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| WACO CASE |
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| November 4,2020  Samuel Akinfenwa  Dr. Barker  CIS 410 |

Introduction

Waco Manufacturing is a leading supplier of custom-machined parts to the automotive industry. In 1986, Waco installed a security and information system in one of its manufacturing plants. Waco installed transceivers in the plant corridors every 25 feet. The transmitter can both transmit and receive radio signals They also installed transceivers in the badges that their employees wore on their person. The system supported the nearly continuous tracking of each employee’s location.

The transceivers allowed Waco to know the location of all employees at any given time. This will allow management to track employees to see if they are working together. The area manager of the company, Monique Saltz, was unhappy that a design was behind schedule. Monk Barber, the plant engineer, explained that he had met with Sherman McCoy, Telly Frank, and Wanda Gogan, 3 engineers assigned to the project and that they had not responded to his attempts to impress upon them the importance of the project.

Saltz and Shelly Tomaso, the plant manager, reviewed the plant record of employee locations as recorded by the transceiver. The transceiver records showed that Barber, McCoy, Frank, and Gogan had never been in the same room at the same time. Saltz now had proof that Barber had lied. “Every action that brings a company closer to its goal is productive.” (*Goldratt*) This also applies

to the reverse and Barber’s actions were anything but productive.

Industry Competitive Analysis

Mission Statement

Waco Manufacturing’s mission was to be the leading supplier of custom-machined parts to the automotive industry

Generic Strategy

Waco Manufacturing’s generic strategy is differentiation because they focused on making

custom-machined parts based on the needs of the automotive industry’s needs. They focus on a

the narrow target market that requires custom machined parts.

Porter Five forces

Competitive Rivalry

The automotive industry is a broad market. Any company that produces the same things as them could easily compete with them. *high*

The threat of New Entrants

Significant capital would be needed to be able to produce custom-machined automobile parts to compete with Waco Manufacturing. The threat of new entrants is very high because technology is changing so much. *Medium*

Threat of Substitutes

Waco specializes in a particular service for its customers. They produce custom-machined parts for the automotive industry, it’s a differentiated product that has an increased value due to the custom nature of the products. *Low*

Bargaining power of customers

The customers could easily change their choice and go with a company that has their choice. *High*

Bargaining power of Suppliers

Waco uses raw material for its products so it could easily change its supplier. *Low*

Stakeholders

Managers

Monique Saltz and Monk Barber are the two managers involved in the incident. Their decision after reviewing the plant record would impact the policies on the location tracking system. Monk barber, the area manager, could have his position taking after his false response to the project.

Employees

The engineers involved in the uncompleted new set of designs for composite-based products. They felt Barber did not involve them in the project

Shareholders

Waco shareholders have the biggest stake in Waco's success. They also have a great deal of potential risk by using the tracking system

Customers

Waco provides customs -machine parts for its customers.

Decisions

Do nothing

If Waco decides to do nothing, the engineering team would not be punished for missing the deadline. Barber would also not be fired for lying about his actions. They still must worry that the tracking system may not be 100% accurate. Saltz would be perceived as too lenient if she doesn’t hold Barber accountable for running behind schedule.

This option will also make other managers unhappy with Saltz if the project is not completed by the due date and will therefore cost the company more money. The employees will also show a lack of respect for the security and information system. The transceiver system was would be viewed as useless by the employees.

Confront Barber or Fire Barber

Fire barber

The evidence shows that the barber has never been in the same room at the same time as the other manager since the beginning of 1987. So, firing him would be the simplest action for Tomaso and Saltz. “Occam’s Razor, put simply, states: “the simplest solution is almost always the best.” (Soegaard). Barber stated, “I have tried to impress upon them the importance of this set of designs”. The evidence showed otherwise. "The explanation requiring the fewest assumptions is most likely to be correct." (Gibbs) No explanation is needed for the barber’s firing. The evidence shows he never meet with the engineers and the engineers also agreed to have never met with Barber. The easiest decision to make without explanation would be to fire him.

I think firing Barber would be a harsh decision to consider but it shows the managers take the transceiver system seriously. Firing Barber could put a good amount of stress on Tomaso and Saltz to hire/promote someone to his position at a limited time due to the uncompleted project. The engineering team would not be punished for missing the deadline date for the project.

Confront Barber with information based on the plant record

Barber is a manager in the company, and it would be tough to replace him. Confront him about the incident and make him pay for his actions. Management would be happy with this option because although it would cost the company more money because they would have to find a new group to work on the project. Barber would not like this decision because he would be viewed by his peers as a liar. This option is a cost-effective one and it’s risky for the company. The company would expose the fact it’s could track its employees which could lead to some negative repercussions.

The employees should sign a privacy agreement

Other employees might view the tracking system as a breach of privacy. To avoid any negative repercussions. “Procedures are viewed as rational instruments intended to aid task performance” (Morgan). The management could make the employees sign a privacy agreement contract to agree to let the manager track their location with the plant record. This option would also allow Waco to have legal evidence of employee agreement to the policy on the chance that new legislation would require it.

Technology evolves around us. “Rapidly evolving information technologies are permeating our lives as employees and as private citizens.” (Cash) Waco’s transceiver devices are an example of technology that could impact our private lives. Waco must adapt the technology with its employees, so the employee could feel comfortable with it. I don’t think the employee would like to track without any agreement that states they are been tracked. The agreement between Waco and its employees would state Waco management can monitor its employee’s location on Waco’s property.

Recommendation

My recommendation for Waco Manufacturing would be to make an example out of Monk Barber to other managers and employees by firing him for lying to management about getting together with his team and for failing to complete an important project on time. "If you have two equally likely solutions to a problem, choose the simplest." (Gibbs) Based on Occam's Razor principle, the simplest decision would be to fire the barber. It’s a costly decision but it’s one they would shape the future of the company and its transceiver system.

Citations

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