and test the new products.

First Alternative: Do Nothing. This would result in the under utilization the of new location tracking technology. This new technology is not being used or embraced effectively by employees. This option does not solve the problem. This would not solve the communication issues between management and employees, would not benefit either party, and also would not ensure that the tracking technology is being utilized.

Second Alternative: Accept and use the tracking technology on a daily basis. Saltz could have easily checked the tracking system to see if Barber was meeting with his team. By using this approach there are no assumptions being made, which fits with Occam's razor. The simplest solution often has the best results. Although employees probably wouldn't like the idea of knowing that they are being tracked on a daily basis, it will help Waco avoid the situation that has occurred. This benefits managers in that they can definitely know whether a team is meeting or not, and also benefits employees by ensuring that employees are doing what management asks of them.

Third Alternative: Focus on improving communication between employees and not embracing the tracking technology. Although an improvement in communication is clearly needed, that does not solve the problem of making too many assumptions. When verbal communication occurs there are all sorts of things that could go wrong. A person could forget the conversation, a person could misremember the conversation, and person could make a false claim about the conversation. Focusing on improving communication would help all parties involved, but it is not a guaranteed fix. This alternative would help managers and employees, but it is not a guaranteed way to avoid further communication issues in the future.

The best Alternative is the Second Alternative. By using the tracking system all assumptions about whether a team is meeting or not can be eliminated. This satisfies Occam's razor in that it is the simplest solution. This solution results in concrete data that definitively tells management if their instructions are being followed.

The First Alternative does not fix any of the underlying issues.

The Third Alternative would help to emphasize better communication between the parties involved but would not provide a simple solution that uses data to make sure management instructions are being followed.